

MISSOULA COUNTY AIRPORT AUTHORITY
Regular Board Meeting
January 26, 2021
1:30 pm, Airport Board Conference Room

THOSE PRESENT: Chair Matthew Doucette
Vice Chair Adriane Beck via conference call
Secretary/Treasurer Larry Anderson
Commissioner Dori Brownlow 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
Manager of Projects Tim Damrow
Justin Shaffer, Chief of Public Safety via conference call
Nate Cole, Airfield Manager via conference call
Administrative Assistant Rick Reeve via conference call

OTHERS: Gary Matson, Runway 25 Hangars via conference call
Martin Kidston, Missoula Current via conference call
Shaun Shea, Morrison-Maierle via conference call
Kevin Huguet, OS2 via conference call
Tim Luibrand via conference call
Brian Hughes, Office City via conference call

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

Motion: Secretary/Treasurer Larry Anderson moved to seat Alternate Commissioner Pat Boyle.

Second: Commissioner Deb Poteet

Vote: Motion Passed Unanimously

AGENDA

Motion: Commissioner Dori Brownlow moved to approve the agenda as presented.

Second: Secretary/Treasurer Larry Anderson

Vote: Motion Passed Unanimously

PUBLIC COMMENT PERIOD:

None.

MINUTES

Chair Matthew Doucette asked if anyone had questions, edits, or comments regarding the minutes for the Regular Board Meeting dated December 29, 2020; there were none.

Motion: Vice Chair Adriane Beck via moved to approve the minutes of the Regular Board Meeting dated December 29, 2020 as presented.

Second: Commissioner Deb Poteet

Vote: Motion Passed Unanimously

CLAIMS FOR PAYMENT

Finance Manager Teri Norcross noted that Office Administrator Donna Marie Robnett is now handling the Claims for Payment report. Teri is very appreciative of her good work on that. Secretary/Treasurer Larry Anderson had a question on a payment to Cranky Flier. Teri explained that the company provides data on air service and the fee is for an annual membership.

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

Motion: Commissioner Deb Poteet 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 that draws were taken from the CFC and STIP accounts in December to cover project expenses. The Airport's General Account looks good, but the others are lower than typical due to that. PFC account is being used to cover some eligible project costs this month. Accounts Payable is high, but that is also due to project expenses. Teri noted that budgeting for FY 2022 has already begun. On January 22, 2021, a \$2.1 million draw on the First Security Notes was made to fund current project expenses and reimburse the CFC and Sweep accounts for project expenses payable in December.

Chair Matthew 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: Vice Chair Adriane Beck moved to accept the financial report as presented.

Second: Commissioner Deb Poteet

Vote: Motion Passed Unanimously

DIRECTOR'S REPORT

Director Cris Jensen acknowledged Vice Chair Adriane Beck's dedication to the Airport despite her other obligations as the Vaccine Deployment Officer for the City and County of Missoula.

Cris mentioned that there are Coronavirus relief funds that will eventually come the Airport's way, which will help with the Terminal Project. There should also be some supplemental funds that are part of a \$400 million AIP grant. Cris was told by the FAA that MSO has been put on the high priority list for those monies.

Cris stated that the Airport passed its FAA Inspection with zero discrepancies, thanking Compliance Officer Jesse Johnson's efforts in leading that. He also mentioned that the Airport is currently involved with the annual TSA Inspection, and that we have good feedback to this point.

Deputy Director Brian Ellestad went through an overview of passenger traffic and load factors for the Airport. At the end of 2020, MSO was down 54% down on enplanements, which is better than the national average. March and April were particularly slow months. He also noted that airlines are still finalizing spring and summer schedules. Finally, Brian noted that fares are relatively inexpensive for flights to and from Missoula, which should drive passenger traffic up.

Project Manager Tim Damrow then gave a short update on terminal construction. One of the highlights included the installation of high impact drywall to minimize damage from impact in high traffic areas of the new terminal common areas. The focus of the building in the next few months will be the cladding of the interior and exterior. MEP rough-ins are underway throughout the building. The polishing of the concrete floors is finished.

Secretary/Treasurer Larry Anderson asked if there were other types of floor coverings in the new terminal. Tim informed him that the concrete was only in the high traffic areas and said that carpet would be found in the ticketing, holdroom and administration areas. Tim also added that these finishes are accounted for in the current budget.

Chair Matthew Doucette asked if anyone had any further questions or comments for Cris, Brian, or Tim; there were none.

LEGAL REPORT

Administrative Manager Lynn Fagan gave an update on the insurance claim related to the fuel farm accident. The deice truck has been declared totaled. The insurance company is still awaiting quotes on repairs for damages to Minuteman's property.

