

The regular monthly meeting of the Gallatin Airport Authority was held January 8, 2026, at 2:00 p.m. in the Conference Room at the Airport Customs and Operations Building. Board members present were Carl Lehrkind, Ted Mathis, Karen Stelmak, Kendall Switzer and Ted Barkley. Also present were Brian Sprenger - CEO, Aaron Collins – CCO, Chris Pomeroy - COO, and Troy Watling - CFO.

Mr. Lehrkind, Board Chairman, welcomed everyone to the regular meeting of the Gallatin Airport Authority Board and called the meeting to order.

1. Review and approve minutes of regular meeting held December 11, 2025

Mr. Lehrkind asked if everyone had received their copy of the minutes and if they had any corrections or additions. There were none.

MOTION: Mr. Barkley moved approval of the minutes of the regular meeting held December 11, 2025. Mr. Switzer seconded the motion, and all board members voted aye. The motion carried.

2. Public Comment Period

Bryan Rogan, of the Outlaw Country Subdivision, made public comments. Mr. Rogan said their issues are exclusively with the touch and go operations by the flight schools. Mr. Rogan has spoken with many different agencies and they have directed him back to the Airport Authority. Mr. Rogan suggested that the board may not be receiving complete and thorough information from Morrison-Maierle. Mr. Rogan said Morrison-Maierle is a private for-profit business and therefore has a bias. Mr. Rogan said it appears that Morrison-Maierle is not concerned about impacts beyond airport property. Mr. Rogan asked if that is the board's opinion as well. Mr. Rogan said the board should be aware of this and should calibrate

the bias to ensure for-profit motives don't conflict with what the board can do to resolve issues.

Mr. Rogan proposed that the board ask Morrison-Maierle to evaluate the impacts of the touch and go operations and determine solutions. Mr. Rogan said that if legal action was taken, the Airport Authority would be responsible, not Morrison-Maierle. Mr. Rogan feels it is the board's obligation to calibrate the information received to make decisions on community impacts.

3. Consider Audit Report – Dane Hancock

Mr. Sprenger said the audit has been completed. There were some delays due to regulatory issues, not specific to our audit.

Mr. Hancock said the process was longer than expected as they waited for guidance on some specific regulations. Mr. Hancock thanked Mr. Watling and his team and Mr. Sprenger. The final audit document has been provided. The Government Finance Officers Association (GFOA) Certificate of Achievement for Excellence in Financial Reporting Program was received. There were no findings of passenger facility charge (PFC) non-compliance or uniform guidance for federally funded items. Government auditing standards also had no findings. Overall, the audit is clean with no findings. There were a few small items that they talked to Mr. Watling about, but nothing that was to the level of being included in the reports.

Mr. Hancock said they expect a timelier audit next year with completion in November.

Mr. Lehrkind thanked the auditors and staff. This was the first year of a three-year contract. Ms. Stelmak commended staff for all the hard work, commenting that it is impressive to have such a good report. Mr. Switzer echoed the same, indicating our responsibility to the traveling public.

MOTION: Ms. Stelmak moved to approve the FY 2025 audit report. Mr. Switzer seconded the motion. All board members voted aye. The motion carried.

4. Consider Airport CEO attending the Passenger Terminal Expo

Mr. Sprenger has a rare opportunity presented by Michael Spitzer, with RS&H, to attend the Passenger Terminal Expo in London. Mr. Sprenger said we don't usually attend international conferences. It would be a special opportunity to attend with someone who has expertise in the field. The conference is large with about 10,000 attendees and 350 exhibitors. It is double the size of our national conference. We are in the middle of a terminal project, and there will be future projects. There may be other areas of the world that have ideas and knowledge that could benefit us. Mr. Sprenger acknowledges this is an exception. Mr. Sprenger said he has bought the tickets and plans to attend but would also appreciate consideration of the airport funding the conference. The conference is 3 days. There are multiple tracks for different disciplines in the airport industry. It is part seminar and part exhibits. Ms. Stelmak thinks this is a good opportunity for additional exposure and to hear things we may not otherwise.

