

The regular monthly meeting of the Gallatin Airport Authority was held July 12, 2018 at 2:00 p.m. in the Airport Conference Room. Board members present were Carl Lehrkind, Kendall Switzer, Ted Mathis, Karen Stelmak and Kevin Kelleher. Also present were Brian Sprenger, Airport Director, Scott Humphrey, Deputy Airport Director, Troy Watling, Assistant Director - Finance, and Shannon Rocha, Recorder.

Carl Lehrkind, Board Chair, welcomed everyone to the regular meeting of the Gallatin Airport Authority Board.

**1. Review and approve minutes of regular meeting held June 14, 2018**

Mr. Lehrkind 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 June 14, 2018. Mr. Switzer seconded the motion and all board members voted aye. The motion carried.

**2. Public Comment Period**

Doug Cairns voiced his concerns over the \$1,000 administrative fee for the 20-year lease option. Mr. Cairn's distributed copies of his email communication with Mr. Sprenger in which Mr. Sprenger explained the reasons behind the fee.

Mr. Sprenger's email indicated some of the reasons for the fee including the added value of a 20-year term, the risk to the airport and the administrative time and costs associated with the longer term. With the additional value for the hangar owner and cost to the airport, the \$1,000 fee has been added.

Mr. Cairns said he did not agree that there was more risk. He objected to the assertion that this was similar to a new construction lease. Regarding the increased value, Mr. Cairns said he would capitulate on that one.

Mr. Cairns said he would at least like to find out how the fee is established. He would like to see the cost breakdown. He said he doesn't want or need any of the services.

Mr. Sprenger thanked Mr. Cairns for his comments. In Mr. Cairns email to Mr. Humphrey he wrote that the 20-year lease option would help him negotiate a lower interest rate with the bank compared to a 10-year. Mr. Sprenger said that all of the leases that require financing require us to have Morrison & Maierle provide metes and bounds which costs the airport about \$300. That is in addition to the time we spend there.

Mr. Sprenger reviewed the 20-year lease option with Russ Nelson from First Security Bank and asked if this provides additional value. He reiterated that based upon the length of the term, it becomes more salable and there is more value. That value is determined through the appraisal process. But the value of the lease is determined by the term.

Mr. Sprenger said the risk for the airport is high. If the tenant maintains the building it is their option. It is not our option to take away. We have the option to do something if they don't take care of the building. But if lease language changes during the term, we cannot make any changes until the term is up. That creates a significant risk. Helena offers 5 years at the end of the term. Missoula says that at the end of the term, if they don't remove their hangar, it will go out for public bid.

One of the reasons why we have 180 hangars is because we are very friendly to our general aviation population. We have the 10-year option and there is no cost. Then we said

times have changed. People need to use financing. So this option was created to allow owners to obtain financing for a longer term. Among the requirements is the meets and bounds which is also done for new hangars. We spend an inordinate amount of time with the bank on their language and working with the title company to make sure the closing goes through. For those reasons, in addition to the risk, we are charging a fee.

Mr. Cairns said that at the end of 10 years you can still decide not to do that so he doesn't think it creates more risk. He said not everyone needs the things that are an additional cost. He said not everybody needs it or wants it. He said he doubts that he can get a lower rate.

Ms. Stelmak said this is voluntary. 10 years is at no charge. This fee has been there for 6 years. It is nothing new. She said if Mr. Cairns hangar doesn't fit this need, it may be more prudent to go for the 10-year option and get in for free. We have to be consistent with everyone. If you want a 20-year term it is \$1,000.

Mr. Cairns asked how many of these leases have we done. Mr. Sprenger said we have done at least 3.

Mr. Cairns said he would like the 20-year term but doesn't want to pay for an assumption that is not accurate.

