

The regular monthly meeting of the Gallatin Airport Authority was held July 9, 2009 at 3:00 p.m. in the Airport Conference Room. Board members present were Richard Roehm, Steve Williamson, John McKenna and Kevin Kelleher. Greg Metzger was unable to attend the meeting. Also present were Brian Sprenger, Airport Director and Cherie Ferguson, Office Manager.

Board Chair Steve Williamson welcomed Kevin Kelleher who has been reappointed for another term.

The first agenda item was to review and approve the minutes of the regular meeting held June 11, 2009. Richard Roehm moved to approve the minutes of the meeting held June 11, 2009 and John McKenna seconded the motion. It was a unanimous decision to approve the minutes.

The second agenda item was the public comment period. Don Seiffert, who is a member of the Gallatin County Gravel Pit Task Force, said he and Heidi Jenson, with Belgrade Planning, wanted to make the Airport Authority and board members aware of the task force. He said the Gallatin County Commissioners had elected to do interim zoning and put the gravel pit operators through a conditional use permit (CUP) process. They put together a group task force which includes members of the Gallatin Planning Committee, neighbors and members of local planning boards. The airport has restrictions within its area of influence and will need to comment on any gravel pit activity within that area. Mr. Seiffert and Ms. Jenson want to develop a rapport between the airport and the Gallatin County Planning Board and Belgrade Planning Board.

The Gallatin County Commissioners are working on local permitting, which is not a part of the Montana Department of Environmental Quality (MDEQ). The county would be a more direct conduit for the citizens of Gallatin County to voice their concerns. The board

would be able to come to them if they have concerns rather than waiting for a response from the MDEQ. The board thanked them for coming.

The third agenda item was to meet the staff – Paul Schneider. Brian Sprenger introduced Paul Schneider, the Assistant Director of Operations. Mr. Schneider said he was born in Chicago. He first became exposed to aviation when he was 15 years old and became a line boy for the Flying Dutchman in Austin, MN. His family moved to Miles City, MT where he graduated from high school in 1978. Before he graduated, The Flying Dutchman asked him to come back to work for them and said they would pay for him to get his pilot's license, which he did. He returned to Montana to attend Carroll College in pre-med but after a year, he decided he didn't want to be a dentist so he went to Helena Vo-Tech and received his A & P license in 1982. He went back to work at Miles City Aero Service and worked as a general aviation mechanic for a little over three years. He studied for and received his inspection authorization license. On September 16, 1985, he went to work for Northwest Airlines and held a number of positions with them. He started as a cabin sheet metal crew member and then moved to the engine crew. He worked on hydraulic systems, engines, electrical, radio and exterior systems on 747s. He said he released the first 747-400 into passenger service because Northwest Airlines was the launch customer. He was also the DC10 maintenance manager for 1 ½ years. Mr. Schneider said at one point he was in charge of over 200 people including managers, mechanics, cleaners, and office staff.

Northwest started outsourcing so Mr. Schneider settled on ground operations and became a station manager in Bozeman. After he was here ten months, Mr. Sprenger stopped in and asked him if he would consider going to work for the Airport Authority. He said he wasn't interested initially because he had been with Northwest for 18 years. Ted Mathis also talked to him and he finally decided to accept the position with the Airport Authority. He is

very happy he is able to stay in aviation and gets to see it from this side. He is very glad to be here and said Gallatin Field is a great place to work.

In addition, he thanked the board for their decision in selecting Mr. Sprenger as the Airport Director and said the transition from Mr. Mathis to Mr. Sprenger has been seamless. He said Mr. Sprenger jumped right in and things have been going very smoothly.

On the personal side, Mr. Schneider said he has been married to his wife Wendy for 12 years. He has a daughter and three stepsons. He likes to hunt, fish, camp, ski, tie flies, work with wood, his welder and plasma cutter. He is currently the president of the 4 Dot Sewer District Board and does volunteer work at the Park Haven assisted living facility in Manhattan.

The board thanked Mr. Schneider and said he has a tremendous background. Mr. Sprenger said we are very fortunate to have Mr. Schneider here.

The fourth agenda item was to consider the request by Arlin's Aircraft Service, Inc. for a new ten-year non-commercial hangar ground lease for Hangar #11. Mr. Sprenger said the hangar is in pretty good shape, the rent is current and he recommended approval of the request. He said the color should be changed to fit with the airport color scheme the next time it needs to be painted.

Mr. McKenna moved to approve the request by Arlin's Aircraft Service for a new ten-year lease for hangar #11. Mr. Roehm seconded the motion and it carried with all board members voting aye.

The fifth agenda item was to continue consideration of the rental car consolidated facility. Mr. Sprenger said the board members should have two spread sheets detailing the estimated Consolidated Facility & Terminal Capital Costs and the Consolidated Facility maintenance and operation costs associated with the facility. The total capital cost of the

consolidated facility and terminal improvements are estimated to be \$4,662,042. The principal and interest expenditure, which includes a 10% contingency, is about \$600,000. This results in a capital cost per transaction day of \$2.00 over the next 12 years to pay off the capital cost including interest.

