

The regular monthly meeting of the Gallatin Airport Authority was held December 8, 2005 at 3:00 p.m. in the Airport Conference Room. Board members present were John McKenna, Greg Metzger, Steve Williamson, Eric Hastings and Richard Roehm. Also present were Ted Mathis, Airport Director, Brian Sprenger, Assistant Airport Director and Cherie Ferguson, Administrative Assistant.

The first agenda item was to review and approve the minutes of the regular meeting held November 10, 2005. Steve Williamson moved to accept the minutes as mailed, Greg Metzger seconded the motion and it passed unopposed.

The second agenda item was the public comment period. There were no public comments.

The third agenda item was to consider the request by Mr. Tony Kolnik to review water well issues. Mr. Kolnik was late so the board went to the fourth agenda item.

The fourth agenda item was to continue consideration of new lease agreement for Arlin's Aircraft Service Hangar #9. Ted Mathis said that he and Scott Bell, the airport engineer, checked the appropriateness of placing an additional hangar on a portion of the land in question and said it would not be appropriate. He requested that the board approve the three lease agreements, with Arlin's being the first, with the 100' area in front of the hangars being added to the new lease agreements.

Arlin Wass, owner of Arlin's Aircraft Service, asked why this is coming up at this time. He asked if there is a good reason and if the airport needs money. He said that he did not position the hangar there and wants the board to approve the lease to include just 50' in front of the hangar. The Gilhousen, Erickson, SkyRiver and Speth hangar lease agreements include 100' in front of the hangars. Mr. Wass wants to know why, as the 100' is not being used by those owners.

John McKenna said the issue isn't if the airport needs money but that the lease agreements are equitable for all hangar owners.

Mr. Mathis said that if a company has requested a 100' x 100' hangar, they need a 100' ramp to park their aircraft rather than parking them on the taxiway. He said that all the affected owners have been in agreement with that policy.

He also said the change to the leases is happening now because the leases are expiring. The three hangar owners have had the use of the land without paying for it. All the other hangar owners lease space in front of their hangars.

Mr. McKenna asked if it is equitable for other hangar owners. Mr. Mathis said it is equitable except for these three who have had the use of the area without paying anything.

Mr. Williamson gave an example of a 50' x 100' hangar and asked if it would take an equivalent amount of space to park the aircraft. Mr. Mathis said it would take at least that amount of space but that the hangars in the back are closer together and closer to the taxiway.

Eric Hastings asked if all the others are paying for the area in front of their hangars up to the point of the taxiway and Mr. Mathis said yes. Richard Roehm asked what services the airport provides to hangar owners. Mr. Mathis said that even though the lessee is responsible for maintaining the leased area, which would include the ramp they lease, the Airport Authority has historically maintained the pavement in front of the hangars, done the crack sealing, painted the centerline stripes and removed snow. He said that Authority employees mow the grass, trim the weeds around the hangars and provide porta-potties, which the airport services.

Mr. Roehm said that at one time that a hangar with two ramps and a split floor had been considered between two of the hangars. Mr. Mathis said that Manhattan Flying Tigers explored the possibility of using the land for a hangar because they have two aircraft but they

chose to purchase an existing hangar. Mr. Mathis said he hasn't had any similar requests from anyone else.

The board members discussed fairness and equitability. Mr. Metzger moved to accept the lease as proposed by Mr. Mathis; Mr. Hastings seconded the motion. In discussion it was decided to just deal with this agenda item. The motion carried without opposition.

Mr. Hastings moved that the Airport Director base as much equitability as is achievable, based on the foot print of the hangar and location of the hangar previously published or to be published for those that come along, to keep to these fundamental principles in a lease. Mr. Williamson said the ramp space should not be greater than the hangar space unless requested by the lessee.

Mr. Hastings withdrew his motion and it was agreed that Mr. Mathis will write a recommendation for the next meeting and put it on the agenda.

Tony Kolnik arrived and the board addressed agenda item #3, which was the request by Mr. Tony Kolnik to review water well issues. Mr. Kolnik said that he would like to see the airport board, as a community leader, take an active part as a leader in water issues and his purpose is to educate the board.

Mr. Kolnik said that he sent information to the board regarding irrigation and drainage problems in the Gallatin Valley. He said the information was written in 1926 by H. E. Murdock, an agricultural engineer of the University of Montana in Bozeman. On page 35 of the book by Mr. Murdock, the problems of irrigation and drainage are intimately assessed. Seepage conditions throughout the valley are largely brought on by irrigation and thus it would appear that the two should be solved together. To work out the problems most effectively and successfully would require the organization of the valley into one large

irrigation and drainage district. The north end of the valley had the best ground when the settlers first came. As the population grew to the south, more ditches were put in and more water was lost. The fertile ground in the north end of the valley became swamp ground and thus not suitable for agriculture.

On page 33, he wrote that the largest drainage problem is found to the north of Belgrade and Central Park. On Page 34, he wrote that the streams afford excellent ground for eastern brook and fishing for trout and increases the values for some of the land in the region. Another suggested use is a game preserve for waterfowl. This property is the swampiest in August, September and October when it is time for harvesting. One farmer made \$400.00 in the winter of 1925-1926 from muskrat skins. They were looking for solutions to a problem.

On page 36, Mr. Murdock wrote that in 1926, the water commissioner said it took approximately 1000" of water passing under Shed's Bridge in the Spain-Ferris Ditch to get 100" to Central Park, 11 miles to the north. This loss of 900" in 11 miles affected the ground water tables. If these needs could be supplied by pumping water from the underground supply, the two problems of irrigation and drainage could be partially solved. The airport authority is the owner of the wells and leases to the City of Belgrade.

