

The regular monthly meeting of the Gallatin Airport Authority was held May 13, 2004 at 3:00 p.m. in the Airport Conference Room. Board members present were Tom Nopper, Richard Roehm, John McKenna and Steve Williamson. Yvonne Jarrett was unable to attend the meeting. Also present were Ted Mathis, Airport Director, Brian Sprenger, Assistant Director and Cherie Ferguson, Clerk.

The first agenda item was to review and approve the minutes of the regular meeting held April 8, 2004. John McKenna moved to accept the minutes as mailed, Richard Roehm seconded the motion, which carried unopposed.

The second agenda item was the public comment period. There were no public comments.

The third agenda item was to consider the contract for summer paving projects. Mr. Mathis said that three bids were opened on April 29<sup>th</sup> and TMC, Inc. of Belgrade, Montana was the low bidder. Scott Bell, the airport engineer, said that there were no problems with the bid and he recommended the bid be approved. He said that TMC, Inc. bid \$2,094,714.70 for Schedules I, II, III, and IV.

Mr. McKenna moved to accept TMC as the contractor for the summer paving projects. Mr. Roehm seconded the motion and it carried.

The fourth agenda item was to consider the request by Avis Rent-a-Car to sublet their service facility to Enterprise Rent-a-Car. Mr. Mathis said that since Avis won't be an on-airport car rental concessionaire, they have to sell or lease their service facility. They are currently negotiating with Enterprise Rent-a-Car to lease the facility. Mr. Roehm moved to approve the request by Avis Rent-a-Car to sublet their service facility to Enterprise Rent-a-Car; Tom Nopper seconded the motion and it carried.

The fifth agenda item was to consider the request by Enterprise Rent-a-Car to construct an automobile service facility. Mr. Mathis said that if Enterprise is unsuccessful in negotiating a lease agreement with Avis, they need to move forward with building their own facility. Mr. Mathis said that we have the space available and the utilities are readily accessible. If that were to occur, Avis would need to sell their facility to one of the on-airport concessionaires. Robert Ward, of Enterprise Rent-a-Car, said that their preference is to rent from Avis but they want to make sure they have something ready to handle cars by July 1<sup>st</sup>.

Mr. McKenna moved to approve the request by Enterprise Rent-a-Car to construct an automobile service facility in the event that an agreement between Avis and Enterprise isn't worked out in 30 days. Mr. Nopper seconded the motion and it passed unopposed.

The Board expressed concerns that their approval of this request not be used to give either Avis or Enterprise an advantageous position and the Board be used as a pawn in the game.

The sixth agenda item was to consider the request by Sunbird Aviation to transfer their aircraft charter operating agreement to Gregg Fuller and Clint Lohman. Mr. Mathis said that according to our operating agreement, the agreement may not be assigned or transferred without approval of the Airport Authority Board. Gregg Fuller said that Greg Mecklenburg, the current owner of Sunbird Aviation, will still run the operation. The Board members said that if Mr. Mecklenburg wants this agreement nullified and a new agreement to be signed by them, he can request a new agreement.

The seventh agenda item was to consider the request by Yellowstone Jetcenter to sublet office and hangar space in their former FBO building to Summit Aviation, LLC. Mr. Mathis said it will be much better than their current location as it has ample vehicle parking

and ramp space. Mr. Roehm moved to approve the request by Yellowstone Jetcenter to sublet office and hangar space in their former FBO building to Summit Aviation, LLC; Mr. Nopper seconded the motion, which carried.

The eighth agenda item was to consider the request by David Jarrett to construct a 60' x 60' non-commercial hangar. Mr. Mathis said that sewer lines and a new taxiway will have to be added to accommodate this and future hangars in the area. They will not be part of the summer project, but our engineers estimated the taxiway construction at \$88,443.80 and the sewer line construction at \$60,798.09. The taxiway is eligible for AIP funds, which we will have to claim sometime in the future. The sewer line is not eligible. The Board chose to deal with the taxiway and sewer line as a separate issue from Mr. Jarrett's request.

Mr. Roehm moved to approve the request by David Jarrett to construct a 60' x 60' non-commercial hangar in the area recommended by Mr. Mathis. Mr. McKenna seconded the motion and it was approved.

The Board members discussed the taxiway and sewer line construction. The taxiway costs can be added to the summer project as a change order, but the sewer line will have to be put up for bid. Mr. McKenna moved to approve the additional taxiway and sewer project with a do not exceed figure of \$150,000. Mr. Nopper seconded the motion and it carried.

