

The regular monthly meeting of the Gallatin Airport Authority was held February 10, 2011 at 2:00 p.m. in the Airport Conference Room. Board members present were Richard Roehm, Steve Williamson, John McKenna, Ted Mathis and Kevin Kelleher. Also present were Brian Sprenger, Airport Director, Scott Humphrey, Deputy Airport Director and Cherie Ferguson, Office Manager.

The first agenda item was to review and approve the minutes of the regular meeting held January 13, 2011. John McKenna moved to accept the minutes as mailed; Kevin Kelleher seconded the motion. Richard Roehm pointed out that the minutes that had been mailed to the Board had the meeting time listed as 3:00 p.m. John McKenna amended his motion to approve the minutes of the January 13, 2011 meeting at held 2:00 p.m.; Kevin Kelleher seconded the amended motion, and all Board members approved the amended motion.

The second agenda item was the public comment period. There were no public comments. Steve Williamson said there was no one signed up to make public comments but comments are always welcome when the appropriate agenda item is being discussed.

The third agenda item was the Airport Business Update – Montana Gift Corral, Copper Horse Restaurant (Sharbert Enterprises). Brian Sprenger said the last couple of months we've been getting updates on various businesses at the airport. We started with Summit Aviation and last month Hertz Rent-A-Car gave their update. This month's featured company is the Montana Gift Corral and the Copper Horse Restaurant, and Bert Hopeman is present to give the update.

Mr. Hopeman thanked Mr. Sprenger and the Board and said he is half owner and president of Sharbert Enterprises. His wife, Sharon, is the other half, and the company name comes from Shar and Bert. He said they decided to come to Bozeman in 1991 and visited in

January of 1992. They moved to Bozeman in March of 1993 and opened their downtown store in June of 1993. The irony is they made the decision to open a store in downtown Bozeman while having a couple of glasses of wine and a very delicious dinner at a restaurant named the Overland Express. So their business started, ironically, at the Overland Express.

They grew with iterations here and there and everywhere. They placed catalogs in various stores. They eventually got the gift store at the airport. Just this past year, they were fortunate to get the restaurant concession too.

This afternoon he said he wanted to talk to the Board about values. He and his wife were both in agreement when they opened a gift store, to have a successful business, the deciding factor, especially retail business, would be customer service. And they decided not only did you need additional amenities in regards to customer service, like serving free coffee like they do downtown, but you also needed a staff that is well trained and accommodating to the people and friendly. They developed a service manual and talked to people about what the highest level of service should be. They thought they could distinguish themselves by providing the highest level of service and gifts that were reasonably priced.

As the company grew, customer service and passion turned into a core value. Their core value is that they are in business to serve others and it almost has religious overtones for them. They feel when you help other people, you are rewarded tenfold in return. Their passion in business is helping other people. Mr. Hopeman said when you do that successfully the bottom line will take care of itself to a great degree. You have to run a relatively intelligent business and find the right products and all the rest of that, but if you can instill that desire in your staff from top to bottom to help other people you are going to be successful.

They also emphasize with their employees to implement that vision, the desire to have them help each other, to serve each other. They insist on that. Part of that is management has to serve the other employees. Mr. Hopeman said he calls that servant manager philosophy and that's quite separate from the dictatorial management philosophy. They have actually had several managers over the years who have been outstanding in their technical abilities and very nice people, but they had to ask them to leave the company because they could never get the hang of the servant manager philosophy. They thought they were there to rule the roost and be little kings.

In their passion to serve others, he said he could cite many, many examples. They encourage and empower their employees to go out of their way to help customers no matter which venue they are in. He told about one example at the airport. A lady did not speak English. Her sister was supposed to pick her up but didn't and she didn't know what to do. The staff realized she was quite frantic. They told her not to worry, made a phone call to her sister and found out she couldn't get out of her house because it was winter but she would be down the next day. They got their customer a hotel room in town, had the taxi take her there and hopefully her sister showed up the next morning. That's the sort of thing they think is important and encourage their employees to do. Shut-ins have wanted things from their store downtown and they have taken it to them at no extra charge.

