

The regular monthly meeting of the Gallatin Airport Authority was held August 8, 2013 at 2:00 p.m. in the Airport Conference Room. Board members present were Ted Mathis, Kendall Switzer, Kevin Kelleher, Carl Lehrkind and Karen Stelmak. Also present were Brian Sprenger, Airport Director, Scott Humphrey, Deputy Airport Director, and Cherie Ferguson, Office Manager.

Kevin Kelleher, Board Chair, welcomed new board member Karen Stelmak. Ms. Stelmak said she appreciated the welcome. She is a local general aviation (GA) pilot and a longtime business person. She said she has attended several meetings and looks forward to joining the Board and being a productive member.

Mr. Kelleher said no one signed up for the public comment period but members of the public are welcome to comment on the agenda items when they are being discussed. He asked that they identify themselves and go to the podium to make their comments.

## **1. Open bids for Center Pivot Irrigation System**

Mr. Kelleher asked Brian Sprenger, Airport Director to talk about this. Mr. Sprenger showed on a map where the pivot system would go. He said \$101,000 was in the budget for this project. Staff asked Ethan Severson to help review the bid because he would be more knowledgeable.

Mr. Sprenger asked Scott Humphrey, Deputy Airport Director, to open the bid proposals. Mr. Humphrey said they had a pre-proposal meeting about three weeks ago and AquaTech and Watson Irrigation attended. He said both companies submitted proposals that would need to be reviewed because there are some engineering differences, which staff anticipated. Watson Irrigation of Townsend, MT bid \$110,000 on 432 acres, which included a trade in credit of \$13,655 on the used pivot. AquaTech of Belgrade, MT bid \$97,777, which included the trade in on the used pivot.

Mr. Sprenger recommended that the board take the bids under advisement and award the bid to the lowest qualified bidder. The budget amount was \$101,000, so he would come back to the board if the lowest qualified bid exceeded that amount.

**MOTION:** Ted Mathis moved to take the bids under advisement and award the bid to the lowest qualified bidder. Carl Lehrkind seconded the motion and all board members voted aye. The motion passed.

## **2. Review and approve minutes of regular meeting held July 11, 2013**

Mr. Kelleher asked if everyone received their copy of the minutes and if they had any changes. There were none so he entertained a motion.

**MOTION:** Kendall Switzer moved to approve the minutes from the meeting held July 11, 2013. Mr. Mathis seconded the motion and all board members voted aye. The minutes were approved.

## **3. Public comment period**

There were no public comments at this time.

## **4. Consider request by Mr. Phillip Levy to operate a general aviation aircraft cleaning service**

Mr. Sprenger said that Mr. Levy attended a previous meeting and asked to operate a general aviation aircraft cleaning system. Mr. Sprenger said since then he and Mr. Levy went through both the Minimum Standards and the Rules and Regulations. His system is considered “water-less” so the runoff environmental concern was addressed adequately. Staff talked to both Fixed Base Operators (FBOs) regarding potential competition. The FBOs don’t want the operation on the commercial ramp. Mr. Levy must also provide proof of insurance.

Mr. Levy said people want to pamper their sports cars and he thinks they would like to pamper their aircraft by cleaning them, a service he would like to provide. He would not provide maintenance or move the aircraft. He would go to the hangar to clean the plane. Mr. Mathis asked about insurance and Mr. Levy said that is the next thing he will look into. Ms. Stelmak asked if it is a new venture for him and he said it is. Mr. Lehrkind asked where he would provide service for aircraft that are not hangared and Mr. Levy said he and Mr. Sprenger would discuss this further.

Mr. Sprenger said the aircraft would have to be based here for Mr. Levy to provide the service. Mr. Sprenger received emails from both FBOs that they are not opposed to this operation. Mr. Mathis also said Mr. Levy could send out flyers to the based aircraft owners but he isn't allowed to drive around the airfield looking for customers. He wished Mr. Levy the best of luck.

**MOTION:** Carl Lehrkind moved approval of Mr. Levy's aircraft cleaning service with two caveats of the liability insurance that was discussed and Brian and his team find a location for the aircraft that are not hangared, that he has a proper place to wash them. Ms. Stelmak seconded the motion. All Board members voted aye and the motion passed.

**5. Consider request by Delta Air Lines for two 16kW bridge heaters to be installed on bridges 4 and 5 with materials and labor costs reimbursed by Delta**

Mr. Sprenger said Delta had installed a heater in boarding bridge 3 years ago. The new boarding bridges don't have heaters. Delta's request is that the airport would install and pay for the heaters and they would reimburse the airport. Operation and maintenance costs would be paid for through the boarding bridge rent payment. The airport would own the heaters. Mr. Sprenger said there are similar temperatures in Salt Lake City and they don't have heaters in their boarding bridges. Because Delta is willing to pay for the upfront cost,

and maintenance and operation costs, Mr. Sprenger believes it is the right thing to do for their customers. The heaters would be put on timers so they would automatically turn on and shut off. He said it would cost \$25,000 for both units.

**MOTION:** Mr. Switzer moved to approve the request by Delta Airlines to have the Airport Authority install two 16kW bridge heaters on bridges 4 and 5 with materials and labor costs reimbursed by Delta. Mr. Lehrkind seconded the motion and all board members voted aye. The request was approved.

**6. Consider request by Lightning Ram Inc., dba Yellowstone Car Rentals to operate an off-airport rental car concession**

Mr. Sprenger said Markus Kirchmayr also owns the Shuttle to Big Sky and has a shuttle agreement with the airport to operate. Last year they delivered the off-airport vehicles to the condos at Big Sky. They found people don't want to do that in the summer and would prefer to pick up the vehicles at the airport. They believe it will allow them to utilize their vehicles more effectively. Mr. Kirchmayr advised us he was embarrassed he didn't know that he couldn't operate the car rental business on the airport, but now that he does, he would like to have an off-airport rental car concession agreement for Yellowstone Car Rentals. This would only be for vehicles picked up at the airport.