The ninth agenda item was to consider the request by the City of Belgrade for a sewer line easement on airport property along the northeast boundary of the city. Mr. Mathis said that the City of Belgrade is expanding and considering the Miller subdivision. They need a sewer line to serve it and future expansion south of the Interstate. Our main concern is that the subdivision is near the end of Runway 03. Mr. Mathis recommended that if the Board approves the request, one condition would be that the City requires the subdivision to allow an aviation easement over it, as well as allow the Airport Authority to connect to this line in

the future. Mr. Roehm moved to approve the request by the City of Belgrade for a sewer line easement on airport property with the requirement that the Miller subdivision allow an avigation easement over the subdivision and that the airport gets the right to connect to that new sewer line. Mr. Nopper seconded the motion, which carried with a two to one vote. Mr. Roehm and Mr. Nopper voted yea, and Mr. McKenna voted nay.

Mr. Nopper also asked Mr. Mathis to let the City of Belgrade know that this wasn't an automatic thing and that the Board members are concerned about the proposed expansion to the north and want discussion in detail before the City considers any subdivisions to the north.

Mr. Roehm asked for a point of order regarding if the Chairman votes on each item. Mr. Roehm said, "The Chair historically and always is a member of the Board too and votes. You said that the vote was two to one."

Mr. Williams said, "I guess my understanding is the Chairman needs to vote if it is going to change the outcome of the vote."

Mr. Roehm said, "My understanding is the Chair votes all the time, not just a tie vote. That is my point of order. The by-laws ought to say that, I suppose."

Mr. Mathis said, "They don't. Historically the Chairman has voted in the case of a tie."

Mr. Williamson said, "My understandings of the Roberts Rules of Order would be that the Chairman would only vote if there was going to be a change in the outcome."

Mr. Roehm said, "Roberts Rules of Order say that the by-laws ought to say."

Mr. Nopper said, "Our by-laws don't provide that we will follow Roberts."

Mr. Williams said, "Well, as Chairman, I guess that would have been my understanding is that I would only vote in the case that it would change an outcome."

Mr. Roehm said, "Just so we know what the rules are."

The tenth agenda item was to consider the request by Brandon Speth to operate an aircraft fractional ownership and management business from his hangar #117. Mr. Mathis said that Brandon Speth is working with at least two companies to provide fractional ownership and an aircraft management business. He had originally planned on Summit Aviation being operated from this hangar but since he is no longer with Summit Aviation, he would like to operate this business from the hangar. Mr. Roehm moved to approve the request by Brandon Speth to operate an aircraft fractional ownership and management business from his hangar #117; Mr. Nopper seconded the motion and it passed unopposed.

The eleventh agenda item was the report on passenger boardings and flight operations – Brian Sprenger. Mr. Sprenger reported that in April there were 417 air carrier operations, 804 air taxi, 1,431 General Aviation (GA) itinerant and 15 military, for a total of 2,667 itinerant operations. Local general aviation operations were 3,063, for a total of 5,730 tower operations, up almost 29% from April a year ago. There were 79 landings of aircraft over 12,500 pounds, which is up 9.72% from April 2003. Year-to-date tower operations were up 16%. Both itinerant and local GA contributed to the strong results.

Mr. Sprenger also reported that passenger boardings were 16,972, up 8.8% from April 2003. Year to date boardings are 96,628, up 3.0% compared to the same period in 2003. This April there was no runway construction and there was improved airline traffic, primarily due to depressed air travel because of the Iraq war last year.

May should be strong and is expected to be up between 5% and 10%. United Express is expected to replace some of their 50 seat regional jets (RJs) with 70 seat RJs in July so we are expecting a strong summer. It will be interesting to see how gas prices affect tourism and fares.

The eighth agenda item was the Director's Report – Ted Mathis. Mr. Mathis reported that we are currently working on Request for Proposals (RFPs) for insurance, which will terminate in August. The insurance is bid for a 3-year term. There has been quite a bit of interest.

He also reported that we have received the asbestos survey and cultural resource survey for the old terminal building. It doesn't have historical value so we can do whatever we want with it. Mr. Mathis said he hopes to have a recommendation at the next Board meeting.

The terminal construction is still moving forward and it appears that it will be done pretty close to the contract time.

Steve Williamson asked if RJs are being phased out and how that would affect our plans. Mr. Mathis said that he believes that RJs will be used for at least 10 years. Our jetways can handle RJs up to 767s. In addition, we could still add a concourse if we need to because that is in our Master Plan.

The ninth agenda item was to consider the bills and approve for payment. After review and discussion, Mr. Roehm moved to pay the bills and Mr. McKenna seconded the motion. The motion carried unopposed.

The meeting was adjourned at 4:00 p.m.



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Steven H. Williamson, Chairman