Mr. and Mrs. Hopeman believe that's just doing the kindly human thing. One reason he has enjoyed working with the airport is because he really feels that Ted Mathis, initially, and Brian Sprenger, now and the Board backing them has a very similar philosophy to theirs. The Airport Authority is very, very customer oriented. Their employees are very loyal and that means to him they are treated well with a lot of respect and empowered. And he thinks the two organizations have a common area of philosophy which makes it easy for them to

work together. He said he really appreciates that and thanked Mr. Mathis, Mr. Sprenger and the Board.

He then ran thru the financial information he felt was interesting historically. On the gift shop side of things, since the day they opened, they have seen about a 70 % increase in revenues from 1992 up to now. The enplanements during that period rose 32%. Inflation has gone up about 21% using the consumer price index. If you combine these two rather than getting 53, which you would normally do, by multiplying them you get almost 60 so their revenue in the gift stores has gone up 70 % but you would have anticipated under constant conditions they would have gone up about 60%. The 10% difference is probably due to the food behind security. Revenues seem to be keeping up more or less with inflation and enplanements.

However the remuneration to the airport has gone up tremendously because the concessionaire before them gave 10% of revenues to the airport and they now are under contract at higher percentages. The revenues to the airport are almost double in real terms.

Regarding financial results for food concessions, they don't have a long history there like the gift store, but they have seven full months and one partial month in June. In the seven full months, July through January, they had a 19% increase in sales over and above the comparable period under the previous concessionaire. That is the best the restaurant has ever done for those months of the year. Mr. Hopeman said if the airport had chosen the next lowest bidder, the revenue to the airport from the restaurant just for the almost eight months would have been \$24,700 less. That's using Montana Gift Corral's numbers and assuming that those who took it over came up to the 19% increase for those seven months and June. If you use the lower revenue numbers, the airport would have received \$33,000 less using the

last concessionaire's numbers. So he thinks the airport over the next 4 ½ to 5 years, under the current contract is going to receive a very good return on their investment.

Mr. Hopeman said at the time they took over the food and beverage concession, the Board asked if they could make money at the rate they bid. Being new in the airport food and beverage concession, he couldn't for a fact say yes or no, but now with the eight months under their belt, he can unequivocally say yes, they can make money. Their cost structure is a little higher than they anticipated, mainly in a few things. The big surprise for them has been supplies for the restaurant have been a little more than they predicted. The food is a tad more but when you take all those things into consideration, he thinks they can definitely make money moving forward.

Two reasons for their success is they are more efficient than the previous concessionaire and maybe all the concessionaires for this size of airport in the country. They have a very modern and up to date point of sales system that keeps track of inventories. It's all automated. When the employee in the restaurant punches in the order it automatically goes into the kitchen so she doesn't have to run to the kitchen and hand a slip of paper to the cook like she would have had to do in the past. It's all automated so it's more efficient and that has helped them a lot. They also have a very solid liquor control system that measures the amount of liquor used in the drinks and beer and that has cut down on free drinks and over serving.

They have also increased the grade of food and they think it helps because it brings people back in. They are using a much higher grade of beef than that was previously used and other items like the quality of the eggs. Every food item has a quality. They have gone up in their food quality but think it is money well spent because people can taste that and enjoy it more and they return.

Looking forward, the gift shop in the expanded new terminal, combining downstairs and upstairs, the square footage is about 50% greater than what they have today between the downstairs and upstairs. They think there will be at least \$200,000 worth of food sales that will transfer from the gift shop behind security over to the new quick serve aspect of the restaurant. They do feel that the gift items, water and things like that, should increase sales by 10% because of the square footage, the display area, the ease of getting in and out of the place and the fact that it is behind security. The restaurant will benefit when the \$200,000 transfers from the gift shop to the restaurant, mainly in the quick serve area. Because the restaurant will be behind security, it will be much, much more visible than the restaurant is today and everybody will know it is there. When someone walks on the concourse, it will be right there and they won't miss it. Mr. and Mrs. Hopeman estimate it will be a 25% increase, over and above the \$200,000 in restaurant sales.

