

The regular monthly meeting of the Gallatin Airport Authority was held June 10, 2004 at 3:00 p.m. in the Airport Conference Room. Board members present were Tom Nopper, Richard Roehm, Steve Williamson, John McKenna and Yvonne Jarrett. Also present were Ted Mathis, Airport Director, Brian Sprenger, Assistant Director and Cherie Ferguson, Clerk.

As the first order of business Chairman Williamson said the Chair convened a closed session for the Director's evaluation just prior to the meeting and that Executive Session was handled for the Director's performance for last year.

Mr. Williamson also presented a clock to Tom Nopper in appreciation for his five years of dedicated service to the flying public of southwest Montana. Mr. Nopper chose not to seek another term on the Board.

The first agenda item was to review and approve the minutes of the regular meeting held May 13, 2004. John McKenna moved to accept the minutes as received. The minutes were approved.

The second agenda item was the public comment period. Linda Marshall asked if it would be advantageous to have an exit taxiway from Runway 03/21 to the self-fuel station. Mr. Mathis said it could be considered if the self-fueling station ever gets moved. The Board members said they would consider it.

The third agenda item was to consider the request by Central Copters, Inc. to provide aviation fuel sales. Gregory Morgan, who is representing Mark Duffy of Central Copters, Inc., answered questions from the Board members. Mr. Duffy is requesting that the Board deviate from requiring Central Copters to be open the required eight hours per day. Mr. Morgan contends that the Minimum Standards that Mr. Duffy would have to meet are

discriminatory against him and prevent him from exercising his religious freedom. None of the Board members doubt Mr. Duffy's religious convictions but one of their questions is if the Minimum Standards are discriminatory. FAA guidelines were followed in establishing the Minimum Standards. One of the other items that the Board also wants to consider is comparing individual rights with the public good.

Mr. Roehm moved to defer consideration of the agenda item until the next meeting during which time we ask counsel to evaluate the issue for us. The motion to defer the item until the next meeting passed.

The fourth agenda item was to consider insurance proposals for a three-year term. Mr. Mathis said the Airport Authority put out requests for proposals (RFPs) for insurance coverage for the next three years. He said we only received quotes from our existing providers and that the quotes are very good. He recommended that we stay with the same providers as in the past at the rates quoted to us. Mr. McKenna moved to accept the recommendation by Mr. Mathis. The motion to accept the two proposals carried.

The fifth agenda item was to consider the request by Evert Wierda to construct a 120' x 100' non-commercial hangar. Mr. Mathis recommended approval of the request with the hangar located south of Aviation Lane in the east hangar area. He added that the Airport Authority would need to build a new taxiway, which could be included in our summer project with a change order to our construction contract. Mr. McKenna moved to approve the request and further approve the extension of unit prices of the existing taxiway project with some consideration of moving the taxiway a little further to the south. The motion carried.

The sixth agenda item was to consider the preliminary budget for fiscal year 2005. Mr. Mathis highlighted some of the larger budget items and said the airlines have not objected to the proposed rates and charges we sent to them. After some discussion, Mr. Roehm moved to approve the preliminary budget for fiscal year 2005. The motion carried and the preliminary budget was approved.

The seventh agenda item was the report on passenger boardings and flight operations – Brian Sprenger. Mr. Sprenger reported that in May there were 436 air carrier operations, 880 air taxi, 1,479 general aviation (GA) itinerant and 27 military, for a total of 2,822 itinerant operations. There were 2,531 local GA operations, for a total of 5,353 tower operations, up 7.12% from May a year ago. There were 109 landings of aircraft over 12,500 pounds, up 62.69% from May 2003. It was a strong month with air carrier and air taxi numbers up due to the runway being fully available this year. Corporate traffic was strong as well.

Mr. Sprenger reported that passenger boardings were 18,777, up 24.7% from last year's May boardings. Year to date is up 6.0% compared to the same period in 2003. Boardings were strong being benefited by no runway construction and improved airline traffic. June is expected to be strong as well. The first 16 days are up over June '03.

Mr. Sprenger also reported that the top five destinations for passengers leaving Bozeman are Seattle, Las Vegas, Denver, Minneapolis/St. Paul and Chicago. The top five points for passengers traveling to Bozeman are Seattle, New York City, Minneapolis/St. Paul, Atlanta and Chicago. Mr. Sprenger said that the local market now accounts for 35% of our passengers, which is a good trend as it helps support our shoulder seasons.

The eighth agenda item was the Director's Report – Ted Mathis. Mr. Mathis reported that we plan to have a bid opening for the new fire truck at the July meeting. We are hopeful that Oshkosh Truck and E-1 out of Florida will submit bids.

He said the terminal construction is still dragging on. By the next meeting, we hope it will be done and the jetway will be in place.

On the airfield side, construction is in progress in the GA tie down area. The contractor has informed us that there is a shortage of steel for dowels for the concrete, diesel fuel may be rationed and there may be cement shortages by the end of July.

Senator Burns' office talked to the FAA regarding the lack of progress with our radar system. Our FAA contact said he welcomed Senator Burns' effort.

Mr. Mathis presented two options for the proposed new fire station. One would be to remove 20 feet off the east end of the old terminal building, construct a 48' x 60' addition and remove the 2<sup>nd</sup> floor. Two fire trucks and another vehicle could be in the addition, and the view of the airfield from the tower would be improved by removing the second floor. Offices could be remodeled for the TSA administration and a Sheriff's department annex. There would be a watch room for observing the airside and a conference room for training, meetings and other activities. The basement could be retained so we would have additional space for utilities and storage.

For almost the same cost, the old terminal building could be torn down and a new much smaller building built. Mr. McKenna moved to approve option 1, which is the selective demolition and remodel of the old terminal building. The motion was approved.