



Mark Gordon  
Governor

# WYOMING Aeronautics Commission

DEPARTMENT OF TRANSPORTATION

Bruce McCormack, Chairman

(307) 777-4015



Darin J. Westby  
Interim Director

## MEETING MINUTES

### I. CALL TO ORDER

A meeting of the Wyoming Department of Transportation (WYDOT) Aeronautics Commission was held at the Fremont County Library in Lander on Thursday, May 18, 2023. Chairman Bruce McCormack presided, calling the meeting to order at 9:30 a.m.

### II. PLEDGE OF ALLEGIANCE

Chairman McCormack led the attendees in the Pledge of Allegiance.

### III. ROLL CALL

*The following commission members were present, constituting a quorum.*

Bruce McCormack, Chairman, District 4

Steve Maier, Commissioner, District 5

Dean McClain, Commissioner, District 1

Randy Harrop, Commissioner, District At-large

Bill DeVore, Commissioner, District 3

Darin Westby, WYDOT Interim Director, Ex-Office

*Vice Chairman Jerry Blann was absent. Commissioner Sigsbee Duck attended remotely until 10:00 a.m.*

*The following WYDOT staff and guests were present and participated in the business meeting.*

Brian Olsen, Aeronautics Administrator

MacKenzie Sewell, Assistant Attorney General

Mariah Johnson, Air Service Development Manager

Kimberly Chapman, Commission Secretary

Phillip Hearn, Engineering & Construction Manager

Kari Cooper, Executive Director, Jackson Hole Air Improvement Resources

Cheryl Bean, Planning & Programming Manager

Wendy Volk, President, Cheyenne Regional Air Focus Team

Sheri Taylor, Unmanned Aircraft Systems (UAS) Manager

Glenn Januska, Director, Casper/Natrona County International Airport

*Susan Elliott and Caitlin Casner assisted with virtual meeting management.*

### IV. AGENDA ADJUSTMENTS

There were no adjustments to the agenda.

### V. APPROVAL OF MINUTES

It was moved by Commissioner Maier, seconded by Commissioner DeVore, and unanimously carried to approve the minutes from the March 14, 2023, business meeting.

## VI. UPDATES/DISCUSSIONS

### A. CHAIRMAN'S UPDATE

Chairman McCormack presented the Chairman's Update.

He acknowledged his first meeting as chairman and pledged to uphold the high standard set by the former chairman, Sigsbee Duck. Chairman McCormack stated that he has a very transparent and inclusive leadership style.

Chairman McCormack shared that Vice Chairman Jerry Blann and his wife, Rebecca Ryan, were in an automobile accident earlier in the week, but thankfully received relatively minor, non-life-threatening injuries. He conveyed the commission's best wishes for a quick recovery to Vice Chairman Blann and his wife.

Chairman McCormack thanked the staff for their efforts in planning and organizing the airport tours. He shared that the commission enjoyed the tours as a great learning experience.

### B. DIRECTOR'S UPDATE

Interim Director Westby presented the Director's Update.

Interim Director Westby took the opportunity to introduce himself to the commission and share his thoughts on his role. The new interim director has lived in Wyoming for many years and received a degree in mechanical engineering from the University of Wyoming. He spent several years working for an architectural and engineering firm in Cheyenne, which provided him with a broad background in engineering. He holds a Civil Professional Engineering license and a certificate in public management.

Interim Director Westby then became a project engineer for the Wyoming Department of State Parks and Cultural Resources. After 15 years with the agency, he was appointed as the director by former Governor Matt Mead.

He reported that his leadership style is very inclusive and delegative, especially as he is still new to the agency and learning about its operations. The interim director shared that he believes in trusting and empowering others to do good work. He also believes in "family first" and hopes his managers and supervisors will prioritize healthy work-life balances as well.

The interim director conveyed that integrity is one of his key core values and fact-based decision making is a priority for him. He aims to build trust and credibility with the commissioners and staff.