Lynn provided an update on the Deschamps case that goes back to a 2003 land purchase by the Airport. Lynn will be going to a court hearing to listen to an argument on possible reconfiguration of parcels that were re-purchased by the Deschamps. She will provide an update at the next board meeting.

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

COMMITTEE UPDATES

Executive Committee: Met January 26, 2021 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

South Concourse Holdroom Seating Contract with Arconas

Manager of Projects Tim Damrow stated that on November 24th, 2020, the Missoula County Airport Authority Board awarded the South Concourse Holdroom Seating bid to Arconas. The seating award covered high density passenger seating in the South Concourse passenger areas as well as alternate options for charging devices, tables, etc. Tim noted that they used a 442 seat bid as a baseline for the bid, and were able to successfully award the contract as a 521 seat plan, all while remaining under budget.

Chair Matthew Doucette asked how many of the seats would have the ability to charge electronics. Tim stated that 50% of seats will be installed with that capability, and that, as needed, there is the ability to expand to more seats with the way the system was designed.

Chair Matthew Doucette asked if anyone had further questions or public comments; there were none.

Motion: Secretary/Treasurer Larry Anderson moved to approve the South Concourse Holdroom Seating Contract with Arconas for the amount not to exceed \$458,000 and authorize Airport Director or designee to execute the contract.

Second: Vice Chair Adriane Beck

Vote: Motion Passed Unanimously

South Concourse Office Furniture Purchase from Sourcewell (Missoula's Office City)

Manager of Projects Tim Damrow announced that as part of the final FFE (Furnishing, Fixtures and Equipment) Package for the South Concourse, the Airport needs to provide furnishings for

office, conference rooms and several public spaces throughout the facility. The Airport reviewed multiple furniture contracts on the Sourcewell contract and found that Steelcase was the closest to match in overall design feel and project budget. The local sales and installation representative for Steelcase is Missoula's Office City.

Secretary/Treasurer Larry Anderson asked what will become of the items in the existing terminal. Tim said the plan is to use a plan of donations and community garage sales to offload those items.

Chair Matthew Doucette asked if we were close to budget on this one and Tim noted that the package is actually slightly under budget.

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

Motion: Commissioner Deb Poteet moved to approve the South Concourse Office Furniture Purchase from Sourcewell for the amount not to exceed \$342,000.

Second: Commissioner Dori Brownlow

Vote: Motion Passed Unanimously

South Concourse Digital Display Purchase from Sourcewell (Office Solutions and Services (OS2))

Manager of Projects Tim Damrow announced that as part of the final FFE (Furnishing, Fixtures and Equipment) Package for the South Concourse, the airport will be providing digital displays that will serve as airline ticketing, gate branding, wayfinding signage and advertising at various locations throughout the facility. The implementation of the digital display package will also standardize the overall look and feel of branding for different airlines, tenants, and directional wayfinding elements. The project team reviewed the Sourcewell contract and found Sharp Electronics as a provider of commercial digital displays. The local sales and installation representative for Sharp Electronics is Office Solutions and Services, OS2.

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

Motion: Alternate Commissioner Pat Boyle moved to approve the South Concourse Digital Display Purchase from Sourcewell for the amount not to exceed \$149,500.

Second: Commissioner Dori Brownlow

Vote: Motion Passed Unanimously

Change Order No. 02 to the Guaranteed Maximum Price (GMP) for the construction of the Terminal Access Road (Martel Construction Contract Amendment No. 08).

Director Cris Jensen announced that Change Order #2 for the Terminal Access Road is for the excessive removal of unsuitable soils found during construction. Construction contingencies are in place to accommodate for events where unforeseen field conditions exceed original design assumptions. In this case, the amount of unsuitable soil removal exceeded the project contingency budget. Therefore, an increase to the GMP in the amount of \$188,040 is necessary to account for the unsuitable soils that were encountered during construction.

Commissioner Deb Poteet noted that she had to abstain from any involvement from this motion and the next two motions due to a potential conflict of interest.

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

Motion: Commissioner Dori Brownlow moved to accept Change Order No. 2 which increases the balance of the GMP for Martel Construction for Contract Amendment No. 08 in the amount of \$188,040.

Second: Secretary/Treasurer Larry Anderson

Vote: Motion Passed Unanimously with one abstention

Change Order No. 01 to the Guaranteed Maximum Price (GMP) for the construction of the Aviation Way Widening Project (Martel Construction Contract Amendment No. 8.2).

Director Cris Jensen announced that Change Order #1 for the Aviation Way Widening Project is being done to remove the remainder of available contingency that is no longer needed for the project from the GMP. The excess contingency will be used to supplement the Terminal Access Road Project.

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

Motion: Commissioner Dori Brownlow moved to accept Change Order No. 1 which reduces the balance of the GMP for Martel Construction for Contract Amendment No. 8.2 in the amount of \$159,500.

