

BERT MOONEY AIRPORT – BUTTE

QUALITATIVE BENEFITS

In addition to the economic benefits described above, Bert Mooney Airport provides access and services that promote the well being of the local community. Aviation activities that take place on a regular basis in addition to commercial airline service include recreational flying, corporate aviation, air cargo operations by UPS and FedEx, civilian and military flight training, visitor access to local resorts, career training and education, prisoner transport, medical shipments and patient transfer, seasonal forest and rangeland firefighting operations, and search and rescue operations. On a weekend in July 2008, volunteers from across the state gathered in Butte for a search and rescue and disaster relief exercise. The Montana Wing of the Civil Air Patrol (CAP) conducted an exercise to demonstrate the organization's capabilities in search and rescue, disaster relief and homeland security operations.



St. James Healthcare in Butte, Montana also uses the airport frequently. A survey of 35 hospitals in Montana gathered data to obtain information relating to how often hospitals use airports in Montana to bring in specialists from out of the area, as well as how often airports are used for patient transfer. Survey data indicated St. James Healthcare uses Bert Mooney Airport on average 72 times per year to bring doctors and specialists to the hospital to conduct clinics. These doctors fly in from Las Vegas and Salt Lake City. The hospital also uses the airport 36 times per year on average for emergency patient transfer via air ambulance.



Bert Mooney Airport also benefits the local community by sponsoring an annual business card social, an event that draws 200 to 300 attendees each year. The purpose of the event is to promote the benefits of the airport and commercial airline service to the Butte region.

According to airport management data, the major airport users include UPS, U.S. Postal Service, Enterprise Rent-A-Car, and North West Energy. FAA data indicates the following businesses and government agencies utilized the airport for general aviation in 2008:

- Amalgamated Consolidated Enterprises Inc.
- BRS Inc.
- Caterpillar Inc.
- ConocoPhillips Co.
- Federal Aviation Administration
- Franklin Marketing Group
- General Electric Capital Corp.
- Harper Excavating Inc.
- Lewis Slovak & Kovacich PC
- McKenzie Bridge Land Co.
- Platt Electric Supply Inc.
- State of Montana
- True Drilling
- U.S. Department of Energy
- Valley Oil Pond



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BERT MOONEY AIRPORT BUTTE



MONTANA
ECONOMIC IMPACT OF AIRPORTS STUDY

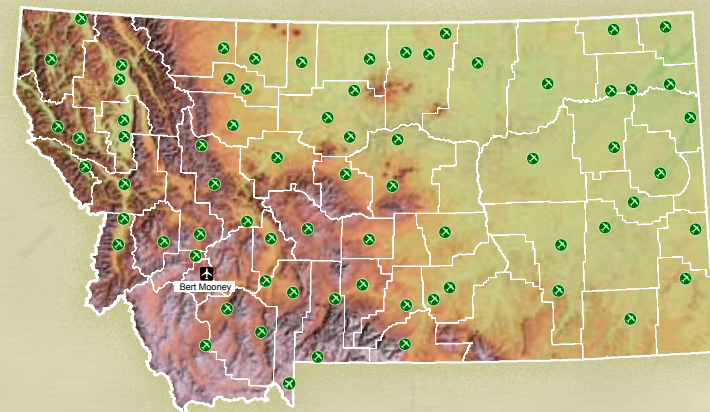
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AIRPORT LOCATION

Bert Mooney Airport is located three miles southeast of the central business district of Butte, Montana, in Silver Bow County. Surrounded by mountains, the Butte area offers limitless outdoor recreational activities and the opportunity to learn about Butte's rich history as a mining center. Outdoor recreational activities include hiking, boating, hunting, fishing, horseback riding, golf, cross-country and downhill skiing, and snowmobiling at Sheepshead Mountain Recreation Area, Maney Lake, Boulder Hot Springs, and Elkhorn State Park. Butte's history can be explored at Copper King Mansion, Arts Chateau, The Mai Wah, Dumas Victorian Brothel Museum, Granite Mountain Mine Memorial, World Museum of Mining Hell Roarin' Gulch, and Berkeley Pit. Butte is the county seat of Silver Bow County.

Butte has a population of approximately 32,100. Major employers in the area include St. James Health Care, NorthWestern Energy, Wal-Mart, Town Pump, Montana Resources, and Advanced Silicon Materials.

The 890-acre airport's primary runway, Runway 15/33, measures 9,000 feet in length and 150 feet in width. A second runway, Runway 11/29, measures 5,101 feet in length and 75 feet in width. The airport, with 33 based aircraft, experiences approximately 34,680 aircraft operations annually. Bert Mooney has scheduled airline service by Horizon and SkyWest. FedEx and UPS also utilize the airport.



STATEWIDE RESULTS

Economic benefits in the Montana Economic Impact of Airports Study are expressed in terms of jobs, payroll, and annual economic activity or output.

Jobs/Employment

An estimated 18,800 jobs in Montana are in some way supported by the commercial and general aviation airports. These are jobs that are associated with on-airport businesses, tenants, and other activities that are located on commercial or general aviation airports in the State. In addition, spending by visitors arriving in Montana by air helps to support other jobs. When airport improvements are made, additional jobs are supported by the airports over the duration of these projects.

