

The regular monthly meeting of the Gallatin Airport Authority was held November 13, 2008 at 3:00 p.m. in the Airport Conference Room. Board members present were Richard Roehm, John McKenna, Steve Williamson, Kevin Kelleher and Greg Metzger. Also present were Ted Mathis, Airport Director, Brian Sprenger, Assistant Airport Director and Cherie Ferguson, Office Manager.

The first agenda item was to review and approve the minutes of the regular meeting held October 9, 2008. John McKenna moved to accept the minutes as mailed and Greg Metzger seconded the motion. It was a unanimous decision to approve the minutes.

The second agenda item was the public comment period. Richard Roehm said that anyone wanting to make a comment about airport operations could do so now or during discussion of a particular agenda item. There were no public comments.

The third agenda item was the terminal expansion project – Jamie Lenon. Mr. Lenon gave a brief update on the past month's work and had Larry Bronec and Will Van Dyken make presentations on alternative energy and electrical system options. Most of the options do not warrant further consideration because they do not provide a significant cost savings and the pay back years exceed the lives of the systems. Using a well water cooling system from supply wells would probably be beneficial. Scott Bell of Morrison-Maierle said he believes we will need to get approval from DNRC before drilling the wells. He said that next month they could drill test wells and make sure the wells would work and be efficient.

There aren't many incentives for encouraging alternative programs for public agencies.

After a short discussion on Phasing Schemes, the board preferred Scheme B, which is estimated at \$31.5 million. Mr. Lenon said that could vary plus or minus 10%, depending on materials that are selected and some other variables the board will be deciding in the next

couple of months. He said they are on a faster track now. They had been told to slow down. Some of the board members said they would like to be ready to start digging in April. Steve Williamson said he wasn't ready for that and the other board members said they would like to be ready. That doesn't mean they can't choose to slow down or put the plans on the shelf for a while.

Mr. Roehm said the board comes to make decisions and asked Mr. Lenon to send the board what he wants the board to decide, the factors bearing on the issue, the estimates of cost and need and the board will take it from there. He said he would like it to be more of a decision making process and lined out so it isn't quite so complicated.

The board members had the opportunity to meet Connie Turner and look at carpet and building material samples after the meeting.

Mr. Roehm thanked Mr. Lenon for his presentation.

The fourth agenda item was to consider the request by Gallatin Valley Aeronautical Society for a new ten-year Non-commercial Hangar Ground Lease Agreement for their Hangar #20. Ted Mathis said the current lease expired at the end of October. He asked them to paint the hangar and they did, and the rent is current. Mr. McKenna moved they approve the extended lease on hangar #20. Greg Metzger seconded the motion and it carried with all board members voting aye.

The fifth agenda item was to consider the request by Travis Buck to transfer his Non-commercial Hangar Ground Lease Agreement for Hangar #131 to Oreo Hangar, LLC. Mr. Mathis said the hangar was built by a LLC and Travis Buck's partner sold his share to Mr. Buck. Last month the hangar was transferred to Mr. Buck and he sold the hangar to Richard Harjes, who has a Columbia aircraft. Mr. Harjes wants the lease holder name to be Oreo Hangar, LLC. Mr. McKenna moved to approve transfer of the non-commercial hangar

ground lease from Travis Buck to Oreo Hangar, LLC for hangar #131. Mr. Metzger seconded the motion, which carried unanimously.

The sixth agenda item was the report on the annual audit. Mr. Mathis said we expected to have the audit report in time for the board to review it before the meeting. The board members received a draft report and prefer to have a finished product before making any comments. The report on the annual audit will be on the December agenda. The board would like one of the auditors to be present at the December meeting.

The seventh agenda item was to review general aviation aircraft parking fees. Mr. Mathis said that back in 2004, the fixed base operators (FBOs) asked for revised fees. The fee for based aircraft was raised from \$15.00 per month to \$20.00 per month and the fees for itinerant aircraft are \$10.00, \$20.00 or \$30.00 per night, based on the weight of the aircraft. The FBOs remit half of the fees to the Airport Authority and keep half. Problems have come up because aircraft that were in for maintenance were being charged a based fee and now they are paying a nightly rate. Mr. Mathis asked Arron Wass for suggestions and he suggested charging them for five nights a month while they are in for maintenance. Some pilots are questioning the fees and that is why Mr. Mathis put this on the agenda. Arlin's Aircraft Service is mainly affected by this because Yellowstone Jetcenter has a big hangar. Arlin's needs the space so parks the aircraft out on the ramp while they are waiting for parts.

