

The regular monthly meeting of the Gallatin Airport Authority was held October 9, 2025, at 2:00 p.m. in the Conference Room at the Airport Customs and Operations Building. Board members present were Carl Lehrkind, Ted Mathis, Karen Stelmak, Ted Barkley and Kendall Switzer. Also present were Brian Sprenger - CEO, Aaron Collins – CCO, Chris Pomeroy - COO, and Troy Watling - CFO.

Carl Lehrkind, 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 September 11, 2025

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. Mathis moved approval of the minutes of the regular meeting held September 11, 2025. Mr. Barkley 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 SR Aviation Infrastructure, LLC (SRAI) to construct a hangar on the SE3 parcel

Mr. Sprenger said the board approved a transfer back in July. They are ready to build the hangar and the plans and renderings are being provided for review.

MOTION: Ms. Stelmak moved to approve the request by SR Aviation Infrastructure, LLC (SRAI), to construct a hangar on the SE3 parcel. Mr. Barkley seconded the motion. All board members voted aye. The motion carried.

4. Consider request by BIG SKY AERO, LLC, to transfer the non-commercial land lease on hangar 64 to ROBERT and LINDA H MARSHALL

Mr. Sprenger said this is essentially a name change for which there is a \$300 fee. The principles are changing the LLC name to their personal names.

MOTION: Mr. Switzer moved to approve the request by BIG SKY AERO, LLC, to amend the non-commercial land lease on hangar 64 to ROBERT and LINDA H MARSHALL. Ms. Stelmak seconded the motion, and all board members voted aye. The motion carried.

5. Consider request by Ridgeline Aviation to establish Legends Jet Center as a Fixed Base Operator (FBO) at BZN

Mr. Sprenger said Ridgeline's hangar is nearly complete. A year ago, they received approval for a fuel farm. They are close to meeting the minimum standards for a Fixed Base Operator (FBO). Once they have completed the hangar and fuel farm they will have met the current standards for an FBO.

We are in the middle of an Environmental Assessment (EA). The EA is expected to be completed by the end of this year or early next year. We expect them to meet all of the requirements. Staff recommends that if an approval is decided, it be contingent.

Grayson Sperry said their motivation is to continue to grow. With all the expansion here at BZN, they see that General Aviation (GA) services are needed, especially on the northside. This is a division of their business structure based on FAA requirements. Mr. Sperry invited board members to tour the facility when it is completed. They are pushing hard for completion of the fuel farm and expansion on the northside.

Eric Hill, of the Airport Relations Team for Signature Aviation, gave some public comments. Mr. Hill is the former Director of Signature Aviation at BZN, and he has seen the

growth. Mr. Hill and his team have been in discussions with Mr. Sprenger about minimum standards. Mr. Hill said he and others would like to bring the 1991 document for minimum standards into the modern age. Mobile operations maintenance is one area that needs to be addressed. There have also been discussions about the financial support the current FBO's have been providing for Custom's support. Mr. Hill said they are looking forward to completing the 5th phase of a \$45 million development.

Kyle Estes, General Manager of Jet Aviation at BZN, said he came to speak about updating the minimum standards and welcome Legends Jet Center. Mr. Estes said the 3 current FBOs have a great relationship, and he looks forward to working with the new FBO. Jet Aviation's corporate team has been working with BZN to update the minimum standards, and he would like to see that continue.

Mr. Sperry said Ridgeline is also in support of revisions to the minimum standards, especially the mobile maintenance crews. Mr. Sperry commented that BZN needs office space to anchor those operations, and Ridgeline has office space to lease to those vendors if needed.

MOTION: Ms. Stelmak moved to approve the request by Ridgeline Aviation to establish Legends Jet Center as a Fixed Base Operator (FBO) at BZN contingent upon completion of the Environmental Assessment permitting non-flight school operations and that they meet all minimum standards required for FBO's prior to beginning operation. Mr. Mathis seconded the motion. All board members voted aye. The motion carried.

