



2440 Deming Way
Middleton, Wisconsin 53562
608-273-6380
meadhunt.com

June 24, 2026

Jeff Roach
Airport Director
Billings Logan International Airport
1901 Terminal Circle, Suite 216
Billings, MT 59105

Subject: Proposal and Agreement for Air Service Consulting Services

Dear Jeff:

It is my understanding that the Billings Logan International Airport (BIL) is interested in a proposal of recommended air service consulting services for fiscal year (FY) 2027. Tasks are sorted based on what is considered to be the highest priority. Mead & Hunt is pleased to submit this proposal for your review, which includes a scope of services and compensation.

Scope of Services

The following services are recommended for consideration by BIL.

1. Airline Headquarters Meetings (3 virtual or in-person per 12-month period)

It is highly recommended that airline headquarters meetings be conducted annually with either BIL's incumbent or potential new airlines. Mead & Hunt will provide the analysis, preparation, presentation and consulting services associated with meetings with incumbent airlines. BIL representatives and Mead & Hunt staff will meet with each airline virtually or in-person, as available. Mead & Hunt will format the PowerPoint presentation. BIL will be responsible for providing information about the community and community support elements for the presentation. Mead & Hunt will assist BIL with structuring these elements for the presentation and participate in the meeting. The output of this effort will be a PowerPoint presentation to each airline, including community-related information, analysis of existing service and historical performance, and the airline-specific opportunities and incentive package. Upon notice to proceed, Mead & Hunt will work to secure meeting dates with each airline. Once meeting dates are secured, Mead & Hunt will complete the presentation.

2. Industry Conferences (4 per 12-month period)

To maintain relationships with air carriers in between the annual headquarters meetings and have additional touchpoints during the year with both incumbent and new potential airlines, it is recommended that BIL attend several industry conferences throughout the year. Conferences for consideration, listed from the highest priority to lowest, include the Montana Airline Rendezvous (September 2026), Mead & Hunt's Air Service Conference (Spring 2027), Allegiant Airports Conference (TBD 2027) and the ACI-NA

JumpStart Air Service Development Conference (June 2027). In addition to assisting with conference meetings, Mead & Hunt will prepare custom presentations for each meeting highlighting BIL and the community for use at the airline meetings. Mead & Hunt will complete the presentations for review prior to the conference. Expenses for conferences other than the Mead & Hunt Air Service Conference will be pro-rated among clients being represented by the Project Manager.

3. True Visitation Estimate (1 per 12-month period)

The True Visitation Estimate uses location-based cell phone Global Positioning System (GPS) data, which includes a sampling of true demand regardless of the mode of transportation, to determine the strength of the destination's overall visitation for identification of air service development opportunities. Use of GPS data improves the airline business case and can be customized to each airline's unique business strategy. The findings can also be used to amplify advertising and business development strategies. The True Visitation Estimate will identify preferred travel patterns by visitors from the U.S. and will measure the number of people coming to the destination. It is highly recommended the data be updated through the calendar year 2026. This data is useful to airlines to determine top markets with inbound visitation to the BIL area. The output of the True Visitation Estimate will include inbound visitation broken down by region, state and metropolitan statistical area. In addition, in coordination with BIL, five domestic destinations will be identified to capture outbound visitation to supplement the inbound visitation data. The report will be delivered in PDF within 90 days of data availability for the year-ended Q4 2026, estimated to be March 2027.

4. Passenger Demand Analysis (1 per 12-month period)

The Passenger Demand Analysis will quantify by destination the number of air travelers in the market, including those air travelers that drive to an airport other than BIL to originate the air travel portion of their trip. Passenger Demand Analysis data may be shared with airlines and community groups, and it is the foundation information for air service pro formas. The catchment area will be identified by zip code. Mead & Hunt will obtain Airline Reporting Corporation (ARC) data. The BIL catchment area will be identified by zip code. ARC data will represent a statistically valid sample of airline tickets written by travel agents in the airport catchment area. Data collected will include, but is not limited to, the originating airport, destination, and airline. In addition, Mead & Hunt will use Diio Mi sources and U.S. Department of Transportation (DOT) airline report data to determine passenger retention and diversion by destination, regional distribution of travel, airline use by airport, average airfares, domestic and international true market estimate (i.e., passenger potential by market), air service gaps and opportunities, and other market specific information for the local airport. The output of this effort will be a Passenger Demand Analysis report. Mead & Hunt will provide BIL with a draft in PDF within 90 days of data availability for the year-ended Q4 2026, estimated to be in March 2027.

5. Quarterly Performance Monitor (4 per 12-month period)

Monitoring performance is important to identify potential air service issues or opportunities for regular discussions with airlines as well as keeping community members up to date on BIL's air service. On a quarterly basis, Mead & Hunt will track key statistics through a Quarterly Performance Monitor report, including seats, onboard passengers and load factor trends; current and historical passenger market share by airline; year-over-year change in the six-month, forward-looking schedules for flights and seats;

comparisons to markets of similar size (e.g., population, passengers and seats); load factors for each nonstop market; and revenue per available seat mile (RASM) comparisons for each nonstop market. Keep in mind that origin and destination passenger related data is approximately six months behind. The output of this effort will be a Quarterly Performance Monitor report provided in PDF within 30 days of receipt of the quarterly data from Diio Mi.

