

The regular monthly meeting of the Gallatin Airport Authority was held September 10, 2026, at 2:00 p.m. in the Conference Room at the Airport Customs and Operations Building. Board members present were Carl Lehrkind, Karen Stelmak, Ted Barkley, Ted Mathis, and Kendall Switzer. Also present were Brian Sprenger - CEO, Aaron Collins - CCO, Chris Pomeroy - COO, and Troy Watling - CFO.

1. Welcome/Call to Order

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

2. Public Comment on Non-agenda Items

Mr. Lehrkind called for public comments.

Jackie Haines, Director of Economic and Strategic Initiatives for the Big Sky Resort area district approached the board. Ms. Haines indicated she sent slides ahead of the meeting. Ms. Haines said Big Sky's fate is intertwined with the airport, and they are seeking support on a project. The infrastructure that supports the success of tourism was not designed for the current volume and demand. Big Sky's population grew 54% in a decade. Nearly 50% of the visitors to Yellowstone National Park come in through the west entrance.

Ms. Haines identified 3 areas of priority:

Transportation – Big Sky has a one way in and one way out roadway. Peak traffic is over 20,000 vehicles per day driven by commuters, construction and tourists. Highway 191 has millions of dollars of identified improvements and they have been partnering with Montana Department of Transportation (MTD) to do their best to find local matching funds for federal grants. Despite their efforts, 2 federal grants have been denied. Montana Highway MT 64 is

classified as an auxiliary route which limit's the availability of federal and state funding. They estimate that if the road fails, the economic impact will be \$1-\$1.7 million per day.

Water – The Gallatin River is classified by the Department of Environmental Quality (DEQ) as impaired. Failing septic systems in the canyon are a contributor. The treatment and disposal systems in Big Sky are maxed out and need an expansion to remedy the problem. A degraded river threatens the recreation economy.

Wildfire – Big Sky carries a 96% higher wildfire risk than most US communities with over a century of fuel build up since the last major fire in 1910. Big Sky's taxable value is the equivalent of Bozeman, Missoula, and Billings combined. A significant wildfire would have a detrimental effect on tourism.

They have maximized the use of all available infrastructure funding tools but still have significant funding gaps they are seeking to fill. A tax increment financing through a Targeted Economic Development District (TEDD) has not been tried yet. A TEDD doesn't raise taxes but redirects future incremental growth in property tax value for 15 years into targeted infrastructure projects. The Gallatin County Commission is the ultimate decision maker to approve the use of this tool. They intend to present technical documents to both Madison and Gallatin County Commissioners on October 2 asking to make use of the TEDD. Ms. Haines said her organization is asking for a letter of support to present to both county commissions and approving the CEO and/or board members to provide public comment at the county commission presentations.

Ms. Haines said they have had good conversations with Madison County who seem to be open and willing to negotiate. Gallatin County Commissioners have more concerns

including: administrative capacity, that fixing the septic would not fix the river, and that putting a centralized system in the canyon would increase unwanted development. Ms. Haines said their response to those concerns is that providing this tool allows for fixing the river problem and the ability to build with less density than if it was done privately. Ms. Haines said Big Sky is 90% of the tax base of Madison County and 17% of Gallatin County.

Mr. Barkley said the TEDD doesn't increase taxes from any taxpayer and doesn't take away services, but it redirects tax money that results in new value that comes as a result of what you're doing. It raises revenue to do the things that need to be done.

Ms. Haines said a TEDD is not approved by tax payors because it doesn't change their tax burden.

Mr. Barkley said this is a long game. If you don't start it, it won't happen.

Mr. Mathis said that anything that improves the canyon and corridor up to Big Sky is a good thing and much needed. Mr. Mathis said his opinion of our situation is that we are a public agency and are charged with planning for, providing, maintaining, and operating an aviation facility that is adequate for the flying public and to keep it self-sustaining. Mr. Mathis said that as a public agency, he doesn't feel comfortable supporting or denying the TEDD.

Mr. Mathis asked if the highway commission has been contacted. Ms. Haines said they have an ongoing weekly meeting with MDT.

Mr. Switzer said he agrees with Mr. Mathis that our mission is to provide a safe traveling experience. Mr. Switzer said he is not sure this is our role. We support the entities involved, but our mission is to the flying public.

Mr. Barkley suggested a letter be drafted that indicates the airport is ready to support aviation and activities that result from the decision. If the commission moves forward, we are preparing to serve them. Indicating that we are building capacity that could support increased activity.

Mr. Switzer said we don't want to push the commissioners to do something they don't want to by arming them with our response. Mr. Barkley agreed, saying he has seen success and failures of special tax districts. Mr. Barkley suggested the letter not say you should or shouldn't but if you do, we are ready to support. Mr. Mathis said we should not take a side. Mr. Barkley agrees. Mr. Barkley said one cascading effect of the TEDD could be an increase on airport traffic, which could be a concern for the commissioners. Mr. Barkley said he doesn't think it is a problem to say if that happens, we stand ready to provide the infrastructure to support that.