6. Consider request by SharBert Enterprises to convert the former primary gift shop to a new coffee venue

Mr. Sprenger explained that expanding the checkpoint queuing area took away gift shop space. Additional gift shop areas have been created. When we had a Request for Proposals (RFP) on concessions, all agreed the area would be best served by a coffee shop due to its location just outside security. SharBert is here to propose that. From a budget standpoint, SharBert has a commitment of \$1.8 towards capital improvements, and this would be a part of that. The current estimate for the project is \$800,000.

Mr. Stock, of SharBert Enterprises, said the Copper Horse coffee area has a projected \$538,000 in non-alcoholic beverage sales over the next 12 months. Mr. Stock said their projections for sales at the BZN Market have exceeded 3 times the projected revenue. With that in mind, if we proceed with coffee in exchange for the current retail location, we anticipate \$1-\$1.2 million in additional revenue, including some food sales. This represents customers being underserved. With a project cost of \$800,000, they project a less than 5-year return on investment from the airport.

There has been a lot of collaboration on design from airport staff, Morrison-Maierle, Hennebery Eddy, and Chad with Ghost Town Coffee. They are designing it to be built for speed, so the revenue projections are just a starting point not a ceiling.

Whitni Ciofalo, with Hennebery Eddy Architects, displayed the proposed design. The location is one of the high-volume areas of the airport. They are using curvature design elements to match the space to other concessions in the terminal. There will be space for queuing and pick up. Mr. Lehrkind asked how many people the queuing area would fit. Ms. Ciofalo estimated 15 to 20 people. If those numbers were exceeded, the line can curve back around so they are not standing in the walkway. Mr. Lehrkind said he has concerns over

queuing space. Mr. Stock said they have worked closely with Ghost Town Coffee to have the right machine. They are looking at a machine that allows for 4 baristas during peak periods. They are still in discussions regarding the current espresso area, and they think the best path forward is to remove the machine. The espresso can cause more congestion due to the grab and go items and the hot food to go.

Ms. Ciofalo asked the board for input on color and tile choices. Samples of the luxury vinyl tile (LVT) were presented. Some familiar materials are being used to create a warm lodge feel. The new materials are vertical tiles on the countertops, and a solid surface similar to the marketplace. Three color options for the vertical tile were presented. The color options were white, sage green, and moss green. Ms. Stelmak said she likes the moss color. Ms. Ciofalo said the idea is tight grout, which is better from a cleaning perspective. After some discussion, all agreed on moss for the tile.

Mr. Mathis said he thinks there will be a bottleneck between the two facilities.

MOTION: Mr. Switzer moved to approve the request by SharBert Enterprises to convert the former primary gift shop to a new coffee venue. Ms. Stelmak seconded the motion. All board members voted aye. The motion carried.

7. Airport Business Report – Aaron Collins

Total operations for September were 11,721 which is up 5.3% compared to last September and down for the year by 3%. Rolling 12-month operations were 117,917 operations which is below the record by 5%. There were nearly 771 corporate landings over 12,500 lbs., down 5% compared to last September. There were 909 corporate landings over 9,000 lbs. which is up 3.9% compared to last September. All corporate landings have risen 11-

12.5% calendar YTD. Total revenue enplanements were 139,832 which is up 8.7% for the month and up 6% YTD. Rolling 12-month enplanements were 1,384,629. Total deplanements were 132,849, which is a 9.8% increase for the month and a 5.9% increase YTD. Commercial airline landings were 1,168, which is up 21% for the month and 8.3% YTD. The overall load factor was 86.5%, which is very healthy, although down 4% from last year and up .7% YTD. Fuel dispensed for August was 2.8 million gallons, which is a 22.9% increase for the month and a 10% increase year over year.

Mr. Barkley asked about fuel storage capacity turnover. Mr. Collins said the current fuel storage capacity is just over 700,000 gallons. Mr. Sprenger said we are in good shape compared to where we were. Mr. Collins said the fuel storage capacity will be increasing to meet the increasing demand.

