

The regular monthly meeting of the Gallatin Airport Authority was held October 12, 2017 at 2:00 p.m. in the Airport Conference Room. Board members present were Carl Lehrkind, Kendall Switzer, Ted Mathis, and Kevin Kelleher. Also present were Brian Sprenger, Airport Director, Scott Humphrey, Deputy Airport Director, Troy Watling, Assistant Director of Finance, and Shannon Rocha, Recorder.

Carl Lehrkind, Board Chair, welcomed everyone to the regular meeting of the Gallatin Airport Authority Board.

1. Review and approve minutes of regular meeting held September 14, 2017

Mr. Lehrkind asked if everyone had received their copy of the minutes and if they had any corrections or additions.

Mr. Sprenger said on page 6 on the third line down, Mr. Kelleher should be replaced with Mr. Ron Pike.

MOTION: Mr. Kelleher moved approval of the minutes of the meeting held September 14, 2017 as amended. Mr. Mathis seconded the motion and all board members voted aye. The motion carried.

2. Public Comment Period

Mr. Robert Shropshire came to the podium. Mr. Switzer thanked him for his comments and appreciates his input. Mr. Switzer said it is important to treat each other with respect. There was name calling at the last meeting. This is not the forum for that. Mr. Shropshire agreed.

Mr. Shropshire read the following prepared statement:

The helicopter operations at Bozeman Airport just seem to get larger and larger. Not only do we have one air ambulance, Reach, affecting general aviation traffic and hangar owners, but now we have two with the addition of Life Flight. Things just seem to snowball and this board appears to be oblivious to consequences. Or maybe the board just bows to one opinion on their one-on-one meetings with board members. I'm extremely disappointed with this board. It appears the board can't see the writing on the wall when something does happen (i.e. the wings of my airplane rocking inside my hangar in September 2015) and specify taxi only operations in the back hangar area for helicopters. Instead this board issues a proclamation that the air ambulance can do anything it wants and everybody should stay out of their way or suffer the consequences. Now there is not only one air ambulance but two air ambulances wreaking havoc on hangar owners and aircraft. Oh, and the Reach wheeled helicopter is now a skid helicopter as of September 1, 2017. I hope everyone on the board is happy with their decision. I'm certainly not. Things just seemed to spiral down when Reach blasted my hangar two years ago. And because of your decisions it is getting worse.

But now on to my problems with the helicopter people over the past five or six weeks. Maybe this board can fix them.

In this month of September 2017 Reach has replaced their wheeled helicopter (N2725M) with a skid helicopter (N62RX). During the month I had my hangar door open several times while they took off and landed. I was unable to close my door multiple times and my hangar got blown by their rotor wash. Please note that the current parking of the skid helicopter is approximately 100 feet from their helicopter to my hangar door. Only one

time did they come over to tell me they were taking off (on September 13, 2017) and I was in the bathroom – indisposed. They took off anyway. When they returned and landed I didn't hear them. I was working with power tools inside my hangar with the door open. And then in about 15 minutes they took off again without informing me. This I told the Airport Authority about in the September 14, 2017 board meeting. I still don't know if this was an emergency after talking to Brian Sprenger. He never did get back to me. But it really doesn't make any difference. My hangar was once again blown three times in one day by the Reach helicopter.

On September 23, 2017 there was a Gallatin Hangar Poker Run ending with a BBQ at John Hudson's hangar about 100 yards away from transient parking. The one guy that flew that day (it was a lousy day to fly) was from Kalispell and he parked in the transient parking without tying his airplane down. About 30-40 minutes later he came back to his airplane and there were Reach people ready to take off. The man from Kalispell was able to start up and taxi past the helicopter before it took off so it was a non-event. It was close because his airplane was less than 50 feet from the helicopter. I wonder what would have happened if his return was just a bit later. Would the helicopter pilots have taken off anyway? Would a damaged aircraft have been the result? You guys (the Airport Authority) are treading on thin ice.

