

The regular monthly meeting of the Gallatin Airport Authority was held February 15, 2022, at 2:00 p.m. in the Airport Conference Room. Board members present were Karen Stelmak, Ted Mathis, Carl Lehrkind, Kevin Kelleher, and Kendall Switzer. Also present were Brian Sprenger, Airport Director, Scott Humphrey, Deputy Airport Director, and Troy Watling, Assistant Director - Finance.

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

1. FAA Presentation of Wright Brothers Master Pilot Award to Greg Mecklenburg

Jeff Vercoe, Safety Program Manager for Montana with the Federal Aviation Administration (FAA) invited up Mr. Greg Mecklenburg. Mr. Vercoe provided some history and information on the award. An application for the award for Mr. Mecklenburg was submitted and his airman's records were reviewed. Mr. Vercoe said that Mr. Mecklenburg is well deserving of this award. Mr. Mecklenburg is also a glider pilot and holds 14 Montana soaring records. Mr. Mecklenburg was thanked for his contributions. Mr. Mecklenburg is also an inventor. He invented and has a patent on a glider launch truck. Mr. Mecklenburg's name will go in the roll of honor. His application history and biography will be kept in the Washington DC records for life. The Wright Brothers Master Pilot Award was presented to Greg Mecklenburg and there was a round of applause.

Mr. Mathis said it is an absolute pleasure to have Mr. Mecklenburg at the meeting and gave congratulations on behalf of the board. Mr. Mecklenburg spoke briefly about some of his flying history and the role the Bozeman airport has played in his life.

2. Review and approve minutes of regular meeting held January 13, 2022

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. Switzer moved approval of the minutes of the meeting held January 13, 2022. Mr. Kelleher seconded the motion and all board members voted aye. The motion carried.

3. Public Comment Period

There were no public comments.

4. Consider request by Big Sky Air Center to enter into an operating agreement to provide Aircraft Fuels and Oil Dispensing Service at BZN

Mr. Sprenger said Sean Kelly is anticipating contracting with our new fuel farm owner, Element Terminal Holdings, LLC. Mr. Kelly's business must meet the minimum standards which he has committed to doing. Mr. Kelly was unable to attend the meeting.

Ronald Schneider from Jet Aviation approached the podium and said the minimum standards were last updated in 1991. A lot has changed between then and now. He said this provides a lot of opportunity for other FBOs to operate and it could be unsafe. He asked that airport board and staff continue to review the minimum standards.

Mr. Sprenger said the minimum standards were reviewed last year. There are many things involved, including serving the public. The FAA requires us to abide by them. Minimum standards allow for competition and set a level playing field. There have been numerous complaints about the inability to have Avgas distributed throughout the airport.

Mr. Sprenger continued that the advent of the Element fuel farm is meant to encourage competition and make sure there is an adequate amount of fuel on the airport. Due to a lack of investment by our on-airport fuel providers, we had less than 2 days of fuel

available at any given time. We need additional providers of fuel to meet the needs based on the growth. We can review the minimum standards, but we don't think it is appropriate to change them mid-stream.

Mr. Mathis' primary concern is the location of the facility. It is the busiest spot for General Aviation (GA). He hopes that the congestion is closely monitored as it is a potential problem. Mr. Sprenger agreed and said the location of fuel trucks needs to be on the backside. It is a very busy area. It is an area that has continually been a challenge. It will have to be monitored.

Mr. Kelleher asked about any issues with collisions on that corner. Mr. Sprenger said there have not been any collisions in this particular location to his knowledge. Mr. Mathis said he has had concerns and there have been some issues with jets parked there.

Mr. Lehrkind asked what our ability is to revoke the operation. Mr. Sprenger said if he doesn't maintain within the operating agreement or their leasehold agreement, we could terminate the agreement. We don't anticipate that being an issue.

Mr. Sprenger said we currently have 2 great operators, Jet Aviation and Yellowstone Jet Center but with the growth service levels have declined at times. Yellowstone Jet Center had the opportunity to buy this property for many years.

Mr. Kelleher asked if they anticipate a large number of other operators to meet the standards and request these type of operating agreements. Mr. Sprenger said it is possible but unlikely.

MOTION: Mr. Lehrkind moved to approve the request by Big Sky Air Center to enter into an operating agreement to provide Aircraft Fuels and Oil Dispensing Service at BZN.

Mr. Switzer seconded the motion. All board members voted aye. The motion carried.

5. Consider request by Skysigns to enter into a Specialized Commercial Flying Service, part (b) banner towing and aerial advertising

Mr. Sprenger said the minimum standards for this operation are minimal. It doesn't have an office or parking requirement.

Brandon Wilson, representing Skysigns, said he hopes to be approved to tow banners from the airfield. Mr. Wilson explained his plan to depart and land with the banner. Mr. Wilson explained the route across the field he would plan to take. Mr. Wilson said the business has operated out of Seattle for 20 years. The owner retired and he has taken the business over. He thinks it is cool and a historic part of aviation. He went to Seattle and did the training. He doesn't anticipate a lot of business here.

Mr. Mathis asked if he has looked into the possibility of using private runways or Three Forks Airport. Mr. Wilson said he has not. He would like to operate from the airport here.

Mr. Switzer said he has done banner towing and it is a complex operation. You have an entity that drags behind and you have cross winds to deal with. Even when you do it in the military, it is a special event. Mr. Switzer is supportive of it but would like to know what the tower has to say.

Mr. Wilson said they operated in Seattle, one of the busiest airspaces. There will be challenges but thinks we can work through them.