Mr. Wass said there should be a balance for fees. He said that \$300.00 for an aircraft to be tied down for a month is excessive and he asked if there could be a limit on all aircraft at \$70.00 a month, which is 2.5 times the based fee. He said that transients are where they make money.

Mr. Wass said that he realizes there is no way the airport can recover cost for snow removal, chains, ramp space or sealing but he does think the aircraft owners should pay a tie down fee.

Mr. Mathis said he would like to work with Mr. Wass to resolve the issue. Mr. McKenna said he appreciates it when Mr. Wass says it costs a lot and Mr. Mathis says maybe it's not fair. He would like them to work it out.

The board thanked Mr. Wass and Mr. Mathis.

The eighth agenda item was to consider the contract with JCS Recruitment, LLC for consultation and recruitment services for Airport Director position. Mr. Roehm said he sent the other board members a draft contract agreement with JCS Recruitment and two memos regarding the Airport Director search. With the board's approval, both memos are included at the end of the minutes.

Mr. McKenna said that both recruitment candidates were excellent and they have chosen JCS Recruitment, which is Jon Simon's company.

Mr. McKenna said they should look nationally at the market place so they know that they have selected the most qualified candidate, based on the board's criteria. Mr. McKenna said he felt good about Mr. Simon, who has a good handle on the industry. In the review Mr. Simon emphasized the importance of the position profile or job announcement, and said the board should update the current job description, including in detail all the tasks Mr. Mathis does now, plus any they would like the new director to perform. He also told Mr. Roehm and Mr. McKenna that the prospective candidates should represent the public face of the airport to the public (and to the board), should be a leader of his staff and have skills in marketing.

Mr. McKenna said the board wants to be fair to all and not have any biases in any direction. They want to select the most qualified candidate.

The fee for JCS Recruitment will be one third of the hired candidate's estimated first year annual compensation. Any other costs will need to be approved by the board.

Kevin Kelleher said he doesn't believe 30 days is a long enough trial period for the hired candidate. Mr. Roehm said it is kind of a standard. Mr. Metzger said most employees have a 90 day probationary period. Mr. McKenna said that by the time someone is hired, they will have been through a fairly rigorous process. Mr. Kelleher said that things could change all of a sudden, like the children having issues at school. The family could move here at the beginning of summer and the children wouldn't start school within the first 30 days.

Mr. Mathis said the board could approve the engagement letter with that stipulation.

Mr. Metzger asked if the board has a budget and Mr. Mathis said we don't have a specific budget item for it. The board agreed to budget \$10,000 for costs on top of hiring expenses. Moving costs and beginning salary have not been determined at this time and will be discussed at a later date.

Mr. Metzger moved to approve the modified contract with the 90 day stipulation and Mr. Williamson seconded the motion. The motion was approved with all board members voting aye.

Mr. Roehm asked for suggestions for attributes they are looking for to be put in the job advertisement. He said three points of emphasis are someone who will maintain a self-sustaining fiscal operation, be conversant with terminal construction and work well with the FBOs and general aviation (GA).

The board members asked that Mr. Simon write the job description with those things in mind so they can review it and make suggestions. Mr. Simon won't advertise the position until the board gives the description their final approval.

The ninth agenda item was the report on passenger boardings and flight operations — Brian Sprenger. Mr. Sprenger reported that in October 2008 there were 582 air carrier operations, 678 air taxi, 2,240 itinerant general aviation operations and 26 military, for a total of 3,526 itinerant operations. Local GA operations were 2,743, for a total of 6,269 tower operations, down 16% from 7,460 in October 2007. There were 163 landings of aircraft weighing 12,500 pounds or more, down 9.4%.

Mr. Sprenger reported that we enplaned 25,357 passengers during the month of October. That was down 0.9%. Year-to-date boardings are 305,531, up 5.4% over last year.

The tenth agenda item was the Director's Report — Ted Mathis. Mr. Mathis reported that we had our triennial disaster exercise on October 18th with all emergency services personnel from the community participating. He said it went very well and thanked Paul Schneider for putting it all together and all the local volunteers and professional people for participating. He hopes all we will ever have is the exercise.

Mr. Mathis also reported that the FAA is setting up time slots for any Instrument Flight Rules (IFR) arrivals on Thanksgiving, Christmas and New Year's. The airlines are not subject to the slots. Pilots of IFR flights just need to contact the FAA to reserve a time to land at Gallatin Field on those days. Visual Flight Rules (VFR) flights are not affected.

