

The regular monthly meeting of the Gallatin Airport Authority was held March 14, 2003 at 3:00 p.m. in the Airport Conference Room. Board members present were Richard Roehm, Tom Nopper, Steve Williamson and John McKenna. Yvonne Jarrett was unable to attend. 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 February 13, 2003. Tom Nopper moved to accept the minutes as mailed, John McKenna seconded the motion and it passed unopposed.

The second agenda item was the public comment period. Kent Foster, General Manager of Yellowstone Jetcenter, said he doesn't have much information about the request by Central Copters to sell aviation fuel but he doesn't think the field needs a third fuel vendor because the current vendors can handle the activity that is here and will be in the future, and believes that it will make it less viable for the existing businesses.

Roger Stradley said he had received a letter in error that he had violated the terms of his lease. Mr. Mathis said that Mr. Stradley's brother had driven and worked on his snowmobile on the field. Mr. Stradley said his brother was looking at the centrifugal clutch, but was not working on the snowmobile. Mr. Mathis said that Mr. Stradley's commercial operating agreement is limited to aviation activities.

The third agenda item was to consider the request by Central Copters, Inc. to sell aviation fuel. Mark Duffy, owner of Central Copters, Inc. said he had initially asked to be a full service Fixed Base Operator (FBO). He asked for and the lease was rewritten to exclude fueling because he doesn't want to be open on Saturdays because of his religious beliefs. In order to have a viable facility, he believes that fuel and oil sales are necessary and would like

to be able to meet the 7 day-a-week, 8 hour-a-day requirement through a self-service facility. He said he would come in for emergencies.

Since the maintenance hangar is almost done and the foundation for the storage hangar has been dug, he wanted to find out what will be allowed on the airport. It is an investment of about \$1.5 million and his hope is that there is room for some tolerance. He said that this is a situation that hasn't come up before, that he has been in business for a long time, and that if he can't move onto the airport, he needs to move his business somewhere else.

Richard Roehm said that the leases with all FBOs are the same and asked how the Board could handle differences. He said if they make exceptions, it will open the possibility for litigation from one side or the other.

Ted Mathis said that the Minimum Operating Standards for an FBO require that "The Operator shall have his premises open for aircraft fueling and oil dispensing services seven days a week, at least eight hours per day. The Operator shall make provisions for fuel servicing during all other hours on a call basis.

"The Operator shall have in his employ, and on duty during the appropriate business hours, trained personnel in such numbers as are required to meet the minimum standards set forth in this category of services in an efficient manner."

He also said that, in addition to the above requirements, in the agreements with Yellowstone Jetcenter and Arlin's Aircraft Service, they must also provide aircraft ground guidance within uncontrolled areas adjacent to the premises, apron servicing and assistance to aircraft, including itinerant parking, storage and tie down services. These services can't be fulfilled with a stand-alone self-service pump.

The Board members said they hold Mr. Duffy and his business in high regard and that they appreciate the situation he is in, but that reasons for closures are not material to the Airport Authority. They said they would have to relax the agreements with Yellowstone Jetcenter and Arlin's Aircraft Service or hold Central Copters to the agreement, which includes meeting the Minimum Operating Standards for an FBO. Mr. Roehm proposed modifying the other two leases so they would have the option to take a day off other than Saturday. After some discussion, including the fact that we may not have more than one FBO, and would have to renegotiate the existing leases, the proposal was rejected.

The Board expressed concerns about allowing Mr. Duffy to provide office space where pilots could get a hair cut, relax or work out in an exercise room. Mr. Duffy said he charters to a lot of places and that it would be nice to a place for a pilot to have something to do.

The Board members said that they hope that Mr. Duffy won't take their decision to mean that they don't want him or his business at the airport and that they believe he is a quality operator. They don't want to give more favorable terms to Central Copters than the other two FBOs at Gallatin Field.

Steve Williamson moved to deny the request. Mr. McKenna seconded the motion and it passed unanimously.

The fourth agenda item was to consider the contract for the airfield paving and lighting project. The only bid that was received was from JTL Group, Inc. of Belgrade, Montana, and it was opened on February 20<sup>th</sup>. The bid was substantially lower than the engineers estimate. Mr. Mathis said that JTL is a very reputable business and that we also had work done by some of the subcontractors and they have been excellent to work with.

Mr. McKenna moved to approve the contract to JTL, subject to final approval of federal funding. Mr. Williamson seconded the motion.

Mr. Mathis said we may also be able to add resurfacing the asphalt portion of the terminal ramp to the project if discretionary funds are approved. It would fit in well with our current project. Mr. Mathis said he will bring it to the Board for approval before it is added. The motion carried.

