

MISSOULA COUNTY AIRPORT AUTHORITY
Regular Board Meeting
December 29, 2020
1:30 pm, Airport Board Conference Room

THOSE PRESENT: Chair Matt Doucette
Vice Chair Adriane Beck via conference call
Secretary/Treasurer Larry Anderson
Commissioner Jeff Roth via conference call
Commissioner Deb Poteet via conference call
Commissioner Shane Stack via conference call
Alternate Commissioner Winton Kemmis via conference call
Alternate Commissioner Pat Boyle via conference call
Honorary Commissioner Jack Meyer via conference call

STAFF: Director Cris Jensen
Deputy Director Brian Ellestad
Finance Manager Teri Norcross
Administrative Manager Lynn Fagan via conference call
Manager of Projects Tim Damrow

OTHERS: Gary Matson, Runway 25 Hangars
Doug Hill, Montana Board of Investments
Jennifer Draughon, Neptune Aviation Services, Inc.
Martin Kidston, Missoula Current
Marjorie Doyle, Dementia Friendly Missoula

Chair Matt Doucette called the meeting to order and advised everyone that the meeting was being recorded.

Administrative Manager Lynn Fagan performed a roll call of Board members, staff members, and members of the public.

Chair Matt Doucette noted that one Alternate Commissioner needed to be seated.

Motion: Secretary/Treasurer Larry Anderson moved to seat Alternate Commissioner Winton Kemmis.

Second: Commissioner Deb Poteet

Vote: Motion Passed Unanimously

AGENDA

Motion: Vice Chair Adriane Beck moved to approve the agenda as presented.

Second: Commissioner Jeff Roth

Vote: Motion Passed Unanimously

PUBLIC COMMENT PERIOD:

None.

MINUTES

Chair Matt Doucette asked if anyone had questions, edits, or comments regarding the minutes for the Regular Board Meeting dated November 24, 2020; there were none.

Motion: Commissioner Jeff Roth moved to approve the minutes of the Regular Board Meeting dated November 24, 2020 as presented.

Second: Alternate Commissioner Winton Kemmis

Vote: Motion Passed Unanimously

CLAIMS FOR PAYMENT

Finance Manager Teri Norcross explained that the payment to Alaska airlines was for deicing services for American. The airport charges American for those services.

Chair Matt Doucette asked if there were any questions or public comments regarding the Claims for Payment. There were none.

Motion: Alternate Commissioner Winton Kemmis moved to approve the Claims for Payment as presented.

Second: Secretary/Treasurer Larry Anderson

Vote: Motion Passed Unanimously

FINANCIAL REPORT

Finance Manager Teri Norcross stated the Airport is still doing good year to date in line with the budget; however, compared to previous years, it does not look good. Nonetheless, the ground handling department's numbers look very good and the rental car companies are also doing better than expected. Teri then reported that the fiscal year 2021 audit is complete. The guidance the auditors were waiting for came through and did not change any of the financials.

Chair Matt Doucette asked if anyone had additional questions or comments regarding the Financial Report. Commissioner Deb Poteet asked about interest earned on our reserves in local banks. Teri reported that the earnings are down considerably as interest rates have decreased. There were no other questions.

Motion: Commissioner Deb Poteet moved to accept the financial report as presented.

Second: Alternate Commissioner Winton Kemmis

Vote: Motion Passed Unanimously

DIRECTOR'S REPORT

Director Cris Jensen began by apologizing for the length of his written report. Cris stated that he included a summary by AAAE of the new COVID relief package as well as the FY2021 Omnibus spending bill, which both outline the relief for airports. He also included a summary of grant funds the airport received in 2020. Many of these grant funds were non-traditional grants, including LGE and FEMA funds. Cris thanked Missoula County for their assistance with these. Additionally, Cris mentioned that Missoula was the first airport in Montana to receive a VALE grant. Finally, the airport saved \$1.6 million in AIP match funds through the CARES Act.

Cris also mentioned that holiday travel through the airport was relatively smooth. The weather was good, with only one fog event. Of course, there were less travelers than normal for the season.

