

The regular monthly meeting of the Gallatin Airport Authority was held January 10, 2008 at 3:00 p.m. in the Airport Conference Room. Board members present were Richard Roehm, Greg Metzger, Kevin Kelleher and John McKenna. Also present were Ted Mathis, Airport Director, Brian Sprenger, Assistant Airport Director and Cherie Ferguson, Administrative Assistant. Steve Williamson was unable to attend the meeting.

The first agenda item was to review and approve the minutes of the regular meeting held December 13, 2007. John McKenna moved to accept the minutes as mailed, Greg Metzger seconded the motion and it passed unopposed.

Richard Roehm said that the February meeting will be held on Tuesday the 12th and the March meeting will be held on Tuesday the 11th so all five board members will be able to attend the meetings.

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

The third agenda item was to consider selection of an architectural firm for terminal building remodel and expansion. Richard Roehm, Chair, said that the four board members had attended a 2 ¾ hour special meeting earlier today to go over criteria selected by the board with the top three of the nine architectural firms that had submitted the RFQ for the terminal building remodel and expansion. He asked Ted Mathis, the Airport Director, to tell them how they should proceed.

Mr. Mathis said that the board would choose a firm, meet with them and finalize the initial scope of work. They would also negotiate how much they would be paid and how to phase the project. Mr. Mathis said there could be quite a bit of discussion and that there is always the possibility that the board might not be able to reach an agreement with them. Mr. Roehm asked if the board should choose a second firm in case they reach an impasse with the

first firm. Mr. McKenna said that it should be an option. He said that there were three good presentations today and that it is hard to choose one firm over the others and he would like to see them have a second choice. Mr. Metzger said he didn't want to be locked into a second firm. He said he thinks not being able to negotiate a fee is quite different than something major and unforeseen. He would like more flexibility in the process.

Mr. Mathis said we are required by law to choose a firm based on their qualifications and then negotiate the fee. Mr. McKenna said that if we think the amount should be X and the firm says 2X, our second choice might be willing to do it for X. Kevin Kelleher said he agreed with Mr. McKenna.

Mr. Metzger said he thinks any one of the three would do well. He said Bechtel/Slade has more passion and less experience, but he believes their enthusiasm will carry them through. He said their focus is on Montana. He also said that CTA provides the most comfort. They are strong in engineering people and Montana People. He said that if he could wave his magic wand he would use this team.

Mr. Metzger said that he loves this terminal building and that gives a little weight to Prugh & Lenon. His main concern with them is that if they get overloaded, they will send work to Denver and thus send the work out of state.

Brian Sprenger, Assistant Airport Director, said that he had several walkthroughs with the top three firms and that we would do well with all firms. He said that there are some things that differentiate each organization from the others. Each one will choose a direction and show their ingenuity in different ways. Mr. Sprenger agreed with the comments Mr. Metzger made and said all three firms have an interest in this terminal. He said that some organizations are more exuberant and some are quieter, but they all have passion. He said the

functions and solutions will be similar and they are all very capable, but aesthetics is where they bring their signature.

Mr. Mathis said that a new perspective is excellent. He said that Jamie Lenon has the ability to make a building look beautiful and Dick Prugh has that ability too but is extremely frugal and has a common sense approach. He sees where costs can be cut without diminishing the quality or appearance of the project. Mr. Mathis said that he has worked with Kurt Keith from Morrison-Maierle on structural work and he is always spot on. Will Van Dyken and Larry Bronec have a great deal of experience with our electric and mechanical systems and have done very good work. Michael Spitzer from RS&H has already done a lot of the foot work to help us hit the ground running.

Mr. McKenna said he appreciated Bechtle/Slade because of their passion, CTA because of their depth and Prugh & Lenon because they are a known commodity and we are proud of their history here. He said he would choose Prugh & Lenon first, then Bechtle/Slade second and CTA third.

Mr. Kelleher said all three bring a lot to the table. Prugh & Lenon have experience in the past but he is concerned about their depth. He said CTA has experience and depth and that Bechtle/Slade brings vision and passion. He said a few things popped out for him from the presentation by Clyde Twine, like the parking issue and the capacity for a dual baggage lane. His choice would be Bechtle/Slade, Prugh & Lenon and CTA. Mr. Metzger said he would choose Prugh & Lenon, CTA and Bechtle/Slade.