As the interim director, his role is to lead and maintain the agency while the Governor and Transportation Commission take the necessary time to select a permanent director. He reported that the Transportation Commission will release a position announcement soon. Once the Transportation Commission selects candidates, the commission will conduct interviews and

submit three names to the Governor for final selection and appointment, as required by state statute.

He shared some initial observations about WYDOT after a month and a half as the interim director. He thinks the agency has strong guiding principles and an admirable mission. The agency is currently down about 400 employees, but he commended the remaining WYDOT team for working so hard and taking pride in their work.

**C. ADMINISTRATOR'S UPDATE**

Administrator Olsen presented the Administrator's Update.

Federal Updates

*Congressional Committees on Federal Aviation Administration (FAA) Reauthorization*

Mr. Olsen reported that the U.S. House Committee on Transportation and Infrastructure and the U.S. Senate Committee on Commerce, Science, and Transportation continue to work on reauthorization. No details have been released, but he has heard that there will be a section of the bill devoted to general aviation (GA).

He is hopeful that the congressional committees will make reforms to the non-primary entitlement funding program, which provides GA airports with \$150,000 per year. Many groups have advocated for this reform and made legislators aware of the program's shortcomings.

Mr. Olsen reported that the committees plan to increase funding for the Airport Improvement Program (AIP) from \$3.35 billion to \$4 billion.

Mr. Olsen anticipates learning more details soon as both committees want to mark up the reauthorization bill in June. The bill will then advance to the floor for discussion and debate in July.

Mr. Olsen noted that a lot of discussion persists around issues relevant to Wyoming airports during the reauthorization process. He believes rural states have been well represented in such discussions and issues like weather stations, small community air service, and non-primary entitlements are being considered.

*FAA Administrator*

Phil Washington, the Biden administration's nominee for FAA administrator, withdrew himself from consideration after the U.S. Senate Committee on Commerce, Science, and Transportation received unfavorable testimony during the confirmation hearing. There was concern about Mr. Washington's aviation experience and technical knowledge. President Biden has not named a new nominee.

Billy Nolan, the acting administrator, has announced his intention to retire this summer. This will leave the FAA without a strong leader during a critical time (FAA reauthorization).

*Per- and Polyfluoroalkyl Substances (PFAS) Update*

PFAS chemicals, also known as “forever chemicals,” are found in many products and are potentially carcinogenic. For this reason, they have been labeled a hazardous substance. Many states and the federal government have taken steps to ban or limit their use. This poses a problem for aviation, because PFAS are found in aircraft firefighting foam and currently no suitable substitute exists.

In January 2023, the U.S. Department of Defense released performance specifications for PFAS-free fire extinguishing agents. Five manufacturers submitted PFAS-free alternatives for testing and certification. Once the foams are certified, they will be commercially available.

Airports were required to use foams containing PFAS for many years but could potentially be liable for assisting with PFAS mitigation. In April, U.S. Senator Cynthia Lummis introduced legislation that would provide liability protection for airports. Mr. Olsen hopes this bill will move forward as it would be beneficial to Wyoming airports.

*UAS Detection and Mitigation Aviation Rulemaking Committee*

The FAA has announced the formation of the UAS Detection and Mitigation Aviation Rulemaking Committee. The committee’s purpose is to ensure that new UAS technologies are designed for safe integration into the national airspace. Mr. Olsen noted that the formation of this committee was included in the 2018 FAA Reauthorization.

*Mandatory Passenger Compensation*

On May 8<sup>th</sup>, the U.S. Department of Transportation proposed rules that would require airlines to compensate passengers for “controllable” delays and cancellations. Mr. Olsen did not have further information on the rules at this time, but will update the commission of any new developments.

State Legislative Updates

WYDOT will present to the Joint Transportation, Highways, and Military Affairs Committee on Friday, May 26, 2023. The meeting will take place in Douglas.

Following a question from Chairman McCormack, Mr. Olsen reported that the interim topics have been identified, but none are specific to aviation. Ms. Chapman will send out the JTC meeting agenda, which contains the interim topics, and the meeting link.