The fifth agenda item was to consider revisions to Gallatin Airport Authority Rules and Regulations. Mr. Mathis said he had received some good recommendations and concerns during and following the last Board meeting. Regarding page 7, Section 1-F. Building Requirements, he suggested leaving out the land lease process and address it with an informational packet because it has been adequately addressed in the past and the process is subject to change. If it were specified in the Rules and Regulations, they would have to be changed each time the process is altered.

Mr. Mathis also recommended dealing with the cleanliness and operating condition of taxicabs, limousines, buses and courtesy cars/vans in the individual leases rather than in the Rules and Regulations. It is still his recommendation to omit ultralights in Section 3-A. Certificated and Registered aircraft and to omit Section 3-L. Operation of Ultralight Vehicles/Aircraft in its entirety.

Mr. Roehm referred to Section 5-E. Animals and asked if it would be allowable to have an animal under voice control. There followed some discussion and the Board asked Mr. Mathis to rewrite that part using the words "and appropriately controlled."

There was also discussion regarding Section 5-A. Weapons, Explosives and Inflammable Materials and whether concealed weapons are acceptable.

Doug Chapman referenced Section 3-B. FAA rules and asked if aircraft in flight would be aware of Gallatin Airport Authority's rules.

Mr. Mathis said he would revise the Rules and Regulations and submit a draft copy with the proposed changes.

The sixth agenda item was the report on passenger boardings and flight operations - Brian Sprenger. Mr. Sprenger reported that in February there were 528 air carrier operations, 718 air taxi, 1,069 GA itinerant and 30 military, for a total of 2,345 itinerant operations. Local general aviation (GA) operations were 1,487, for a total of 3,382 tower operations in February, down 7.4% from February a year ago. There were 141 landings of aircraft over 12,500 pounds, up 7.6% from February 2002.

Air carrier/air taxi landings were up 8.76% over the same period last year; itinerant GA landings were down 10% and local GA landings were down 17%. The weather was a factor in February as there were two days with 0 local GA operations and another day when there were only 6.

Mr. Sprenger also reported on fuel flowage at Gallatin Field. Comparing fuel consumption in 1998 and 2002, airline usage and AV GAS each increased 1.2% while non airline jet usage increased by 77.5%. Approximately  $\frac{3}{4}$  of utilization is air carrier/air taxi.

Passenger boardings in February were 24,455, up 3.8% from February 2002. Year-to-date enplanements increased 7.46% from the same period in 2002. The 3.8% total boardings include charter boardings. Excluding them, scheduled passenger enplanements were up 6.2%.

Mr. Sprenger also reported that the Delta 737 now departs at 8:00 a.m., which has an impact on security. Usually the daily average for enplanements is 700. On Sunday, March 9<sup>th</sup>, there were approximately 1,500 enplanements with 808 passengers boarding in the first

135 minutes and 543 in the first 65 minutes. Because most of the traffic was local and not tourists arriving on buses or shuttles, most of them came later than the airlines recommend. The line at the security checkpoint started to grow and most people got in line and many of them were ahead of passengers scheduled for earlier flights. Two departures were delayed up to 42 minutes, but the greatest arrival delay was 25 minutes. Mr. Sprenger said that he will work with the local Transportation Security Administration and airline personnel to come up with solutions to avoid this problem in the future.

Mr. McKenna said many people are still surprised at the gift shop/snack bar in the secured area and he asked how sales are. Mr. Sprenger said that in the month of February 2003, sales were over \$22,000. Food sales at the restaurant remained roughly the same as last year, but were up about \$5,000 due to the snack bar sales.

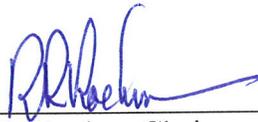
The seventh agenda item was the Director's Report – Ted Mathis. Mr. Mathis reported that he has received a proposal for \$21,150 from Taylor Construction to repair the partition wall upstairs and reconstruct that area to match the adjacent sides. It will be a permanent installation. Because of the small scope of the project, it is not necessary to put it out for bids. Money is in the budget to cover the expense, and he asked approval to proceed with the project. Mr. Nopper made a motion to proceed. Mr. Williamson seconded the motion and it carried.

Mr. Mathis also reported that in the past the Airport Authority has leased pasture in two areas and the leases have expired. Even though there has been quite a bit of interest, Mr. Mathis said he would prefer not to lease the pastures and is putting out an RFP (Request for Proposals) for haying the property. The Board agreed with the suggestion.

Mr. Mathis said that the request to handle our own funds rather than going through the County Treasurer's Office is going through the process and may be decided on by the County Commissioners on March 18<sup>th</sup>.

The eighth agenda item was to consider the bills and approve for payment. After review and discussion, Mr. Williamson moved to pay the bills and Mr. McKenna seconded the motion, which carried.

The meeting was adjourned at 4:22 p.m.



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Richard R. Roehm, Chairman