**MOTION:** Ms. Stelmak moved to approve the request by Lightning Ram Inc., dba Yellowstone Car Rentals to operate an off-airport rental car concession and Mr. Switzer seconded the motion. All board members voted aye and the request was approved without opposition.

**7. Consider change order request on parking lot improvement project**

Mr. Sprenger said the timing was in our favor because we thought construction would start earlier than it did. The old car condo was removed within thirty days instead of ninety

days so staff believes it would be beneficial to pave an additional 76 parking stalls instead of waiting until 2017. Mr. Sprenger said Morrison Maierle estimates the cost at \$125,000 or approximately \$1,644 per stall. The budget for the summer project included a 10% contingency of about \$150,000, so this could be accomplished within the current budget.

**MOTION:** Mr. Mathis moved to approve the change order in the amount of \$125,000 adding 76 additional parking spaces to the parking lot improvement project. Mr. Lehrkind seconded the motion and all board members voted aye. The motion was approved.

#### **8. Report on passenger boardings and flight operations – Scott Humphrey**

Mr. Humphrey reported that total July 2013 tower operations versus July 2012 operations were down 2.9%. GA operations were down 21%, probably because AvGas is \$6.35 per gallon. Rolling 12 month operations of 76,614 were up to 311 versus 302 for July 2012. Total revenue enplanements were up 1.6% at 56,599. Mr. Humphrey said this is the highest number of enplanements we have ever had in July. Rolling twelve-month enplanements were 441,080. Total revenue deplanements of 58,609 were up 3.4%. Total airline landings were down 1% from 764 to 756. Load factors were 90.5% and Allegiant Air's were 95.5%. Delta's load factors were 90.5% and Frontier's were 96.5%. Mr. Humphrey said you can't buy a seat right now. Last July we had 65,424 seats in the market and this year we only had 62,452, which is down 3,000 seats.

Total gallons dispensed for June were down 12.6%. JetA for the airlines was down just slightly because the frequency was down. In August, we are sitting 3% better than last August because we have 2.6% more seats in the market. Our enplanements should be 2% to 3% better. Mr. Humphrey reported that September, October and November will be tight due to the number of seats taken out of the market. He said we are down about 16% seats in October and down about 28% in November. The load factor for last October was 84.6% and

last November's was 83.8%. He said if anyone has travel plans, they need to book right now. He said we should have a good August and a good December as we have about the same number of seats as last December.

Mr. Lehrkind asked how Billings is doing with their runway resurface project and Scott Bell, our airport engineer, said they are about a week ahead of schedule.

Mr. Mathis said there are smaller airports nearby that have self fueling and lower costs so some weekend fliers are refueling there.

#### **9. Airport Director's Report – Brian Sprenger**

Mr. Sprenger asked if we should move the October board meeting so we can have a quorum. The board decided to leave it on the 10<sup>th</sup>.

Mr. Sprenger also reported that Belgrade had a sprinkler control board hit by lightning so we have to water the turf runway manually until late next week. It is closed intermittently but will be open for the weekend.

Mr. Sprenger also reported that the American Medical Response (AMR) has indicated they might be interested in stationing an ambulance at the airport fire station. They would staff it from 10 AM to 10 PM. We have a room in the basement of the fire station that would work. He said staff believes this would be a good thing. It currently takes 10 minutes for AMR to get here. Having someone on site would be very good. The board members think it is a good thing and encouraged staff to continue to work with AMR to make it happen.

Mr. Sprenger reported that we could cut over to TRACON on October 7<sup>th</sup> or 8<sup>th</sup>. Unfortunately, the radar will be down for a week starting on August 22nd.

Mr. Sprenger doesn't have an update for the TSA Screening Partnership Program. He said complaints are still down.

Mr. Sprenger said the Museum of the Rockies will have to redo the triceratops skull so the display won't be here until late September.

Mr. Sprenger reported that staff has analyzed Customs use. The busiest days are Friday, Saturday and Monday. Joseph Barber, our Customs agent, has been very accommodating and only knows of one time he wasn't able to accommodate an arrival.

Mr. Sprenger said the board will see several small capital improvement projects in the bills from Caliber Enterprises for the upfront portion for new roof membrane, Columbia Paint for the new paint machine we have on site, Elite Terminal Services will install gate signs on the remaining boarding bridges so each gate is designated and the incoming flight crews can see them. Martel Construction replaced some countertops due to water issues. Pro Hand Services is starting the Brandstetter house demolition. Steer In Trailer Sales put a flatbed on the new striping truck.

#### **10. Consider bills and approve for payment**

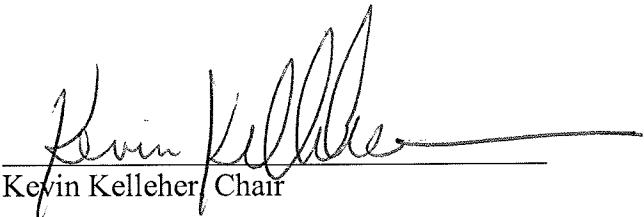
The thirteenth agenda item was to consider the bills and approve for payment. The Board members and Mr. Sprenger reviewed and discussed the bills.

**MOTION:** Mr. Mathis moved to pay the bills and Mr. Lehrkind seconded the motion. The motion carried unopposed.

#### **11. Adjourn**

The meeting was adjourned at 3:00 PM.

Following the regular meeting, a closed meeting was held for the purpose of discussing pending litigation.



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Kevin Kelleher Chair