

THREE FORKS AIRPORT – THREE FORKS

QUALITATIVE BENEFITS

Three Forks Airport provides access and services that promote the well-being of the local community. Flight training is a daily activity at Three Forks Airport. The Air National Guard, based in Helena, conducts night vision training at Three Forks on Chinook aircraft. Trainees fly down from Helena to Three Forks during the night, often performing touch-and-goes. Pilots based at Bozeman's Gallatin Field often take flight instruction at Three Forks. The airport is also a flight instruction site for private pilots from Bozeman.

Three Forks Airport plays host to two annual events which bring money into the area. The first is the Montana Antique Aircraft Association (MAAA) annual fly-in which takes place during the first week of each August. The fly-in brings over 300 visitors annually from the western United States. The MAAA fly-in features a fleet of at least 50 antique aircraft, and occasionally has featured as many as 200. Visitor spending benefits local businesses in Three Forks and a number of local organizations, such as the local food bank and the Boy Scouts of America. Another major event also involves the Scouts. Each fall they hold their Fall Camporee at the airport. A specific goal at this event is for Scouts to earn their aviation merit badge.

Numerous other activities take place at Three Forks Airport. One of the airport's based aircraft is used solely for agricultural spraying. In addition, transient application aircraft use the airport. Agricultural spraying from Three Forks typically involves application of fertilizer or herbicide. Air cargo activity also takes place occasionally at Three Forks. For example, Ameriflight Cargo uses Three Forks as an alternate airport when Bozeman is fogged in. Recreational flying is another daily activity at Three Forks. The Three Forks Flying Club has 25 members who fly regularly to such destinations as Billings and Helena. The flying club primarily uses piston engine aircraft in their operations. Currently, a major movie production company is using a hangar as a studio. This is a unique source of supplemental income for Three Forks Airport.



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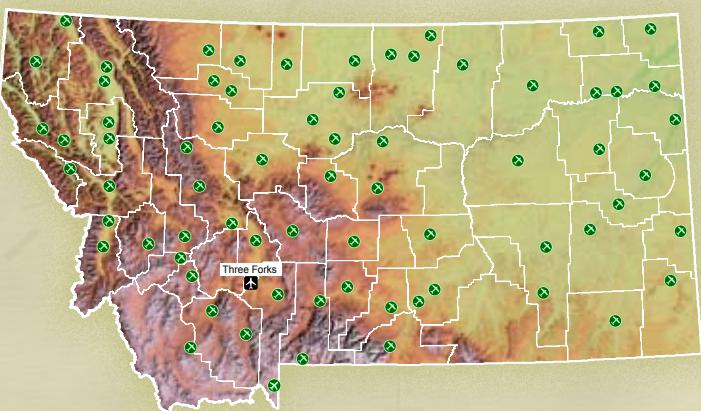
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AIRPORT LOCATION

Three Forks Airport is located one mile southeast of town of Three Forks, Montana, in Gallatin County. Three Forks is situated in southwest Montana, where the Madison, Gallatin, and Jefferson rivers converge to form the Missouri River. The town's geographic location gave rise to its name. A significant local attraction is Headwaters Heritage Museum, where a turn-of-the century village and thousands of historical artifacts are on display. Other popular tourist destinations include the highly decorated limestone caverns at Lewis and Clark Caverns State Park, the Madison Buffalo Jump, and Missouri Headwaters State Park, all located in close proximity to Three Forks.

Three Forks has a population of approximately 1,850. Major private employers in Gallatin County include Bozeman Deaconess Hospital, Home Care Services, Kenyon Noble Lumber & Hardware, RightNow Technologies, Wal-Mart, Albertson's, Bozeman Daily Chronicle, Community Food Co-Op, Costco, First Security Bank, JTL Group Inc. – Belgrade, Laidlaw Transit, Martel Construction, McDonald's, and Murdoch's Ranch & Home Supply.

The 160-acre airport's primary runway, Runway 2/20, measures 5,100 feet in length and 60 feet in width. The airport, with 27 based aircraft, experiences approximately 11,530 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

JOB..... 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 was one aviation-related tenant located on the airport. This tenant functions as the FBO and as airport management for the airport sponsor. In order to preserve tenant confidentiality, total tenant and visitor impacts have been combined. This tenant's direct employment, payroll, and output impacts were derived from survey data. For 2008, the total combined first-round output stemming from all on-airport tenants and general aviation visitors to Three Forks Airport was approximately \$116,900. Total first-round employment related to airport tenants and general aviation visitors is estimated at the equivalent of 1.5 full time positions with a total first-round payroll of approximately \$20,700 annually. Survey data indicated that approximately 500 visitors used the airport in 2008.

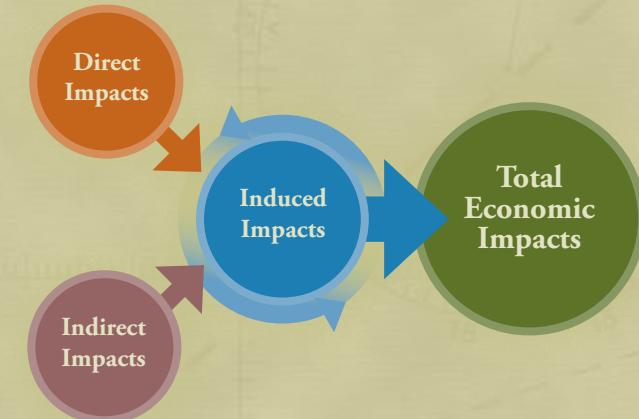
Second-Round Impact

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 Three Forks Airport was approximately \$192,700. Total full-time employment related to airport tenants and general aviation visitors, including all second-round impacts, is estimated at approximately three persons, with a total annual payroll (first-round and second-round) of approximately \$37,500 associated with these jobs.

METHODOLOGY



AIRPORT SUMMARY TABLE

FIRST-ROUND ECONOMIC IMPACTS

On-Airport	Visitor Spending
<ul style="list-style-type: none">FAA, Other GovernmentAirport ManagementAircraft maintenanceVendorsRetail & RestaurantCar RentalParkingOther Ground TransportationFixed Based Operators	<ul style="list-style-type: none">HotelsRetail & RestaurantsTravel AgentsConvention CentersTourist Destinations

1.5 Jobs
\$20,700 in Payroll
\$116,900 in Economic Output

SECOND-ROUND ECONOMIC IMPACTS

<ul style="list-style-type: none">Suppliers of Materials & Services to AirportsAir Dependent BusinessesVisitor Dependent BusinessesConsumer Product and Service Sales
1.5 Jobs \$16,800 in Payroll \$75,800 in Economic Output

TOTAL ECONOMIC IMPACTS

3.0 Jobs \$37,500 in Wages \$192,700 in Economic Activity
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