

The regular monthly meeting of the Gallatin Airport Authority was held September 9, 2004 at 3:00 p.m. in the Airport Conference Room. Board members present were Steve Williamson, Eric Hastings, Yvonne Jarrett and John McKenna. Richard Roehm was unable to attend the meeting. Also present were Ted Mathis, Airport Director, Brian Sprenger, Assistant Director and Cherie Ferguson, Clerk.

The first agenda item was to open bids for the new security access system. Electrical Systems, Inc. and Northern Fire and Communication, both of Kalispell, Montana were the two companies that submitted bids. Both attached their 10% bid bond, acknowledged Addendum #1 and #2 and their bids appeared to be in order. The total bid from Electrical Systems, Inc. was \$403,133.00 and Northern Fire and Communication submitted a total bid of \$696,928.84. John McKenna moved to take the bids under advisement and award the bid to the lowest qualified bidder. The motion was seconded and carried.

The second agenda item was to review and approve the minutes of the regular meeting held August 12, 2004. Mr. McKenna moved to accept the minutes as mailed and the minutes were approved.

The third agenda item was the public comment period. Tom Nagorski asked for a response from the Board members regarding how items are placed on the agenda for new business as some things are brought up in the Director's Report and not as agenda items. Chairman Williamson said the Board would take his request under advisement.

The fourth agenda item was to consider the request by Avis Rent-A-Car to place vehicles at the Fixed Base Operations (FBOs) pending rental. Following discussion after Harold Callahan made a short presentation to the Board, Mr. McKenna moved to deny the request by Avis Rent-A-Car to stage vehicles at the FBOs. The motion was seconded and passed and the request was denied.

The fifth agenda item was to consider the request by Gallatin Flying Service to expand their hangar. Mr. Mathis said that Roger Stradley redesigned his plan for his hangar since the last meeting and he recommended approving the request. After Mr. Stradley explained the changes, Mr. McKenna moved to accept the request by Gallatin Flying Service to expand their hangar based on the drawings they have today. The motion carried.

The sixth agenda item was to consider the request by Mr. Robert Shropshire to construct a 42' x 48' non-commercial hangar. Mr. Mathis said there was space for a south-facing hangar behind Jim Booth's hangar. Mr. McKenna moved to approve the request by Mr. Robert Shropshire to construct a 42' x 48' non-commercial hangar on the site that was suggested. The motion passed.

The seventh agenda item was to consider the request by Personal Chef to establish a catering facility in the Yellowstone Jetcenter former FBO Building. Mr. Mathis recommended not approving the request, as Personal Chef would be catering to off-airport clients as well as on-airport clients. Chuck Stafford made a presentation to the Board regarding his request and asked the Board to reconsider their policy of not allowing businesses that are not strictly aviation related to be at the airport. After the Board members discussed his request and the reasons for their policy, Mr. McKenna moved to deny the request by Personal Chef to establish a catering facility in the Yellowstone Jetcenter former FBO Building. The motion carried and the request was denied.

The eighth agenda item was to consider the request by Mr. Jack Bolls to move his commercial building business to Hangar #63. Mr. Mathis said that he would be in favor of allowing Mr. Bolls to purchase the hangar for his aircraft but not for his commercial business. The business is not aviation related and even if it were, he would need a hangar with adequate parking in a non-secure area. Mr. McKenna moved to deny Jack Bolls'

request to move his commercial building business to Hangar #63. The motion was passed and the request was denied.

After ascertaining that Mr. Bolls wanted to purchase the hangar for his aircraft, Yvonne Jarrett moved to approve the transfer of the lease on Hangar #63 from Valley Bank to Jack Bolls for a non-commercial hangar. The motion carried.

The ninth agenda item was the report on passenger boardings and flight operations – Brian Sprenger. Mr. Sprenger reported that in August there were 679 air carrier operations, 850 air taxi, 3,045 general aviation (GA) itinerant and 5 military, for a total of 4,579 itinerant operations. Local GA operations were 2,504, for a total of 7,083 tower operations, up 2.77% from August a year ago. There were 243 landings of aircraft over 12,500 pounds, up 1 landing from August 2003. Air carrier operations were up because United Express brought in some 70-seat aircraft in place of some of their planes with 60 seats or less.

Mr. Sprenger said that this is the second month in a row that he is able to report that this was the busiest month in Gallatin Field's history for passenger boardings, which were 36,075, up 10.6% from August a year ago. Year to date is up 9.1% compared to the same period in 2003.

Mr. Sprenger also reported that Delta Air Lines has announced that they have chosen to close their Dallas hub in an effort to stay out of bankruptcy. They will bring in additional service to their Salt Lake City hub.

He also reported that on-airport rental car revenue was down 7% for July, while off-airport rental car revenues were up 370%. In July 2003, the off-airport rental car share of the market was 10% and it was 30% for July 2004. While total rental car revenue for on and off was up 19% for July, actual revenue to the airport increased only 7%. 30 % of the

passengers have to leave the airport on a shuttle. Mr. Sprenger also reported that Hertz controlled over 50% of the on-airport market for the first time.

The tenth agenda item was the Director's Report – Ted Mathis. Mr. Mathis reported that the concrete work on the GA ramp is done and that the milling crew should be here on Monday. The new GA ramp for based aircraft is almost complete and JARRAFCO has started on the foundation for their hangar.

He also reported that all of our projects are coming along well. The site has been prepared and staked for the pilot shelter. Our new well building is on line and the City of Belgrade is pumping water.

Mr. Mathis introduced Paul Schneider, our new Operations, Safety and Security Supervisor.

The eleventh agenda item was to consider the bills and approve for payment. After review and discussion, Ms. Jarrett moved to pay the bills. All the bills were approved for payment.

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



Steven H. Williamson, Chairman