Division Update

The Wyoming Department of Administration and Information is working on the pay increases, which the legislature and Governor recently approved. The pay increases will go into effect on July 1, 2023. Mr. Olsen shared his appreciation for the Governor’s leadership on this issue and for the legislature’s support. He stated that it will be a useful tool in recruitment and retention.

**D. AIR SERVICE DEVELOPMENT PROGRAM UPDATE**

Ms. Johnson presented the Air Service Development Program Update.

## General Matters

### *April Traffic*

Ms. Johnson reported that April load factors dropped slightly from March, but most Wyoming markets were at or above the January and February totals. Gillette had a load factor of nearly 87 percent. Riverton, Rock Springs, and Sheridan all had load factors over 75 percent. The load factor for the Casper to Salt Lake City route was 62 percent, and Laramie was at 52 percent in April.

### *Future Bookings*

Ms. Johnson reported that month-to-date load factors for May are strong, with Gillette at 83 percent and Sheridan just below 77 percent. The current trend should continue through the rest of the month, and load factors for June and July are projected to be strong for all Wyoming markets.

### *General Industry News and Updates*

Ms. Johnson reported that the major U.S. airlines recently released their first quarter earnings reports. Overall, the airlines experienced a \$4.5 billion improvement in profitability from the first quarter of 2022. Capacity was up 15 percent from last year, and traffic improved by 23 percent, driving load factors up to 80 percent for the quarter. Unit revenue, or the average fare paid per mile, was up 23 percent.

Total seat miles in the first quarter of 2023 exceeded 2019 pre-pandemic levels for the first time even though total number of flights for the quarter were 10 percent below 2019. Average seats per flight rose from the first quarter 2019 average of 115 to 130 this quarter as regional jets decline and major airlines shift to larger, narrow-body aircraft. The average seat per flight totals have increased by 30 percent over the last decade.

The percent of U.S. commercial flights operated with aircraft containing 50 seats or less decreased significantly in the last decade—from 36 percent in 2013 to 11 percent in 2023. The economics of operating smaller aircraft and the pilot constraints continue to put pressure on regional airlines.

Mr. Olsen noted how significant this will be for Wyoming markets, which mostly rely on the regional airlines for commercial service. He reported that the division has made great progress in assisting airports with plans that prepare Wyoming airport terminals to receive larger aircraft.

## Standard Reports

### *Air Service Enhancement Program (ASEP) Budget Forecast Report*

Ms. Johnson reported two changes to the ASEP Budget Forecast Report. The division completed a closeout of forecasted projects with no applicants and completed projects.

### *Capacity Purchase Agreement (CPA) Budget Forecast Report*

Ms. Johnson reported that the CPA Budget Forecast Report has been updated to include the April amounts for each airport.

*Percent of Grant Projects by City Report*

Ms. Johnson reported no changes to the Percent of Grant Projects by City Report.

**E. ENGINEERING AND CONSTRUCTION PROGRAM UPDATE**

Mr. Hearn presented the Engineering and Construction Program Update.

General Matters

*Crack Seal and Seal Coat and Mark Updates*

Mr. Hearn reported that the crack seal project is progressing well and is currently about 50 percent complete. Bids for the seal coat and mark project will be brought before the commission for consideration and approval soon.

*Design Standards Inventory Update*

Mr. Hearn provided a brief description of the Design Standards Inventory. He explained that the FAA has a set of standards on airport design, engineering, and construction related to equipment, facilities, and structures. The purpose of the Design Standards Inventory project is to evaluate Wyoming airports against the FAA's standards to create a list of deviations. The list will be used for planning and funding projects. It will also help the division to identify where projects may be combined to cut costs or achieve economies of scale.

The division has contracted Ardurra to evaluate the airports. The contractor has completed surveys of 10 airports so far and is on track to complete the project on time.