The rents are separated into exclusive and consolidated facility rents. The exclusive rents would be paid directly to the Airport Authority. The consolidated rents, along with the administration and maintenance and operation costs of the facility, would be paid through the Customer Facility Charge (CFC) and is estimated to be \$.70 per transaction day. This fee would be adjusted annually to account for any changes in actual costs. The facility income is expected to be \$218,900, the facility expenses are expected to be \$173,500, with the net income to the Authority being \$45,400. The total transaction fee per day on the passenger would be \$2.70.

Mr. Sprenger said Scott Bell and Tony Martel recommended exiting on the south rather than the north side of the facility.

Karst Stage is interested in using one of the current facilities and a company that changes oil is interested in using one to change oil in cars owned by the rental car companies. Mr. Sprenger said they are checking to see if it is feasible to use one of the current facilities to wash planes or if there are any other options.

Mr. Bell said Jamie Lenon has been working on the design of the building. The exterior will be similar to the terminal building. They are pushing hard to be ready by the August board meeting so the building can be put out to bid. He said the key is for them to be able to use the wash bays as soon as possible. The car rental companies could use the old facility for vacuum bays until the building is finished. Mr. Bell said they hope to have all the

concrete work done, the underground utilities in and the parking lot paved by November. They expect to have the building completed in the April-May timeframe.

Mr. Roehm moved to approve the rental car consolidated facility and also impose a customer facility charge on the rental car companies to pay for the facility and its maintenance and operation and the terminal improvements for the rental car companies. Kevin Kelleher seconded the motion. All board members voted aye and we will move forward with the facility.

The sixth agenda item was to continue consideration of the request by Enterprise Rent-a-Car Company of Montana/Wyoming to construct a 37' x 49' service facility. Mr. Roehm moved to suspend consideration of item 6 from Enterprise. Mr. Kelleher seconded the motion. In discussion, Julie McGrath, of Enterprise, withdrew the request to build a facility. The motion carried with all board members voting aye.

The seventh agenda item was to review the Airport Director FY 2010 Goals. Mr. Roehm said Mr. Sprenger pointed out that in the By-Laws of the Gallatin Airport Authority it says the Airport Director is to suggest a list of goals for the upcoming year. Mr. Sprenger submitted a list of goals and they are available for the public to view at the Airport Authority office and make comments on. This will be an agenda item next month.

The eighth agenda item was the report on passenger boardings and flight operations — Brian Sprenger. Mr. Sprenger reported that in June 2009 there were 744 air carrier operations, 700 air taxi, 2,360 general aviation (GA) itinerant and 53 military, for a total of 3,857 itinerant operations. Local GA operations were 2,218, for an overall count of 6,075 tower operations, down 15.9% from June of 2008. Year-to-date operations of 35,863 is down 6% from last year. There were 164 landings of aircraft weighing 12,500 pounds or more, down 32% from June of 2008. Year to date is down 29%.

Mr. Sprenger reported that we boarded 30,037 passengers during the month of June. That was down 9% from the previous June. Year-to-date boardings are up 14.7% this year.

The ninth agenda item was the Director's Report – Brian Sprenger. Mr. Sprenger reported that he will be interviewing three candidates for Deputy Airport Director next week.

Mr. Sprenger also reported that the terminal curb is almost done. The curb is paved and there is some cleanup and small items left to do. The sidewalk that will separate the buses and shuttles will be poured next week. After that all the work will move to the west end. The contractors will start work on the terminal building next week as well.

Mr. Sprenger said we continue to be disappointed in the FAA in not improving our arrival and departure procedures to better utilize the \$2 million the Airport Authority has invested in the radar and tower display. While safety has really improved, we have seen very little improvement in our traffic delays due to lack of better procedures. Mr. McKenna and Mr. Roehm spoke to the acting FAA administrator, Catherine Lang, and we hope to see some progress. Todd Johnson, our control tower manager, has been talking to Salt Lake Center as well. It seems we are in a constant battle with the FAA and we are very frustrated with the FAA not fully utilizing the air traffic control improvements that we have invested in. Mr. Sprenger said we will continue to work on it.

Mr. Williamson said he saw the letter Mr. Roehm and Mr. McKenna wrote the FAA and he appreciates their good work. He said he wasn't aware how little our radar is being utilized. He appreciates their efforts in that regard.

Mr. Williamson asked how much the public will be disrupted since we will be starting on the terminal building next week. Mr. Sprenger said there will be a short term disruption in the parking lot and in about a month the rental cars companies and Karst Stage will be squeezed into the baggage area. There will be a little more impact when we relocate

the loading bridge Horizon and Frontier use but the public shouldn't be impacted after that until the terminal is completed in May 2011.

The tenth agenda item was to consider the bills and approve for payment. After review and discussion of the bills, Mr. McKenna moved to pay the bills and Mr. Roehm seconded the motion. The motion carried without opposition.

The meeting was adjourned at 4:53 p.m.



Steven H. Williamson, Chairman