Mr. Kolnik is asking the board to consider taking the wastewater the City of Belgrade produces and inject it back into wells downstream so it doesn't affect the downstream users. He said federal funds might be available to help defray the costs.

The Airport Authority has 10 cubic feet per second (CFS) of Spain-Ferris Ditch water rights. He would like the board to consider leasing some water to Trout Unlimited or some other organization to promote fisheries. This would also generate some money for the airport

and set an example. He believes that the time is right for some type of action and he hopes the board can see value in pursuing some conservation ideas.

Mr. Kolnik said that development is going to take place and that misuse of water is occurring now and will continue in the future. He said that a meeting with the College of Agriculture and other interested parties will be taking place around the 25<sup>th</sup> of January and he is hoping that some of the board members will attend. The board asked him to let Mr. Mathis know when and where the meeting is.

He also asked the board to actively protest, defend and not waste their water. He would like them to file a water rights complaint against the City of Belgrade with the DNRC and 18<sup>th</sup> District Court. He believes the city has annexed property outside their place of use.

He would like the board to become a leader as a good neighbor water rights user and water protector in Gallatin Valley. He also said that if the board would like him to come back he would.

The board members thanked him and discussed what course of action they should take, if any. Mr. Mathis believes the board should wait until they get something from the DNRC for the water users complaint that Mr. Kolnik filed against the airport. Several of the board members disagreed and think the board needs to be more proactive.

Mr. Hastings said maybe the board should do a lease with Montana Trout Unlimited. He said it would have to be an agenda item. He also said it would be good to put the water back into our wells and be good stewards. He said he has a problem filing a lawsuit against the City of Belgrade without more knowledge. Mr. McKenna said that we need to have a clear understanding of what we own.

Mr. Mathis said the water rights are held by the Spain-Ferris Ditch Company. The airport holds shares in the company. He also said that ever since he has been here, the

Airport Authority has been proactive. He said we have been good stewards and have maintained the ditch. He said he doesn't want this to be a proposed solution in search of a problem.

Some board members said it is already a problem and either they need to be more educated or have Morrison-Maierle look into it if they have a water consultant or look for an outside water consultant.

Mr. Metzger said he would want to have a financial cap as he doesn't want to just leave this open. Mr. Williamson said that was a valid comment and, because it is an airport matter, it could fall under the engineering portion of the budget.

Mr. McKenna said he would draft a list of questions they would like addressed.

The fifth agenda item was the report on passenger boardings and flight operations – Brian Sprenger. Mr. Sprenger reported that in November there were 419 air carrier operations, 901 air taxi, 1,651 general aviation (GA) itinerant and 4 military, for a total of 2,975 itinerant operations. Local GA operations were 2,170, for a total of 5,145 tower operations, up 5.73% from November a year ago. There were 153 landings of aircraft over 12,500 pounds, up 6.99% from November 2004.

Mr. Sprenger reported that passenger boardings were 21,646, up 8.5% from last November. It was a good November, helped out by approximately 700 passengers from Missoula boarding in Bozeman due to fog at the Missoula airport just before Thanksgiving. Mr. Sprenger said that for the first time in Gallatin Field history, the airport would enplane over 20,000 passengers every month this year, unless something unforeseen happens. We expect year-end results to come in around 335,000. December is showing growth of around 10% for the first half of the month but this is in one of the slowest periods of the year. This

should help offset the expected decrease for the second half of the month due to lower capacity.

Mr. Sprenger said that Northwest brought the troops home, which was a very wonderful event to participate in. A benefit of that is that Northwest has established us as a 757 capable station. They have scheduled a 757 in here in January because they have more passengers than seats. There is some talk of having 757 service on the weekends in February and March. We just received word of an additional RJ from Northwest in March so we don't know which way it will go. Overall our air service is staying the same as reported at our board meeting two months ago.

The sixth agenda item was the Director's Report – Ted Mathis. Mr. Mathis reported that on December 1<sup>st</sup>, Brian Sprenger, Scott Bell and Mr. Mathis met with representatives from the City of Belgrade, the Public Works Department, State Department of Transportation, Gallatin County Road Department, Belgrade Police, Belgrade Fire and some agencies impacted by or playing a role in subdivisions, particularly the Ryen-Glenn and Meadowlark subdivisions. Mr. Mathis said it was a productive meeting and a number of issues were dealt with. It was explained what conditions would be placed on the subdivisions and what responsibilities would be required of them.

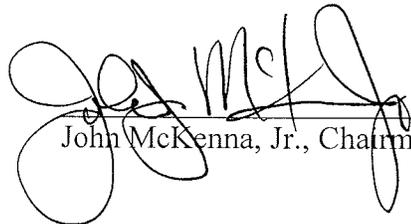
Mr. Mathis said that the Interchange committee will be meeting with the highway department in Helena on December 19<sup>th</sup> to go over some items the highway department wants to talk about. The interchange plans are progressing well. Mr. Mathis said that at the last public meeting, the majority of comments were from people wondering why it is taking so long.

The FedEx building is enclosed and they are planning on moving into the facility in February. Mr. Mathis said there would be a ribbon cutting ceremony and he will let the board members know when it will be.

Mr. Mathis said that the new fire station should be ready about Christmas time. He also reported that there is a pre-bid meeting in December for the radar project. The FAA is still planning on commissioning the radar in February or March of 2007.

The seventh agenda item was to consider the bills and approve for payment. After review and discussion, Mr. Roehm moved to pay the bills; Mr. Metzger seconded the motion, and it passed unopposed.

The meeting was adjourned at 4:50 p.m.



John McKenna, Jr., Chairman