Second: Vice Chair Adriane Beck

Vote: Motion Passed Unanimously with one abstention

Change Order No. 01 to the Guaranteed Maximum Price (GMP) for the construction of the Parking Lot Modifications Project (Martel Construction Contract Amendment No. 8.3).

Director Cris Jensen announced that Change Order #1 for the Parking Lot Modifications Project is being done to remove the remainder of available contingency that is no longer needed for the project from the GMP. The excess contingency will be to supplement the Terminal Access Road Project.

Secretary/Treasurer Larry Anderson asked if there would be a board review of the contingency monies at the end of the project. Cris replied that the GMP contract that is in use is inclusive of all the contingencies and that this type of contract is typical in GCCM projects. Cris also added that these monies will be adjusted to cover various needs as tasks are completed. So, overall, these 3 amendments have a zero impact to the overall GMP price.

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

Motion: Secretary/Treasurer Larry Anderson moved to accept Change Order No. 1 which reduces the balance of the GMP for Martel Construction for Contract Amendment No. 8.3 in the amount of \$28,540.

Second: Vice Chair Adriane Beck

Vote: Motion Passed Unanimously with one abstention

At this point in the meeting, Vice Chair Adriane Beck had to leave the meeting. She motioned to have Alternate Commissioner Winton Kemmis be seated.

Second: Alternate Commissioner Pat Boyle

Vote: Motion Passed Unanimously

NEW BUSINESS

Task Order No. 36 to the Master Agreement for Professional Engineering Services with Morrison-Maierle.

Airport Director Cris Jensen began by reminding the Board that prior to the pandemic, we had been planning on a temporary solution for the rental car counters in the current terminal for dealing with the congestion in the bag claim area. That was put on hold but now, in preparation for enplanement numbers returning to normal, and in the impending demolition of the existing terminal building, the rental car offices will need to be relocated to a temporary space. This Task Order is to design such a space. Morrison-Maierle will work with A&E Architects and with a modular office supplier to develop temporary office spaces, customer counters and restroom facilities. New utilities will need to connect to the offices and restrooms, and site modifications to the rental car parking lot may be necessary. Morrison-Maierle will delivery plans/specs to Martel to bid and deliver a modular system that accommodates the rental car companies.

Secretary/Treasurer Larry Anderson asked where these would be located. Cris responded that they would likely be located near the end of the current terminal space but that was one of the items the design Task Order would establish.

Chair Matthew Doucette asked if anyone had further questions or public comments; there were none.

Motion: Commissioner Shane Stack moved to approve Task Order No. 36 with Morrison-Maierle in the amount of \$24,500.00.

Second: Commissioner Deb Poteet

Vote: Motion Passed Unanimously

Liquid Planet Lease Addendum

Administrative Manager Lynn Fagan began by reminding the Board that the Lease with Jedediahs Missoula LLC to run the airport restaurant expires on June 30, 2021 and the new concession with Faber for food/beverage services does not begin until the new terminal opens in approximately late January 2022, leaving a gap of about seven months with no restaurant provider. At the same time, Liquid Planet's lease for the coffee shop upstairs in the secured area runs through June

2023, and we do not expect much traffic through that area after the new terminal opens. Staff approached Liquid Planet about taking over the restaurant for the gap period in exchange for shortening their lease term and they were agreeable. Additionally, Jedediahs agreed to terminate their lease early so a transfer did not have to occur during the airport's busy summer season. Liquid Planet will therefore take over the restaurant beginning on April 1, 2021 through January 2022. The Lease Addendum has a holdover clause so the lease can continue on a month to month basis if there is a delay in moving into the new terminal. The airport has agreed to assist Liquid Planet with start-up costs up to \$20,000.

Chair Matthew Doucette asked if there would be no interruption in service. Lynn stated that was the plan; however, a health inspection is required and a transfer of the liquor license. If either of these are delayed, there could be a short delay in opening.

Secretary/Treasurer Larry Anderson asked if the \$20,000 payment to Liquid Planet included the purchase of equipment. Lynn responded that it did not. The airport also has an agreement with Jedediahs to purchase equipment, which Liquid Planet will be able to use, for an additional \$30,000. That will be brought to the Board next month. Larry then asked if that money would come out of the project fund. Lynn stated that it would not. It would come from airport reserves.

Chair Matthew Doucette asked if anyone had further questions or public comments; there were none.

Motion: Alternate Commissioner Pat Boyle moved to approve Fifth Lease Addendum with Liquid Planet as presented.

Second: Alternate Commissioner Winton Kemmis

Vote: Motion Passed Unanimously

The February Board Meeting will be held in the Airport Conference Room and remotely via GoToMeeting on February 23, 2021 at 1:30pm.

There being no further business, the meeting was adjourned.