They have asked a lot of people about that and have estimates from 15% to 100% so they don't know where it is going to land. They think that it is reasonable today that 10% to 12% of the actual traveling public use the restaurant. With the restaurant right there in front of customers, they think it will go up.

Mr. Hopeman said two of the biggest challenges are related to the Bistro. People bring their families to the restaurant and have a last meal with them. They still will want to do that. The Bistro will not be a full service restaurant. But they're going to try to find things that they can sell there for breakfast, lunch and dinner that will satisfy that crowd so they don't lose that business. That is going to be a challenge. They don't have a grill so that won't be the same.

The other big challenge is upstairs with the quick serve and restaurant generally. How busy will the restaurant be versus how busy will the quick serve be? They will have a

nice cafeteria line but what kind of items can be sold over there? They will probably start out with a lot of items and see which ones are popular and which ones aren't. That is another area to watch because it is going to be very interesting as it evolves. It is a rather dramatic change in dynamics when you put the restaurant behind security and have these dynamic changes. It is change for the better but still a dynamic change.

The last thing he wanted to say is their company and himself personally have really enjoyed working with Mr. Sprenger and before that, Mr. Mathis and they've really enjoyed the straightforward honest relationship and the cooperative relationship they've had.

He travels a lot and has gone to a lot of meetings at airports like Gallatin Field and wants the Board to know that he believes Gallatin Field is the best little to medium sized airport that he has run across in this country. There are some that may be close but there are none that are better.

Their personal goal, their company's goal, which they reiterate to their staff, is to have the absolute best gift shop and now the best food service of any medium size airport in the country. He said we run a fabulous airport, and they want to be comparable and run a fabulous gift store and food service. Mr. Hopeman thanked the Board for the letting them serve us and asked if anyone had any questions.

Mr. Williamson thanked Mr. Hopeman. Mr. Roehm asked how to handle personnel issues because of the sporadic flow of customers. Mr. Hopeman said he tends to schedule on the high side and employees can clean and keep things shipshape when it is slow. He said he plans to have a roving employee who will be available to help out at the gift shop and the restaurant when the new terminal expansion opens. Managers can also help the wait staff when it is busy. They are now more organized and better trained at the restaurant and have improved the quality of cooks dramatically in the last three months.

Mr. Hopeman said recently an Allegiant Air flight was late and everyone wanted lunch. It was the busiest he has ever seen, even busier than in the summertime. They hadn't anticipated the situation but they pulled in another wait staff, made it through and kept on schedule within their guidelines. He said he can't say they're perfect but they try to work at it. He thinks their scheduling is excellent because they have been doing it for quite a while on the gift side and now are doing it on the restaurant side. He often asks customers if they got their meal within ten minutes and the answer invariably has been yes. The Board thanked Mr. Hopeman for a fine presentation.

The fourth agenda item was to consider the proposal by Montana PBS to provide video content for the terminal. Mr. Sprenger said that are a number of TV monitors in the terminal primarily at the gates, passenger screening and baggage claim. Most airports across the country focus on CNN or FOX and broadcast all the bad news that happens across the country all day long. Mr. Sprenger said we hoped to do something different so we have explored a few different options. The idea that came to the top was working with MontanaPBS to see if we could come up with something more related to Montana, more entertaining and less bad news. He wants to know if that is something the Board would entertain. He said we think it would be a good thing for our traveling public.

Montana PBS has been receptive and they have submitted a proposal for the Board and they wanted the opportunity tell the Board a little bit more about what they have in mind. Michael Ballard, Aaron Pruitt and Eric Kemp were present to discuss their proposal.