*Cheyenne Runway Reconstruction*

Mr. Hearn reported that the project was a week ahead of schedule when he last received an update; however, there has been a significant amount of rainfall in Cheyenne during the past week that may have slowed progress. Weather delays were built into the construction schedule, so Mr. Hearn does not anticipate any significant delays due to the recent weather.

Following a question from Commissioner Harrop, Mr. Hearn said the project is scheduled to be completed and the airport reopened in early September.

Standard Reports

*Change Orders Report*

Mr. Hearn reported three new change orders.

*Statewide Line Items Report*

Mr. Hearn reported six new line items.

Mr. Olsen clarified for the benefit of new staff and commissioners that this report tracks funds that are granted to airports for certain programs and projects like marketing, aviation encouragement, and NAVAID maintenance.

Following a question from Commissioner DeVore, Mr. Hearn shared that marketing grants seem to follow a typical pattern. He expects more requests later in the summer to support campaigns in the winter and spring. Commissioner DeVore suggested the creation and use of a statewide marketing message that could be tailored to individual airports.

In response to a question from Interim Director Westby on the budget for marketing grants, Mr. Olsen shared that the division has statutory authority to use up to 5 percent of total AIP funding on marketing. Applicants must provide a 50 percent match to the grant and submit a marketing plan, which the division reviews. Mr. Olsen feels the grants are used appropriately and often.

In response to Commissioner DeVore's suggestion, Mr. Olsen shared that the division is planning a statewide marketing initiative, for which a professional marketing firm will be hired. Ms. Johnson will begin working on the project soon. Chairman McCormack stated that the current climate makes local marketing more critical than ever, and he requested more engagement on this topic.

Following a question from Commissioner McClain, Mr. Olsen stated that NAVAID maintenance is primarily used to maintain non-federally-owned automated weather observation systems (AWOS). A number of Wyoming airports own their AWOS and are responsible for \$6,000 to \$7,000 in annual maintenance costs. Every three years, the division bids a maintenance contract for all of the non-federally-owned AWOSs. Airports work with the winning bidder to complete individual contracts, but participation in this process allows airports to receive an 80 percent match from state funds for the project.

The automated surface observation systems (ASOS) are federally owned and maintained. The maintenance certification for federally-owned AWOSs and ASOSs was transferred to the FAA several years ago. Wyoming airports struggle getting the FAA to maintain and repair the systems.

Following a question from Commissioner DeVore on the mountain AWOSs, Mr. Olsen shared that Wyoming originally had five sites installed between 2005 and 2010. A few of the sites were located off the electrical grid creating issues with data transmission. All data from the weather stations are routed through an FAA database before being broadcast on the internet.

Power disruptions caused submission delays, which triggered the FAA to reject the station's submission. The division has looked into more efficient power systems, but it is too cost prohibitive. Two sites have been decommissioned because of insufficient power supply—Lava Mountain above Dubois and Powder River Pass above Ten Sleep. The Elk Mountain, South Pass, and Boysen sites are still operational.

While the majority of NAVAID maintenance funding is used for AWOSs, the division receives an occasional request for non-directional beacons, other ground-based navigational aids, and an instrument landing system in Gillette.

*Bid Summary Report*

Mr. Hearn reported 16 new bid results.

Mr. Hearn informed the commission that the division rejected several extremely high bids. There were two main reasons for the high bids. The first is that the Infrastructure Investment and Jobs Act (IIJA) funding has flooded the market with projects and led to a high demand for contractors. The second reason is the large number of projects has created a high demand for materials. For example, aggregate prices have increased exponentially in the Rocky Mountain region.

Chairman McCormack shared that the engineer's estimate can negatively affect perception of bid prices, because the estimates are out of date. Mr. Hearn concurred and referenced Lusk's bid proposal to acquire snow removal equipment. The engineer's estimate for the bid was based upon pre-COVID prices that did not account for inflation. Equipment scarcity has also affected bid prices. Commissioner DeVore expressed his hope that the division, and WYDOT, will rectify the issues with the engineer's estimates.