Payroll/Earnings

The 18,800 jobs in Montana that are linked to the commercial and general aviation airports account for over \$600 million in annual payroll. Airport related payroll is a key component of the economic benefit cycle that starts at the airport. It was this economic cycle that was measured by this study's induced benefits. When those employed by on-airport businesses use their paycheck to

purchase groceries, new clothes, or household items, their spending helps to support other jobs in the community and the payroll associated with these jobs. The initial benefits that start at the airports continue to multiply once they enter the State's economy.

Annual Economic Activity/Output

To operate Montana's airports, businesses located on the airports and businesses that support visitors who arrive in Montana via the airports all require the purchase of goods and services. These expenditures are most often in addition to those benefits identified in the payroll and earnings category. Benefits in this category are expressed in this study as total annual economic activity or output. Annual economic output related to the airports is typically assumed to be the sum of annual gross sales and average annual capital expenditures, including capital improvement projects.

JOBS..... 18,800

PAYROLL.....\$600 MILLION

OUTPUT.....\$1.56 BILLION

MONTANA ECONOMIC IMPACT OF AIRPORTS STUDY

ECONOMIC IMPACT ANALYSIS

Economic impacts at an airport are measured through employment, payroll, and output (spending). On-airport business and government activities (direct impacts) account for a significant portion of an airport's first-round economic benefits. Additional first-round benefits are also linked to visitors who arrive via the State's system of airports (indirect impacts). Spending by these visitors supports additional employment and associated annual payroll. These first-round impacts create additional spin-off benefits that ripple through the economy. These second-round or induced benefits were measured with Montana-specific IMPLAN multipliers. When combined, first-round and second-round benefits equal the total economic impact associated with each airport.

First-Round Impact

In 2008, there were nine aviation-related tenants on the airport who supported 74 employees. These tenants' first-round or direct employment, payroll, and output impacts were derived from survey data. First-round impacts also include airport sponsor activity and airport related construction. Direct output from all on-airport aviation-related tenants and airport management is estimated at \$7.3 million annually. The estimated direct annual payroll of these tenants and airport management is \$2.5 million. Visitors also create economic impacts. Survey data indicated that approximately 26,188 visitors arrived via Bert Mooney Airport in 2008 on commercial airlines and general aviation aircraft. This visitor-related output (spending) supported an additional 168 full-time jobs for employees earning \$3.3 million annually. Output from commercial airline and general aviation visitors is estimated at \$8.8 million.

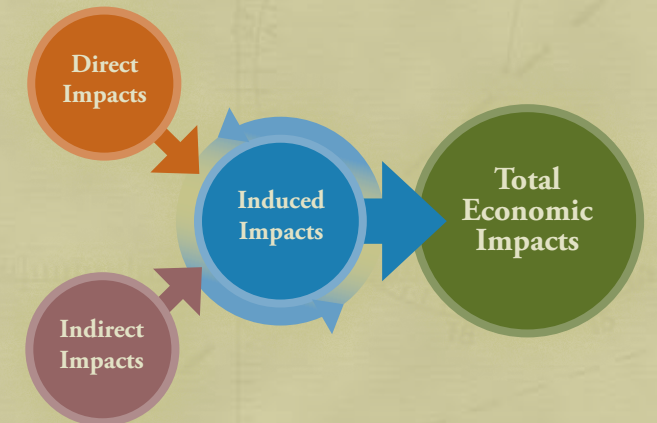
Second-Round Impact

The first-round impacts associated with on-airport tenants and general aviation visitors also create second-round impacts throughout the State. Second-round impacts are induced impacts calculated using the Montana specific IMPLAN multipliers. The accompanying table presents the 2008 first-round, second-round, and total impacts for output, payroll, and employment as they relate to on-airport tenants and general aviation visitors.

Total Impact

For 2008, the total output (including first-round and second-round impacts) stemming from all on-airport tenants and all commercial airline and general aviation visitors to Bert Mooney Airport was approximately \$26.7 million. Total full-time employment related to airport tenants and general aviation visitors, including all second-round impacts, is estimated at approximately 356 persons, with a total annual payroll (first-round and second-round) of approximately \$9.5 million associated with these jobs.

METHODOLOGY



AIRPORT SUMMARY TABLE

FIRST-ROUND ECONOMIC IMPACTS

On-Airport	Visitor Spending
<ul style="list-style-type: none"> • FAA, Other Government • Airport Management • Aircraft maintenance • Vendors • Retail & Restaurant • Car Rental • Parking • Other Ground Transportation • Fixed Based Operators 	<ul style="list-style-type: none"> • Hotels • Retail & Restaurants • Travel Agents • Convention Centers • Tourist Destinations
<p>73.5 Jobs \$2,508,400 in Payroll \$7,282,100 in Economic Output</p>	<p>168.0 Jobs \$3,276,000 in Payroll \$8,753,400 in Economic Output</p>

SECOND-ROUND ECONOMIC IMPACTS

<ul style="list-style-type: none"> • Suppliers of Materials & Services to Airports • Air Dependent Businesses • Visitor Dependent Businesses • Consumer Product and Service Sales
<p>114.0 Jobs \$3,682,200 in Payroll \$10,634,200 in Economic Output</p>

TOTAL ECONOMIC IMPACTS

<p>355.5 Jobs \$9,466,600 in Wages \$26,669,700 in Economic Activity</p>