Mr. Pruitt said the Board has received some of the information already and he feels it would be useful to go through it with them. He said he is the Director of Content with MontanaPBS and he selects the programs to be broadcast on the statewide service. He buys programs, produces content and is constantly evaluating content for broadcast for the

statewide public television service. Mr. Ballard is the Producer for MontanaPBS and produces some of that great content. He recently produced *Never Long Gone: The Mission Mountain Wood Band Story*. He said Mr. Ballard also produces for contract productions, which is for folks and is not necessarily for broadcast. He has a background in sports productions and shoots a lot of bull riders and different events around the country.

Mr. Pruitt said they were excited about Mr. Sprenger's unique idea for living room spaces near the gate areas featuring Montana-based programming featuring stories about our region's people, history and magnificent landscape. They believe MontanaPBS can help provide an environment for travelers that extends their Montana experience right to the moment they step on the plane to leave or whet their appetite for their visit.

MontanaPBS proposes to provide video files on a quarterly basis to the Gallatin Field Airport and place the content on servers owned by the airport. The files would be a seamless presentation and include programs, advertisements and custom traditional elements that would recognize the partnership between Gallatin Field and MontanaPBS. All content would be subject to approval by the Airport Director.

Mr. Roehm said this is new ground for us and asked if we need legal evaluation. Mr. Sprenger said he would look into that. It is very comparable to what is done at other airports with FOX or CNN. Mr. Pruitt said they could check with legal counsel at the University.

Mr. Roehm said some of the passengers might not be here for two hours but might like to see the remainder of a show. He said he is a big fan of Backroads. Mr. Pruitt said Backroads would be perfect in this venue. Some of the one hour shows would be more challenging but if passengers only got to watch 15 minutes, it might whet their appetite and it wouldn't mean they didn't have a pleasant experience. The Board and Mr. Pruitt discussed selling DVDs at the gift shop.

Mr. Roehm asked if there was a way to put on current events and Mr. Sprenger said he or Montana PBS could override the program and switch to CNN.

Mr. Kelleher said some airports have weather feeds every fifteen minutes and Mr. Sprenger said the Flight Information Display Screens (FIDS) at the gates would display the weather.

Mr. Pruitt said he doesn't think any other airport is doing this and said it would very distinctly be Gallatin Field. People could experience a bit of Montana while standing in lines or sitting in the living room spaces.

The Board members and Mr. Pruitt discussed costs, advertising and different programming for some areas. Mr. McKenna said he is enthused about the opportunity to be different and not run CNN unless something major is happening. The news or other content would be running at the restaurants.

Mr. Mathis said before we got MUSAC at the airport, six hours of music played on a large cassette player. He said he couldn't believe the complaints, especially from the people who worked in the terminal. If we had CNN, that wouldn't be a complaint because it would keep the feed fresh. Mr. Pruitt said he and Mr. Sprenger discussed this and the primary audience is the traveling public. Even if we change the loop every month, we will probably get complaints. He said once a quarter is a starting point.

Mr. McKenna said he was in favor of going forward; Mr. Williamson said he liked the presentation and Mr. Roehm said it was a great, great concept and he appreciated their initiative. Mr. McKenna moved to give Brian the authority to move forward with providing video content in the terminal with MontanaPBS. Mr. Roehm seconded the motion and it carried with all Board members voting aye. The Board thanked Mr. Pruitt and Mr. Ballard for their presentation.

The fifth agenda item was to consider a one year extension of Junkermier, Clark, Campanella and Stevens, P.C., Audit Agreement. Mr. Sprenger said in our original request for proposal (RFP) for auditing services, we included an option for up to two one year extensions. He said Junkermier, Clark, Campanella and Stevens (JCCS) has done a good job for us. We have a lot going on and if we brought in another auditor, there would be some challenges in training them; however, in the past, several of the Board members have expressed concerns with having the same auditor over a number of years and not having a different set of eyes. He has talked to Troy Watling about this and they are willing and able within their organization to change who would be responsible for our audit. Mr. Sprenger said he would feel comfortable with that but if the Board members want him to put out an RFP, he will be happy to. Mr. Williamson asked if we can extend this year and next year if we want to and Mr. Sprenger said we could.

