

The regular monthly meeting of the Gallatin Airport Authority was held March 10, 2005 at 3:00 p.m. in the Airport Conference Room. Board members present were Richard Roehm, Yvonne Jarrett, John McKenna, Eric Hastings and Steve Williamson. 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 February 10, 2005. Mr. Hastings asked that page 5, paragraph 3, include the following changes. "Mr. Hastings said that the job description of the Citizen Review Committee is the same as the Gallatin Airport Authority Board, plus more, and that by establishing this committee it would be the equivalent of saying the Board members are not doing their jobs satisfactorily and should be fired. It is in fact a primary duty of the Board to (1) receive public input, (2) field grievances and (3) expand lines of communication." As there were no objections, Yvonne Jarrett moved to accept the minutes with the corrections as indicated by Mr. Hastings. Richard Roehm seconded the motion, which carried unopposed. The minutes are approved as amended.

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

The third agenda item was the discussion with the County Commissioners. Bill Murdock said that he and Joe Skinner were able to attend the meeting but that John Vincent could not make it. He said they just wanted to come to a meeting and that they think the Gallatin Airport Authority Board and staff does a superb job. He asked if anyone had any questions for them.

Mr. Roehm thanked them for coming and said he had two areas he would like to discuss with them. He said that Gallatin Airport Authority is concerned with keeping the airport viable and asked if there is a plan to guide development and help agencies within the region. Some of his concerns are that the lagoons for sewage in Belgrade were just expanded and now are almost to capacity because of subdivisions and that realtors are considering Park, Gallatin and Madison counties as a region.

Two of the steps the Authority is taking are that it is buying property within the noise contours and asking developers to file aviation easements on property that is in close proximity to the airport.

Mr. Hastings said that he and Mr. Roehm have been parties to losses of major jet bases and don't want that to happen to Gallatin Field. He expressed concern that the East Belgrade interchange may have a negative impact on Gallatin Field. He said that the airport is important because it is an effective, influential, regional economic engine.

Mr. Murdock said that the Gallatin County Commissioners growth priority is to push development in the valley rather than other places. They need to catch up with transportation needs and believe the interchange will be beneficial. They want to protect the airport and also work with the City of Belgrade.

Mr. Skinner asked how much buffer we need and how much we have. Mr. Mathis said that back in 1979, following a lengthy study, the County Commission adopted a resolution that established noise contours and the airport influence area. Within the 75 Level Day Night (LDN) noise zone no development is allowed and in the 65 LDN zone only commercial, agricultural and industrial use is allowed. The purpose of the airport influence area is to limit the height of structures within that area. After the resolution was adopted, the

Airport Authority has been purchasing property or controlling development by having developers issue avigation easements on their properties. Mountain View Subdivision was in existence before the study took place.

Mr. Skinner said he is impressed with what we've done and said the Commissioners could step up the process and ask for input for generally accepted guidelines for growth in this area. They could give avigation easements and said a map would help them. Mr. Murdock said that they could zone areas for commercial rather than residential use. He said he didn't know the Board members felt the airport was so threatened.

Mr. Roehm said that water and sewage are concerns. He said that water is finite and he hopes that is being considered in the formula for development.

Joe Menicucci, Belgrade City Manager, said no subdivisions to the north have been approved yet. They have been annexed but haven't gone through the subdivision review process. He said that if you deny landowners the right to do what they want, you may have to buy their property.

Mr. McKenna said that protection of the airport is critical and he is pleased the Commissioners and Mr. Menicucci are here.

Mr. Roehm said he had a second point he would like to address to the Commissioners. He said that the Airport Authority Board wants to comply with open meeting laws and that because the Commissioners invited in an authority for guidance, they could give us some advice. He asked what should be done if three or more attend a conference or other gathering.

Mr. Murdock said that the Board members aren't sneaking around making decisions behind closed doors but they should go overboard by taking every opportunity to give a piece

of paper to the public. We should spend extra money if necessary to publish agendas and other information and go the extra mile.

Mr. Skinner said to eliminate the perception of wrong doing by making sure they're not making decisions when they are together; err on the side of being open. It is okay to have conversations but make no decisions. He said to publish the agendas of conferences and information of how interested parties can attend if three or more Board members will be in attendance.

Mr. Roehm thanked the Commissioners for their attendance and comments.

The fourth agenda item was to consider funding environmental analysis for future Interstate interchange. Mr. Mathis said that this is the next step in order to go forward with the schedule. The Operational Analysis, of which the Airport funded  $\frac{1}{3}$ , is complete and was sent to the Montana Department of Transportation (MDOT). The Interchange Committee met with MDOT who acted favorably on the interchange.

Mr. Mathis said he understands Mr. Hastings' concerns but believes the good outweighs the bad for the airport in the foreseeable future.

Scott Bell, the airport engineer, said that the finding of acceptability report is going to the Montana Highway Department and the Federal Highway Department. The interchange can go in at the approximate location without adversely affecting the Interstate system.

