

The regular monthly meeting of the Gallatin Airport Authority was held May 14, 2009 at 3:00 p.m. in the Airport Conference Room. Board members present were Richard Roehm, John McKenna, Steve Williamson, Kevin Kelleher and Greg Metzger. Also present were Ted Mathis, Airport Director, Brian Sprenger, Assistant Airport Director and Cherie Ferguson, Office Manager.

The first agenda item was the public hearing regarding a proposed terminal expansion project and the possible issuance of airport revenue bonds. Brian Sprenger, Assistant Airport Director, said this public hearing is on a proposed project consisting of financing a portion of the costs of expanding, improving, furnishing and equipping the airline terminal building at the Airport and related site improvements, which, among other things, is expected to more than double the square footage available in the existing airline terminal building and include enlarging the lobby and waiting areas and other terminal space to accommodate future needs of the Airport, relocating certain services and concessions, expanding airline operating areas, concourse, baggage claim, rental car areas, and other improvements and the potential for the Airport Authority to issue airport revenue bonds in one or more series to finance a portion of the costs of the Project and all or a portion of the costs of issuance of the Bonds and the debt service reserve for the Bonds, and, if appropriate, pay interest during construction, pursuant to Title 67, Chapter 11, Parts 1 through 3, Montana Code Annotated.

The Authority proposes to issue and sell the Bonds in the estimated maximum aggregate principal amount of \$16,000,000. The Bonds will be payable from and secured by the revenues of the Airport available to the Authority, including, without limitation, and as to one or more series of the Bonds, passenger facility charges; as appropriate, general Airport revenues; and a debt service reserve established therefore. The Bonds will not be general

obligations of the Authority, and the general credit and taxing powers of the Authority or Gallatin County will not be pledged to the payment thereof.

Mr. Sprenger said that was the official statement from our bond counsel and he said it could be opened up to anyone interested in stating their views of this project. He asked that they would give their full name before making their statement.

Chair Richard Roehm asked if everybody understood what we are talking about. He said this is a requirement by law, prior to getting the bonds or proceeding with the bonds.

He asked that anybody who was interested in commenting on the proposed terminal expansion and the issuance of these bonds to please step forward. There were no public comments. He asked again for anybody interested in commenting to please step forward to the podium.

Board Member Steve Williamson asked why bond counsel would recommend that these not be general obligation bonds, and Mr. Sprenger said we worked with the bond counsel on that and it was actually our recommendation that they not be general obligation for several reasons, primarily because they are to be repaid through passenger facility charges and it does not encumber the County for any of that process. Mr. Williamson asked how that would impact our interest rates and if it would increase them. Mr. Sprenger said it wouldn't impact them substantially at all because of our expected financial ratings.

Board Member John McKenna asked Mr. Sprenger if we do ultimately select bonding as our financing, if this is a necessary step but doesn't require us to bond. Mr. Sprenger said this is only to preserve our option to bond if we so choose.

Chair Roehm asked if there were any further questions from the Board. Hearing none, he then asked if anyone in the audience wanted to make a statement.

GALLATIN AIRPORT AUTHORITY

May 14, 2009

There were no comments or statements so the public hearing was concluded at 3:05  
p.m.



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Richard R. Roehm, Chair