Deputy Director Brian Ellestad then gave a short presentation on air service. Chair Matt Doucette asked about pricing on tickets. Director Cris Jensen stated that pricing is as low as it's ever been right now. Airlines are trying to entice people to purchase tickets. Project Manager Tim Damrow stated that he flew back east for less than \$250 round trip.

Project Manager Tim Damrow then gave a short update on terminal construction. Work on the roads, landscaping and parking lot is seasonally suspended. Tim reminded the Board members to contact him if they wanted a tour of the new terminal.

Chair Matt Doucette asked if anyone had any questions or comments for Cris, Brian, or Tim; there were none. Chair Matt Doucette then presented Project Manager Tim Damrow with his award for his 40 under 40 achievement. Wild applause and accolades followed.

LEGAL REPORT

Administrative Manager Lynn Fagan stated that all the Board members whose terms expire at the end of 2020 have been re-appointed by the County Commissioners for new five-year terms. Lynn then explained that she had received an email that morning regarding the Deschamps litigation. The Deschamps are seeking to file a motion asking Judge Larsen to assume jurisdiction over the Settlement Agreement that was entered between the Deschamps and MCAA in 2011. Lynn will follow up on this and keep the Board informed.

Chair Matt Doucette asked if anyone had questions or comments regarding the Legal Report; there were none.

COMMITTEE UPDATES

Executive Committee: Met December 29, 2020 to review the Board agenda.

Finance Committee: No Activity

Business Development: No Activity

Contract & Lease Committee: No Activity

Facility & Operations Committee: No Activity

Marketing Committee: No Activity

General Aviation Committee: No activity

Legislative Committee: No Activity

UNFINISHED BUSINESS

MCAA Resolution 2021-01 – Resolution Relating to a loan of \$2,000,000 from the MT Board of Investments (MBOI) under the Infrastructure Loan Program and related closing documents

Administrative Manager Lynn Fagan reminded the Board that it accepted and approved a Letter of Approval from the MT Board of Investments (MBOI) for a \$2,000,000, 20 year note for Neptune Aviation's purchase of two hangars in September. Under this program, the Airport acts as a conduit for the loan and Neptune receives tax benefits in exchange for job creation. The Resolution authorizes the Vice-Chair and the Director to review and approve the loan documents and authorizes them to sign the loan documents. Lynn stated that the Loan and the Note both are clear that this is not a general obligation of the airport and is not payable from any general funds of the airport or from PFCs or CFCs. Neptune is placing the full amount of the loan in an escrow account as collateral for the loan. Lynn also explained that the Vice-Chair is being authorized to sign the documents because current Chair is prohibited by his employer from signing financial instruments. Lynn then told the Board that she and Airport's bond counsel, Ben Johnson, have reviewed all the documents. Lynn also mentioned that Doug Hill from the Montana Board of Investments was on the call to answer any questions, as well as Jennifer Draughon, President of Neptune Aviation.

Secretary/Treasurer Larry Anderson asked how many jobs would be created under this loan. Doug Hill responded that Neptune would create 120 jobs as a result of this loan. Chair Matt Doucette then asked if there a required length of employment for the new jobs. Doug responded that the new jobs had no length of employment requirement.

Alternate Commissioner Winton Kemmis asked about the pay scale for the new jobs. Doug responded that the jobs had to pay a minimum annual wage of \$44,100 but that Neptune's jobs paid very well, sometimes up to 2 or 3 times that amount. Doug also mentioned that Neptune had a period of 4 years to create the new positions.

Chair Matt Doucette asked if anyone had further questions or public comment; there were none.

Motion: Alternate Commissioner Winton Kemmis moved to approve MCAA Resolution No. 2021-01 as presented.