On September 27, 2017 I had my hangar door open and was vacuuming out the inside of my truck. Reach took off without even informing me. I had car mats on the apron, a bucket of water, and my dog on a leash. No chance to close my door. All I could do was watch my hangar get wind-blown yet again. Upon their return I had most everything picked

up so I was able to get my door mostly closed. But I couldn't because I had to retrieve my dog on the other side of the hangar. You should have seen all the dust blown into my hangar. I called Brian Sprenger but he was out of town until that Friday. He has yet to get back to me. I called Ellen Stinar (Reach Program Manager) and all she said was that it is an active airport. But she would send Jordan Owen (another Reach Program Manager) over to talk with me.

On September 29, 2017 Jordan Owen (a Reach Program Manager/Nurse) came over to talk to me. He seemed sincere about trying to resolve our problems. I told him I can't make it to close my hangar door all the time. I might be indisposed or just not hear them. He seemed to be willing to land or take off away from my open hangar door in those instances and move the helicopter by hand. While I would like to trust him it will always happen, too many pilots at Reach just don't care and will have some excuse to do what they want. I guess I'll see.

I wonder what the Airport Authority would do to me if I taxied up to an open hangar, turned my tail in towards the hangar, and did a run up. After all, it is an active airport. Of course I never would, but I wonder if the airplane/hangar owner would be as upset as I am about the continuing operations of the Reach Helicopter and now Life Flight.

The helicopter operations at Bozeman Airport are an on-going problem and it is not getting resolved in my opinion. It is an accident waiting to happen because the helicopters should not be allowed to take off/land in a general aviation environment. And there certainly should not be a fuel truck area where there are hangars and aircraft only yards away. I expect this board to fix these problems. It is late but not too late.

Mr. Switzer said he is hearing about this every month. From what he sees, we are here to solve a problem. Helicopters can operate with fixed wing. Where are we missing the mark? He appreciates the what-ifs but we really want to look at the facts. Things have changed. We now have helicopters and we didn't before. Our airport is growing. No one really likes change. He told Mr. Shropshire he has been a great hangar owner and participant for a long time but things are changing. We have to figure out a way to make this work in a way that makes you feel fulfilled and happy. Mr. Switzer doesn't think helicopters are going away. We are trying to figure things out but you must understand you are one of hundreds. We know it's important because it's your world and we need to address that. Suppositions and accusations and what-ifs aren't going to solve this.

Mr. Shropshire said when his hangar gets wind-blown, that is not supposition or a what if.

Mr. Switzer said he understands but this is an airport and it gets windy. If he takes a trip to Great Falls he would see how windy it is there. The airport is not going to get less busy but more busy. We are in the aviation business not in the leisure business. People have hangars to keep their aircraft in. When they open their hangar door it is to take the aircraft out and use it and bring it back. If the hangar doors stay open in an environment where there are aircraft around, you are putting yourself at risk.

Mr. Lehrkind said he wanted to echo Mr. Switzer's comments. At NAS Miramar, they were flying 46's, which put off more wash than the equipment here, next to the F18's and there was never an issue. Mr. Lehrkind asked Mr. Sprenger if he had looked at the

videos of these events, not including the cleaning of the vehicle since it is a non-aviation event.

Mr. Sprenger said he has looked at videos for different times but not all of the events he just mentioned. Mr. Sprenger said he and several others have been at the pilot shelter lawn area when Reach has taken off and there is some impact. It is like jet blast, rotor wash, or a piston aircraft making a turn, you want to be aware. All those situations occur. The point is that when the hangar door is open it exposes everything. If there is a wind storm you close your door. It is a challenge when you have people who want to hang out at the airport. That is not the purpose of the airport. The purpose is to enhance aviation and in our case, all aviation. For example, the washing of the vehicle, is not an aviation use. We have overlooked it but it is not something that should be happening. It is the purpose of the airport to facilitate people flying.