**F. PLANNING AND PROGRAMMING PROGRAM REPORT**

Ms. Bean presented the Planning and Programming Program Update.

General Matters

*Rates and Charges Survey*

Ms. Bean reported that the division has been working on a rates and charges survey, which will be sent to airports in Wyoming and neighboring states soon. Sheri Taylor is the project manager for the survey. Airports will be surveyed on a number of items including aircraft fuel charges and hangar lease rates.

Ms. Bean estimates project completion by November 2023. The last rates and charges survey was conducted in 2018, so airports and airport users will appreciate updated information.

*Professional Development*

Ms. Bean reported that A.J. Schutzman, a senior planner with the Planning and Programming Program, is currently attending a planning conference in Irvine, California, where he gave a presentation on Wyoming's approach to system planning. It was very well received. He shared with Ms. Bean that several conference attendees approached him after his presentation to ask questions and learn more about Wyoming's planning strategy.

*Wyoming Aviation Capital Improvement Program (WACIP) Annual Update Process*

Airports have been officially notified that the 2023 WACIP Annual Update Process has begun. While the division will not be offering WACIP workshops this year, airport sponsors have the opportunity to schedule individual, virtual meetings with the division and the FAA. Ms. Bean decided not to offer workshops since there were so few changes to the process.



*Staffing*

Ms. Bean recognized Tiffany Romero, the new grants and programming specialist. Ms. Romero has been with the division for a little over a month, and she was able to work with Cheryl Porter before her retirement. Chairman McCormack welcomed Ms. Romero to the division.

Ms. Bean announced that she will retire on August 1, 2023. Of her 37-year career with WYDOT, 18 years were spent in the Aeronautics Division. Among other pursuits, she plans to spend time working with the newly formed Wyoming Aviation Heritage League. The League's purpose is to promote and preserve Wyoming's aviation history.

Chairman McCormack recognized and thanked Ms. Bean for her years of service to WYDOT. He shared his congratulations and stated that she will be missed. Ms. Bean shared that she has enjoyed working with the commission and division staff.

Standard Reports

*Administrative Approvals Report*

Ms. Bean reported no administrative approvals for this period.

*Recovered State Funds Report*

Ms. Bean reported that six recoveries were made in March and April totaling \$209,339 in state funds and \$464 in federal funds. The total recovered funds for this fiscal year is \$216,197.

Following a question from Commissioner DeVore on the recovery totaling \$102,600, Mr. Hearn reported that the Laramie Regional Airport's backup generator project was initially planned as a federal project with a significantly higher match. When the airport discovered that it could be completed more cheaply as a state- and local-only project, the airport rejected the federal funds.

Chairman McCormack reminded the commission that each commissioner has access to the BlackCat Aviation Data Management System. Please contact Tiffany Romero for assistance.

**G. UNMANNED AIRCRAFT SYSTEMS PROGRAM UPDATE**

Ms. Taylor presented the Unmanned Aircraft Systems (UAS) Program Update.

General Matters

*Certificate of Authorization (COA) Update*

Ms. Taylor updated the commission on the COA application process. The FAA-issued certificate will allow WYDOT to train and certify UAS pilots and fly daily missions statewide without first obtaining FAA authorization. WYDOT is applying for a COA so that the Wyoming Highway Patrol (WHP) can apply for a Tactical Beyond Visual Line of Sight waiver, which would improve and enhance WHP's search-and-rescue efforts and surveillance operations.

The application has been completed and uploaded to the FAA system but not submitted. WYDOT is finishing the process to certify all of its UAS platforms, which is required for the

FAA to grant the certificate. Ms. Taylor hopes WYDOT will receive its COA in the next few months.

Following a question from Commissioner Harrop, Ms. Taylor reported that Patrol currently has 10 certified pilots and WYDOT Operations Division also has several. Pilots are located statewide, with the Patrol's pilots mainly in their accident reconstruction team.

