



Mark Gordon
Governor

WYOMING Aeronautics Commission

DEPARTMENT OF TRANSPORTATION

Sigsbee Duck, Chairman

(307) 777-4015



K. Luke Reiner
Director

MEETING MINUTES

I. CALL TO ORDER

A meeting of the Wyoming Department of Transportation (WYDOT) Aeronautics Commission was held via videoconference on January 18, 2022. Chairman Sigsbee Duck presided, calling the meeting to order at 1:32 p.m.

II. PLEDGE OF ALLEGIANCE

Chairman Duck led the attendees in the Pledge of Allegiance.

III. ROLL CALL

The following commission members were present, constituting a quorum.

Anja Bendel, Commissioner, District 1

Steve Maier, Commissioner, District 5

Jerry Blann, Commissioner, District 2

Randy Harrop, Commissioner, District At-large

Bruce McCormack, Vice Chairman, District 4

Luke Reiner, Ex Officio, WYDOT Director

Commissioner Bill DeVore was absent.

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

Brian Olsen, Aeronautics Administrator

Sheri Taylor, Unmanned Aircraft Systems (UAS)
Manager

Phillip Hearn, Engineering & Construction
Manager

Mike Kahler, Senior Assistant Attorney General

Cheryl Bean, Planning & Programming Manager

Kimberly Chapman, Commission Secretary

Susan Elliott assisted with virtual meeting management.

IV. ADJUSTMENTS TO AGENDA

There were no adjustments to the agenda.

V. APPROVAL OF MINUTES

A. DRAFT MINUTES

It was moved by Commissioner Bendel, seconded by Commissioner Blann, and unanimously carried to approve the minutes from the December 16, 2021, business meeting and the December 15, 2021 workshop.

VI. CORRESPONDENCE

A. LETTER TO COMMISSION REGARDING FLIGHT CANCELLATIONS

The commission received a letter from Mr. Mark Hladik of Casper, regarding recent flight cancellations by SkyWest Airlines. Mr. Olsen recommended that WYDOT Public Affairs draft a response to Mr. Hladik on behalf of and to be approved by the commission. Those present agreed with this suggestion, so Mr. Olsen and Ms. Chapman will work with Public Affairs on a response that will be sent within the next few weeks.

VII. UPDATES/DISCUSSIONS

A. CHAIRMAN'S UPDATE

Chairman Duck presented the Chairman's Update.

Chairman Duck shared his appreciation for all the work that Administrator Olsen and division staff are doing in the absence of an Air Service Development Program manager.

B. DIRECTOR'S UPDATE

Director Reiner presented the Director's Update.

COVID-19 Update

The Omicron variant of COVID-19 has led to an increase of cases in WYDOT after numbers had leveled off over the summer and early fall. As the increase affects operations and exacerbates the ongoing staff shortage, the agency will negotiate any challenges that arise.

Bipartisan Infrastructure Law (BIL)

During a recent trip to Washington D.C. for a meeting of the Transportation Research Board, Director Reiner had a chance to speak with former New Orleans Mayor Mitch Landrieu, who has been selected by President Biden to oversee the implementation of the BIL. Through discussions with Mayor Landrieu and other state transportation directors, the director had a chance to learn more about the administration's priorities – economy, jobs, climate change, and equity – for dispersing the funds from the BIL. The round table agreed that timely information, less regulation, and generous time allowances to access funds would lead to successful implementation.

State

Joint Appropriations Committee (JAC)

Director Reiner participated in the JAC's budget meeting yesterday and fielded questions as the committee completed the markup process. The JAC accepted WYDOT's proposed budget, as recommended by the governor, in full and without modifications. Changes can be made later, as the budget continues through the legislative process.

Legislative Session

The 2022 Budget Session of the Wyoming Legislature will begin on Monday, February 14, and last for 20 days. WYDOT will be closely monitoring two revenue bills: a bill increasing fuel taxes and a bill revising severance tax distributions.

Compensation

Director Reiner shared that his key talking point on compensation is that the current compensation package is inhibiting the agency's ability to recruit and retain talented employees. The governor's proposed increase in state wages will help ameliorate the situation. The director sees this as phase one of future efforts to increase wages and improve employee compensation issues.

C. ADMINISTRATOR'S UPDATE

Administrator Olsen presented the Administrator's Update.