Mr. Kelleher said he has been in the real estate business for many years. There is a significant cost in time and preparation for these leases. Title companies charge about \$800 per closing. This takes our staff's time. Mr. Kelleher said he is willing to make a motion and eliminate the gift option. These hangars are appreciating. Mr. Kelleher told Mr. Cairns that

there are costs he is not aware of because he is not involved in the entire process. Mr. Kelleher said \$1,000 to close a \$20,000 loan is a pretty sweet deal.

Mr. Cairns said this is a fee to the airport it is not a closing cost. He asked if he doesn't need any of this information from the airport, and he is not causing any more work than a 10-year loan, why is he getting charged for it.

Mr. Switzer told Mr. Cairns he was sorry he was upset. He told Mr. Cairns you do have options. There is a difference in our mind between 10 and 20. We like a check and balance every 10 years. We want to look at it. That is important. Mr. Switzer told Mr. Cairns that he may want to think about it a little more to see how this is sounding. We are doing this to be fair. It will get more expensive over time. He said he was struggling to see where Mr. Cairns was coming from and said it seems selfish.

Mr. Cairns said he spoke with other pilots. He is representing a group of pilots. He is trying to do this for the greater good.

Mr. Mathis asked Mr. Cairns if he visited with our staff about this before he came to the board. Mr. Cairns said he emailed back and forth. Mr. Mathis clarified that Mr. Cairns had not sat down with staff and addressed these concerns in advance. Mr. Cairns said he did not. Mr. Mathis said visiting with staff is a good way to go. Mr. Mathis said another way to go would be to spread this out per square footage of rent. Right now the rent is very low. We are trying to be fair to everyone on the field. Mr. Cairns said he would be more open to that.

Mr. Humphrey clarified with Mr. Cairns that if he is looking to sell down the road, they have always entertained the option for the buyer to get a new lease instead. You can

have the owner request a new lease. That may make the 10-year option a little more appealing. Mr. Cairns said he didn't know that and that serves his purposes for salability.

Ms. Stelmak said regarding the comment that was made about rent for square footage, their goal is to keep it low for all of GA. If someone wants to voluntarily choose an unusual option, there is a fee associated with it. It is something you choose to do and choose to take advantage of. She doesn't want to risk having to increase rent for GA to absorb those fees.

Mr. Cairns said he thinks it would be fair to tell him what the basis is for the \$1,000. He would like to see what it pays for. He thinks that is a reasonable request. Mr. Sprenger said \$300 is just the engineering fee.

Mr. Lehrkind said to ask for exact fees is difficult since every situation is different. He thanked Mr. Cairns for coming in.

### **3. Report on Audit Review Process – Matt Cope**

Required Communication - Mr. Cope indicated that their responsibility is to express opinions about whether the financial statements prepared by management are fairly presented in accordance with Generally Accepted Accounting Procedures (GAAP). They will issue an opinion on the basic financial statements in the notes however they will not express an opinion or provide assurance on the required supplementary information. The supplementary information will be subjected to the auditing procedures in accordance with the auditing standards and they will provide an opinion on it as a whole. The other information that is included in the Comprehensive Annual Financial Report (CAFR) is the

introductory section and the statistical section. That information will not be subjected to audit procedures.

Scope of the Audit – The audit will include obtaining an understanding of the entity and its environment, including internal control. If there are any significant findings during their field work, those will be discussed with management and the board at the conclusion of the audit.

Timing - The final field work dates will be September 17-21, 2018. The exit with management is tentatively scheduled for the end of October and the financial statements can be presented at the November board meeting.

The audit staff will include 5 staff members. Bill Hebron, the managing shareholder, will be the engagement quality control reviewer. Mr. Cope, shareholder, will be the engagement supervisor. Curtis Allen, CPA, will be the in charge auditor. Sam Lewis will be the audit staff member.

Mr. Switzer asked if there are any changes to the scope of the audit. Mr. Cope responded that every year they maintain a method of unpredictability. The audit procedures stay the same but what they sample may change.

The board thanked Mr. Cope for his presentation.