#### *FAA Releases*

The FAA released two notices in early May regarding UAS and Advanced Air Mobility operations. The UAS Detection and Mitigation Systems Aviation Rulemaking Committee will begin work this month. The 58-member committee will release their recommendations in early 2024.

The second release provides information on the FAA's airspace blueprint for air taxis and Advanced Air Mobility operations. Ms. Taylor stated that the blueprint initially plans to direct these operations along helicopter routes, but includes plans for incorporating them into airports and other national airspace once the technology improves.

Interim Director Westby shared that he recently attended a drone demonstration at the Public Safety Communications Commission education session. He was impressed with the level of detail the drones are able to capture. Additionally, Interim Director Westby learned how Operations uses drones to survey stored materials during a presentation at WYDOT's Engineering and Operations Conference. He complimented Ms. Taylor and the UAS Committee for creatively integrating drones into WYDOT's operations to increase efficiency and improve safety.

## **VII. REGULAR BUSINESS**

### **A. FY 2023 WACIP BUDGET MODIFICATIONS**

Ms. Bean reported 19 modifications this period totaling a state fund reduction of \$740,924 and federal fund increase of \$4,080,724. The remaining balance is \$1,640,070 in state funds.

The target for the 2023 reserve balance is \$740,000. The current excess reserve results from lower-than-expected bid prices for the seal coat and mark project and to a few federal projects that were moved from 2023 to 2024.

Ms. Bean informed the commission that the line item for project number ACY001G was an adjustment to the funding—moving it from FY 2022 to FY 2023. There is a state match for the project even though it was not reflected on the report.

Action: It was recommended by Ms. Bean, moved by Commissioner Harrop, seconded by Commissioner Maier, and unanimously carried to approve the FY 2023 WACIP budget modifications as presented.

**B. FY 2024 WACIP BUDGET MODIFICATIONS**

Ms. Bean reported five modifications this period totaling an increase in state funds of \$38,283 and \$575,244 in federal funds. The remaining balance is \$565,366 in state funds. This is below the target reserve for 2024 (\$724,000), but the FY 2023 excess reserve will offset the deficit.

Action: It was recommended by Ms. Bean, moved by Commissioner DeVore, seconded by Commissioner Harrop, and unanimously carried to approve the FY 2024 WACIP budget modifications as presented.

**VIII. NEW BUSINESS**

**A. CONSIDERATION OF THE JACKSON HOLE AIR IMPROVEMENT RESOURCES ASEP APPLICATION**

Ms. Johnson reported that Jackson Hole Air Improvement Resources (JH AIR) is requesting a \$140,000 ASEP grant at a state match of 40 percent for continuing service to Dallas/Fort Worth International Airport on American Airlines. Staff regards this request as a good use of state funds to accomplish the intended benefits of ASEP.

Kari Cooper, executive director of JH AIR, presented information in support of the two applications. She reported that JH AIR is working with American Airlines to renew the Minimum Revenue Guarantee (MRG) for air service to Dallas/Fort Worth between December 15, 2023, and March 31, 2024. The American Airlines service anchors all other winter service, which in turn allows for spring and fall service on American. The airline has added additional flights between Dallas and Jackson to compliment the MRG.

Ms. Cooper also gave a brief presentation titled “JH AIR/JAC Airport: Winter 2022/23 Passenger Research and Economic Summary.” She reported that the airport experienced robust service during the winter with flights on four of the major carriers to 14 U.S. airports. A total of 261,895 seats were available, which represented a 1.2 percent increase year-over-year.

Ms. Cooper reported that over 200 businesses provide critical support for air service to Jackson. The business partners provide support for the remaining 60 percent of the balance for air service on American Airlines.

Four airlines offer year-round service to Jackson: United Airlines, Delta Airlines, American Airlines, and Alaska Airlines. Currently, United has the largest percentage of the market share into Jackson.

