

FRANK WILEY FIELD – MILES CITY

QUALITATIVE BENEFITS

In addition to the economic benefits described above, Frank Wiley Field provides access and services that promote the well being of the local community. The airport primarily serves to link the community with Billings and other larger cities. In that capacity, the airport operates as a base for air cargo, medical evacuation, and physician transport. The airport is also home to a SEAT base and storage facility for the Bureau of Land Management, which provides rangeland and forest firefighting services. The airport regularly accommodates visitors who are arriving to conduct business with local companies. The airport is also used frequently as a gateway for seasonal hunting and tourism, and as a base for recreational flying by local enthusiasts. Several times per year the airport accommodates aerial utility inspections, flight training, agricultural spraying, and law enforcement activities such as training and prisoner transport. A contract carrier for UPS operating at the airport provides express package handling for the city and surrounding areas.



According to airport management data, the major airport users include W.H. Champion, an oil properties business in Dickinson, North Dakota, and Leslie Farming. FAA data indicates Mastec North America, Montana Livestock Ag Credit, and SMC Transportation were among companies that utilized the airport frequently for general aviation during the past year. The airport was also frequently used by Edwards Jet Center, a Billings-based aircraft charter company, and Exec Air Montana, a charter company based in Helena.



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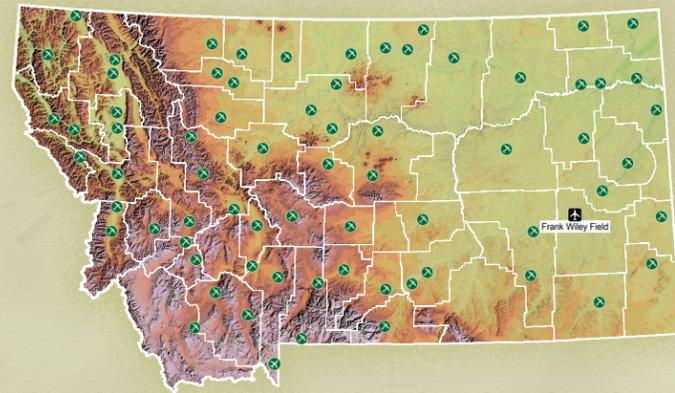
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AIRPORT LOCATION

Frank Wiley Field is located two miles northwest of Miles City, Montana, in Custer County. Surrounded by prairie and badlands in eastern Montana, Miles City offers visitors plenty of attractions in a small town with a strong Western heritage. The Yellowstone and Tongue rivers flow through the area and provide excellent fishing for anglers. Several events celebrate the town's Western lifestyle, including weekly livestock auctions, the annual Bucking Horse Sale, and the Eastern Montana Fair. History buffs will enjoy the western artifacts at the Range Riders Museum and the town's 1950s era Main Street, 1930s era high school, and refurbished 1900s saloon. The Custer County Arts Center offers excellent visual arts exhibits and programming. Miles City is the county seat of Custer County.

Miles City has a population of approximately 8,080. Major employers in Custer County include Holy Rosary Healthcare, Stockman Bank, Wal-Mart, Billings Clinic - Miles City, Comfort Inn, and Eastern Montana Industries.

The 1,640-acre airport has two runways. Runway 4/22 measures 5,680 feet in length and 75 feet in width. Runway 12/30 measures 5,620 feet in length and 100 feet in width. The airport, with 22 based aircraft, experiences approximately 11,200 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 six aviation-related tenants on the airport who supported 33 employees. These tenants' first-round or direct employment, payroll, and output impacts were derived from survey data. First-round impacts also include airport sponsor activity and airport related construction. Direct output from all on-airport aviation-related tenants and airport management is estimated at \$4.3 million annually. The estimated direct annual payroll of these tenants and airport management is \$1.0 million. Visitors also create economic impacts. Survey data indicated that approximately 4,886 visitors arrived via Frank Wiley Field in 2008 on commercial airlines and general aviation aircraft. This visitor-related output (spending) supported an additional 12 full-time jobs for employees earning \$224,300 annually. Output from commercial airline and general aviation visitors is estimated at \$601,700.

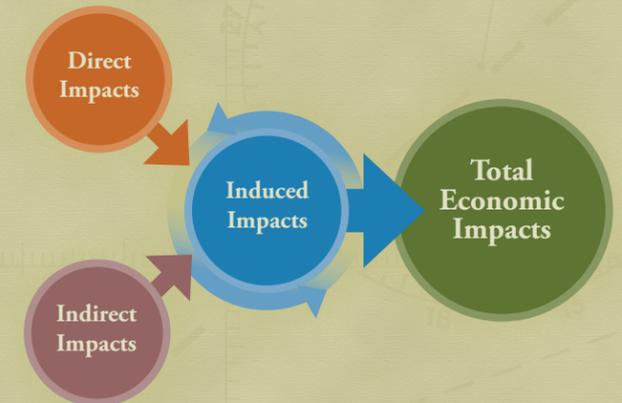
Second-Round Impact

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 all commercial airline and general aviation visitors to Frank Wiley Field was approximately \$8.3 million. Total full-time employment related to airport tenants and general aviation visitors, including all second-round impacts, is estimated at approximately 72 persons, with a total annual payroll (first-round and second-round) of approximately \$2.1 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>32.5 Jobs \$1,040,400 in Payroll \$4,321,500 in Economic Output</p>	<p>11.5 Jobs \$224,300 in Payroll \$601,700 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>27.5 Jobs \$874,400 in Payroll \$3,340,300 in Economic Output</p>

TOTAL ECONOMIC IMPACTS

<p>71.5 Jobs \$2,139,100 in Wages \$8,263,500 in Economic Activity</p>