**4. Consider request by Gallatin Valley Aeronautical Society to enter into a new 10-year non-commercial land lease on hangar #20**

Mr. Sprenger reported that the hangar lease has ended. The Gallatin Valley Aeronautical Society wishes to enter into a new 10 year lease. There are some things we would like them to take care of. We did learn that this is a movable hangar which is why there are tires and other things in the back. Staff recommends approval of the request.

**MOTION:** Mr. Mathis moved to approve the request by Gallatin Valley Aeronautical Society to enter into a new 10-year non-commercial land lease on hangar #20. Mr. Kelleher seconded the motion. All board members voted aye. The motion carried.

#### **5. General Aviation Frontline discussion and possible re-alignment**

Mr. Sprenger presented a map of the frontline. The buildings are not grouped by their owners but "leap frog" over one another. There are a number of buildings at the end of their terms and are on year to year leases. Both are insufficient for the frontline with the changes in the types of aircraft. We don't think these are the best uses of that land.

We have been in discussions with Arlins and Yellowstone Jet Center about the potential of amending the leases. We could eliminate the leap frog situation and put hangars of the same owners next to each other. We would have about 250-260 linear feet of ramp that each entity could end up with. We are trying to be as equal as possible. If they can come up with an agreement they will come back to the board. That ability better utilizes the land in the long term.

Signature wants to build a facility on the north side and in their request they wanted to address this side as well. If this were to go forward and a facility is built on the north side for Summit, we want to make sure that the sublease for Summit is acceptable to Summit.

We would expect that each entity would be responsible for their demolition. We would offer in exchange a 5 year development period to re-invest in these parcels. It would require that re-investment and if that didn't happen, then the land would revert back to the airport.

This doesn't come without a cost to the airport. It would be about a \$500,000 to relocate the road. Adding utilities and other costs we estimate about \$650,000. We have been carrying that in our budget if that occurred.

We are trying to make sure the interested parties are aware of the potential. We want to address any issues or concerns they might have. We think in the long run it is a good thing to consolidate the two Fixed Base Operations (FBO's).

Another option is to request for proposals to redevelop both parcels at the end of their term. We could extend or renew the existing parcels as they are now. Staff doesn't recommend that since it doesn't fully utilize the land or ramp space. Especially considering that the east ramp is 100% developed. This is a ramp development opportunity for GA. This is mostly informational at this time. We think based on conversations with them there is positive movement with this.

Mr. Mathis asked if they would pay rent during the 5 year redevelopment window. Mr. Sprenger said yes. Mr. Mathis said we are blessed with 2 world class FBO's. Most airports this size are not so blessed. We need to make sure we accommodate them as much as possible. Mr. Mathis asked how much of the ramp do they lease. Mr. Sprenger said they currently lease 50 feet. Mr. Sprenger confirmed the remainder is for public use. Mr. Mathis asked if he could drive his aircraft there and park it. Mr. Sprenger said yes he can do that. Mr. Mathis asked if he anticipates that same amount of lease space under the new arrangement. Mr. Sprenger said they do anticipate that but each entity has a different idea on that. We believe maintaining control is good but it also creates cost. It does allow for some overflowing based upon demand. We have had red lines dividing it in the past. That



may occur again but the idea is preferential use if we used an airline term but they would have to work it out with each other if they needed additional space. With the ebbs and flow of the airport and to be able to provide parking for aircraft that don't need the services is important as well. It is a little less important for the smaller aircraft because we have the tie down ramp on the east side. Occasionally a jet will drop off and take off and require very little service. There are no changes to the ramp anticipated at this time.

Ms. Stelmak said she is in full support of the flight training going on the other side of the airport. That is practical. She agreed that we are lucky to have two strong FBO's. If they are in agreement, she can understand how it would be much more practical to be next to each other instead of in between each other. It is a good plan if it works for both of them.