Mr. Watling said this would be a contract for the audit period ending June 30, 2011 and there would be a separate contract for 2012 if the Board chooses to extend this year and next. The shareholder who would be leading the audit would be Merilee Glover who has a lot of experience with governmental audits. Although a lot of the same people would work on the audit, she would be the shareholder so there would be a new set of eyes overlooking the audit work. He believes there are a lot of efficiencies of keeping with JCCS. He said it took them several years before they got to the point where they could start doing more detailed audit work. It takes a while to get a good understanding of our systems and to know which items of revenues to focus on. This year they propose an increase of about 8% over last year's contract mainly due to the closeout of three Airport Improvement Programs (AIP) that is expected before the end of the year. We should get some efficiencies with the fixed asset system. He also wanted to mention that the 2012 audit fee would be same if it is a

single audit; if we have \$500,000 in federal awards, they would perform the audit for the same contract price. If they don't have to do the single audit, the fee would be \$2,000 less.

Mr. Williamson said he is happy to continue with JCCS. They are familiar with our operation. Even transferring the work within the office seems sufficient to him. He likes the auditors to have the experience and it gives them more time to look at the things Mr. Roehm is concerned about. Mr. Roehm said he takes Mr. Williamson's comments seriously and said he fully understands what Mr. Sprenger is talking about and the efficiencies that would be gained by continuity of people and lack of having to train them, and especially Cherie Ferguson's effort would have to be extra. However, the average accountants are rotated every three years. The reason is a new set of eyes and a new way of doing things. Just because they have been here for three years and haven't found anything doesn't mean that there isn't something going on. If he thought for one second that anything was going on, he would be very active. He doesn't think there is and has the highest regard for Ms. Ferguson and for years there have been no write-ups.

He thinks Mr. Sprenger has the right perspective for an Airport Director to not want a greater burden for his people and the auditors know their way around our books, but for the same reasons he thinks the Board should change auditors. The Board members are the last step between the airport and the public. He said there is a big advantage to changing. He believes we should change because we are closing out the large terminal expansion project and associated AIP programs and he would like new auditors to review where we have been and where we are going and say it is all good. He said the present auditors have been very professional but he believes it is in our best interest to choose new auditors.

Mr. Kelleher said he understands Mr. Roehm's consternation and beliefs but he would resist change. He said JCCS has done an exemplary job and he doesn't think change is needed right now. He wonders why we should fix something that isn't broken.

Mr. Williamson said we don't know that we have had a problem and we don't know what the level of expertise would be with a new firm. He said there are good accountants and bad accountants. He likes continuity. JCCS is licensed to do audits and he doesn't believe someone else would find anything that JCCS wouldn't.

Mr. Mathis moved we extend the current contract for one more year. Mr. McKenna seconded the motion. In discussion, Mr. McKenna said he understands Mr. Roehm's concerns. He doesn't think we need the change now because we have a lot going on and it would also be asking a lot of our people.

Mr. Williamson said there are not a lot of folks in Bozeman who do what these folks do. Mr. McKenna, Mr. Kelleher and Mr. Mathis voted aye; Mr. Roehm voted nay and Mr. Williamson did not vote. The motion carried three to one.

The sixth agenda item was to consider Artwork donation proposals for the expanded terminal building. Mr. Sprenger said Mr. Williamson missed a good meeting last month. He said staff sent recommendations to the Board members about which artwork they would like to approve now, which they would like to decide on after the terminal opens and which artwork they would reject now and received responses from several Board members.