Federal Updates

Mr. Olsen spoke with John Bauer, manager of the Federal Aviation Administration's Denver Airports District Office, last week about the FAA's plan to invest \$25 billion into aviation infrastructure. The funds for the aviation portion of BIL have already been appropriated, so states only have to wait on the FAA's implementation plan. Mr. Bauer is on the national taskforce to institute plans for spending, so he will be a great resource for any questions WYDOT or the commission may have.

Division staff have attempted to set aside enough funds in the WACIP over the next five years to match the formula funds, but unless the state's revenue picture changes it would be difficult to provide a match for a large project. WYDOT will continue to look for ways to generate these funds.

5G C-band Issue

The FAA and telecommunication companies are currently working together to address an issue with 5G networks impacting certain aircraft. The 5G networks were supposed to be launched on January 5th, but this was postponed by two weeks because the spectrum used by the 5G C-band network could interfere with aircraft radio altimeters. Until the FAA is satisfied that radio altimeters are not going to be impacted, the agency has issued advisories and safety directives to aircraft operators warning about the potential risks.

Yesterday, the major airlines sent a letter to the United States Department of Transportation and the Federal Communications Commission warning of significant operational disruptions at major hubs if this issue is not resolved. Mr. Olsen has heard that AT&T and Verizon have agreed to delay turning on about 10 percent of the towers on January 19th as originally planned. There may still be some disruptions but it is to be hoped that it will not have a major negative impact on air commerce.

Joint Minerals Committee

Mr. Olsen provided an air service update to the Joint Minerals Committee on January 13, 2022. He fielded some good questions from the legislators and felt that it was generally a successful update.

Division Update

Mr. Olsen met with the Human Resources Division last week to review the classification for the Air Service Development Program manager position. Once he has the appropriate classification, Mr. Olsen will advertise the position. The job announcement will be open for a month before final candidates are selected for an interview.

D. AIR SERVICE DEVELOPMENT PROGRAM UPDATE

Mr. Olsen presented the Air Service Development Program Update.

General Matters

National Trends and Industry News

Over 25,000 flights have been cancelled since Christmas due to staffing/pilot shortages and COVID-19 cases. Mr. Olsen expects these factors to continue to disrupt air service across the country for a long time to come. Some of these cancellations affected certain destinations/routes, releasing pilots to fly other routes.

Wyoming seat capacity in October through December was up eight percent over 2019. Most of the increased capacity comes from Jackson, but Cheyenne and Sheridan also saw increases during this period.

Most airlines continue to report profit losses. The rebound in traffic over the summer certainly helped the airlines, but it stalled in the fall and has continued to decline. Business travel still lags far below pre-pandemic levels.

CPA Renegotiations

Mr. Olsen reported that work has begun on the contract renegotiations for the CPA. Doug Blissit, the division's consultant from Mead & Hunt, is assisting him with the contract, especially with fine-tuning certain details in the contract. SkyWest will soon submit a block hour proposal and Mr. Olsen believes that with increasing costs the airline's block hour rate will increase as well.

Standard Reports

Air Service Enhancement Program (ASEP) Budget Forecast Report

Mr. Olsen reported no changes to the ASEP Budget Forecast Report.

CPA Budget Forecast Report

There are presently no changes to the CPA Budget Forecast Report, but Mr. Olsen reported that next month's report will be updated to show numbers from the fourth quarter of 2021.

The division received about \$2 million in recovered Coronavirus Aid, Relief, and Economic Security Act funds from the Governor's office that will be credited to the CPA for calendar year 2021.

Percent of Grant Projects by City Report

Mr. Olsen reported no changes to the Percent of Grant Projects by City Report.

E. ENGINEERING & CONSTRUCTION PROGRAM UPDATE

Mr. Hearn presented the Engineering and Construction Program Update.

General Matters

Crack Seal Bids Open January 13, 2022

Mr. Hearn reported that bid prices, especially for highway construction, have been extremely variable and have often exceeded the engineer's estimates of late. This will more than likely be the case this spring when the Aeronautics division receives bids for its projects. Fortunately, the crack seal bids that opened last week were very favorable, all coming in under the engineer's estimate. These bids will come before the commission at the February meeting.

Standard Reports

Change Orders Report

Mr. Hearn reported four new change orders.

Statewide Line Items Report

Mr. Hearn reported three new line items.

Bid Summary Report

Mr. Hearn reported no new bid results.

