

The regular monthly meeting of the Gallatin Airport Authority was held January 7, 2005 at 3:00 p.m. in the Airport Conference Room. Board members present were Richard Roehm, John McKenna, Eric Hastings and Yvonne Jarrett. Steve Williamson was not able to attend the meeting. Also present were Ted Mathis, Airport Director, Brian Sprenger, Assistant Airport Director and Cherie Ferguson, Administrative Assistant.

The first agenda item was to review and approve the minutes of the regular meeting held December 9, 2004. Doug Chapman asked that Steve Nicoll's name be spelled correctly. Yvonne Jarrett moved to accept the minutes as mailed with the correction, Eric Hastings seconded the motion and it passed unopposed.

The second agenda item was the public comment period. Dennis Guentzel wanted to comment on Agenda item #4, so his comments were held until that item was brought up.

The third agenda item was to consider contract award for fire station project. Airport Director Ted Mathis said that bids were opened on the 17th of December and that Scott Bell, the airport engineer, did some checking on the lowest bidder, BGO Builders of Great Falls.

Mr. Bell said that we received four bids and that BGO Builders bid \$962,000.00. The second lowest bid was \$80,000.00 more. Mr. Bell and Mark Maierle, one of his associates, met with Brian Oswood, the president of BGO Builders. It is a new company, but Mr. Oswood has been a project manager for Morgan and Oswood, which is an established business. Mr. Bell recommended approval of the bid.

The Board expressed concern because the bid amount is considerably lower than the others, but Mr. Bell said that Mr. Oswood would like to complete a large project, the fire station projects fits into his time schedule and he is wanting his company to be established in the Bozeman area. Mr. Bell said there is reputable bonding behind them and he believes it is an acceptable bid.

Richard Roehm moved acceptance of the bid of \$962,000.00 by BGO Builders. The motion was seconded and carried.

Mr. Mathis said that in February the Board approved a \$1.6 million cap on the purchase of the aircraft rescue fire fighting (ARFF) truck/fire station project and he requested an increase to \$1.7 million because both the fire truck and the building are going to be more than originally estimated. The cost of the historical mitigation is not included in this phase of the fire station project.

Mr. Roehm moved to raise the cap from \$1.6 million to \$1.7 million on the fire station and the truck, to include architects and engineers fees. The motion was seconded and passed.

The fourth agenda item was to consider the request to purchase a memorial plaque for the pilots lost in the December 4th aircraft accident to be installed at the new pilots' shelter – Dawn Wade. Ms. Wade said she would like to get approval for looking into possibilities, to move forward with the project, and funding is not an issue at this time. She thinks there is enough support to pay for it through donations, but she may request funding later.

The Board members asked if she considered other options, such as endowing a flight scholarship or expanding the scope to include others who have made significant contributions to the flying community or had an interest in aviation. They said they like her idea of commemorating these three plus others who have contributed and encouraged her to move forward and present a more inclusive memorial for the Board's consideration.

Dennis Guentzel said that the Montana Pilots' Association is meeting on January 20th and he was hoping they could pass some sort of appropriation for a plaque.

The fifth agenda item was to consider the annual assessment process for Airport Director, Board Member's duties, responsibilities, limitations and code of conduct – Richard Roehm. Mr. Roehm said he thinks the Board should formalize a lot of things that happen

automatically. There is almost no write-up on the airport director position, on the FAA annual inspection or on the annual audit. So far the airport authority has been providing good service to commercial airlines and general aviation, but neither Mr. Mathis nor the Board members will be around forever. Mr. Roehm believes they should formalize the process for the future. He wasn't looking for action today but he is looking for suggestions. He would like to establish a policy for determining annual goals and objectives for the Airport Director and review those the following year at the director's annual evaluation and for the Board members' code of conduct.

The Board will come up with a draft and will encourage the public to review it and make comments before it is approved.

Mr. Mathis said he thinks it is a good idea because it would give him and future directors better guidelines. Mr. Hastings said he is very supportive and believes it will benefit the public.

