

# BAKER MUNICIPAL AIRPORT – BAKER

## QUALITATIVE BENEFITS

In addition to the economic benefits described above, Baker Municipal Airport provides several services to the local community. The airport's primary functions are to link the remote community to larger cities in the region, and to accommodate extensive corporate aviation activity related to the area's petroleum industry. Aviation activities that take place on a regular basis include corporate aviation, recreational flying, aerial oil and gas field inspections, agricultural spraying, and environmental patrols. Baker Air Service is a full service FBO at the airport and specializes in rebuilding Piper Super Cub aircraft and installing Wipline Floats.



Fallon Medical Complex in Baker also utilizes the airport frequently. A survey of 35 hospitals in Montana gathered data to obtain information relating to how often hospitals use airports in Montana to bring in specialists from out of the area, as well as how often airports are used for patient transfer. Survey data indicated Fallon Medical Complex uses Baker Municipal once per month on average to bring doctors and specialists to the hospital to conduct clinics. These doctors fly in primarily from Billings. The hospital also uses the airport 20 times per year on average for emergency patient transfer via air ambulance.



Other aviation activities that occur on an as needed basis at Baker Municipal include air cargo, rangeland firefighting, medical shipments, aerial photography, and search and rescue operations. The airport frequently accommodates visitors to local wildlife attractions, and also hosts an annual air show.



Airport management indicates extensive use of the airport by petroleum companies such as Continental Resources, True Drilling, Encore (EAP) Operating, Inc., and Conoco-Phillips, as well as other companies such as Montana-Dakota Utilities. The airport is also frequented by Edwards Jet Center, a Billings-based air charter company.



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# BAKER MUNICIPAL AIRPORT BAKER



**M O N T A N A**  
ECONOMIC IMPACT OF AIRPORTS STUDY

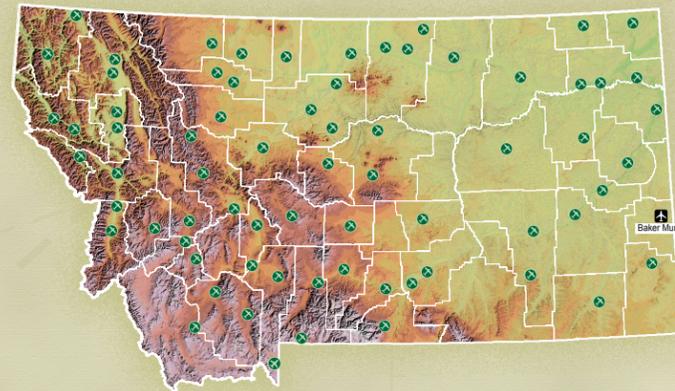
# BAKER MUNICIPAL AIRPORT – BAKER

## AIRPORT LOCATION

Baker Municipal Airport is located one mile southeast of Baker, Montana, in Fallon County. Baker has a rich history than can be explored at the O’Fallon Historical Museum in downtown Baker. Visitors can learn about the first inhabitants of the area as well as the oil and gas exploration boom initiated by the construction of the Milwaukee Railroad in the early 1900s. Outdoor recreational opportunities are also plentiful in Baker, including cross-country skiing, hunting, snowmobiling, and a variety of water activities available at Baker Lake. Medicine Rocks State Park, where dinosaur fossils have been found, is located only 25 miles south of Baker. Baker is the county seat of Fallon County.

Baker has a population of approximately 1,629. Major employment sectors in the area include oil and gas exploration, accommodation and food services, and retail trade.

The 193-acre airport’s primary runway, Runway 13/31, measures 4,900 feet in length and 75 feet in width. The airport, with 27 based aircraft, experiences approximately 7,000 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 was one aviation-related tenant located on the airport. This tenant functions as the as the FBO and as airport management for the airport sponsor. In order to preserve tenant confidentiality, total tenant and visitor impacts have been combined. This tenant’s direct employment, payroll, and output impacts were derived from survey data. For 2008, the total combined first-round output stemming from all on-airport tenants and general aviation visitors to Baker Municipal Airport was approximately \$339,400. Total first-round full-time employment related to airport tenants and general aviation visitors is estimated at 6 persons with a total first-round payroll of approximately \$151,800 annually. Survey data indicated that approximately 459 visitors used the airport in 2008.

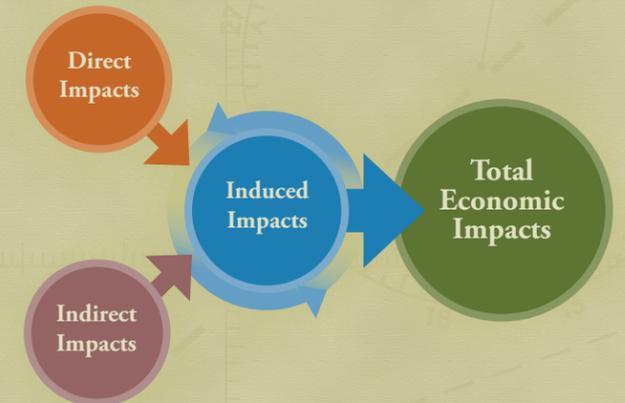
### Second-Round Impact

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 Baker Municipal Airport was approximately \$561,300. Total full-time employment related to airport tenants and general aviation visitors, including all second-round impacts, is estimated at approximately 11 persons, with a total annual payroll (first-round and second-round) of approximately \$275,000 associated with these jobs.

## METHODOLOGY



## AIRPORT SUMMARY TABLE

### FIRST-ROUND ECONOMIC IMPACTS

On-Airport	Visitor Spending
<ul style="list-style-type: none"> <li>• FAA, Other Government</li> <li>• Airport Management</li> <li>• Aircraft maintenance</li> <li>• Vendors</li> <li>• Retail &amp; Restaurant</li> <li>• Car Rental</li> <li>• Parking</li> <li>• Other Ground Transportation</li> <li>• Fixed Based Operators</li> </ul>	<ul style="list-style-type: none"> <li>• Hotels</li> <li>• Retail &amp; Restaurants</li> <li>• Travel Agents</li> <li>• Convention Centers</li> <li>• Tourist Destinations</li> </ul>
<b>5.5 Jobs</b> <b>\$151,800 in Payroll</b> <b>\$339,400 in Economic Output</b>	

### SECOND-ROUND ECONOMIC IMPACTS

<ul style="list-style-type: none"> <li>• Suppliers of Materials &amp; Services to Airports</li> <li>• Air Dependent Businesses</li> <li>• Visitor Dependent Businesses</li> <li>• Consumer Product and Service Sales</li> </ul>
<b>5.5 Jobs</b> <b>\$123,200 in Payroll</b> <b>\$221,900 in Economic Output</b>

### TOTAL ECONOMIC IMPACTS

<b>11.0 Jobs</b> <b>\$275,000 in Wages</b> <b>\$561,300 in Economic Activity</b>
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