

GLACIER PARK INTERNATIONAL AIRPORT – KALISPELL

QUALITATIVE BENEFITS

In addition to the economic benefits described above, Glacier Park International 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, civilian flight training, visitor access to local resorts, emergency medical evacuation operations conducted by Native Air Services, and seasonal forest and rangeland firefighting operations. Semitool Inc., a major employer in the community, bases its corporate aircraft at the airport. The USFS has an airtanker firefighting base at the airport which bases Lockheed SP-2H Neptune aircraft at the airport during peak fire season. In addition, the U.S. Customs Border Patrol occasionally operates a Sikorsky UH-60A Black Hawk at the airport. Other aviation activities that occur occasionally at Glacier Park International Airport include prisoner transport, search and rescue operations, environmental patrol, medical shipments and patient transfer, and aerial photography and surveying.



Kalispell Regional Medical Center also utilizes the airport on a monthly basis. 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. Survey data indicated Kalispell Regional Medical Center uses Glacier Park International Airport and Kalispell City Airport 24 times per year on average to bring doctors and specialists to the hospital to conduct clinics.

FAA data indicates the following businesses and government agencies utilized the airport in 2008:

- Burst Brothers Properties
- Diversified Telecom Services Inc.
- Dodeca Resources Inc.
- Double H Transportation
- EADS Socata North America Inc.
- EZE Trucking Inc.
- Franke & Company Inc.
- Franklin Marketing Group
- General Electric Credit Corporation of Tennessee
- Guaranty Development Co.
- Henderson Group Inc.
- High Plains Pizza Inc.
- Hilton Development Corp.
- International Paper Co.
- J C Penney Corporation Inc.
- Kiewit Engineering Co.
- Kimball International Transit Inc.
- Kroger Co.
- Lewis Slovak & Kovacich PC
- Michael Crews Development II Inc.
- Montana Department of Highways
- Native Air Services Inc.
- Nektor Industries
- Neptune Aviation Services Inc.
- RAJ Consulting
- Semitool Inc.
- Shoe Show Inc.
- U.S. Department of Energy
- Wilcox Farms Inc.



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GLACIER PARK INTERNATIONAL AIRPORT KALISPELL



MONTANA
ECONOMIC IMPACT OF AIRPORTS STUDY

GLACIER PARK INTERNATIONAL AIRPORT – KALISPELL

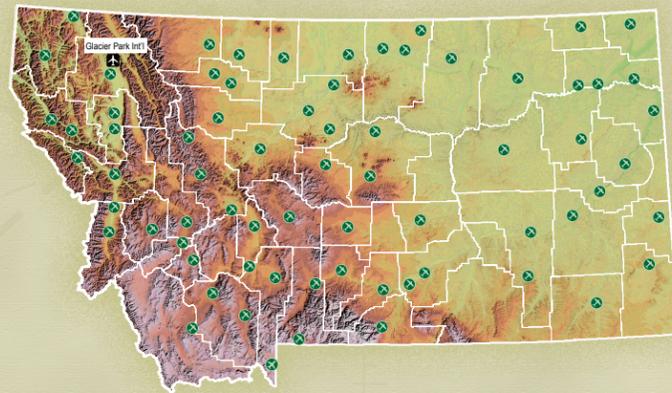
AIRPORT LOCATION

Glacier Park International Airport is located six miles northeast of Kalispell, Montana, in Flathead County. In the Kalispell area, visitors are treated to a city that prides itself on its modern art studios, galleries, restaurants, shops, bed and breakfast inns, and offices mixed among historic homes and buildings. Kalispell is an outdoor enthusiast's paradise, with limitless recreation opportunities and spectacular scenery found in the surrounding mountain ranges, National Forest lands, and nearby Flathead Lake and Glacier National Park. Big Mountain Ski Resort is located north of Kalispell in the town of Whitefish. Kalispell is the county seat of Flathead County.

Kalispell has a population of approximately 19,430 and is the largest city in Northwest Montana. The city serves as the county seat and commercial hub of Flathead County and is considered a secondary trade center with a trade catchment area of approximately 130,000 residents. Kalispell is host to the Flathead Valley Community College with an enrollment of 1900 students. Kalispell also serves as the medical center for northwest Montana with Kalispell Regional Hospital named one of the top 100 hospitals in the nation with a 100 bed facility. The hospital has the nation's second oldest helicopter ambulance service.

Largest employers in Kalispell area include Kalispell Regional Medical Center, Plum Creek Timber, Semi-tool, Flathead Valley Community College, Kalispell School District, and Teletech.

The 1,505-acre airport's primary runway, Runway 2/20, measures 9,007 feet in length and 150 feet in width. A second runway, Runway 12/30, measures 3,521 feet in length and 75 feet in width. The airport, with 155 based aircraft, experiences approximately 58,136 aircraft operations annually. Glacier Park International Airport has scheduled airline service by Horizon, Northwest, and SkyWest. FedEx and UPS 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 27 aviation-related tenants on the airport who supported 271 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 \$37.7 million annually. The estimated direct annual payroll of these tenants and airport management is \$11.3 million. Visitors also create economic impacts. Survey data indicated that approximately 126,968 visitors arrived via Glacier Park International Airport in 2008 on commercial airlines and general aviation aircraft. This visitor-related output (spending) supported an additional 290 full-time jobs for employees earning \$5.3 million annually. Output from commercial airline and general aviation visitors is estimated at \$18.7 million.

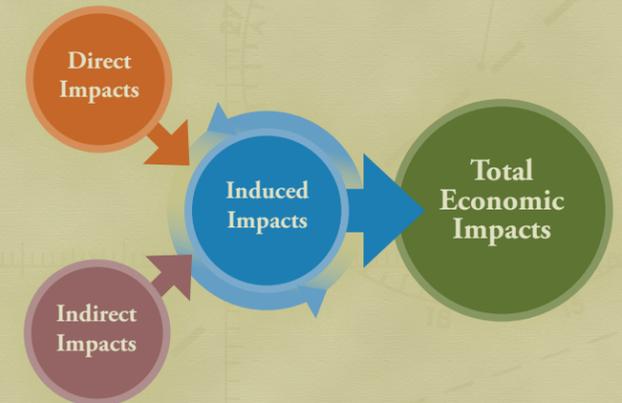
Second-Round Impact

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 Glacier Park International Airport was approximately \$88.0 million. Total full-time employment related to airport tenants and general aviation visitors, including all second-round impacts, is estimated at approximately 890 persons, with a total annual payroll (first-round and second-round) of approximately \$27.9 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>270.5 Jobs \$11,264,500 in Payroll \$37,664,100 in Economic Output</p>	<p>290.0 Jobs \$5,343,000 in Payroll \$18,707,900 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>329.0 Jobs \$11,221,800 in Payroll \$31,629,500 in Economic Output</p>

TOTAL ECONOMIC IMPACTS

<p>889.5 Jobs \$27,829,300 in Wages \$88,001,500 in Economic Activity</p>
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