The sixth agenda item was to consider the request by Tom Nagorski to post meeting minutes on the Gallatin Field web site and open board meetings with the Pledge of Allegiance. Mr. Nagorski thanked the Board for the opportunity to speak but chose not to. Mr. Mathis said Brian Sprenger, the Assistant Airport Director, found that he could easily add the minutes to the website and has already added the minutes from the October and November 2004 meetings.

Mr. Roehm said he would endorse posting the minutes as the Board is seeking accountability. He doesn't believe saying the Pledge of Allegiance is necessary. Ms. Jarrett is in favor of making the minutes available through the website and is okay with saying the pledge. Mr. Hastings is okay with the minutes. He is willing to side with the majority of the Board members regarding the pledge.

Mr. Chapman said he would like at a minimum to have a flag present.

Mr. Roehm said he would be more in favor of having a United States flag and a state flag present than saying the Pledge of Allegiance.

It was agreed that flags would be purchased for the conference room and the minutes will be posted on the website, but the Board will wait for Steve Williamson's comments before deciding on the pledge.

The seventh agenda item was the report on passenger boardings and flight operations — Brian Sprenger. Mr. Sprenger reported that in December 2004 there were 578 air carrier operations, 920 air taxi, 1,203 general aviation (GA) itinerant and 9 military, for a total of 2,710 itinerant operations. Local GA operations were 1,376, for a total of 4,086 tower operations, up .49% from December a year ago. There were 139 landings of aircraft 12,500 pounds or more, up 2.21% from December 2003. December was a pretty average month, which has been fairly consistent over the past four years.

In 2004, there were 6,112 air carrier operations, 11,048 air taxi, 23,046 GA itinerant and 254 military, for a total of 40,460 itinerant operations. Local GA operations were 26,156, for a total of 66,616 tower operations, up 1.84% from a year ago. There were 1,875 landings of aircraft greater than 12,499 pounds, which is up 11.54% from 2003. It was a record year with increases in every category except local GA and military.

Mr. Sprenger reported that annual passenger boardings were up 27,933 for a total of 308,985, up 9.9% from last year. December boardings were 25,793, up 13.7% compared to December 2003. This was the largest year over year increase ever. The annual increase of 27,933 was more than all the passengers enplaned in 1972.

The eighth agenda item was the Director's Report — Ted Mathis. Mr. Mathis reported that on December 10th, Commissioner Murdock and members of the Interchange committee

made a presentation at the State Transportation Commissioner's meeting. The committee had hoped to have a pledge for cooperation or a commitment to be placed on a project priority list, so they were very pleased as they received a pledge of \$250,000.00 for preliminary engineering. The state transportation commission and highway department are very cognizant of the need for the Interchange.

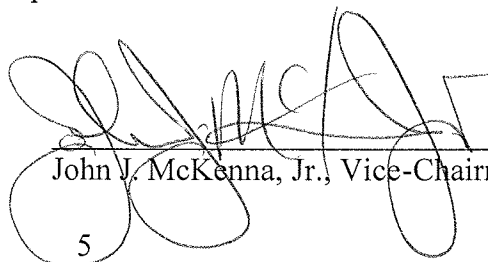
Mr. Mathis also reported that the TSA's Federal Security Director from Billings recently presented Gallatin Field their 2004 Partnership Award. Our staff earned the plaque by working very closely with the TSA, especially Brian Sprenger, Cherie Ferguson, Paul Schneider, and Woody Fogg. The TSA has worked with us as well. In the last month, the airport staff issued 235 new ID badges as part of the new security system, which included taking pictures, doing background checks and entering the information into a new computer system. The security project is coming along well with most of the cameras in place in the terminal. We want to have the terminal side up and debugged before moving to the GA side. There will be a camera at each vehicle gate in the GA area.

We are pleased to have Melissa Thompson as our new office assistant.

Mr. McKenna introduced Chuck Willis from Dallas, Texas, who has designed and planned airports for 35 years. He is retiring in June and building a home in Livingston. He owns a Bonanza.

The ninth agenda item was to consider the bills and approve for payment. After review and discussion, Ms. Jarrett moved to pay the bills. The motion was seconded and the bills will be paid.

The meeting was adjourned at 3:47 p.m.


John J. McKenna, Jr., Vice-Chairman