Mr. Mathis said because it is a public ramp and there is at least one publicly owned building, he is not sure we need to go out for RFP's but we certainly need to continue to vet this and maybe have a public hearing before a decision is made or any contracts are signed.

Mr. Sprenger invited the FBO's to comment and they had no comment.

#### **6. Consider land acquisition priorities**

Mr. Sprenger said we were approached by David and Shelly Williams about possible acquiring their land. Mr. Sprenger showed the location of their property on a map. It is about 600 feet off the end of Runway 29. Mary Brent's property that we purchased was on our master plan and this property is fairly close to that land. The Thompson land was not on our master plan but was an opportunity we took advantage of. The Williams property is one of the closer properties to us. Generally if your property is adjacent we are at least interested in hearing what you have to say.

Staff believes if we went through the next master plan it would be a potential land acquisition. It is not on our current master plan. We would pay for an appraisal. We would get a value and make an offer based on that value. We would probably end up doing a review appraisal to validate the value since it has to be fair market value. Those appraisals are different because there is no offer. If we can do a proposed buy sell then that would come back to the board for consideration. We have emphasized to the Williams that nothing goes forward without the board's approval.

Mr. Switzer asked what the distance is from the north taxiway. Mr. Sprenger said it is 300 feet away.

Mr. Mathis asked what kind of easements are on the property. Mr. Sprenger said because it was in place before our easements, we are not aware of any. It is in the airport affected area. We did noise contours with the Environmental Assessment of the new runway and all 3 of the residences are just outside of the noise contours.

Mr. Kelleher asked what the advantage of purchasing the property is. Mr. Sprenger said there are a couple advantages. It is adjacent to the taxiway. While it is hard to look that far forward, you could see ramp development adjacent to that. That is long term depending on changes in the runway. If we had to widen the runway, long term, it may require the taxiway to be further away from the runway than it is. We are talking about making a second air carrier runway which is way out which would require us to extend. We cannot currently justify the purchase for this purpose alone. These are all long term possibilities.

Mr. Kelleher asked about the Gerovac farm and if we would use the same method that we purchased that with. Mr. Sprenger said it would be more similar to the Thompson

land purchase. We would not have the restrictions like we did with Gerovac on the appraiser choice. We asked the Williams and they didn't have anyone in mind.

Mr. Kelleher asked if we would be happy with one appraisal. Mr. Sprenger said we would have to first determine under state law if that is allowable. With the Thompson property, we could not use federal funding but we could possibly with this one. However, staff would advise against it since it attaches strings and takes from a pot we would like to use for other things. That would require a review appraisal. This is a willing buyer and seller situation.

Mr. Mathis asked what an appraisal would cost. Mr. Sprenger said a residential appraisal is less than \$1,000. Mr. Kelleher said there is a cost but it is an equitable way to establish a value.

Mr. Lehrkind asked what the timeframe is and if they would want to stay in the house. Mr. Sprenger said the indications are that they would like to build a house outside of the immediate area. They would ask for the option to stay in the house while they build. That is one of the benefits of working with the airport. We have the ability to allow some of those things. But on the other hand we are restricted to what the appraisal comes in at. They like the idea of not having to do all the work to show it. We have advised them if there is any sentimental value in the house to consider that since the house will go away. We have tried to full apprise them of all the nuances. They still appear to be very willing.

Mr. Kelleher confirmed that we don't envision the home being kept. Mr. Sprenger said yes. Mr. Kelleher said in that case we don't need a home inspection. Mr. Sprenger said we could look into it being moved. Mr. Kelleher said we might want to look at seeing if

there are any underground tanks. There are costs on top of the appraisal. We can just get one appraisal and go from there.

Mr. Switzer said it is expensive buying homes. But considering the proximity to the taxi way, we have to be forward thinking. You can see the need down the road. It is going to be loud. We wouldn't want someone buying the house.