The FAA will have a site survey team here on the 11th and 12th of December for the radar screen project. Mr. Mathis believes the radar screen won't be operational until March or April. He thanked Mr. McKenna and Mr. Lynch from Mr. Baucus' office for contacting the FAA to speed the project along.

Mr. McKenna asked if having the radar screen would eliminate the need for the IFR time slots and Mr. Mathis said it wouldn't. Our control tower is a VFR tower. Mr. McKenna suggested providing good service to the public by putting informational flyers at Arlin's Aircraft Service and Yellowstone Jetcenter. It's put in notice to airmen (NOTAMs), which pilots have to check before they fly. Mr. Mathis said we might put it in our newsletter also.

Mr. Roehm asked if there was any news on the approach control and Mr. Mathis said that Todd Johnson, the control tower manager, has been keeping track of any delays over 15 minutes. Mr. Johnson said Salt Lake Center wants us to have approach control through Great Falls or Billings, but the study must be completed first.

Mr. Roehm said the Annual Report was very well written and he enjoyed reading it. He asked where it is sent and Mr. Mathis said it goes to the board members, the FBOs, terminal tenants, the County Commissioners and it's posted on the website. He said it would probably be beneficial to give to our prospective airport director candidates.

Mr. McKenna asked if it could be sent to the local Chambers of Commerce, key travelers in the area, such as travel agencies. He said the Annual Report is a bright spot and people like reading good news.

Mr. Kelleher said it could be used at Big Sky to reach out to the public. He asked if someone could do a question and answer forum at Big Sky. Mr. Mathis said it would be something new. He said Mr. Sprenger is on the board of the Chamber of Commerce and the Convention and Visitors Bureau. Mr. Mathis spoke to the Rotary, Kiwanis and Optimists in recent months. He said he does one or two chicken dinner meetings a month. We also had public meetings on the Master Plan.

Mr. Roehm believes it would be great if Mr. Kelleher would organize something. Mr. Kelleher said he would invite the people from West Yellowstone too. He said he knows Mr.

Sprenger meets with Meg O’Leary but believes it would be nice if someone did an understanding your airport presentation. It was agreed that Mr. Kelleher would try to organize something during the week of December 15th.

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

The meeting was adjourned at 6:43 p.m.

Richard R. Roehm, Chairman

Search Committee Report---November Board Meeting

Colleagues:

Your Search Committee interviewed two search firms to conduct a nationwide search program for our new Airport Director. The proposed cost from each was essentially the same; however, we selected JCS Recruiting as the one we felt was most compatible with our operating style. This firm, headed by Mr. Jon Simon, conducted searches for Missoula's Airport Director and the Assistant AD. The entire Missoula Board, including even those who initially thought the Board ought to do the search without benefit of a professional consultant, were very laudatory and complemented Mr. Simon on his professionalism and efficiency. They unanimously endorsed Mr. Simon.

The other search firm that was recommended by AAAE, ADK Executive Search, was also competent, but seemed to rely heavily on psychological testing. They probably would have performed adequately, but we were more comfortable with Jon Simon.

Prior to the interviews, John and I were approached by George Watson, PhD, who offered to observe (at no cost) the interviews and give us some insight. George has a business psychologist activity where he acts as a consultant for primarily law enforcement and public safety positions. He has been hired by GAA in the past and did psychological evaluations on all our security personnel.

George did provide some insight, and now has provided us with a proposal to actively participate in all remaining phases of the search. This \$7500 proposal seems excessive to John and me, and George has been told we might consider his services during the later stages of the search, and this only after full consultation with our search agent. I have attached his proposal for your information. Additional information may be obtained by addressing George's web page, <http://thebusinesspsychologist.com/>

We conducted additional negotiation and clarification with Jon Simon concerning his contract, which he calls an Engagement Letter. We primarily wished to not enter into an open-ended agreement and to clearly define what actions we could expect for the cost. I believe his latest proposal accomplishes these objectives. I have included his proposed Engagement Letter for the Board's consideration and possible approval at our November meeting.