Mr. Williamson asked what the environmental analysis tells us. Mr. Bell said that it answers questions like the ones Mr. Hastings raised today. How does it affect the airport, adjacent properties, and wetlands? Does it threaten endangered species?

Mr. Hastings said he wants it to be a matter of record that we want them to consider the entire question; the impact on the entire region and the airport. Mr. Roehm said we want

to make sure the study includes the items we are concerned about and asked if all these issues would be included in a Request for Proposal (RFP). Mr. Bell said that as soon as you select your consultant, you put in the scope of work. All these concerns should be addressed. The first step after that is to have a public informational meeting. The consultant is required to respond to all the questions.

Mr. Mathis said there are also federal and state requirements that have to be met. If the project is stopped, the Airport Authority will get two thirds back. If it goes forward, the \$300,000 will count toward our share.

The Board members asked how the consultant is hired. Mr. Bell said the County is the lead agent, but has a committee, of which Mr. Mathis is a member.

Mr. Murdock said that MDOT is one of the main funding sources on this project and they also have criteria they want looked at. He said the county will go along with that and also the socioeconomic impacts to the airport and the City of Belgrade. Mr. Skinner said that if the county does the Request for Qualification (RFQ), Larry Watson will be the one to make it. He will put all the concerns in the scope of work. The Commissioners will agree to those stipulations.

Following some discussion as to who the other participants in the project are, Mr. Roehm moved that the Board approve an appropriation of up to \$300,000 to front the portion of the environmental analysis portion of this project. The funds would be committed with the following stipulations with written agreements with the other participants. 1. The amount paid would be counted toward our share of the total project cost. 2. In the event that the project did not move forward from completion of the environmental assessment, the other

sponsors would reimburse us for  $\frac{2}{3}$  of the cost. Mr. McKenna seconded the motion, which carried unopposed.

The Board thanked the Commissioners and Joe Menicucci for attending and for their participation in the meeting.

The fifth agenda item was to consider bylaw changes – Richard Roehm. Mr. Roehm said that over the past six months or more the Board has considered various facets of this bylaw change, all of which have been folded into the bylaws. The procedures have been available to the public and the Board has agreed to them without opposition. This is the first reading of the bylaws in this form. Mr. Roehm asked for comments from the Board and the public, and would like it opened up for adoption at the next meeting. The other Board members concurred.

Ms. Jarrett asked Brian Sprenger if the proposed bylaw changes could be posted on the website. Mr. Sprenger said he would post them.

The sixth agenda item was to continue consideration of request for a citizen review committee – Tom Nagorski. Mr. Roehm said that he doesn't think a citizen review committee is an appropriate measure because it would be established for the same purpose as the Board, but that the Board should reach out like what just happened with the County Commissioners. He then moved that this request for a citizen review committee be postponed indefinitely. Mr. Hastings seconded the motion.

In the comment period, Tom Nagorski said he should have called it a Local Government Review Panel and handed the Board members a printout from Montana Code regarding the establishment thereof. He asked that the Board consider it if they want to

formulize the procedure in the future. The members thanked Mr. Nagorski and voted on the motion, which passed without opposition.

The seventh agenda item was to consider a new 10 year lease for Dale and Marti Miller Hangar #29, 30, 31, 40, 41. Mr. Mathis asked the Board members if they wanted to consider the 7<sup>th</sup> and 8<sup>th</sup> agenda items together, as both hangars are in good condition and the rent is current for both. The eighth agenda item was to consider a new 10 year lease for Randall Arment Hangar #49.

The members agreed and Mr. McKenna moved to extend the leases for the Miller and Arment hangars. The motion was seconded and carried unopposed. The leases will be extended for 10 years.

The ninth agenda item was to consider the request by Jason Lea to transfer his interest in Hangar #84 to Jeff Reider. Jeff Reider informed the Board that it is actually hangar #83. He said he has been an airplane owner at the airport for about 7 years. He has a light sport airplane and needs a place to park it.

Mr. Roehm moved to approve the corrected request by Jason Lea to transfer his interest in Hangar #83, Mr. McKenna seconded the motion and it passed unopposed. The lease for hangar #83 will be transferred to Mr. Reider.

The tenth agenda item was to consider the ground lease for Big Sky Warbirds, LLC equipment storage area. Mr. Mathis said they have had some storage containers and 2 fuel trucks stored over by the tank farm for over a year. He wants them to pay rent and meet our other requirements. Mr. Mathis said they agreed to have a month-to-month lease. Mr. Roehm moved approval of the ground lease for Big Sky Warbirds, LLC to lease the

equipment storage area; Mr. McKenna seconded the motion, which carried without opposition.