8. Airport Operations Report – Aaron Collins

Mr. Pomeroy, COO, is in Colorado Springs and sent a report to Mr. Collins to present on his behalf. Mr. Collins reported there were no significant security issues. Trent Schumacher, Airport Security Manager, will be facilitating a comprehensive security tabletop on Tuesday. Maintenance and Operations finished snow school training and the program received great feedback.

The completion of the Navigation Aid Project has been extended to October. A flight check is scheduled for October 28th.

The Taxiway Bravo extension design is underway. Mark Maierle met with the FAA and design completion is planned for this month so the project can be bid.

The Aircraft Rescue Fire Fighting (ARFF) and Snow Removal Equipment (SRE) building received temporary occupancy and move in is expected in late October or November.

The temporary aircraft de-icing farm is up and operational as of September 26 just before the first freeze. Airline and Maintenance staff have been training on it. We have partnered with Liquid Automations Systems for systems support, including the build and breakdown of the facility. We expect to have the pad poured this month for the permanent facility. The fluid tanks will be delivered at the beginning of November.

There are no major updates on tower Federalization. We expect a November update from Congress with some sort of formal implementation process.

Serco said we are back to normal operating hours which are 6:00 a.m. to 12:00 a.m. We have 2 new controllers coming on in November. Serco is pushing to meet a deadline effective February 1, 2025.

The airport hangar has been completed and painted by our staff. The roof was evaluated and needs to be replaced, which will be about \$70,000 according to Mr. Sprenger. Mr. Mathis said the roof is 60 years old.

9. Airport CEO Report – Brian Sprenger

Mr. Sprenger reported overnight cars for September were 102% of the previous year and even with last year's month to date. September concessions were 111% and month to date are 120%. Month to date for October passengers is up 12%.

Southwest Airlines announced 5 days per week service to San Diego this summer starting June 4th and on Saturdays they will operate Long Beach also. Southwest Airlines will have 10 departures this coming summer on Saturdays, but all at the same gate which is good.

Mr. Sprenger said that with these added routes, we will now have a choice in carriers for the following markets this summer: Seattle, San Francisco, the Los Angeles basin, San Diego, Las Vegas, Denver, Minneapolis-St. Paul, Dallas-Fort Worth, Chicago, Nashville, New York and Boston. That should mean more choices and better fares.

Schedule III bids were opened last night. Based on the initial figures, we expect the Guaranteed Maximum Price (GMP) to be below the 2024 estimate but above what we had hoped for last month. The project is now 90% bid. The project is \$10 million under the 2024 budget at a total of \$180 million. With all the uncertainty such as the tariffs and economic changes, the design team and Martel really nailed the project.

Bill Dove will be retiring at the end of the year.

We received a letter of appreciation from the Continental Divide Honor flight particularly thanking Aaron Collins and staff for assisting with that flight.

Mr. Mathis said he appreciates the monthly reports they receive from staff members on their various department accomplishments. Airport staff recently participated in an Airline Rendezvous event where each airport gets 20 minutes with an airline. Mr. Mathis said Michaela Borovac provided a report on that event, which is excellent.

Ms. Stelmak asked about the federal shutdown and if we have felt any effects. Mr. Sprenger said this is one of the times it is good to have a contract tower. TSA impacts remain to be seen but to date have been limited. Mr. Sprenger has received many compliments about how well TSA manages the lines and staff has been friendly. The Navigational Aid Project may be impacted but we hope not. The longer the shutdown lasts, the more potential impact there will be. This is the shoulder season so that helps.

10. Consider bills and approve for payment

Standard bills for the month were sent in advance of the meeting. The additional bills were reviewed and detailed by Mr. Sprenger.

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

11. Adjourn

The meeting was adjourned at 2:52 pm.



Kendall Switzer, Board Vice-Chair