

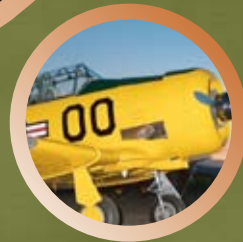
DILLON AIRPORT – DILLON

QUALITATIVE BENEFITS

In addition to the economic benefits described above, Dillon Airport provides access and services that promote the well being of the local community. The airport is frequently used for recreational flying and corporate aviation activity. Dillon Airport also hosts the annual Dillon Aviation Day Fly-In, which includes breakfast and lunch provided by the Dillon Kiwanis Club. The event includes static displays of helicopters, life flight, and search and rescue aircraft. Young Eagle rides for children ages 8 to 17 are also provided during the event. Other aviation activities that occur on an as needed basis include forest and rangeland firefighting, emergency medical evacuation, medical shipments and patient transfer, law enforcement, and search and rescue operations.

FAA data indicates the following businesses and government agencies utilized the airport during the past year:

- Alten Consulting
- Butte Irrigation Inc.
- California Artichoke & Vegetable Growers Inc.
- Cirrus Design Corp.
- Cox Enterprises Inc.
- Flat Creek Development Co.
- Franklin Templeton Travel Inc.
- General Parts Inc.
- Health Systems Inc.
- Ingram Industries Inc.
- Montana Department of Highways
- Montana Livestock Ag Credit Inc.
- Mor-Berg Inc.
- Native American Air Service Inc.
- New Force Energy Services Inc.
- Newcastle Corp.
- Red River Partners
- Social Learning Environments Inc.
- State of Montana
- Stuart Family Land & Cattle Inc.
- Wal-Mart Stores Inc.
- Western Oilfields Supply Co.



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DILLON AIRPORT DILLON



MONTANA
ECONOMIC IMPACT OF AIRPORTS STUDY

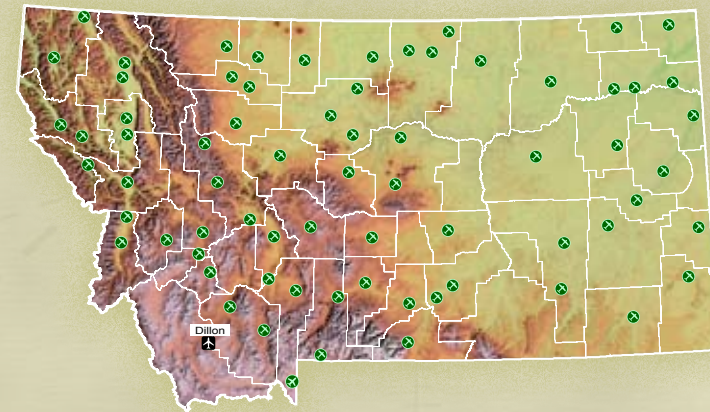
DILLON AIRPORT – DILLON

AIRPORT LOCATION

Dillon Airport is located four miles northeast of Dillon, Montana, in Beaverhead County. Dillon is surrounded by mountain ranges and in proximity of national and state parks, including Yellowstone National Park, Beaverhead-Deerlodge National Forest, Crystal Park, Clark's Lookout State Park, and Beaverhead Rocks State Park, which offer spectacular scenery and outstanding recreational opportunities for outdoor enthusiasts. Dillon's formative years as a gold mining town can be explored at Bannack State Park and Beaverhead County Museum. A Historical Walking Tour also showcases the architecture of Dillon's homes and public buildings from the gold rush era. Dillon is the county seat of Beaverhead County.

Dillon has a population of approximately 4,060. Major employers in the area include Great Harvest Bread Franchising, R E Miller & Son, Rocky Mountain Supply, Southwestern Montana Family YMCA, State Bank & Trust Co., Tyler & Hoerning Motors, Parkview Acres Care & Rehabilitation Center, Safeway, Barrett Hospital & Healthcare, and Barretts Minerals Inc..

The 202-acre airport's primary runway, Runway 16/34, measures 6,500 feet in length and 75 feet in width. A second runway, Runway 3/21, measures 3,600 feet in length and 60 feet in width. The airport, with 22 based aircraft, experiences approximately 10,500 aircraft operations annually.



STATEWIDE RESULTS

Economic benefits in the Montana Economic Impact of Airports Study are expressed in terms of jobs, payroll, and annual economic activity or output.

Jobs/Employment

An estimated 18,800 jobs in Montana are in some way supported by the commercial and general aviation airports. These are jobs that are associated with on-airport businesses, tenants, and other activities that are located on commercial or general aviation airports in the State. In addition, spending by visitors arriving in Montana by air helps to support other jobs. When airport improvements are made, additional jobs are supported by the airports over the duration of these projects.