Mr. Lehrkind asked if we need a letter because that is already our mission. Mr. Barkley said the letter could be worded in a way to make it neutral. Mr. Switzer said one of the reasons for our success is not only expertise, but also the purity of intent which should not be influenced by factors we don't have control over. We have to be cautious on how we exert our influence. Mr. Barkley agreed and doesn't want to create any misunderstanding. Mr. Sprenger said letters are not always necessary, but they can have an effect. Mr. Sprenger said he doesn't disagree with Mr. Mathis that we should not take a position. In the government world letters are important. Mr. Mathis is concerned about something out there that could be construed as committing future boards to a project. After further discussion it was agreed that a letter could be drafted for review.

3. Consent Agenda

Any member of the Airport Authority Board can request that an item be removed from the consent agenda for discussion or clarification. Public comment on items within the consent agenda will be called for prior to the Airport Authority Board vote for approval.

3.1 Approve minutes of regular meeting held August 13, 2026

3.2 Approve request by Three (3) existing hangar tenants to enter into a new Private Non-Commercial Lease

3.3 Approve request by Brandon Wilson to transfer non-commercial land lease on Hangar 171 to Lance Lemieux

3.4 Approve bills for payment.

Mr. Mathis asked if we know what aircraft are in the hangars. Can we verify they are there and we have a list?

MOTION: Ms. Stelmak moved to approve the consent agenda. Mr. Barkley seconded the motion. All board members voted aye. The motion carried.

4. Regular Agenda

4.1 Presentation by SharBert Enterprises on proposed East Terminal Expansion Concession Program

Doug Stock, CEO of SharBert Enterprises, said they are preparing for future growth. Four retail locations are being added through the terminal expansion. Jeana Antle with Hennebery Eddy and Ben Bennett with Massive Studios presented.

The first retail location presented was Trailhead Press. It will be in a highly visible location. The architectural features were designed with the tone of the existing airport such as warm wood tones and paint colors. Some of the items in the store will be travel essentials in addition to journals and handcrafted goods with an outdoor spiritual focus. Prices will range from \$3-\$300 with the average transactional purchase at \$5-\$50. Mr. Mathis asked if

they anticipate selling these items elsewhere, such as in Virginia City as they don't appear to be specific to this airport or this valley. Mr. Stock said their intent is the brand doesn't go beyond or outside the airport walls.

The next retail location presented was Northfork Supply, which is one of the 2 retail locations flanking the new triangle and oval bar area. This location is planned to be a darker and more moody space. They are hoping to expose the ceiling to give it height and provide flexibility for retail displays. The items planned are goods that improve with age with an outdoor anthem. Prices will range from \$15-\$600 with the average transactional purchase at \$90-\$225. Mr. Lehrkind asked if there is a demand for high-end items in the airport. Mr. Stock said there is and this is an opportunity to present some of our local brands such as Simms and Stone Glacier. Small travel items such as snacks and water bottles will also be sold.

The next retail location presented was Fox Hill, also flanking the bar area. This location is planned to be a little lighter and airier. A few monumental storage units define the space. The location will be very visible. Inviting people in. The price point of items is planned to be between the Trailhead location and Northfork location. Some items planned are cards, lip balm, and aromatic items such as lotions and candles. The average check out will be \$30-\$85. There will be some high-end items in the \$150-\$300 range.

The fourth retail location presented was BZN to Go. The store will be a hybrid of 24-7 vending and a retail location that is staffed during certain hours. This is based off its location at the end of the terminal. Most purchases will be in the \$3-\$25 range.

Mr. Barkley said there is a gift shop in the Minneapolis airport where his wife was handed a card to order items to be shipped and recommended Mr. Stock consider that at these locations.

All expressed thanks and positive feedback to Mr. Stock and the team. Ms. Stelmak asked Mr. Stock if they can meet the staffing needs. Mr. Stock said they now have over 300 employees. Their reputation as an employer has grown. Mr. Stock said he can answer with full confidence that he has no doubt they can staff it.

4.2 Consider request by Signature Aviation to sub-lease office space located at 256 Aviation Lane and hangar space located at 259 Aviation Lane to 6J Flight Training, LLC dba High Country Flight Training

Mr. Sprenger said this is being reconsidered from last month. Staff recommends approval of the request.

MOTION: Mr. Mathis moved to approve the request by Signature Aviation to sub-lease office space located at 256 Aviation Lane and hangar space located at 259 Aviation Lane to 6J Flight Training, LLC dba High Country Flight Training. Mr. Switzer seconded the motion. All board members voted aye. The motion carried.

4.3 Consider request from 6J Flight Training, LLC dba High Country Flight Training to enter into an operating agreement to perform Flight Training from Hangar ER2

Mr. Sprenger said information was sent out to review this request.

Billy Jacobson, managing member of High Country Flight Training, said their concept is to develop a professional customer service-oriented flight school. There is a demand for flight schools here in the Bozeman area and they would like to help meet it. They will be providing modern aircraft with advanced avionics. They have 2026 and 2017 Archer TX's and

2017 Seminoles. Mr. Mathis asked if they anticipate Part 135 operation in the future. Mr. Jacobson said a few years down the road they could possibly start Part 141 and 135 operations but their primary focus now is Part 61.