The eleventh agenda item was to consider the request by Aero Flight School to construct a new hangar in the east hangar area. Mr. Mathis said he sent drawings to the Board and to the engineer. He thinks the location they have chosen is valid and appropriate. It is between taxiway U and taxiway O. They would like a north-facing hangar so they can have solar panels on the south and doors on the ends. Mr. Mathis provided a drawing and a cost estimate for installation of sewer and water mains to the area. The estimate cost is \$90,350. Mr. Roehm asked if there would be any economy by going further with the water and sewer than just to the Aero Flight School hangar. Mr. Mathis said that it wouldn't because we don't know what kind of requests we will get for hangars in this area and how soon.

Mr. Roehm moved approval of the request to construct a new hangar in the east hangar area; Ms. Jarrett seconded the motion, which carried unopposed.

The twelfth agenda item was the report on passenger boardings and flight operations – Brian Sprenger. Mr. Sprenger reported that in February there were 459 air carrier operations, 967 air taxi, 2,038 general aviation (GA) itinerant and 12 military, for a total of 3,476 itinerant operations. Local GA operations were 2,384 for a total of 5,860 tower operations in February. There were 203 landings of aircraft over 12,500 pounds, up 15.34% from February 2004. Air carrier and air taxi were both down slightly in February because there was one less day in the month. The weather was very mild this February and the itinerant GA landings were up 44% and local GA was up nearly 37%. On the peak day

during February, we had 360 operations, which means we averaged a landing or take-off every 2 minutes for the 18 hours the tower was open.

Mr. Sprenger reported that passenger boardings were 27,549, up 4.5% from February a year ago. Year to date is 54,728, up 8.3% compared to the same period in 2004.

Enplanements in February exceeded our expectations despite having one less travel day.

About  $\frac{1}{3}$  of the increase was due to ski charters operated by American Trans Air and America West, which we did not have last year.

March looks to be strong with load factors continuing their positive trend. In the next 4 days we will be quite busy as we have ski and snowmobile groups, Marlboro groups and spring break traffic. Mr. Sprenger said that in the next 2 days we will board more passengers than will be enplaned in Butte for the entire month; in the next 4 days we will board more passengers than will be enplaned in Helena for the entire month; in the next 7 days we will board more passengers than will be enplaned in Great Falls for the entire month and in the next 15 days we will board more passengers than will board in Missoula for the entire month. At the end of the month we may board as many passengers as Billings.

Mr. Sprenger also reported that there are rumors of bankruptcy again for some airlines flying into Gallatin Field.

Mr. Roehm thanked Mr. Sprenger for the inclusive report he sent the Board regarding information they requested.

The thirteenth agenda item was the Director's Report – Ted Mathis. Mr. Mathis introduced Mr. Bob Waddle, who has been a local resident for a couple of years. He is a former airport director from Columbia, South Carolina and a past national president of the American Association of Airport Executives (AAAE).

Mr. Roehm asked if he had any comments regarding the earlier interchange discussion, and Mr. Waddle said the smartest thing we are doing is purchasing property before it is developed. He also said we are very fortunate to have the air service we have here for our population.

Mr. Mathis reported that former Board member Tom Nopper passed away last month. Mr. Mathis and several others attended the memorial service. We received a thank you card from his wife for the flowers we sent.

Mr. Mathis said that several months ago, the Board tabled a decision regarding the request by Central Copters, Inc. to transfer their lease to Mark and Pam Duffy pending a decision by Judge Brown on a case they had filed. Judge Brown allowed them to dismiss the case without prejudice. Mr. Mathis recommended putting this item back on the agenda for our next Board meeting. The members consented.

Mr. Mathis showed a video of projects at the airport. He showed the site preparation for the Blackwell hangar, Jarretts' hangar and the one built by Jason Lea and his partner. DeGroots are finishing the inside of their hangar and the exterior is complete on Robert Shropshire's hangar. The stonework is near completion at the new pilots' shelter and the demolition is complete at the old terminal, the site of the new fire station.

Mr. Mathis also reported that this year we will be putting out an RFP for a new haying contractor. The last contractor didn't perform as well as we would have liked. Mr. Mathis said we expect to have better candidates this year.

Mr. Mathis said that last month he spoke at the Belgrade Chamber luncheon, the Montana Pilots Association dinner and the Belgrade Rotary luncheon.

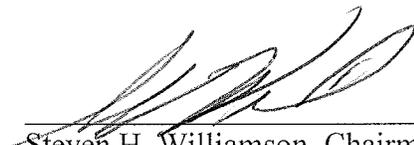
Mr. Roehm wanted the record to reflect that the Board welcomes Arron Wass back from his tour of duty in the National Guard. We are thankful he came back unscathed and thank him for his service.

Mr. Roehm also said that the AAAE conference is in Seattle on May 1<sup>st</sup> through the 4<sup>th</sup>. Issues we are concerned about will be discussed and Mr. Roehm encouraged all the Board members to attend if they are able. Mr. Mathis and Mr. Sprenger will be going. Mr. Williamson said that all who can attend should let Mr. Mathis know.

Mr. Roehm said that if there are at least three Board members who will be attending, an agenda should be posted and we should consider it a meeting.

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

The meeting was adjourned at 4:55 p.m.



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Steven H. Williamson, Chairman