Total capacity in 2022 was down 31 percent, which was largely driven by the 11-week runway reconstruction project. Excluding the closure, capacity was down 12 percent, but passenger demand remained flat. This resulted in a nine percent improvement in load factors.

Jackson had a total of 174,347 passengers in winter 2022/23, which was a one percent decrease from winter 2021/22, however, it was the second highest year of total enplanements in 33 years. Winter 2022/23 enplanements were 15.7 percent higher than the last winter of the pre-COVID era (2018/19).

Ms. Cooper shared a map detailing the percentage (per state) of out-of-state visitors to Jackson. California contributed the largest share of visitors, but Jackson's visitor draw is widespread across the nation. International and U.S. overseas residents accounted for 5.3 percent of the winter 2022/23 visitors.

While visitation was slightly down for winter 2022/23, lodging prices rose slightly. The average nightly rate in Jackson was \$457. Self-reported daily spending rose by 4 percent from winter 2021/22 (from \$462 a day to \$480). There were fewer international visitors, who tend to stay longer and spend more, this winter, so aggregate spending and tax collections attributable to visitors fell by 7 percent. Visitors generated \$4,055,930 in Wyoming sales tax revenue during winter 2022/23.

Ms. Cooper invited the Aeronautics Commission to the Airline Rendezvous in Jackson on September 5<sup>th</sup> and 6<sup>th</sup>.

Action: It was recommended by Ms. Johnson, moved by Commissioner Maier, seconded by Commissioner Harrop, and unanimously carried to approve JH AIR's request for service on American Airlines to Dallas/Fort Worth International Airport at a state match of 40 percent not to exceed \$140,000.

**B. CONSIDERATION OF THE JACKSON HOLE AIR IMPROVEMENT RESOURCES ASEP SECOND APPLICATION**

Ms. Johnson reported that JH AIR is requesting a \$60,000 ASEP grant a state match of 40 percent to continue service to Atlanta Hartsfield/Jackson International Airport. Staff regards this project as a good use of state funds for accomplishing the intended benefits of ASEP.

Ms. Cooper shared that the service to Atlanta has been very successful. In addition to the winter service, JH AIR is negotiating a longer contract with Delta Airlines for nonstop summer service in 2024. Outside of this contract, JH AIR is also working to contract nonstop service to Minneapolis and Los Angeles.

Action: It was recommended by Ms. Johnson, moved by Commissioner DeVore, seconded by Commissioner Harrop, and unanimously carried to approve JH AIR's request for service on Delta Airlines to Atlanta, at a 40 percent state match, not to exceed \$60,000.

**C. CONSIDERATION OF THE CHEYENNE REGIONAL AIR FOCUS TEAM ASEP APPLICATION**

Ms. Johnson reported that the Cheyenne Regional Air Focus Team (CRAFT) is requesting a 60 percent state match, not to exceed \$1,350,000, from ASEP to continue service on United Express, operated by SkyWest, to Denver International Airport. This service would take place from early September 2023 to June 30, 2024, and would consist of two daily flights. CRAFT has secured additional funding, bringing the local match to more than 40 percent. The service meets all six of the statutorily intended ASEP benefits, and staff regards this as a good use of state funds.

Wendy Volk, president of CRAFT, spoke in support of the application. CRAFT was founded in 2017 to bring high quality, reliable, and competitively priced air service to Cheyenne and Laramie County. During the past five years, the Cheyenne airport has drawn over 99,000 passengers and received the FAA's "primary" classification for boarding more than 10,000 commercial airline passengers.

The next phase of the runway reconstruction project is currently underway. Commercial air service was paused in early April and will resume on September 10<sup>th</sup> with two daily flights on United Express to Denver International Airport.

CRAFT is actively involved in promoting the airport as part of the regional economic development efforts. Over the last 15 years, Cheyenne and Laramie County voters have passed four ballot initiatives to support air service. Ms. Volk reported that Cheyenne receives a \$7 return on every \$1 invested, and that air service generates \$6.98 million in economic activity.

