

The regular monthly meeting of the Gallatin Airport Authority was held August 8, 2019 at 2:00 p.m. in the Airport Conference Room. Board members present were Karen Stelmak, Kevin Kelleher, Ted Mathis and Carl Lehrkind. Also present were Brian Sprenger, Airport Director, Scott Humphrey, Deputy Airport Director, Troy Watling, Assistant Director - Finance, and Shannon Rocha, Recorder.

Karen Stelmak, interim Board Chair, welcomed everyone to the regular meeting of the Gallatin Airport Authority Board.

1. Review and approve minutes of regular meeting held July 11, 2019

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

MOTION: Mr. Kelleher moved approval of the minutes of the meeting held July 11, 2019. Mr. Mathis seconded the motion and all board members voted aye. The motion carried.

2. Public Comment Period

There were no public comments.

3. Consider extending sewer line to serve three new hangar requests on taxilane "T"

Mr. Sprenger said we have received a number of hangar requests we can't currently accommodate. Mr. Sprenger showed the proposed locations for the hangars. The cost is approximately \$45,000. There are some contingencies so we hope it may cost less. This is a good time to get it done. It would have to go through DEQ approval. There is room for one narrow hangar on this taxilane left. There has been some discussion about relocating the cinderblock hangar to that location and encasing it with metal siding.

We are running out of space on that side.

Mr. Lehrkind asked Mr. Sprenger if he has talked to the other two hangar owners since there are five hangars used to calculate the payback. Mr. Sprenger said they haven't yet but will.

There is nothing else planned or anticipated that would require us to run the sewer line any further.

MOTION: Mr. Mathis moved to approve extending the sewer line to serve three new hangar requests on taxilane "T". Mr. Lehrkind seconded the motion. All board members voted aye. The motion carried.

4. Consider request by Mr. Tom D'Agostino to construct a 60' x 60' non-commercial hangar on taxilane "T"

Mr. Sprenger showed the location for this hangar request. The hangar fits well and staff recommends approval of the request.

MOTION: Mr. Lehrkind moved to approve the request by Mr. Tom D'Agostino to construct a 60' x 60' non-commercial hangar on taxilane "T". Mr. Kelleher seconded the motion. All board members voted aye. The motion carried.

5. Consider request by Mr. James D. White to construct a 54' x 60' non-commercial hangar on taxilane "T"

Mr. Sprenger said Mr. White has three aircraft. This would be hangar number 174 to the far west. Mr. White came to the podium. Mr. Mathis said Mr. White is a long time aviator from the midwest and an asset to our airport community. There were no questions for Mr. White.

MOTION: Mr. Kelleher moved to approve the request by Mr. James D. White to construct a 54' x 60' non-commercial hangar on taxilane "T". Mr. Mathis seconded the motion. All board members voted aye. The motion carried.

6. Consider request by Mr. Daniel Kaplan to construct a 54' x 50' non-commercial hangar on taxilane "T"

Mr. Sprenger reported this would be the center of the three hangars. Mr. Kaplan has one aircraft. Staff recommends approval of the request.

MOTION: Mr. Mathis moved to approve the request by Mr. Daniel Kaplan to construct a 54' x 50' non-commercial hangar on taxilane "T". Mr. Lehrkind seconded the motion. All board members voted aye. The motion carried.

7. Consider Terminal Concourse Interior Plan

Frank Gratton with RS&H was connected via telephone and presented images on screen along with printed materials.

Great Hall Lighting – A type of pendant lighting is being recommended. The light is an oval/pear gemstone shape. The pendant is an amber color.

Mr. Lehrkind asked about the cleaning and maintenance of the light fixture. Frank said it is easy to reach. It is not as fragile as residential type pendants. Frank said they can get more info on the care and maintenance. Mr. Mathis asked for the individual cost. Frank said he could get back to us with the price.

An image of the south view of the great hall was presented. It has a carpet border and plank wood luxury vinyl tile. There is a canopy over the fireplace. The bar is behind. To the left is a retail area and to the right is a concession kitchen area.

Ms. Stelmak asked about having a rail by the fireplace. Frank said that detail hasn't been finalized yet.

An image of the south view of the great hall was presented. From that view you see the bar, open restaurant kitchen concept, point of sale area, and grab-n-go area.

The signage would continue with the current theme of the airport.

An image of the east view of the great hall was presented. The left side is the gift shop area with signage to match the rest of the airport.

A map of the various floor finishes was presented of the existing concourse and the expansion.

A vinyl tile with a wood look is planned in the restaurant, bar, gift shop, and grab-n-go. There are two different colors of vinyl tile. The seating areas are slated to be the darker color.

All the carpet will be carpet tiles. The border will be consistent with what is in the terminal now.

Various proposed countertop materials were presented. The countertops for work areas and gate agents are black and consistent with what we currently have. Mr. Mathis mentioned that they show every fingerprint.

Mr. Kelleher asked about the hook under the countertop at the bar area. Frank said those are the trend for bar areas to hang bags. There will also be periodic power outlets along that seating area. There will be steel foot rests and steel corner guards.

Ms. Stelmak asked about the corners of the countertops. She wanted to confirm they are a rounded bull nose edge and not a sharp edge. Frank said they could do it that way.

