

The regular monthly meeting of the Gallatin Airport Authority was held December 14, 2023, at 2:00 p.m. in the Airport Conference Room. Board members present were Ted Mathis, Karen Stelmak, Kendall Switzer and Kevin Kelleher. Also present were Brian Sprenger, Airport Director, Scott Humphrey, Deputy Airport Director, and Troy Watling, Assistant Director - Finance.

Mr. Mathis, Board Chairman, welcomed everyone to the regular meeting of the Gallatin Airport Authority Board and called the meeting to order.

**1. Review and approve minutes of regular meeting held November 9, 2023**

Mr. Mathis asked if everyone had received their copy of the minutes and if they had any corrections or additions. There were none.

**MOTION:** Ms. Stelmak moved approval of the minutes of the regular meeting held November 9, 2023. Mr. Kelleher seconded the motion and all board members voted aye. The motion carried.

**2. Public Comment Period**

There were no public comments.

**3. Consider request by West Star Aviation to perform AOG maintenance services for their managed or contracted clients**

Mr. Sprenger said that items 3 and 4 are related. To perform the services requested in this item, they would need to meet the minimum standards accomplished by approval of the next agenda item. We are aware of some potential opposition. In the past, we have discussed changes to the minimum standards. That has not been addressed yet. We plan to review those before more development begins on the northside. Some are of the opinion

that we already have the necessary maintenance services to meet our needs. Once the minimum standards are met, it is not in the Authority's purview to determine who can and cannot operate. We have operators that perform AOG services through our existing FBOs that don't have office space. In this case, someone has a desire for office space to offer the services which provides more access to the field. Jet Aviation doesn't currently provide maintenance services in their facilities.

Kevin Brown from Jet Aviation said West Star has a managed fleet they would like the ability to perform maintenance on . They are asking for permission to come onto the airfield and perform maintenance for their managed clients. Arlin's and Signature already provide maintenance service for Jet Aviation. The whole philosophy is not to take business away from the existing maintenance services. West Star has two technicians that live in Billings who would respond to requests from managed clients here.

Dan Carter with Signature Flight Support spoke next. Mr. Carter said they provide AOG services in this state and others. They get contacted by the operators. They work through the FBO's to facilitate maintenance and get calls from FBO's to assist them. Mr. Carter doesn't anticipate West Star offering AOG services to change things too much.

Mr. Landon Burgwin with Signature Flight Support was connected virtually. Mr. Burgwin said he would like to see the Board not move forward with this motion until the minimum standards are revised.

Mr. Switzer asked what about the current minimum standards are at issue with this request. Mr. Burgwin said there is nothing in the current minimum standards that he is opposed to. Mr. Burgwin would like to see the Board uphold its obligation and move forward

with the new minimum standards and defer this decision until the minimum standards are revised.

Mr. Mathis said he agrees that our minimum standards are aged, but he doesn't see anything in them that would preclude us from approving this motion. Our FBOs and maintenance shops have done a great job. They meet the minimum standards and West Star will be expected to do the same.

Mr. Switzer said it is unlikely that the new minimum standards would prevent the request.

**MOTION:** Mr. Switzer moved to approve the request by West Star Aviation to perform AOG maintenance services for their managed or contracted clients and moved to approve the request by Jet Aviation to sublease office space to West Star Aviation in support of their AOG maintenance services. Ms. Stelmak seconded the motion and all board members voted aye. The motion carried.

Mr. Mathis asked for discussion on agenda item 4, there was none.

**4. Consider request by Jet Aviation to sublease office space to West Star Aviation in support of their AOG maintenance services**

Included in agenda item #3 above.

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

Mr. Humphrey said there were 10,423 total tower operations for November versus 7,109 last November which is up 46.6%. Rolling 12-month operations were 120,463 operations which is another record. Corporate landings over 9,000 lbs. were 529 versus 489 last November. Corporate landings over 12,500 lbs. were 468 versus 329 last November. There were 17 custom clearances in November 2023 versus 16 last November. Total revenue

enplanements were up 6.7% at 71,048 passengers versus 66,606. That brings the total past 12-month enplanements to 1,227,531 which is another record. Deplaned passengers were up 7.3% at 71,157 versus 66,333 passengers. Airline landings were 658 versus 644 so up 2.2%. The overall load factor for November was 74.8% versus 76% down 1.6% but with 10% more seats. Fuel dispensed is up 9% for the year.

We have the first 17 days of numbers for December. Load factor is about 69%. Enplanements are picking up through the holiday season. Mr. Humphrey estimates we will end up 6-7% better with a 78-79% load factor going into the holiday season.

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

Mr. Sprenger reported that overnight cars in November were 97% of last year and parking revenue was 109%. Food and Beverage was 111% of last year. Retail was 103% of last year. The numbers are close to the passenger increase percentages. Due to the timing of Thanksgiving, traffic was all in the month of November. So, we are down for the first few weeks of December. That has resulted in Food and Beverage for the first part of December being down about 13%. That is also due to more local traffic. Additional impact is due to the size of the main gift shop being reduced. We are working on relocating the space. We don't know what the impact of snow will be.

Wednesday, December 6<sup>th</sup>, was the first meeting of the Northside Development Committee. We are seeing indications of weakness in hangar sales. We are watching that in the economy. Our intention is that we would like to have the minimum standards revised before the development of the northside.

After the meeting, there are plans for the fire station and Snow Removal Equipment building for review.

Mr. Sprenger will be meeting with County Commissioners on Monday to provide an update on the airport.

Southwest has extended their flight schedule through October 2<sup>nd</sup> and we are happy to say that daily Chicago Midway service starting in June has been extended all the way through the first part of October.

There are indications of slowing or plateauing in the economy and airlines. There seems to be a slowdown in pilot hiring. Spirit Airlines has stopped hiring pilots, possibly due to a potential merger with jetBlue. On the other hand, United had one of the busiest months of hiring.

The baggage system final testing was completed and passed. The next internal test will be skis. Taxiway G is open. Fuel Farm Loop construction continues. The checkpoint expansion is moving forward, and the exit lane is being relocated. The tower project is continuing. The enabling bid for the East Terminal Project opens February 29<sup>th</sup> and a Guaranteed Maximum Price will be presented at the March 14<sup>th</sup> meeting. Phase I bids will open May 23<sup>rd</sup> tentatively and presented at the June 13<sup>th</sup> meeting. We will have prices for the bridges at next month's meeting.

Mr. Mathis asked about the fuel storage west of the terminal and if the tallest tank would be as tall as they got. Mr. Sprenger said we believe so as that one is more complete than the others.

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

The bills were reviewed and detailed by Mr. Sprenger.

MOTION: Mr. Switzer moved to approve the bills for payment. Mr. Kelleher seconded the motion. All board members voted aye. The motion carried.

**8. Adjourn**

The meeting was adjourned at 2:37 p.m.

  

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Ted Mathis, Board Chairman