6. Community Meeting (1 per 12-month period)

Mead & Hunt will prepare a PowerPoint presentation and participate in a community meeting held in BIL to help educate key stakeholders on industry changes as well as specifics regarding BIL's air service development strategy. The meeting will also be useful for sharing results after the completion of key air service development tasks. Mead & Hunt anticipates, in general, the presentation to the community will cover an overview of the airline industry, airline performance in the BIL market, air service development strategies and air service opportunities. The date of the project meeting will be determined based on a mutually agreed upon date.

7. On-Call Services (12 hours per 12-month period)

Additional services may be requested by the BIL that are not described above. Additional services may include but are not limited to the preparation of ad hoc reports; communication with airlines; coordination with the BIL; and other elements as identified on an as needed basis.

Compensation

Mead & Hunt will be compensated for the work described under Scope of Services as set forth below:

1. Airline Headquarters Meeting

Mead & Hunt will be compensated on a lump sum basis for the airline presentation preparation and meeting. Mead & Hunt will invoice for related expenses (e.g., air transportation, lodging, meals, printing, miscellaneous) at cost.

Airline presentation preparation/meeting (per airline)	\$5,500
Total FY 2027	\$16,500

** Fee increased to \$7,100, with estimated expenses of \$1,500, if conducted in-person.*

2. Industry Conferences

Mead & Hunt will be compensated on a lump sum basis for the presentation preparation and meetings. Mead & Hunt will invoice for related expenses (e.g., registration, air transportation, lodging, meals, printing, miscellaneous) at cost. Expenses will be pro-rated among clients being represented by the Project Manager.

Allegiant Airports Conference	\$4,200
JumpStart Air Service Development Conference	\$7,500
Mead & Hunt's Air Service Conference	\$7,500
Montana Rendezvous	\$7,500
Expenses (at cost, pro-rated, estimated)	\$6,300

Total FY 2027 \$33,000

3. True Visitation Estimate

Mead & Hunt will be compensated on a lump sum basis and will invoice based on the percentage of project completed.

True Visitation Estimate \$16,550
Destination Add-On \$6,500
Total FY 2027 \$23,000

4. Passenger Demand Analysis

Mead & Hunt will be compensated on a lump sum basis and will invoice based on the percentage of project completed.

Passenger Demand Analysis \$20,000

5. Quarterly Performance Monitor

Mead & Hunt will be compensated on a lump sum basis and will invoice based on the percentage of project completed.

Quarterly Performance Monitor (per quarter) \$2,200
Total FY 2027 \$8,800

6. Community Meeting

Mead & Hunt will be compensated on a lump sum basis for the meeting preparation and meeting attendance and will invoice based on the percentage of project completed. Related expenses (e.g. air transportation, lodging, meals, printing, miscellaneous) will be invoiced at cost.

Meeting preparation/meeting \$7,000
Expenses (at cost, estimated) \$1,500
Total FY 2027 \$8,500

7. On-Call Services

On-call services provided by Mead & Hunt not described above or in other supporting documentation will be accommodated with a separate task order or billed in accordance with the Standard Billing Rate Schedule, attached hereto and incorporated herein by reference. The following are Mead & Hunt's Standard Billing Rates for services billed on a time-and-materials basis.

Not to exceed (12 hours) \$3,000

Standard Billing Rates	
Clerical	\$95 / hour
Accounting/Administrative Assistant	\$115 / hour

Standard Billing Rates	
Analyst	\$125 / hour
Senior Analyst	\$165 / hour
Consultant	\$200 / hour
Managing Director	\$230 / hour
Project Manager	\$245 / hour
Vice President	\$260 / hour
Expenses	
Company or Personal Car Mileage	IRS Rate
Air and Surface Transportation	Cost
Lodging and Subsistence	Cost
Out-of-Pocket Direct Job Expenses	Cost

Inclusive of all recommended services, fees are estimated at \$105,000. Expenses are estimated to be an additional \$7,800, for a contract total of \$112,800. If BIL elects to be billed for the tasks on a monthly fee basis, fees will be reduced by approximately 10 percent, at a monthly rate of \$7,875 (\$94,500 annual) plus estimated expenses of \$7,800, for a contract total of \$102,300.

We appreciate the opportunity to submit this proposal to BIL.

Respectfully submitted,
Mead & Hunt, Inc.



Jay Richardson
Project Manager

Accepted by: CITY OF BILLINGS, MT

Approved by: MEAD & HUNT, INC.

By: _____
Name: _____
Title: _____

*The above person is authorized to sign for Client
and bind the Client to the terms hereof.*

By: Joseph R. Pickering
Joseph Pickering
Vice President

Date: _____

Date: June 24, 2026