Mr. Roehm doesn't think any of the Board members think the hanging rocks would work. He said he would like to support local artists as best we can and asked if there would be some agreement with the artists if the artwork doesn't fit and allowing the Airport Authority to return the artwork to the artist. The Board members and Mr. Sprenger discussed that possibility. Mr. Sprenger said he liked Mr. Mathis' idea that if there is a doubt, we

won't accept the artwork. Mr. McKenna and Mr. Kelleher said we could store artwork in the basement if we wanted.

Mr. McKenna moved to accept the artwork as proposed by staff and put on hold that which we want to wait and see until the terminal is completed. Mr. Kelleher seconded the motion and all Board members voted aye.

The seventh agenda item was to consider the Second Addendum to Land Lease / Sewer and Water Use Agreement with City of Belgrade. Mr. Sprenger said in November the City of Belgrade increased their water rate. We have an agreement with the City of Belgrade when water rates go up, our land rate charge to them increases accordingly. Belgrade didn't do water and sewer rates at the same time so we need to raise our rates to keep them equitable and he recommended approval of the addendum. Mr. Roehm moved approval of the recommendation. Mr. McKenna seconded the motion and it carried with all Board members voting aye.

The eighth agenda item was to consider the FY 2012 Capital Plan. Mr. Sprenger said we have two major summer projects. The first one is to pave the two cross taxiways to the turf runway to reduce foreign object debris (FOD) and increase safety. It is an item we have discussed with the Runway Safety Action Team, the local General Aviation (GA) community brought it up and Mr. Sprenger thought it was a good project for the airport.

Mr. Mathis asked about the dimensions and how much it would cost. Scott Bell, Airport Engineer, said each taxiway is 25' wide and 600' long. Depending on sub excavation, with all the striping, it would cost about \$100,000 for the two taxiways. Mr. Roehm said this should happen. Mr. Mathis said he was in favor of it and asked Mr. Sprenger to let the Board know how much it costs to maintain and operate the turf runway for a year. He said it is a tremendous advantage to the GA community and all the users of the

airport because people who fly old slow airplanes can move over there so other planes can land on the main runway.

Mr. Sprenger said the other project would be to move the rental cars, relocate the employee parking, and the rental car ready stalls. The rental car agencies are accepting of the plan.

Mr. Sprenger showed on a map where the changes would take place and showed where a roundabout might work and showed the traffic flow on the map. The Board members, Mr. Sprenger and Mr. Bell discussed the pros and cons of roundabouts, cost estimates, the Gallatin Airport Authority's financial position and anticipated and possible future expenditures and revenues. Estimated costs are \$830,000 with the roundabout and \$630,000 without the roundabout. If we build the roundabout at a later date, Mr. Bell said it may cost about \$300,000.

The Board members liked the idea of the roundabout being bid as an alternate and having the option of spending the extra money now or later.

Mr. Sprenger said we are carrying \$500,000 in the budget for the terminal loop/parking lot improvements, \$100,000 for the taxiway improvements and \$85,000 for miscellaneous smaller capital improvements. We also have \$1,000,000 in terminal contingency that is reflected in our budget but has not been used.

Mr. Mathis made a motion to move forward with the 2012 construction project bids with the alternate for the roundabout. Mr. McKenna seconded the motion. In discussion, Mr. Roehm said he feels very strongly about the roundabout and it is essential to do things right. Mr. Bell said a roundabout is safer because it almost eliminates all T-bone accidents. All Board members voted aye.

The ninth agenda item was the report on passenger boardings and flight operations – Scott Humphrey. Mr. Humphrey said January was another good month for us. He reported that tower operations were up 11.7% compared to operations in January 2010. The majority came from GA, with a bump from the FBOs, flight schools and some of the GA traffic is starting to come back.

Enplaned passengers were up 15.6% and were 9% better than January 2008, which had been our best January. Our rolling twelve month average is just under 369,500 passengers. Airline landings we were down 8.2%. Part of that is our Horizon operation of two flights per day versus three last year and United has cut back on some of the early morning Chicago line. Corporate landings were up 11.7%.