MOTION: Ms. Stelmak moved to approve request from 6J Flight Training, LLC dba High Country Flight Training to enter into an operating agreement to perform Flight Training from Hangar ER2. Mr. Switzer seconded the motion. All board members voted ayè. The motion carried.

5. Staff Reports

5.1 Airport Business Report – Aaron Collins

Tower operations for August were up 4% with 11,905 operations and that is a 17.3% increase compared to last year. Rolling 12-month operations were 131,564 which is a new record. Corporate landings over 12,500 lbs. were 1,129, up 13.5% compared to last August and 15% for the year. Corporate landings over 9,000 lbs. were 1,320, up 9.5% for the month and 16% for the year. August had 31 customs clearances and are up 7.5% from last year. Total revenue enplanements were 185,184 which is up 5.3% for August and up 9.3% YTD. Rolling 12-month enplanements were 1,496,864. Total deplanements were 175,181, which is a 3% increase compared to last August and up 9% for the year. Commercial airline landings were down 3% for the month with 1,398 but up 6.7% YTD. The overall load factor was 89.3% for August. The load factor was up 3.2% compared to last August and 1.5% up for the calendar year.

3,203,778 gallons of fuel were dispensed in July, up 5.5% for the month and 5% year to date.

Gross car rental revenue was up 9% in July. August had a 13% increase in rental car transaction days indicating that people are staying longer in the community. Parking in July was 5% over last July. Concessions for August are up 11% which takes us to approximately \$15 per enplaned passenger.

The badging office has been very busy. We have 3,000 active badges. 345 badges were completed in August. It involved a significant amount of staff time, and we are looking into technology to create efficiencies.

Mr. Watling, CFO, received a Certificate of Excellence in Financial Reporting for the 11th year in a row. Mr. Watling said they are proposing we align monthly reports to the same month to provide consistency and accuracy. Aligning all the reports to be one month in arrears improves controls.

Mr. Sprenger said that this doesn't change the large bills. They would still come to the board when over the \$20,000 limit. All agreed on the change. Mr. Switzer thanked Mr. Watling.

5.2 Airport Operations Report – Chris Pomeroy

Mr. Pomeroy, COO, provided an update on the tower project. Some deficiencies they are working to correct are HVAC components, seismic requirements, and spacing. The good news is that they are interested in getting this done and are working on the 2-year plan.

Our new Transportation and Security Instructor has been in town and working with staff on items from the June inspection.

There will be a tour on Taxiway B after the meeting.

The Aircraft Deicing Fluid Facility project is about a week behind schedule. It is planned to be in full operation the first week of October.

Operations training on snow removal has been conducted. We have a seasoned snow removal team with only 1 new member.

Gallatin County has been working on a draft growth policy including airport considerations. Multiple meetings have been held, and airport staff is keeping an eye on it.

A meeting was held with Ridgeline regarding noise abatement. We are working with them to make improvements and have seen some things that will be positive.

We will have a second TSA checkpoint with the terminal expansion. It is eligible for 7 lanes. They are intending to staff the additional checkpoint at all times. We can move 2 pre-check lines and Clear to the new location. More than 60% of our passengers are pre-check.

5.3 Airport CEO Report – Brian Sprenger

Mr. Sprenger said we were approached by the FAA to apply for a grant for 3 electric vehicles for Operations and Maintenance. The vehicles are Ford and Chevy half ton pickups. They are 100% electric. Other airports have had good things to say about the electric vehicles.

We have a lot of new employees, and we are trying to get everyone aligned. We are working on small changes to the mission statement. Challenge coins were passed out. The airport will be 85 years old next year. This is an opportunity to commemorate that and promote our core values. There are 4 core values on the coin. The first value is Safety and Security. Another core value is Respect for employee groups, customers, and tenants. We may not always agree but can disagree respectfully. Teamwork is another value we continue to work on. The value of Excellence will be achieved when the other standards are met.

The Airline Rendezvous was held last month. We had many sponsors that enabled us to put on a great workshop. We are proud of the great responses from the airlines. There was a big thank you to Michaela, Aaron, and staff that helped wherever possible. One airline representative said she could not believe how clean our community is.

There was some filming in the terminal for a potential movie called Downriver. Jessica Biel did not participate in the filming. We are working on something formal for these requests such as an acknowledgment in the credits and funds to cover staff time.

The Request for Proposals (RFP) for in-terminal ground transportation did not receive any proposals. We will be looking at opportunities to use that space.

Mr. Sprenger will attend the Northwest Chapter conference in Missoula September 22-24. Staff is working through some minimum standards for review at the October meeting.

Ms. Stelmak said she attended the Bozeman Chamber luncheon recently. Mr. Sprenger gave a great presentation, and she heard many positive comments. Grayson Sperry also presented. The attendance was capped at 75.

6. Adjourn

The meeting was adjourned at 3:28 pm.



Mr. Lehrkind, Board Chairman