

The regular monthly meeting of the Gallatin Airport Authority was held November 10, 2004 at 3:00 p.m. in the Airport Conference Room. Board members present were Richard Roehm, Eric Hastings and Steve Williamson. Yvonne Jarrett and John McKenna did not attend the meeting. Also present were Ted Mathis, Airport Director, Brian Sprenger, Assistant Director and Cherie Ferguson, Clerk.

The first agenda item was to review and approve the minutes of the regular meeting held November 10, 2004. Richard Roehm moved to accept the minutes as mailed, Eric Hastings seconded the motion and the motion carried.

The second agenda item was the public comment period. Tom Nagorski asked how an individual should proceed if he or she had a grievance or wanted a response. It was agreed that Mr. Roehm and Mr. Mathis would meet with Mr. Nagorski to discuss a letter Mr. Nagorski sent the Board to determine if there are any issues to be brought before the attorney and the Board.

The third agenda item was to review the annual audit. Mr. Mathis said that the audit went well with no discrepancies. He said that Cherie, Brian and Scott did a great job again this year.

The fourth agenda item was to consider a proposed increase in itinerant general aviation parking fees. Mr. Mathis said that the parking fees have been \$5.00 for many years. The Fixed Base Operators (FBOs) collect the fees on itinerant aircraft and remit half to the Airport Authority. The FBOs provide several services and assume some liability for itinerants and the new rates would help offset the costs. Rates for based aircraft won't change, as the FBOs don't have to handle those aircraft. Mr. Roehm moved to accept the fee schedule as recommended. The motion passed. Parking fees for aircraft up to 12,500 lbs. certified gross landing weight are \$10.00 per day, aircraft from 12,501 lbs. to 30,000 lbs. are

\$20.00 per day and aircraft 30,001 lbs. and over will be charged \$30.00 per day. There won't be a fee for aircraft parked less than eight hours.

The fifth agenda item was to consider the request by John Blackwell to construct a 50' x 48' non-commercial aircraft hangar. Mr. Mathis said that John Blackwell has a C170 he wants to hangar and that there is a good location for a 50' x 48' hangar across from Jarretts' new hangar. Sewer and water are not available in that area at this time and were not requested by Mr. Blackwell. Mr. Roehm moved to approve the request by John Blackwell to construct a 50' x 48' non-commercial hangar in the location proposed by Mr. Mathis. The motion was seconded and approved.

The sixth agenda item was to consider the request by David Jarrett to transfer his interest in Hangar #71 to Paul F. Boylan. Mr. Mathis said that the airport attorney, Mr. Sedivy, is reviewing the procedure for transferring units within condominium leases. Mr. Roehm moved to delay consideration of this item until legal counsel advises how to proceed. Mr. Hastings seconded the motion, which carried.

The seventh agenda item was the report on passenger boardings and flight operations – Brian Sprenger. Mr. Sprenger reported that in October there were 467 air carrier operations, 843 air taxi, 1,844 general aviation (GA) itinerant and 24 military, for a total of 3,178 itinerant operations. There were 1,774 local GA operations for a total of 4,952 tower operations, down 17.51% from October a year ago. There were 115 landings of aircraft over 12,500 pounds, which is down 4.96% from October 2003. Air carrier and air taxi were up over 9%. Weather was a factor with 4 more poor weather days than during last October, but there is a trend showing weaker local GA traffic. Year-to-date local GA traffic is down 7% while year-to-date itinerant GA is up nearly 5% in comparison to the same time frame last year.

Mr. Sprenger reported that passenger boardings were 23,099, up 11.8% from October a year ago. This was very strong and is actually higher than the peak month of December 2002's record of 22,967. Year to date is up 9.5%. November is traditionally a slow month except for Thanksgiving. Mr. Sprenger anticipates a 3-6% increase for November this year and is projecting that boardings for the year will be 306,000. There were 281,052 boardings in 2003.

The eighth agenda item was the Director's Report – Ted Mathis. Mr. Mathis reported that we have received the Memorandum of Agreement with the FAA for the new radar. In our bills we included the check for \$1.5 million to pay half of the \$3 million project. Mr. Mathis said the only disappointment is that the tower display is not part of the project and we will have to pay for that. Right now the cost would be \$375,000 to \$500,000 for the computer, programs and display from Raytheon or Lockheed Martin. We won't need to get them now, as it will probably be a couple of years before the project will be complete.

Mr. Mathis also said there was an editorial in the Bozeman Daily Chronicle regarding having an Interstate Interchange to the airport. He said he and other members of the interchange committee will be making a presentation of our case to the Montana Transportation Commission in Helena on December 10th.

Mr. Mathis said he had e-mailed a presentation of a display from Big Easy and Spanish Peaks of Big Sky. The Board members are accepting of the proposal as long as any changes to the presentation are approved by Mr. Mathis before being displayed. The display will generate \$36,000 to the Airport Authority annually.

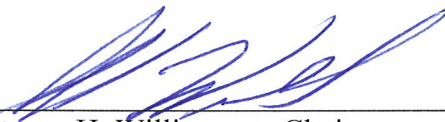
Mr. Mathis also reported that the security system should be up and running in January. New procedures will allow better control of all secure and sensitive areas on the

airport. He said the electricians who have been doing the installation have been great to work with.

Mr. Mathis said the Board doesn't need to do anything in response to the on-airport car rental concessionaires regarding the FBOs allowing Hertz to have computer terminals in their offices. There is nothing in the leases that forbid it as long as the FBOs don't rent cars. They can also choose which car rental concessionaires they will work with in this way.

The ninth agenda item was to consider the bills and approve for payment. After review and discussion, Mr. Roehm moved to pay the bills. The motion carried and the bills will be paid.

The meeting was adjourned at 4:00 p.m.



Steven H. Williamson, Chairman