Second: Secretary/Treasurer Larry Anderson

Vote: Motion Passed Unanimously

Neptune Lease Agreement, Public Improvements Loan Agreement, Use Note, Use Fee Agreement, Assignment of Use Fee Agreement, Assignment of Lease and other closing documents for MBOI Infrastructure Loan

Administrative Manager Lynn Fagan explained to the Board that although the Resolution which was just passed authorizes the Vice Chair and the Director to execute all documents related to the loan, in an abundance of caution, staff determined it was prudent for the Board to separately authorize these documents. Lynn reminded the Board that Neptune purchased the two hangars subject to this loan from Homestead Helicopters last year and an assignment of Homestead's lease agreement was authorized by the Board in November 2019. The Lease Agreement included with the loan documents includes all the same provisions from the assigned lease, plus provisions required by the infrastructure loan. It breaks out the payments so that Neptune will pay the same

ground rent to the airport and will make loan payments directly to MBOI. For purposes of the Public Improvements Loan Agreement, Use Note, Use Fee Agreement, etc., the “public improvements” are defined as the hangar buildings and do not include the land.

Chair Matt Doucette asked if anyone had any questions or public comments for Lynn; there were none.

Motion: Commissioner Deb Poteet moved to approve to approve the Neptune Lease Agreement, Public Improvements Loan Agreement, Use Note, Use Fee Agreement, Assignment of Use Fee Agreement, and Assignment of Lease as presented.

Second: Alternate Commissioner Winton Kemmis

Vote: Motion Passed Unanimously

INFORMATION/DISCUSSION ITEMS

Dementia Friendly Missoula – Information and Recommendations

Administrative Manager introduced Marjorie Doyle from Dementia Friendly Missoula. This group reached out to airport staff recently and wanted to present information to the Board related to the new terminal design. Written recommendations as well as letters of support from NAMI Montana, Summit Independent Living and Veterans Support Network were included in the Board packet.

Marjorie addressed the Board and stated that the local Dementia Friendly group she works with became aware of an Airports Dementia Friendly Group working out of Minnesota in the spring and reached out to them as they knew Missoula Airport was working on design and expansion plans. The Missoula Dementia Friendly group felt that this would be a good time to approach the airport. Marjorie mentioned that the Working Group in Minnesota had worked with T.S.A. on updating their screening procedures and providing training for their agents. Marjorie also mentioned that she noticed when travelling recently that Missoula’s current signage was inadequate and confusing. However, Marjorie gave kudos to airport personnel, citing an example where three separate individuals had asked her if she needed assistance when she was sitting in an empty gate area.

Marjorie then when through the four areas that the group would like to see addressed in the new terminal. First, better signage. Second, a program where an individual with dementia or another disability can come to the airport prior to their travel date and walk through the airport so they are more prepared on their travel day. Third, readily accessible family toilets so that traveling companions may provide assistance. Finally, plenty of quiet areas where individuals can retreat to while waiting for their flight.

Marjorie also mentioned that Summit Independent Living had specific recommendations on flooring, lighting and auditory products. Marjorie stated that she was impressed with the presentation of the terminal construction and it did look like the airport was following current recommendations. Marjorie then asked if there were any questions.

Commissioner Larry Anderson asked if these travelers generally had caregivers with them or if they were identified in some way. Marjorie responded that they did not always travel with a caregiver, but that she had provided information in the packet on the Hidden Disabilities Sunflower lanyard program. This program allows an individual to self-identify by wearing a lanyard. The cost

for 1000 lanyards is \$650, 500 for \$350 and 2,500 for \$1,500, and includes training for airport staff. Lanyards are expected to be provided to those requesting them without charge. Marjorie explained that the Missoula Friendly Dementia group may be able to contribute some money toward that cost or apply for a grant for funding. She stated the group thought it would be a big deal to have Missoula recognized as a dementia friendly airport.

Project Manager Tim Damrow then explained some of the design details of the new building that met the standards which Marjorie had mentioned. Director Cris Jensen stated that staff would love to have Marjorie and members of the group come out to the airport to discuss their recommendations in detail and tour the new facility. Marjorie agreed to communicate with Administrative Manager Lynn Fagan on setting a time for meeting.

Chair Matt Doucette asked if anyone had any further questions or public comments for Marjorie; there were none.

The January Board Meeting will be held in the Airport Conference Room and remotely via GoToMeeting on Tuesday, January 26, 2021 at 1:30pm.

There being no further business, the meeting was adjourned.