Les Andrew, Bozeman Tower Manager, said the biggest challenge will be coming off runway 3 and crossing parallel runways. All those runways will need to be clear. It is not impossible, but it is a huge challenge. Mr. Andrew explained all the things that would have to be maneuvered to accomplish the banner operation.

Mr. Mathis asked about the possibility of doing it parallel to 11/29 on the northside. Mr. Andrew agreed that would be better. Mr. Wilson said he could, but he would prefer to stay on the side where his hangar is. He would like the opportunity to try it as planned first and if it is an issue, he would be open to the other side.

Mr. Switzer asked if it would be fair to try this for a while and see how well it works. Mr. Sprenger said there is the possibility of doing it on a trial basis on 3/21 and the suggestion of 11/29 has its advantages. The new road system will provide access to the north side.

Mr. Wilson suggested a different flight path to Mr. Andrew who said it would work well for flying over Bozeman or Belgrade. It would have to be a case-by-case basis and be worked out a few days ahead of time.

Mr. Lehrkind suggested setting a time frame attached to the approval.

Mr. Kelleher raised the issue of helicopter traffic and if that presents problems with grabs and returns. Mr. Wilson said he is also a helicopter pilot and doesn't see that being an issue at all.

Mr. Wilson is working on a waiver with the FAA. Mr. Wilson suggested a 6-month trial and said he will try to communicate in advance with the tower.

MOTION: Mr. Lehrkind moved to approve the request by Skysigns to enter into a Specialized Commercial Flying Service, part (b) banner towing and aerial advertising that will be reviewed in 6 months. Mr. Switzer seconded the motion. All board members voted aye. The motion carried.

6. Consider real estate transfer agreement and subsequent short term lease agreement with Charles John Stump and Rae Lynn Stump for the purchase of property located at 1301 Timothy Lane, Belgrade, Montana

Mr. Sprenger showed the location of the property on the map. It is one of the primary locations we would like to acquire. Staff recommends purchase of the property.

MOTION: Mr. Switzer moved to approve real estate transfer agreement and subsequent short term lease agreement with Charles John Stump and Rae Lynn Stump for the purchase of property located at 1301 Timothy Lane, Belgrade, Montana. Mr. Mathis seconded the motion. All board members voted aye. The motion carried.

7. Consider request by Sharbert Enterprises for the Airport Authority to begin design of a new market concept in the B Concourse

Mr. Sprenger said we have been reviewing concepts for this area for some time. After a lot of observation during peak periods, it is clear that food and beverage needs during the peaks are not being met. We don't see retail having the same impact on the flying public.

We have two wonderful restaurants and a grab and go. We don't have a grab and stay. Staffing is becoming more and more of a challenge. This concept minimizes the number of staff and eliminates the need for a fourth kitchen. The other part of the concept is to sell things that are more local such as beer, meats, and cheeses.

If approved, we will move forward with a design. We would define it and make sure it has the room and the heating and ventilation. After the design process we would have a better feel and we could get cost estimates.

Mr. Mathis suggested using some furniture and supplies from the previous restaurant. Mr. Sprenger said that is an option. One of the biggest challenges is the heating and ventilation. We aren't creating another kitchen which is beneficial.

MOTION: Mr. Mathis moved to approve the request by Sharbert Enterprises for the Airport Authority to begin design of a new market concept in the B Concourse. Mr. Lehrkind seconded the motion. All board members voted aye. The motion carried.

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

Mr. Humphrey said we are dropping the 2-year comparison at this point. Mr. Humphrey reported 9,070 total tower operations for January which is up 2.9%. Rolling 12-month operations were 116,309 operations, just short of our record of 117,401. Corporate landings were 908 versus 739 which is up 22.9%. We had 83,551 enplaned passengers up 87.3%. For 12-month enplanements we had 1,012,645. Deplaned passengers were 83,492 versus 42,001 which is up 98.8%. Airline landings were 897 versus 802 so 11.8% better. The system load factor was at 70.7% versus 47.8% so 47.9% better. Total gallons dispensed for last year was up 84.3%.

The first 16 days of February are 10% above our best February which was in 2020.

9. Airport Director's Report – Brian Sprenger

Mr. Sprenger reported we hit the 2 million passenger mark which was a huge achievement. We passed 1 million passengers in 2015. When we did that press release 7 years ago, we had increased 42% over the previous 5 years. This time we are 80% over the past 5 years.

We are starting to get a better definition of the summer levels. They are more in line with last year's numbers and not an exponential growth. The local community will probably appreciate that. We had about 10 experimental markets last year. About half are returning, the other half are not but we may see them return in future years. We will probably get to

1.1 million enplanements and then stabilize for most of the year. We may see improvements next winter.

Rental car revenue for January was 160% of 2020 and parking revenue was 151% of 2020. Passengers were 20% up even though nationally is dropped to 77% of 2020. We are still outperforming the nation by a lot. That will continue through the spring and early summer.

Next month we will have passenger projections for the calendar year. We are hoping to present a proposed staffing model. We will be comparing to airports at a similar level while also taking into consideration some changes to the airport that affect staffing.

We will be opening bids on the terminal apron expansion and non-AIP funded portion of the northside.

10. Consider bills and approve for payment

The bills were reviewed and detailed by Mr. Sprenger.

The new water truck is performing very well. There were over 1,000 attempts to breach our firewall which is double the attempts the week before. Mr. Sprenger provided an update on one of the property acquisitions that has been cancelled for the time. Some vehicle purchases were discussed.

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

11. Adjourn

The meeting was adjourned at 3:09 p.m.



Karen Stelmak, Board Chair