Mr. Kelleher asked about the plugs at the power outlets. Ben said there would be occasional USB outlets.

Images of the proposed restroom finishes, layouts and designs were presented for men's, women's, family, nursing area, and pet relief area.

A few countertop finish options were presented with the tiles as backdrops to see them together.

Mr. Kelleher recommended a lighter color countertop to make smaller areas seem larger.

Mr. Mathis asked about what appeared to be brown paper towel dispensers. Frank said they are a charcoal color and are the same as those that will be installed in the new restrooms by the parking garage.

The proposed countertops and sinks will be made of the same material. There will not be a contrast between the countertop and sink basin. Ms. Stelmak said she prefers the lighter color in the women's restroom.

The family & mothers room are proposed to have the lighter accent tiles since they are smaller places.

Board members reviewed all the various finish options in person. There were many comments and questions.

MOTION: Mr. Kelleher moved to approve the terminal concourse interior plan as presented by the design team. Mr. Lehrkind seconded the motion. All board members voted aye. The motion carried.

8. Report on preliminary FY 2019 operating and concession statistics

Mr. Sprenger reported total tower operations were up 23.1 % at 96,405 which is an all-time record for a fiscal year period. Corporate landings were up 31.3% at 5,375. Available airline seats were up 21.2 % at 918,626. That is an average of 111 seats per departure which is up 2 seats over the previous year. Total enplanements were up 18.4% at 744,316. Enplanements per departure were down slightly and load factor was down slightly.

Concession revenue numbers were all positive. Total concession revenue was up 18.1% at \$9.475 million. Rental car days were up 13.5%. The daily rental car rate was up 2.7%. Concession revenue per enplanement was down .3% at \$12.73.

Customs was down 3 landings from last year but the revenue was slightly better. Our share of the deficit was down. The total customs deficit was \$15,082.

Ms. Stelmak said the numbers in the revenue are impressive but also impressive is the amount of care that goes into making the airport looking as good as it does.

9. Master Plan Update – Chapter 2 Forecast - Scott Bell

Mr. Sprenger passed out printed and USB/digital copies of Chapter 2 – Forecasting section of the master plan.

Mr. Bell presented some of the highlights of what is contained in the Chapter.

The comments they have received for Chapter 1 will be incorporated. Changes can continue to be submitted up until The Master Plan is adopted and finalized.

Mr. Bell presented some of the charts and images of Chapter 2 including:

- Projections for population growth in Gallatin and surrounding counties
- Projections for enplanements

- Their best estimate is that enplanements will grow to 1.7 million enplanements by 2039.
- Projections for operations
 - Their best estimate is that operations will be over 150,000 by 2039.

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

Tower operations for July 2019 versus 2018 were up 5.9%. That puts our rolling twelve-month operations at 96,969. Corporate landings were up 11.2% at 497 versus 447. Revenue enplanements were up 16.4% at 95,303 versus 81,875. For 12 months we are at 757,744 enplanements. Total deplanements were up 15.9% at 95,979 versus 82,779. Airline landings were up 2.4% percent 906 versus 885 and up 18.4% for the year. Airline load factor was up about 11%. June fuel gallons pumped were up 7.5%.

August is flat in seats. The load factor last August was 83.4%. There is some room for growth. We were full last year in August. We anticipate seeing more seats for the summer of 2020.

Mr. Mathis asked about the discussions on increasing the fuel tank farm. Mr. Humphrey said the FBOs are still pushing for that. We asked that they come up with the size and capacity they would like and then we can start discussions.

11. Airport Director's Report – Brian Sprenger

Mr. Sprenger followed up on Mr. Humphrey's report. July was the first time the total operations for the month surpassed 10,000 at 10,074. We only had a 2% increase in seats for July so a 16% increase in passengers means we were filling more of those seats. We are starting to see additional flights this winter season.

The negative is the Boeing Max 8 impact. So far we haven't seen the impact to a large degree. We did see minor capacity pulled back. As we are move along in the year there are more impacts due to scheduled delivery of these aircraft that is not occurring.

All the financing has been closed. The bond pay off is in escrow. We are happy to say that is done.

We should be getting a \$2.9 million grant in the next day or so. That is a reimbursement and will improve our cash flow. We are still waiting on potential discretionary or supplemental grants.

The north side of the parking garage is essentially complete. There is some finishing work to be completed on the south side.

The concourse expansion work is progressing well.

We are closing next Thursday on the Peterson property.

Ms. Stelmak confirmed the pay parking in the garage is open. Mr. Sprenger said it is but they had a programming glitch which delayed it some. They are averaging 7 cars per night. They haven't marketed it a lot. We may look at some options to let people know it is there and add some signage. They did put flyers on all the short term cars. Ms. Stelmak said she understands the soft opening and asked about contacting the Bozeman Chronicle to run a story on it. Mr. Sprenger said the dedication is planned for on the next board meeting. We will have the press there.

12. Consider bills and approve for payment

The bills were reviewed and detailed by Mr. Sprenger.

MOTION: Mr. Mathis moved to pay the bills and Mr. Kelleher seconded the motion.

All board members voted aye and the motion carried unopposed.

13. Adjourn

The meeting was adjourned at 3:29 p.m.



Karen Stelmak, Interim Board Chair