**MOTION:** Ms. Stelmak moved to approve the Airport Director negotiating a buy-sell on the David and Shelly Williams property and to bring to the Board for consideration, understanding the Board may or may not approve the negotiated buy-sell. Mr. Kelleher seconded the motion. All board members voted aye. The motion carried.

#### **7. Election of officers**

**MOTION:** Mr. Mathis moved to approve the current slate of officers for the coming fiscal year:

Chair – Carl Lehrkind IV

Vice Chair – Kendall Switzer

Secretary – Karen Stelmak

Mr. Kelleher seconded the motion and all board members voted aye. The motion carried.

#### **8. Report on Law Enforcement Activity at the Airport – Bill Dove**

Mr. Dove started by saying we are 12 days into year number 11. Since that point in time, 13 officers have come and gone. There are currently 8 of them. Adding the 8<sup>th</sup> has been nice. They are appreciative of the new position. Mr. Dove handed out some statistics.

Mr. Dove said this is a non-typical law enforcement position. Many of their incidents are not criminal offenses. Some are dealt with by federal security directives and required by the TSA and FAA.

They had 477 curbside checks last month. They handle tenant calls for service inspection of goods. They hold items for local travelers that they may have packed by accident and cannot take with them. June saw 132 of those and almost 700 for the year.

Parking tickets have seen the biggest changes in numbers. Just in the last month they wrote more parking tickets than the whole previous year. They previously handled the curb differently than they are required to handle it now since June 1<sup>st</sup>. Unattended vehicles are no longer allowed. They are still trying to walk and manage the curb. The airport helped by putting out information about the 1 hour free parking. All that money from the tickets goes into the general fund. They have increased the dollar amount of the fine for a parking ticket. It is a \$50 fine if you leave your vehicle unattended and a \$100 fine if it is in the fire lane or disabled parking.

They also jumpstart vehicles and unlock cars as a public service. A non-typical duty is wildlife hazard management. They are heavily involved in that from patrols to haze the animals off and lethal controls times when necessary.

The exit lane alarms are new as of June 20th. Anytime someone moves backwards it causes the lane to alarm and lock down.

Much of our building is computer controlled. That keeps them busy. They keep gates functioning. The system works well for the most part. The wireless communication is not good in some of the distant locations but they are trying new technology.

They handle VIP services often. Bozeman is still a destination location for many rich and famous. Last month they had Jeff Sessions. They do require special assistance and move them behind the scenes.

Mr. Mathis asked Mr. Dove if they write parking tickets in the GA area. Mr. Dove said they have asked people to move their vehicles but they haven't issued parking tickets. They do issue tickets at the jet center and Arlins by complaint.

Mr. Mathis asked how they ascertain it is the actual owner of the vehicle when they unlock them. Mr. Dove said there is a big leap of trust. They believe the person asking them to open it, especially when you can see the keys inside and they have the travel bags.

Mr. Mathis asked if they had any arrests. Mr. Dove said they had 3 warrant arrests this year. This is an addition to their badging which is a TSA program. Local warrants and warrants are now checked in addition to the finger print criminal history on every badge renewal. So all 3 arrests were employees from somewhere at the airport who were renewing a badge. They have had no criminal conduct arrests since January.

Ms. Stelmak said she is surprised by the low criminal activity and is impressed by the service oriented tasks that are performed for the travelers and public. Mr. Dove said it is nice to be able to be officer friendly. They had a 21 year old dropped off at the airport Saturday with no means and her parents could not help. She had no where to go. The officers saw to it that she got breakfast, lunch and dinner from their own money until they could get her to the bus depot Monday morning. That is something that we can do out here that we couldn't in the city.

Ms. Stelmak asked if there were any concerns we should be aware of. Mr. Dove said he couldn't think of anything and that things are going well. They appreciate the new Officer. They replaced the electronic control devised and those are appreciated. The Taser is a less than lethal force that is available to them. Overall they have a pretty peaceful environment. They will have the occasional upset customer who missed their flight or someone who spent too much time at the bar. Sometimes there are complaints on the curb.