Payroll/Earnings

The 18,800 jobs in Montana that are linked to the commercial and general aviation airports account for over \$600 million in annual payroll. Airport related payroll is a key component of the economic benefit cycle that starts at the airport. It was this economic cycle that was measured by this study's induced benefits. When those employed by on-airport businesses use their paycheck to

purchase groceries, new clothes, or household items, their spending helps to support other jobs in the community and the payroll associated with these jobs. The initial benefits that start at the airports continue to multiply once they enter the State's economy.

Annual Economic Activity/Output

To operate Montana's airports, businesses located on the airports and businesses that support visitors who arrive in Montana via the airports all require the purchase of goods and services. These expenditures are most often in addition to those benefits identified in the payroll and earnings category. Benefits in this category are expressed in this study as total annual economic activity or output. Annual economic output related to the airports is typically assumed to be the sum of annual gross sales and average annual capital expenditures, including capital improvement projects.

JOBS..... 18,800

PAYROLL.....\$600 MILLION

OUTPUT.....\$1.56 BILLION

MONTANA ECONOMIC IMPACT OF AIRPORTS STUDY

ECONOMIC IMPACT ANALYSIS

Economic impacts at an airport are measured through employment, payroll, and output (spending). On-airport business and government activities (direct impacts) account for a significant portion of an airport's first round economic benefits. Additional first round benefits are also linked to visitors who arrive via the State's system of airports (indirect impacts). Spending by these visitors supports additional employment and associated annual payroll. These first round impacts create additional spin-off benefits that ripple through the economy. These second-round or induced benefits were measured with Montana-specific IMPLAN multipliers. When combined, first round and second-round benefits equal the total economic impact associated with each airport.

First-Round Impact

In 2008, there were four aviation-related tenants on the airport, including airport management, who supported over 13 employees. These tenants' direct or first-round employment, payroll, and output impacts were derived from survey data. Direct output from all on-airport aviation-related tenants is estimated at \$1.8 million annually. The estimated direct annual payroll of these tenants is \$483,100. Operational data indicated that approximately 5,218 visitors used the airport. Visitor-related spending supported an additional nine full-time jobs for employees earning over \$175,500 annually. Indirect output from general aviation visitors is estimated at \$469,700.

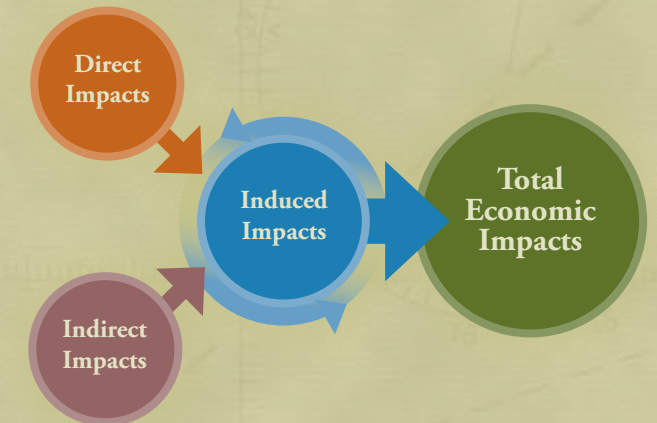
Second-Round Impact

The first round impacts associated with on-airport tenants and general aviation visitors also create second-round impacts throughout the State. Second-round impacts are induced impacts calculated using the Montana specific IMPLAN multipliers. The accompanying table presents the 2008 first round, second-round, and total impacts for output, payroll, and employment as they relate to on-airport tenants and general aviation visitors.

Total Impact

For 2008, the total output (including first round and second-round impacts) stemming from all on-airport tenants and general aviation visitors to Beaverhead County Airport was approximately \$3.7 million. Total full-time employment related to airport tenants and general aviation visitors, including all second-round impacts, is estimated at approximately 37 persons, with a total annual payroll (first round and second-round) of approximately \$1.1 million associated with these jobs.

METHODOLOGY



AIRPORT SUMMARY TABLE

FIRST-ROUND ECONOMIC IMPACTS

On-Airport	Visitor Spending
<ul style="list-style-type: none"> • FAA, Other Government • Airport Management • Aircraft maintenance • Vendors • Retail & Restaurant • Car Rental • Parking • Other Ground Transportation • Fixed Based Operators 	<ul style="list-style-type: none"> • Hotels • Retail & Restaurants • Travel Agents • Convention Centers • Tourist Destinations
<p>13.0 Jobs \$483,100 in Payroll \$1,768,500 in Economic Output</p>	<p>9.0 Jobs \$175,500 in Payroll \$469,700 in Economic Output</p>

SECOND-ROUND ECONOMIC IMPACTS

<ul style="list-style-type: none"> • Suppliers of Materials & Services to Airports • Air Dependent Businesses • Visitor Dependent Businesses • Consumer Product and Service Sales
<p>15.0 Jobs \$457,600 in Payroll \$1,437,600 in Economic Output</p>

TOTAL ECONOMIC IMPACTS

<p>37.0 Jobs \$1,116,200 in Wages \$3,675,800 in Economic Activity</p>