Action: It was recommended by Ms. Johnson, moved by Commissioner Harrop, seconded by Commissioner Maier, and unanimously carried to approve CRAFT's request for service on United Express operated by SkyWest to Denver International Airport at a 60 percent state match, not to exceed \$1,350,000.

Following a question from Commissioner Maier, Ms. Volk shared that the airport's goal is to maintain two flights a day, which is the current schedule when the runway reopens in September. Mr. Olsen shared that SkyWest Airlines is able to offer an additional flight in Cheyenne because it is a short flight from Denver.

**D. CONSIDERATION OF THE FLY CASPER ALLIANCE ASEP APPLICATION**

Ms. Johnson reported that the Fly Casper Alliance is requesting a 40 percent state match, not to exceed \$320,000.00, from ASEP to continue service on Delta Connection, operated by SkyWest Airline, to Salt Lake City, Utah. This service would take place from July 1, 2023, to June 30, 2024, and would utilize a 76 seat CRJ-900. Staff regards this as a good use of state funds for accomplishing the intended benefits of ASEP.

Glenn Januska, airport director at Casper/Natrona County International Airport, shared that this application has been submitted by the Fly Casper Alliance, a new 501(c)(4) dedicated to enhancing regional air service. Natrona County will still be a funding partner, but the formation of the alliance will allow businesses and other groups to invest in the MRG.

Along with the new application sponsor, Mr. Januska reported that there is a change to the service. SkyWest Airlines, through Delta Connection, is currently offering service to Salt Lake City from Casper on a 50-passenger CRJ-200 aircraft. The new contract will cover service on either a CRJ-700 or CRJ-900, which will allow for about 26 more seats. While the block hour rate is higher for the larger aircraft, Mr. Januska estimates that the MRG will be less expensive because more seats can be sold.

A SkyWest sensitivity analysis for the service estimates 50 percent load factors for July, August, and September. Mr. Januska and his team calculated that the service will need load factors of 61 percent each month of the contract to break even. Based upon past performance, Mr. Januska is hopeful that the load factors will exceed the airlines' projections and result in a cheaper MRG requiring less ASEP funds.

Action: It was recommended by Ms. Johnson, moved by Commissioner DeVore, seconded by Commissioner Harrop, and unanimously carried to approve the Fly Casper Alliance request for service on Delta Connection operated by SkyWest to Salt Lake City at a 40 percent state match, not to exceed \$320,000.00.

Commissioner Maier expressed concerns supporting a service with projected load factors around 50 percent. Mr. Januska reiterated that the projections were SkyWest's, and he was confident that the service will outperform the projections. Chairman McCormack congratulated Mr. Januska on the formation of the Fly Casper Alliance.

#### **IX. EXECUTIVE SESSION**

There was no need for an executive session.

#### **X. ANNOUNCEMENTS/REMINDERS**

##### Commission Activities

Ms. Chapman announced that the commission's next business meeting will be June 20, 2023, via Zoom. The next in-person meeting will take place July 18 and 19, 2023, in Cheyenne.

Ms. Chapman reminded the commission that Airline Rendezvous will take place September 5<sup>th</sup> through the 7<sup>th</sup> in Jackson. Rendezvous events, including the Air Transportation Liaison Committee meeting, will be on Tuesday and Wednesday. The commission will hold its monthly business meeting on the morning of Thursday, September 7<sup>th</sup>. Commissioners need to confirm their attendance as soon as possible to ensure lodging.

Ms. Chapman also reminded commissioners to please use their state-provided Wyoboards email for all commission business. Please work with Ms. Chapman to regain access to expired accounts.

##### Commissioner Comments

Chairman McCormack and Commissioner DeVore welcomed Commissioner McClain to the commission and agreed that his experience and knowledge will be beneficial to the commission.

#### **XI. ADJOURNMENT**

It was moved by Commissioner McClain to adjourn and passed unanimously. Chairman McCormack adjourned the meeting at 11:56 a.m. on May 18, 2023.