Mr. Kelleher asked if he sees any added needs for the enclosed parking facility. Mr. Dove said they have talked about call stations in with the access controls and cameras. Fender benders will be one of the bigger things and it will be important to have security cameras of course. He doesn't see a need for whole lot more than that.

Mr. Switzer thanked Mr. Dove for his time and said they do a great job and they do it with grace and to pass that onto his force. As we grow, the demand for their services will get bigger. He said to let us know what we can do to help you do what you're doing.

Everyone thanked Mr. Dove for his time and presentation.

#### **9. Report on passenger boardings and flight operations – Scott Humphrey**

Tower operations for June 2018 versus 2017 were up 13.4%. That puts our rolling twelve-month operations at 78,319. Corporate landings were up 22.3% at 252 versus 206. Revenue enplanements were up 9.8 % at 62,736 versus 57,114. Airline landings were down up 24.4% percent. We had 26% more seats this month so we dropped 10.6% in load factor at 70.2% versus 80.8%. Fuel dispensed for May was down 20.9% which was the runway closure month.

We have over 102,000 outbound seats in July which is 14% more than we had last year. He thinks we will be about 9-11% better. We are expecting about 80 additional corporate aircraft between next Thursday and Monday. The east ramp and GA ramp will be crowded.

#### **10. Airport Director's Report – Brian Sprenger**

Mr. Sprenger reported that June was the second highest inbound month in our history. Generally July and August are higher. Mr. Sprenger presented a chart of available seats 2013-2018 for the month of June. The outbound and inbound load factor is usually about 10% different. 2014 was closest to what we saw this year with the load factor. In the next year, 2015, the available seats dropped. We expect that to happen next year in June. By the following year we saw it corrected. This is one of the things we look at and try to anticipate. We see the reverse in September. This dynamic is tied to the beginning and ending of seasons.

The month of June was our highest air carrier operations in our history. That exceeds all previous Julys and Augusts. That gives an idea of the size of the aircraft and the number of seats. United and American had substantial hits on load factor. There were small changes they could have made in the schedule to maintain a normal load factor. This is something to watch since we are going into terminal design.

Mr. Sprenger presented a photo from today of two American Aircraft at the same time. There have been some close conflicts on night arrival for gates. Three airlines for two gates has worked out so far.



Terminal Concourse Expansion Design – We are trying to determine how big of an expansion to propose. We are looking at this expansion and then what we want to do after this. We looked at gate 8. We should be able to construct beyond that without losing gate 8. We can build the new section and Horizon can continue at gate 8. That maintains 8 gates through the construction process. We have talked about 11 gates total after the expansion. But, for about \$200,000 worth of ramp, we could get a 12<sup>th</sup> gate by wrapping the concourse around. It doesn't change the amount of building that we need to do.

The length of the building is determined by the jet way at gate 10. If we go to 11 gates, we have to get the building so it can reach the aircraft and then design it to adequately provide seating. The plan would be to have a temporary wall at gate 8 during construction. That way the construction is outside of the secured area.

At gate 12, we would have a bridge to the bridge. That would mean that gate 11 could operate to either aircraft. So if we weren't ready to pay for a 12<sup>th</sup> bridge, we could still use the parking. The idea is that when the concourse moves past gate 11, it would operate like gate 8 does now. We would lose gate 12 but we could preserve 11 and construct beyond that point.

Mr. Sprenger showed a current drawing. There are a lot of changes still happening. We have to determine how do we want to ramp down to the boarding bridges. Right now we do that internally in the building. It works well for the view since the bridges are lower than the windows. But it is expensive because it is heated space. We had to do that in the current building because we had to raise the floor level for the baggage system underneath. We have more flexibility with the new section. There will be some elevation changes. To

reduce that internally we could ramp down part of the section. It would need to meet ADA standards. That creates a pod for the new gates.