Our load factors were up significantly from last year. Allegiant Air's was 93.3% on the Phoenix/Mesa and Las Vegas flights, which is phenomenal. Overall the load factors for January were up 3.9%. The December fuel dispensed was up 3% and the rolling twelve month fuel dispensed was up 4.6%.

Mr. Humphrey expects February enplanements to be about 3% better than last year. Part of that has to do with seats. This February we have about 3% more available seats than we had last year. We have been running about 6% more seats for the last six or seven months. Looking forward, available seats for June are expected to be 7% higher so if oil stays under \$90 or \$100 per barrel and nothing unexpected happens in the Middle East, we expect to see continued growth.

Mr. Humphrey also reported he and Mr. Sprenger met with the APEC contingent on January 28th. We have been working with Big Sky and they have been working with

Horizon Air to bring in additional flights. We're also working with SkyWest to get additional equipment going forward.

Mr. Humphrey said we had an interesting meeting about three weeks ago with JetBlue and three of their four contingency here to discuss possible service this summer and going into winter. As it stands now, the community is about \$1,000,000 short of the revenue guarantees JetBlue is wanting for summer and winter service. The discussions aren't closed at this point in time but it looks like we're looking at a minimum 2012 possible start date, depending on the communities' efforts and some other things we need to look at.

Mr. Kelleher said he thought our staff was very well prepared and did an extremely professional job in presenting all the issues to JetBlue. The JetBlue staff seemed genuinely very interested in the connection from New York to Bozeman with the centerpiece being the attraction of Yellowstone Park, not only the Bozeman area and Big Sky. That could be a major player in filling seats. He was extremely impressed with our staff and JetBlue's enthusiasm; Prospera did a really good job and the Bozeman Area Chamber was there. He thinks JetBlue was blown away by the new terminal after their tour. Mr. Kelleher felt it was four hours well spent and he wanted to congratulate our staff for doing a very, very professional job. Mr. Sprenger said the Big Sky Resort stepped up and the Yellowstone Club was there. Moonlight Basin and the Spanish Peaks were also part of the process but to a much lesser degree.

The tenth agenda item was the Director's Report – Brian Sprenger. Mr. Sprenger reported that he and Mr. Mathis attended an interchange meeting last night and there was a good turnout. People are still enthused about it.

Don Stueck, of Martel Construction, said Smitty's Plumbing is going out of business. They will finish this project. Martel Construction is paying the payroll and all the bills. The warranty will fall back on Martel Construction.

Mr. Sprenger said the FAA is aware our Senators will be asking them within the next few days about the Business Case Study so he expects to have that in hand soon. He asked Mr. McKenna to assist him in further discussions with the FAA after he has the study in hand.

Mr. Roehm asked if there was any help from Dennis Rehberg and was told no, there was none. Mr. Roehm said he doesn't think Representative Rehberg is doing his job. Our Senators have both helped.

Mr. Sprenger said the Board members received an email from Mr. Mathis regarding the museum at the airport to highlight historic achievements and currencies at the airport and terminal building. He really appreciates Mr. Mathis' efforts and he thinks we will have a nice display. Unless any of the Board members are opposed to the idea he would like to see each of the airlines logos in a framed sign behind each of the airline ticket counter podiums. Between those frames, we would have the opportunity to have photographs of historic aviation activity at the airport that would look antique. This allows us to do some things like have a picture of an old Northwest plane at the Delta Air Lines ticket counter. It would give us the opportunity to take up some of the wall space and avoid having the airlines plaster their stuff on it. It would also give homage to the heritage at the airport. None of the Board members expressed concerns so we will go that direction.

The Board members thanked Mr. Sprenger.

The eleventh agenda item was to consider the bills and approve for payment.

Following review and discussion of the bills, Mr. McKenna moved to pay the bills and Mr.

Kelleher seconded the motion. The motion carried unopposed.

The meeting was adjourned at 4:05 p.m.



Steven H. Williamson, Chair