F. PLANNING & PROGRAMMING PROGRAM REPORT

Ms. Bean presented the Planning and Programming Program Update

General Matters

Wyoming Aviation Capital Improvement Program (WACIP) Update

Ms. Bean outlined the next steps in the WACIP process for the commission. The FY2023 WACIP Budget and FY 2024-27 WACIP Plan will be presented to the commission for approval later in the meeting. Upon approval, staff will notify the airport sponsors that a 30-day comment period is open and comments may be submitted through the BlackCat Aviation Data Management System. At the end of the 30 days, division staff will address any comments as necessary through BlackCat.

A sponsor comment report will be provided to the commission at the March meeting detailing sponsor comments and division responses. Airport sponsors will be given an opportunity to address the commission at that time. The FY2023 Budget and FY 2024-27 Plan will be brought before the commission for final approval at the April meeting.

Projects Funded by BIL

Funding for airport projects will be provided for fiscal years 2022 through 2026. FY2022 projects will be handled through the regular monthly WACIP budget modifications process. Projects will

be evaluated through the Priority Rating Model and programmed as necessary with the appropriate matching state funds as they are available.

FY2023 projects may either be addressed through the WACIP comment period or through the modification process once the budget has been approved in April. Projects for funding in fiscal years 2024 through 2026 will be integrated into the WACIP during the regular WACIP update cycle.

Standard Reports

Administrative Approvals Report

Ms. Bean reported that there were no new administrative approvals this period.

Recovered State Funds Report

Ms. Bean reported no recovered funds for this period. The total for FY2022 remains at \$2,500.

G. UAS PROGRAM UPDATE

Ms. Taylor presented the UAS Program Update.

General Matters

Upcoming Events

Ms. Taylor reported that she will attend the joint meeting between WYDOT and the Associated General Contractors (AGC) of Wyoming to present on the state of UAS, both nationwide and at WYDOT. This outreach program will increase understanding of how drones can be used in everyday operations.

Training for the Part 107 pilot's license certification and WYDOT's Standard Operating Procedures, which were originally scheduled for next week, will be postponed until February or March. Ms. Taylor is hoping to schedule the training to coincide with both a consultant visit and an Aeronautics Commission meeting. She will update the commission when training is set.

VIII. REGULAR BUSINESS

A. FY22 WACIP BUDGET MODIFICATIONS

Ms. Bean reported that the FY2022 WACIP Budget Modifications consist of 6 changes, resulting in an increase of \$82,328 in state funds, and \$2,200,030 in federal funds, allocated to projects. The total remaining balance for FY2022 is \$1,230,912 in state funds.

The reserve amount accounts for \$400,000 for high bids and emergency projects, with \$500,000 for match of some of the anticipated funding from BIL (Bipartisan Infrastructure Law). The additional \$230,000 is funding moved from the Group Maintenance Program to State Transportation, and will be used as needed.

Action: It was recommended by Ms. Bean, moved by Commissioner McCormack, seconded by Commissioner Blann, and unanimously carried to approve the FY22 WACIP Budget Modifications as presented.

B. CONSIDERATION OF THE PROPOSED FY2023 WACIP BUDGET

Ms. Bean reported that the Proposed FY2023 WACIP Budget includes some changes, resulting from incorporation of the requested changes from the airport sponsors through the Annual WACIP Update process. FY2023 is presented as a “Proposed Budget,” and will remain in proposed status until Commission final approval in April.

Action: It was recommended by Ms. Bean, moved by Commissioner Harrop, seconded by Commissioner Blann, and unanimously carried to approve the proposed FY2023 WACIP Budget as presented.

C. CONSIDERATION OF THE PROPOSED FY2024-27 WACIP PLAN

Ms. Bean reported that the remaining years of the WACIP have been revised to incorporate the highest priority requested projects and to match federal funds. The reserve fund target is \$900,000 each year FY2024 through FY2026, with FY2027 dropping back down to the regular reserve target of \$400,000.

Action: It was recommended by Ms. Bean, moved by Commissioner McCormack, seconded by Commissioner Harrop, and unanimously carried to approve the proposed FY2024-27 WACIP Plan as presented.

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 would be held in Cheyenne on February 23-24, 2022. The commission will participate in a priority-setting session on the afternoon of Wednesday the 23rd before holding their regular business meeting at 8:30 a.m. on Thursday the 24th.

XI. ADJOURNMENT

It was moved by Commissioner Harrop to adjourn. Chairman Duck adjourned the meeting at 2:15 p.m. on January 18, 2022.