Now as to the process from this point. Mr. Simon has also written, *“The Position Description for the new A.D. is one of the most critical elements of any search program, as it is the benchmark by which candidates are screened and evaluated. The existing Job Description can be the starting-point for developing an updated, broad outline of the qualities and qualifications that the Board seeks in their new A.D. As discussed, a change-of-leadership time can be a good opportunity to update and clarify desirable elements of the Position Description. Once a rough draft has been prepared by the Search Committee, I will be prepared to advise and recommend regarding possible additions/changes/deletions, etc. To assist in this effort, you may want to reference the "working" Position Descriptions that are also attached to the accompanying e-mail. These were developed with the MSO Board for both their Airport Director and Deputy Airport Director positions. (For further reference, you may wish to checkout similar positions, as currently listed on AAAE’s Career Center website (<http://careercenter.aaae.org/search/results/index.cfm>)).”*

I have included Ted’s position description and that of Missoula’s AD and Assistant. I also included some job announcements from the AAAE web site noted above. We ought to review Ted’s description, and update it, if necessary. Some areas we might wish to emphasize that make our airport’s culture unique include: a foundation of fiscal solvency, a cooperative posture with city/county/state and federal authorities, a dedication toward enhanced general aviation opportunities, and close airline relationships. We also need to finalize a formal Position Description that has the consensus of the Board. Then, a working version of this document will be prepared by Mr. Simon, who will then electronically post this description on appropriate sites. He will also send it to a group of potential candidates from the JCSR database.

Those candidates expressing interest in exploring the career opportunity, will be provided a copy of the working Position Description and asked to forward a current resume together with an "addendum" that discusses their specific experience and accomplishments, as related to the Position Description. These submittals will allow for a more in-depth understanding of the candidate's qualifications for the position. Candidates, whose background and experience appears to come closest to the Position Description profile, will be further screened by Mr. Simon via telephone interviews. From this group, a pool of candidates will be formed and further screened with preliminary background checks that preserve (at this phase) their need for confidentiality. For semi-finalists, Mr. Simon can conduct one-on-one interviews and site visits, with Search Committee approval for the costs thereof.

The semi-finalist candidates' documentation will be presented to and discussed with the Search Committee. This step will be done in-person, upon request. The goal will be to narrow the field of candidates to approximately three to five (maximum.) At this point, we may prefer to arrange a conference-call interview with the selected semi-finalists, further narrowing the field to the finalists who would be invited to interview with the Search Committee. However, we may elect to bring in all the selected semi-finalists to Bozeman. For these candidates, the interview trip would be limited to the individual candidates, and would probably include an overnight stay. In either event, the finalist candidates would be invited to a second interview and would be encouraged to bring their spouse. This interview should include the full Board and be followed-up with a casual dinner, to which the spouse would be invited. (We have initiated consultation with legal counsel to determine how best to arrange these events with regard to compliance with the Montana open-meeting laws.) Although not a formal interview, per se, the dinner provides an opportunity for the Board to get a sense of how the candidate (and spouse) may fit into the culture of the airport and the area.

Inherent in the above process for the finalist candidate, is a Reference, Background, Credit and Criminal investigation. These highly confidential reports will be presented to the Search Committee upon selection of the finalists.

This has been a report on our Search Committee activities and a brief sketch of the upcoming search process. Both John and I are available to discuss this further, if desired.

Respectfully submitted,

Dick Roehm
John McKenna

Search Committee Report----Addendum--- November Board Meeting--2008

Colleagues:

Just a note to amplify what to expect during our Board discussion of the Search Committee report on Thursday. First, after reviewing the selection of a search firm, and the proposed contract from Mr. Simon, I would like to put the contract to a vote.

Second, the first step in the search process is for us to agree on an accurate and complete Position Description for the new AD. This is central to the process as this is the document that we will measure future candidates against. It should reflect not just what Ted does now, but what we want for a future AD to do after hiring.

I included in the packet not only Ted's Position Description, but also that of Missoula's. My purpose in forwarding the MSO working Position Description(s,) was simply informational, to give the Board some idea of how the that document had, ultimately, been structured for Missoula's search program. It was not sent with the idea that it should become a template of any sort, for GAA's Position Description. Our identification of tasks and the relative importance we place on each should be uniquely our own, and reflect Gallatin Airport's future objectives.

There are usually four functional parts of most working Position Descriptions that Mr. Simon develops: 1) A brief, opening statement regarding the hiring authority and the position title; 2) A more detailed overview of the organization, usually including a link to their website; 3) a broad summary of the position being recruited for and, 4) a more detailed description of the position responsibilities. This information is usually drawn from our existing position descriptions that may, or may not be modified. Once we agree upon the "raw" information, Mr. Simon can then draft the working Position Description for our approval.

It's very important that the "profile" (whether the existing one or a modified one) has the full support of the board, before the search program gets underway. Consequently, I ask for your review of Ted's Position Description to see if it accurately reflects not only the scope of activities we wish for the new AD, but also the relative importance of each. I will ask for a public discussion of these issues so as to proceed toward a consensus.

Respectfully submitted,

Richard Roehm