

MISSOULA INTERNATIONAL AIRPORT – MISSOULA

QUALITATIVE BENEFITS

In addition to the economic benefits described above, Missoula International Airport provides access and services that promote the well being of the local community. Aviation activities that take place on a regular basis in addition to commercial airline service include recreational flying, corporate aviation, air cargo operations by DHL, FedEx, UPS, and United Cargo, civilian aircraft flight training, visitor access to local resorts, police and law enforcement, career training and education, forest and rangeland firefighting, prisoner transport, aerial photography and surveying, and real estate tours.

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 Missoula Community Medical Center uses Missoula International Airport on average 180 times per year to bring doctors and specialists to the hospital to conduct clinics. These doctors fly in from Salt Lake City and Seattle. Saint Patrick Hospital in Missoula also uses Missoula International Airport on average six times per year to bring doctors and specialists to the hospital to conduct clinics. These doctors fly in from Spokane. The hospital uses the airport for emergency patient transfer via air ambulance on a regular basis as well.

The Missoula Smokejumper Base is located at the Aerial Fire Depot on Missoula International Airport. The base is situated at the west end of the airport along with the Region One Fire Cache, the Interagency Fire Science laboratory, and the Northern Region Training Center. The Smokejumper Base territory includes most of the western United States from Alaska to New Mexico and from California to Wyoming. Jumpers also provide personnel for extended attack and Incident Command Systems (ICS) fire teams. Smokejumpers suppress wildfires in remote mountainous terrain of the western United States. They utilize a fleet of fixed wing aircraft, including a Turbine DC-3, Twin Otter, and a Shorts Sherpa, firefighters and USFS paracargo operations and can reach anywhere in the country on short notice.

According to airport management data, the major airport users include Neptune Aviation, Allegiance, Washington Corp., and Charles Schwab. FBOs include Minuteman Aviation and Northstar Express, providing a complete line of services for corporate and general aviation aircraft. In addition, other key tenants of the Airport include Homestead Helicopters, Lifeflight of St. Patrick Hospital, Mission Mountain Helicopters, and Aerotronics. FAA data indicates AEJ Services, Aerotomas, Alten Consulting, Amgen Inc., Azar Development LTD, Draupnir Services, Easterday Farms, Evergreen Forest Products Inc., Farspo, Fenske Media Corp., Frac Tech Horizons, Frontliner Inc., Grayback Forestry Inc., Higbee Co., Hilton Development Corp., J C Penney Corporation Inc., Keystone Aerial Surveys Inc., Les Schwab Tires, MCA Capital Corp., Mor-Berg Inc., Motorola Inc., N&MD Investment Corp., Neptune Aviation Services Inc., Potomac Corp., R Y Timber Inc., Roseburg Forest Products Co., Social Learning Environments Inc., Target Corp., USDA Forest Service, Wal-Mart Stores Inc., and Western States Equipment utilized the airport for general aviation in 2008.



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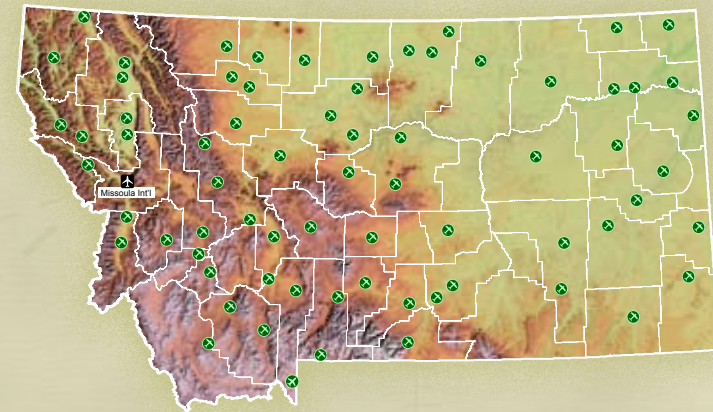
M O N T A N A
ECONOMIC IMPACT OF AIRPORTS STUDY