We have aircraft tied down on Arlin's ramp that are roughly 60 feet from the helicopter landing pad. Helicopters land and take off there regularly. There are things that can be done. We had Life Flight do some landings and take-offs. We found it was much better to lift off to 100 feet and then depart rather than ground taxi which was decided on with Mr. Shropshire. We are trying to accommodate all aspects of aviation. We do miss things that we can improve on. We would love Reach to give various examples of how they can take off and land understanding that winds, aircraft performance and other conditions can change.

Mr. Kelleher asked Mr. Shropshire if he pulls over quickly and stops when he's driving and sees blue and red lights. Mr. Shropshire said yes. Mr. Kelleher said we are a

society of cooperation with each other. The Reach helicopters aren't offering tour rides. They are responding to dire situations to provide immediate transport to medical facilities. Mr. Kelleher asked Mr. Shropshire if he is leaving the door open for any specific reason. Mr. Kelleher has a hangar on the same side where the helicopters would taxi by. He never thought about opening his hangar door because he wants to protect what he has and there are airplanes going by his hangar all the time. He doesn't open his door just to have it open. It is to store an airplane and keep it in good condition. Mr. Kelleher said he equates not closing your door to not pulling over. Mr. Kelleher hasn't heard anyone else come in here saying this is a chronic problem.

Mr. Shropshire said he likes his hangar door open on nice sunny days because it lets in a lot of light and the warm climate feels good to him. Last summer he was putting up peg board, signs, hammering, etc. and his hangar door was open. A couple times Reach took off and that is what he is complaining about. The skid helicopter came in about 6 weeks ago. Before that it was a wheeled helicopter and it wouldn't have been a problem to taxi away 100 yards. Mr. Shropshire said in his opinion we gave them the ok to do whatever they wanted and he is paying the price. He doesn't know why he has to keep his door closed. Mr. Shropshire asked what happens when he's fueling up his airplane. He said nothing has happened yet but it is in the realm of possibilities.

Mr. Switzer said he doesn't see the problem going away. These helicopters are a first response. It is difficult for him to weigh the personal pleasure of one individual versus the betterment of society as a whole.

Mr. Shropshire said he struggles when his hangar door is open and he gets windblown and has no chance to close it. Mr. Shropshire said if you watch the video from two years ago it was horrendous.

Mr. Switzer said we appreciate him and what he's doing and we are going to try to figure this out. But the helicopters are flying.

Mr. Shropshire said if they come over and he's not indisposed he closes his door. He said he is closing his door a whole lot, a lot more than he would prefer.

Mr. Sprenger suggested we request that Reach do some approaches and departures so we can find a better way they can do so consistently for the most part. We did that with Life Flight. There should be no reason why we can't do that with Reach. We could quickly tell there were ways they could approach or depart that would make a difference.

Mr. Shropshire said when he talked with Jordan from Reach he seemed willing to push the helicopter 100-200 feet down the taxiway if I can't get to my door. Mr. Shropshire hopes that could happen. He again said he likes to have his door open. His dog really likes to have it open. He doesn't want to get windblown. If he is, he will come here and complain.

Heather White, President and CEO of Yellowstone Forever, came to the podium. Ms. White thanked us for our service. Ms. White said she comes from an aviation family by marriage. Her husband's grandfather was a pilot in WWII. He later connected with Pan Am and was an airport manager in various countries. This provided her mother-in-law an incredible view of the world.

A spirit of exploration is what Yellowstone is all about. Ms. White and her family moved to Bozeman from Washington DC about a year ago. Yellowstone Forever is the

official nonprofit partner of Yellowstone National Park. The Yellowstone Association, focusing on education, merged with the Yellowstone Park Foundation, which was the fundraising partner. Their boards got together to support the world's first national park.

Yellowstone Forever was created in October of last year. Ms. White thanked the airport for the partnership and all we do for the park. August set visitation records. So many come to this area and this airport is often the first introduction to Yellowstone.

Their mission is to create opportunities for all people to experience, enhance, and preserve Yellowstone forever. Two of their goals are education, focusing on the next generation, and philanthropy, to raise funds for critical projects in support of the park. They raise funds in a variety of areas including wildlife research and youth education.