Mr. Barkley asked about the rule. Mr. Sprenger clarified there is not a rule, but unwritten expectations, regarding the matter. We have never attended the conference in Hawaii as it could be looked upon negatively. We have not attended international

conferences previously on behalf of the airport. This is an invitation to attend with our lead architect who has been heavily involved in terminal expansion here and across the world. Mr. Barkley said as a city manager he would attend an international conference every couple years and he found the value to be significant. Mr. Sprenger said we have attended Canadian conferences as the Northwest Chapter includes Alberta and British Columbia. This is an overseas conference and feels like a bigger step.

Mr. Mathis said he thinks this is a stretch to spend taxpayer dollars to send a public official to attend an overseas conference for 3 days. Mr. Mathis noted that the Washington D.C. conference cost is being subtracted from the overall cost. Mr. Mathis never attended the Washington D.C. conference and doesn't know that it is worthwhile.

Ms. Stelmak feels the exposure would be good and creating greater opportunities is good.

Mr. Switzer said we are not static, but growing quite rapidly, and opening our aperture could be good. Because we haven't done it before shouldn't be the only consideration. Mr. Switzer said the opportunity to learn and socialize with others is valuable. We have Mr. Sprenger as the CEO for a reason and if he sees value in it, that should be considered.

Mr. Mathis asked if other airport directors would be attending this conference. Mr. Sprenger said there will be some from the U.S. but to his knowledge, no one in his circle.

Mr. Barkley said there is value in developing ideas and relationships from conferences like this that are hard to quantify, but it is real. In the big scheme of things, this is not a lot of money. The stage we are on is getting bigger. Developing relationships on stage is important.

Mr. Barkley understands this is not a policy change, it is an opportunity, and he tends to be supportive.

MOTION: Mr. Barkley moved to approve the Airport CEO attending the Passenger Terminal Expo at the airport's expense as they would for any other conference. Ms. Stelmak seconded the motion, 4 board members voted aye, Mr. Mathis voted against. The motion carried.

5. Airport Business Report – Aaron Collins

Tower operations for December were 7,744 which is down 15.8% from last December. Rolling 12-month operations were 118,030 which is 10,000 short of our 2023-2024 record. There were 1,027 corporate landings over 12,500 lbs., up 4.8% compared to last December. There were 1,168 corporate landings over 9,000 lbs. which is up 15.5% compared to last December. There were 40 customs clearances in December, which is 73% more than last December. Total revenue enplanements were 101,326, which is up 6.6% for the month. Rolling 12-month enplanements were 1,405,988, a new record. Total deplanements were 111,562, which is a 6.9% increase since last December. Commercial airline landings were 1,021, which is up 15% compared to last December. Due to having more seats, the overall load factor was 71.2%, which is down 9% from last December. Fuel dispensed for November was 1,144,892 gallons, which is a 17.7% increase for the month.

We have 8% more seats and 5% more passengers in January. Concessions in December were 112% of last December and January month to date is 96% of last January. Parking is about 99% of last year and now 10% up for January.

6. Airport Operations Report – Chris Pomeroy

Mr. Pomeroy, COO, reported no major issues in security last month. It was a busy holiday season. We had Air Force 2 here and the MSU Bobcat activity. Mr. Pomeroy said everyone worked together well and things went well. Mr. Pomeroy extended a special thank you to the tower manager, Gail Wattum, and her team for an outstanding job.

Taxiway B extension is still on track for bid in February.

Jennifer Ellison, Program Manager for the Contract Tower Association, said she will have an update in February. Mr. Pomeroy is going to a meeting in Washington D.C. at the beginning of February and he will get an update. Tower staffing is stable. Extended coverage is still being worked out.

7. Report on CY 2025 Airline Traffic Results – Brian Sprenger

Mr. Sprenger emphasized that we hit the 1.4 million enplaned passenger mark. Allegiant's numbers are not final. Total passenger numbers were 2.9 million compared to 2.6 million in 2024, up 6.3% and just under 130,000 additional passengers. It was a busy year.