MISSOULA INTERNATIONAL AIRPORT – MISSOULA

AIRPORT LOCATION

Missoula International Airport is located four miles northwest of Missoula, Montana, in Missoula County. Missoula is located in the heart of the northern Rockies in western Montana. The home of The University of Montana, Missoula boasts world class recreation opportunities, including fly-fishing, whitewater rafting, kayaking, and canoeing on the Blackfoot, Bitterroot, and Clark Fork rivers and hiking and skiing in the surrounding mountains. Attractions are plentiful in Missoula and include A Carousel for Missoula/Dragon Hollow, Art Museum of Missoula, Historical Museum at Fort Missoula, Museum of Art & Culture, St. Francis Xavier Church, The Rocky Mountain Elk Foundation Wildlife Visitor Center, The Smokejumper Visitor Center, and Historic Downtown Missoula. Visitors can also enjoy a variety of community events during a stay in the Missoula area. Missoula is the county seat of Missoula County. Resorts – Paws Up, The Stockfarm, Bitterroot Resort development.

Missoula County has a population of approximately 107,310 in 2008. Missoula International Airport's catchment area is estimated at 233,000 persons. Major employers in the area include Community Medical Center, the University of Montana, St. Patrick Hospital, DIRECTV Customer Service, Wal-Mart, Albertsons, Consumer Direct Personal Care, Nightingale Nursing Services, USFs and Opportunity Resources.



The 2,700-acre airport's primary runway, Runway 11/29, measures 9,501 feet in length and 150 feet in width. A second runway, Runway 7/25, measures 4,612 feet in length and 150 feet in width. The airport, with 116 based aircraft, experiences approximately 51,387 aircraft operations annually and enplaned more than 287,900 passengers in 2008.

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 38 aviation-related tenants on the airport who supported 718 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 \$88.2 million annually. The estimated direct annual payroll of these tenants and airport management is \$29.4 million. Visitors also create economic impacts. Survey data indicated that approximately 150,330 visitors arrived via Missoula International Airport in 2008 on commercial airlines and general aviation aircraft. This visitor-related output (spending) supported an additional 1,331 full-time jobs for employees earning \$25.9 million annually. Output from commercial airline and general aviation visitors is estimated at \$69.4 million.

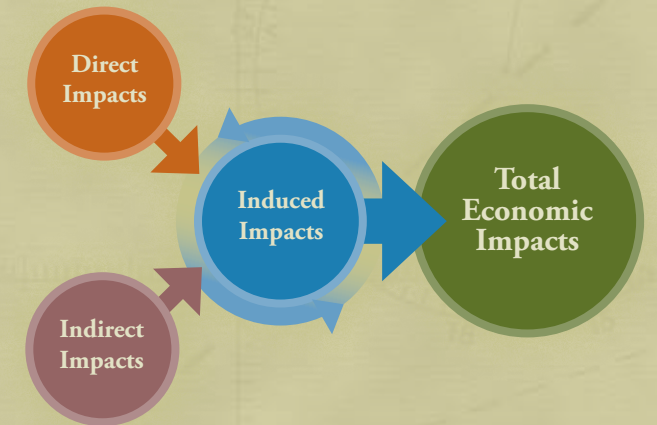
Second-Round Impact

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 Missoula International Airport was approximately \$260.6 million. Total full-time employment related to airport tenants and general aviation visitors, including all second-round impacts, is estimated at approximately 3,085 persons, with a total annual payroll (first-round and second-round) of approximately \$91.6 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
717.5 Jobs \$29,380,100 in Payroll \$88,211,900 in Economic Output	1330.5 Jobs \$25,944,800 in Payroll \$69,394,400 in Economic Output

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
1036.5 Jobs \$36,245,500 in Payroll \$103,042,500 in Economic Output

TOTAL ECONOMIC IMPACTS

3084.5 Jobs \$91,570,400 in Wages \$260,648,800 in Economic Activity