The federal support for parks is shrinking. They are working on tremendous upgrades to the Grand Canyon of the Yellowstone viewing platform so it can be ADA accessible. They are also building a state of the art youth campus in Mammoth.

Strategic Plan – In 5 years they are celebrating the 150th anniversary of the park. They are focusing on that. They want to partner with all the parks and do a fundraising campaign. As well as completing the viewing platform upgrades.

They are also working with Yellowstone to create what they call an educational collaborative. They are getting their top notch educators to sit down with the park educational staff to compare programs to work together and reach more of the visitors.

They see Yellowstone Forever as becoming a national program. They have partnered with Coca Cola, Michelin, and Toyota. Yellowstone is an international brand but Yellowstone Forever is new and they want people to know they are the nonprofit partner.

They want to become an employer of choice in the area especially in outdoor recreation and education. They are working to lift salaries and provide good benefits.

They want to take the Yellowstone story out to the world. Many, including kids in underprivileged areas, don't have an opportunity to make the trip. They would like to use technology to tell the story. They have discussed videos on the planes but also opportunities to unplug.

Ms. White said she would appreciate any thoughts, advice, ideas, people she should connect with and concerns be shared with her, and she expressed thanks for the partnership.

Mr. Kelleher said he is a member of Yellowstone Forever. He spends a lot of time in Bridge Bay and the Lake area. Mr. Kelleher asked why Yellowstone Forever doesn't have more of a presence at the Yellowstone Lake Hotel. Ms. White said the simple answer is that they don't have a store there. She is sitting down and seeing what they can do to establish a presence.

Mr. Kelleher asked about their teamwork with Xanterra and Delaware North. Ms. White said it is in transition. Right now when you become a member you get discounts at their stores too. Ms. White said any thoughts he has would be helpful. Mr. Kelleher said he would like to speak with her further.

Ms. White was thanked for her presentation.

3. Consider termination of lease with Shedhorn Construction on hangar EU7

Mr. Sprenger previously provided a letter to the board from Samuel Schwerin who is in the process of purchasing the hangar from Mr. Wilson. They are not there yet. Staff's recommendation is to do nothing at this time.

Mr. Mathis said he just read the letter and it doesn't say what they intend to use the hangar for. Mr. Sprenger said the indication is that the primary purpose is aircraft storage. In the future it may include charter and flight school activity. We will have more detail at the meeting next month.

4. Consider request by Rocky Mountain Rotors for preliminary site approval to construct a 140' x 140' commercial hangar on the east ramp

Mr. Sprenger said this is a preliminary site approval. This gives Rocky Mountain Rotors a period of time to develop their plans, including all colors and siding, and time to adjust the size if needed. Staff recommends that the preliminary approval be for 1 year. Hopefully well before that year mark they will come for final approval and then we can move forward with the lease.

MOTION: Mr. Switzer moved to approve the request by Rocky Mountain Rotors for preliminary site approval to construct a 140' x 140' commercial hangar on the east ramp for 1 year. Mr. Kelleher seconded the motion. All board members voted aye. The motion carried.

5. Consider request by Arlin's Aircraft to lease office space in hangar #90 to True Aviation Charter Services

Mr. Sprenger showed the location on the map. The aircraft is a Falcon 900. They have a management crew that operates the aircraft for its owner. They need a flight management office. It is not for generating additional public sale of charter. The request is

to basically sublease the office area in the hangar to True Aviation Charter for flight management. This approval is for the office. Arlin's Aircraft already leases the hangar for the aircraft.

Mr. Sprenger confirmed this is for an aviation office.

Mr. Kelleher asked who owns the Falcon 900. Mr. Sprenger had looked it up but couldn't remember. The owner does investment portfolios. Mr. Sprenger told Mr. Kelleher he can get him the aircraft owner's information.

MOTION: Mr. Kelleher moved to approve the request by Arlin's Aircraft to lease office space in hangar #90 to True Aviation Charter Services. Mr. Switzer seconded the motion. All board members voted aye. The motion carried.