Mr. Barkley asked about growth across the state. Mr. Sprenger said Missoula was impacted by their runway construction. Kalispell had a good year in general. Billing surpassed 1 million this year. Butte had an exceptional year being up 40%.

8. Airport CEO Report – Brian Sprenger

Mr. Sprenger said January 3rd was a big day. We had 308 jet operations out of the total 405 operations. The runway has a general capacity of 33-35 operations per hour or one every 1.6 minutes. We do have the parallel runway to shift the non-jet operations. The jet operations were as follows:

10am-11am: 31 operations

11am to 12pm: 36 operations

12pm-1pm: 35 operations

1pm-2pm: 35 operations

2pm-3pm: 37 operations

3pm-4pm: 37 operations

This means we were close to runway capacity for 6 hours. That is part of the reason we are working to make our parallel runway more capable. That was the first winter day we surpassed 7,000 enplanements and almost 1,000 more than any day in winter 2024-2025. We had 7,000 departing bags, 1,000 more than we have ever seen. The bag system did well. The airlines were not moving bags off the belts as fast as they needed to. The system itself handled it well.

The MSU championship game had 11 additional flights and a total of 1,900 seats overall. On January 3rd we had a 45 min-1 hour line for departing aircraft. There were delays, not due to weather.

American Airlines has announced service to Phoenix for the summer.

Mr. Sprenger gave a revised presentation on BZN.

The presentation started with “Pillars of our Success” – Breakdown of traffic: 33% residents, 10% MSU, 20% summer tourism, 22% non-resident non-tourism, and 15% winter tourism. A route map was presented including 12 year-round destinations, 17 seasonal destinations. Our 8 airlines were presented by market share: United, Delta, Southwest, American, Alaska, Allegiant, Jetblue, Sun Country. This is the first time American has surpassed Alaska. A slide with comparisons to other airports in Montana was presented.

Statistical Area Population data was presented outside of just the Northwest. We are doubling the fastest growing hub airport. We are 91 in the top 100 busiest airports in the country. Regional mid-tier airports were presented. Airline data from 2000-2024 was presented. Cost per enplanement was presented, indicating BZN the lowest of the regional mid-tier airports thanks in part to not being in debt. Peak hours for each of the mid-tier airports were presented. Our July 11th peak day in 2026 will be 2,452 seats in one hour in one day, 49% higher than others. General aviation numbers were presented: 217 hangars, 377 based aircraft and 9.2 million lbs. of cargo, handling 2 ATRs at peak times from FedEx. BZN financials were presented: operating expenses fixed at 50% of revenue to put towards capital projects. Percent of total income by terminal category was presented. Taxes received from state, city, county all \$0. Air service and development shows that growth has been consistent for decades. We have consistently seen new service every year or every other year. A breakdown of airlines added by year and the background were presented. Marketing efforts have been made by the regional chambers, Big Sky Resort and others to promote air service development. A slide on terminal improvements showed how the airport has evolved from 1977, 1994, 1997, 2000, 2004, going from 3 gates to 8 in 2011. A parking garage was added in 2019. We went to 12 gates in 2020. We installed a new baggage handling system in 2023. In 2027-2028 we will grow to 15 gates. The last 16-17 years has seen the largest bulk of improvements. East Terminal Expansion Project highlights were presented. Navigational aid and airfield improvements were presented along with some background on the development over the years.

The presentation concluded with thanks to the airport's many partners, staff and board.

9. Consider bills and approve for payment

Standard bills for the month were sent in advance of the meeting. The additional bills were reviewed and detailed by Mr. Sprenger.

MOTION: Mr. Mathis moved to approve the bills for payment. Ms. Stelmak seconded the motion. All board members voted aye. The motion carried.

Mr. Mathis said he visited the tower just before Christmas. We have been replacing consoles and upgrading equipment. It is a tremendous improvement to safety. Mr. Mathis extended thanks to everyone who participated.

10. Adjourn

The meeting was adjourned at 3:24 pm.



Mr. Lehrkind, IV, Board Chairman