The challenge is that ultimately it will be a 3 gate pod but in the relatively near future, it will be a 5 gate pod. We have to weigh that square footage need. We have added a little extra space like we did at gate 8. We are still working out the counter locations. We have the doorways spread out.

Another part of that space is the concession space. We have bumped it out so that the concession area is visible from down the concourse. When concessions are full at the center, maybe they will be drawn down there. Another feature of the concession area is that all 5 doors are visible from the concession seating. So we are able to accommodate some of the seating we need at the gate area in the concession area. This makes the overall seating adequate. They have worked with Bert to make sure he has an adequate sized kitchen.

We have some retail space. We are not sure on the terrace area. It may be beneficial on the lower area to put a cover so we can bring ground equipment underneath and not in the snow. If we did a cover it might be an inexpensive outdoor space that a lot of airports are doing. We have mixed emotions about it because there are really only 2 months here you feel comfortable eating outside. The architects are looking at more of a grand area there. Both sides of that area would be similar to our current space. The lower ceilings provide good lighting and are cheaper. This is 30,000 square feet on one level currently. There are still many changes to come.

Mr. Mathis said he can't believe they have the men's and women's restroom the same size. He said women need different facilities and more space. He can't believe that the architects don't know that. Mr. Sprenger said that is something they can pass onto the architects.

Ms. Stelmak likes the concession seating because it provides a level of comfort to see their gate and encourages them to spend more money.

Mr. Sprenger said to let them know any thoughts and comments on the expansion. They will have a work meeting with the architects next month just before the next board meeting. We are trying to keep this accelerated so we could break ground next year. We are weighing what our traffic and revenue will do. We are looking at September to present a financial plan. The plan might be to wait a year. But if traffic continues to expand and we feel concerned, it would probably mean borrowing some money for a short period of time. We don't have a good feel at the moment. This summer is going smooth but at a lower load factor. It is only a year.

We are still working on what happens underneath with baggage. Right now the building itself is estimates at \$15 million. That is about \$1 million higher than our original capital plan. That is to get out far enough and get that 12<sup>th</sup> gate.

Mr. Lehrkind asked about the financial impact of accelerating the project. Mr. Sprenger said the difference would be in terms of cushion. If we bid accelerated, our end of fiscal year cash on hand goes down to \$4.5-5 million which is below our current threshold. We might see something like a \$5 million line of credit. If we push it back one year, the

minimum threshold goes back up to the \$10 million and then wouldn't need the line of credit.

Mr. Lehrkind asked about the build cost if we wait a year. Mr. Sprenger said that is a question. We also might see a recession happen right when we say yes.

Mr. Sprenger congratulated Ms. Stelmak on being re-appointed to the board.

Striping on the runway will happen next week.

Two-thirds of the concrete on the third level of the parking garage has been poured.

We are starting to get more noise complaints. We had two last month. It was previously about 1 per year. A lot of them are nearby subdivisions that came after the airport but before our more recent growth. We have probably had 8 or 9 complaints this year. We own or control almost 2 miles off the ends of our runway before the nearest subdivision. Other airports in Montana are a mile or mile and a half. With growth of the airport and population in the valley, this is somewhat expected.

Mr. Mathis asked for an update on Bridger Aerospace. Mr. Sprenger said they are getting closer. Mr. Humphrey said he is working with Joel, their operations manager. They have made some tweaks to the proposed hangar. We are waiting to get those changes back. They are not moving as fast as we had expected.

Mr. Mathis passed along compliments on the turf runway and mentioned that one individual said it is like landing on a pillow.

#### **11. Consider bills and approve for payment**

The bills were reviewed and detailed by Mr. Sprenger.

**MOTION:** Mr. Switzer moved to pay the bills and Mr. Mathis seconded the motion. All board members voted aye and the motion carried unopposed.

**12. Adjourn**

The meeting was adjourned at 3:49 p.m.



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Carl Lehrkind, Chairman