Mr. Roehm asked Mr. Kelleher for additional comments because his first choice was Bechtle/Slade. Mr. Kelleher said he believes either firm would be excellent but his decision was based on the longevity of the project. He thinks Bechtle/Slade would carry the ball and pick up the project. He thinks the aviation firms associated with them are very good and that

Mr. Twine noted some things that were not noted by the other aviation specialists. He said those had to do with service rather than performance or design.

Mr. Roehm said he would choose Prugh & Lenon first. The board decided they would reconvene if they have to go to a second choice.

Mr. Metzger moved to accept Prugh & Lenon as the architect for the airport expansion project. Mr. McKenna seconded the motion, which carried unopposed. The board thanked all three firms for their participation.

The fourth agenda item was to consider the request by Lane Wraith to construct a 33' x 188' non-commercial hangar. Mr. Mathis said that the board had approved a hangar at this location in the past. He said the hangar would be on Taxiway H and Taxiway I, which we just built. He said he discussed the length of the hangar with Mr. Wraith and he agreed to change it to 176' to match the one next to it. It would be a 4-unit hangar. Mr. Wraith requested a 50-year lease and Mr. Mathis told him it would be a 10-year lease with a 10-year option like our other leases. Mr. Kelleher moved to approve the request for a 33' x 176' hangar and Mr. McKenna seconded the motion. The motion carried unopposed.

The fifth agenda item was to consider the request by Todd Berg to construct two 60' x 180' three-unit non-commercial hangars. Mr. Mathis said that Mr. Berg is a builder who has just finished building a number of hangars at the Kalispell City Airport and some work elsewhere. He would like to build these two hangars in the new east hangar area on Taxiway V, which we just finished. The hangars are spec hangars with sewer, water and heat. He is asking for the lease in the name of T&L Properties. Mr. McKenna moved to approve the two hangars; Mr. Metzger seconded the motion and all the board members voted aye.

The sixth agenda item was the Master Plan project update – Scott Bell. Mr. Roehm asked Mr. Bell to make his presentation at the end of the meeting.

The seventh agenda item was the report on passenger boardings and flight operations – Brian Sprenger. Mr. Sprenger reported that in December there were 592 air carrier operations, 1,054 air taxi, 1,942 general aviation (GA) itinerant and 28 military, for a total of 3,616 itinerant operations. Local GA operations were 2,282, for a total of 5,898 tower operations. This is 5.8% over the record December 2006. Annual totals were 8,511 air carrier operations, 10,478 air taxi, 31,906 GA itinerant and 564 military, for a total of 51,459 itinerant operations. Local GA operations were 29,147, for a total of 80,606 tower operations, down 2.8% from the record set in 2006. The primary count that was down was local GA operations. There were 310 landings of aircraft weighing 12,500 pounds or more, up 13.6% from last December.

Mr. Sprenger reported that passenger boardings were 23,998, up 4.3% from December a year ago. Annual boardings of 335,276 passengers were up 5.5% over 2006. The record number of passengers boarded exceeded the number of passengers enplaned in 2005, so we have regained what was lost due to the airlines' bankruptcies.

Mr. Sprenger said we expect Big Sky Airlines to cease operations and liquidate within the next two months. Essential air service for eastern Montana has been granted to Great Lakes out of Cheyenne, Wyoming. Mr. Sprenger said we will have service to Boise, Idaho on Horizon Air through Idaho Falls, but we don't expect any carrier to offer direct service from Bozeman to Boise because they won't have code sharing with Horizon. Great Lakes has limited aircraft availability and limited pilots, so they won't be able to offer that service either.

The eighth agenda item was the Director's Report – Ted Mathis. Mr. Mathis reported that Williams Construction is installing the water line to serve points north and they are

doing a nice job so far. We have been fortunate to have frozen ground so they don't have a muddy mess to deal with. They are good to work with and the project is progressing well.

Mr. Mathis said that we are busy with terminal projects and efforts and things are going well. The house on the airport has been leased to the new maintenance supervisor, Tim Garton, and he is working out well so far.

The ninth agenda item was to consider the bills and approve for payment. After review and discussion, Mr. McKenna moved to pay the bills and Mr. Kelleher seconded the motion, which carried without opposition. The bills will be paid.

Mr. Bell made the power point presentation that he was planning to make to the City/County Planning Board, the City of Belgrade and the Gallatin County Commissioners. The board wanted the presentation done differently and tasked Mr. Mathis to make the presentation. He will make a presentation to the board at the next Airport Authority board meeting.

The meeting was adjourned at 4:45 p.m.

Richard R. Roehm, Chairman