

QUALITATIVE BENEFITS

In addition to the economic benefits described above, White Sulphur Springs Airport provides access and services that promote the well being of the local community. Aviation activities that take place on a regular basis include recreational flying and corporate aviation. Mountainview Medical Center in White Sulphur Springs, Montana utilizes the airport occasionally for emergency medical evacuation operations. A survey of 35 hospitals in Montana gathered data to obtain information relating to how often hospitals use airports for patient transfer. Survey data indicated Mountainview Medical Center uses White Sulphur Springs Airport once per month on average for emergency patient transfer via air ambulance.

Other aviation activities that occur occasionally at the airport include agricultural spraying, military flight training, medical shipments and patient transfer, forest and rangeland firefighting, and real estate tours.

According to airport management data, the major airport users include a local rancher who conducts approximately 100 aircraft operations per year, and Russell Stover Candies, which conducts 12 to 20 aircraft operations per year. FAA data indicates Checkerboard Transportation Corp., Collaborative Research Corp., and Russell Stover Candies Inc. utilized the airport for general aviation during the past year. The airport typically accommodates nonstop flights in private aircraft from Rocky Mountain States but was visited in 2008 by corporate jet aircraft from as far away as Kansas City and Naples, Florida.



WHITE SULPHUR SPRINGS AIRPORT WHITE SULPHUR SPRINGS

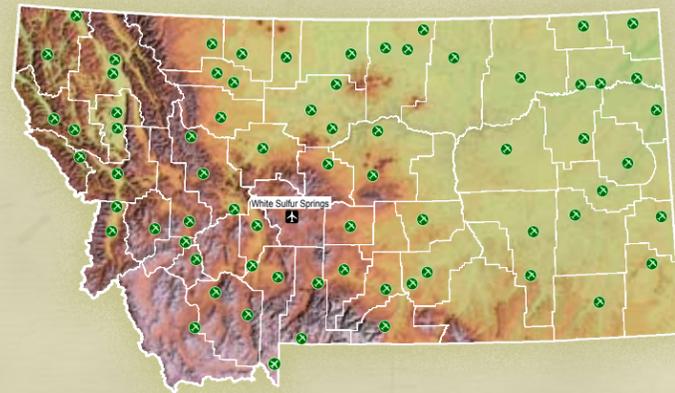


AIRPORT LOCATION

White Sulphur Springs Airport is located three miles south of White Sulphur Springs, Montana, in Meagher County. Located near the Smith River Canyon in central Montana, White Sulphur Springs is a small western town that offers visitors numerous attractions and outdoor recreational opportunities to enjoy. The area's engaging frontier and mining history can be explored at the Castle, a prominent landmark overlooking the town and the home of the Meagher County Museum. Castle Ghost Town and the natural mineral pools at Spa Hot Springs are other popular destinations for tourists. Beautiful scenery and outstanding hiking, fishing, camping, hunting, and downhill skiing are found in the Big Belt and Little Belt mountains, Lewis and Clark National Forest, Helena National Forest, and Smith River Canyon. White Sulphur Springs is the county seat of Meagher County.

White Sulphur Springs has a population of approximately 1,000. Major private employers in Meagher County include Mountainview Medical Center, The Equestrian Center, All Seasons Inn & Suites, Bank of the Rockies, Castle Mountain Ranch, Galt Management, Showdown Montana, and Spa Hot Springs Motel.

The 352-acre airport's primary runway, Runway 1/19, measures 6,100 feet in length and 60 feet in width. A second runway, Runway 13/31, is a turf runway that measures 3,192 feet in length and 90 feet in width. The airport, with eight based aircraft, experiences approximately 5,300 aircraft operations annually.



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

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 no aviation-related tenants located on the airport. All economic impacts generated by the airport are the result of sponsor operation of the airport and visitor related impacts. For 2008, the total combined first round output stemming from all sponsor activity and general aviation visitors to White Sulphur Springs Airport was approximately \$11,000. There is not enough activity at the airport, however, to generate employment. Survey data indicated that approximately 1,145 visitors used the airport in 2008.

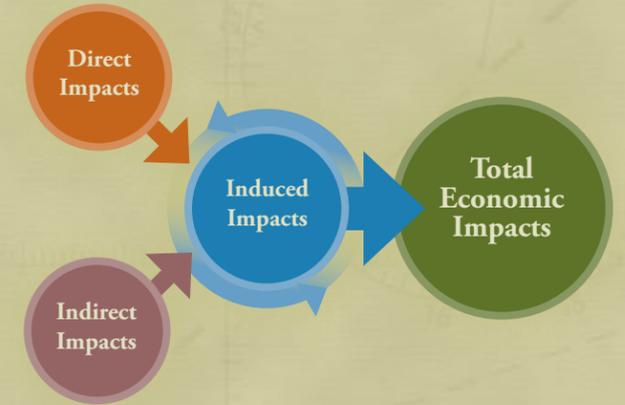
Second-Round Impact

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 general aviation visitors to White Sulphur Springs Airport was approximately \$17,600.

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>0 Jobs \$0 in Payroll \$0 in Economic Output</p> | <p>0 Jobs \$0 in Payroll \$11,000 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>0 Jobs \$0 in Payroll \$6,600 in Economic Output</p> |

TOTAL ECONOMIC IMPACTS

| |
|---|
| <p>0 Jobs \$0 in Wages \$17,600 in Economic Activity</p> |
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