6. Report on passenger boardings and flight operations – Scott Humphrey

Total operations for September 2017 versus 2016 were up 1%. That puts our rolling twelve-month operations at 76,788. Corporate landings were down 11.4% at 194 versus 219 but we are still up 11.6% for the year. Total enplanements were up 11.1% at 56,697 versus 51,107. That puts our twelve-month rolling enplanements at 594,177. Total deplanements were up 9% at 53,061 versus 48,688. Airline landings were up 3.4% percent at 602 commercial airline landings versus 582. Airline load factors were down 5.9% with 13% more capacity at 83.2% versus 89.1%. United's load factor was down about 12% but they had much more capacity in the market. Fuel dispensed for August was down 8.1% at 1.14 million versus 1.24 million. Airline fuel is down 5.3% for the year.

October only has 5% more seats than last October. Looking at the advanced bookings we should end up 4-5% better than last October.

7. Airport Director's Report – Brian Sprenger

Mr. Sprenger reported they rescheduled the Runway 11/29 opening to Oct. 26 at 10am. They still have some striping to complete. The main reason was that the FAA is behind in processing their safety management review. Once they have that complete we should be safe.

We had the tri-annual disaster drill on September 30th. It went well.

We are continuing to work with Bridger Aerospace on the details of their area. Since this is potentially a much bigger request we want more details so we can be well prepared for next month's board meeting.

We have two projects that we have discussed and spent money on, the boiler and generator projects. The projects are completed and we are using both now. We have switched the generators over from the east end so it's on the new generators. That required a lot of electrical work. Jim Gunderson is an electrician and did a great job. It would have been much more costly if not done in house. The same is true for the boiler project. Larry Thompson did a great job. Taking both projects on at the same time may have not been the best decision. Not because of our personnel but because we have a lot of other things going on. The experience gained is that they now know the systems well. The rest of the maintenance staff also contributed to the projects.

We have been talking about making a slight revision to the pilot shelter policy. It is a minor language change but is a change in the policy. We can put it on as an agenda item or just move forward. Mr. Mathis agreed it is a minor change and he sees no need to place it on the agenda. Everyone agreed.

Mr. Sprenger said they had an interesting discussion with JetBlue yesterday. JetBlue is looking at options out of Long Beach. Ours is one they are looking at among many. There is nothing imminent but we are on their radar which is good.

Mr. Sprenger went to Washington DC to meet with Senator Daines, the contract tower people, and the FAA. That was a frustrating experience on one side because we found the FAA and tower people to be so ingrained in their formula, they can't determine the individual needs of airports. We are the only small hub airport north of Dallas in snow country that has a contract tower. Senator Daines feels our frustration and wants to assist us in any way, either through legislative means or otherwise to make sure the challenge is shown. We thought it was reasonable to add 1 or 2 controllers and it is not an easy request. It would almost be as easy to request to be a federal tower as to request more controllers under the contract tower program. We would like to continue to look at that and how we can push forward. There are some safety concerns we have addressed before by extending tower hours. We have looked at the cost to provide additional hours. We don't believe we should be responsible for that but we want to make sure we do what is right. We will have that information for consideration soon. The answer they are giving us is not sufficient. We will have to pursue other means.

8. Consider bills and approve for payment

The bills were reviewed and detailed by Mr. Sprenger.

Mr. Mathis asked if we have taken delivery of the loader and blower yet. Mr. Sprenger said not yet, we will in the middle of November. The loader will be here first.

Mr. Mathis asked if we have a plan now that our radio technician has retired. Mr. Sprenger said we will contract with him for a little while. He will continue on an on-call basis when we need him and that will get us through a couple years. That is another part we don't always talk about for the tower. We are responsible for all the equipment in the control tower with a couple exceptions. Billings and Helena don't pay for that. That is also part of why we have to get the tower situation changed.

MOTION: Mr. Mathis moved to pay the bills and Mr. Kelleher seconded the motion. All board members voted aye and the motion carried unopposed.

9. Adjourn

The meeting was adjourned at 3:05 p.m.



Carl Lehrkind, Chairman