

MISSOULA COUNTY AIRPORT AUTHORITY  
Regular Board Meeting  
April 27, 2021  
1:30 pm, Airport Board Conference Room

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

STAFF: Acting Director Brian Ellestad  
Administrative Manager Lynn Fagan  
Manager of Projects Tim Damrow  
Dan Neuman, Business Development Manager  
Nate Cole, Airfield Manager via conference call via conference call  
Thad Williams, Building Manager via conference call  
Rick Reeve, Administrative Assistant 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  
Joseph Weber, Unifi via conference call  
Alfonso Morales, Unifi 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 an alternate commissioner would need to be seated.

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

Second: Commissioner Deb Poteet

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 Matthew Doucette asked if anyone had questions, edits, or comments regarding the minutes for the Regular Board Meeting dated March 30, 2021; there were none.

Motion: Alternate Commissioner Winton Kemmis moved to approve the minutes of the Regular Board Meeting dated March 30, 2021 as presented.

Second: Commissioner Deb Poteet

Vote: Motion Passed Unanimously

## CLAIMS FOR PAYMENT

Administrative Manager Lynn Fagan presented this item to the board in the absence of Finance Manager Teri Norcross. She noted that the payment from the project checking was for a contractor withholding that is required by the state.

Secretary/Treasurer Larry Anderson asked about the payment to Kynan Spethman for \$3,000 for the deice truck rental. Lynn explained that Kynan has his own business and that the airport has been using Kynan's deicing truck since ours is being repaired.

Acting Director Brian Ellestad noted that the payment to Helena was for annual ARFF certification for the Public Safety Officers. He also explained that the Allegiant check was for half of the marketing agreement to promote the service to Orange County, California.

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

Motion: Commissioner Shane Stack moved to approve the Claims for Payment as presented.

Second: Secretary/Treasurer Larry Anderson

Vote: Motion Passed Unanimously

## FINANCIAL REPORT

Acting Director Brian Ellestad presented this item to the board in the absence of Finance Manager Teri Norcross. He noted that thanks to the CARES Act funding, the Airport's budget is doing better than was forecasted when making the FY 2021 budget. Parking lot revenue numbers are higher than normal for this time of year due to the way their contract structure was altered last year to pay a monthly amount rather than a true up at the end of the year.

Chair Matthew Doucette noted that the Finance Committee met earlier this month in anticipation of the upcoming FY2022 budget.

Commissioner Deb Poteet asked if there were any CARES funds left to be paid to MSO. Dan Neuman, Business Development Manager, said that there should be about \$80,000 in funds coming in soon for Ground Handling payroll. He also mentioned another roughly \$300,000 in LGE funds are anticipated to arrive shortly as well.

Chair Matthew Doucette asked if anyone had additional questions or comments regarding the Financial Report. There were none.

Motion: Alternate Commissioner Winton Kemmis moved to accept the financial report as presented.

Second: Vice Chair Adriane Beck

Vote: Motion Passed Unanimously

### DIRECTOR'S REPORT

Acting Director Brian Ellestad began by noting that passenger numbers in March were up to 67% compared to 2019 after staying steady at 55% for months and that summer numbers are trending to stay at that rate. With that being said, the Airport plans to forecast the FY 2022 budget at 70% of 2019 numbers. The Airport anticipates a 20% increase in seats for June, July and August above 2019 numbers.

Liquid Planet has opened up and will serve as the restaurant until the new terminal is open. They have limited hours for now, but that should expand as staffing and training increases.

Brian explained there is a concern for shortages of car rentals this summer due to production limitations. The Airport is reaching out to the local Nissan dealership here in Missoula to try and add some more options for summer travelers.

There was a walk out by some Unifi employees, but no flights were cancelled during this time. The Airport continues to support Unifi workers in their efforts for a pay increase.

Manager of Projects Tim Damrow gave an update on the terminal project. The much anticipated VIEW Glass is currently being installed. Individual glass panels will be able to be tinted at any time of the day to adjust for outside conditions. The new elevator is currently being installed. All phases of the construction continue to fall in under budget.

Chair Matthew Doucette noted that the Dementia Friendly organization took a tour of the new terminal and were happy overall with the inclusive design.

Secretary/Treasurer Larry Anderson asked if there were any additional monies the Airport expected from the state. Brian replied that he did not expect that to be the case.

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

### LEGAL REPORT

Administrative Manager Lynn Fagan noted the RFPs for the Airport's Planning and Engineering contracts were out to bid. This occurs every 5 years and the bids are due in early May. The proposals should go to committee review in June.

Lynn said that there were also Invitations for bid out for snow removal and ARFF equipment; those are due May 18. She hopes to have them reviewed and approved during the May board meeting.

A joint meeting of the General Aviation and Finance committees met in April. Part of the agenda was the lease renewal for the Museum of Mountain Flying. That lease will also be brought to the Board in May.

Lynn also mentioned that she, Brian and Teri were working on a plan for the payouts of an FAA Concessions relief grant.

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

### COMMITTEE UPDATES

Executive Committee: Met April 27, 2021 to review the Board agenda.

Finance Committee: Met April 19, 2021

Business Development: No Activity

Contract & Lease Committee: No Activity

Facility & Operations Committee: No Activity

Marketing Committee: No Activity

General Aviation Committee: Met April 19, 2021

Legislative Committee: No Activity

### UNFINISHED BUSINESS

#### Award of Common/Shared Use Passenger Processing System RFP

Manager of Projects Tim Damrow explained that one of the challenges of the new terminal centered around maintaining and supporting airline operations. Currently, most airlines are tied to a single ticket counter or gate with proprietary equipment to support their operation. The downside to this approach is realized with irregular operations and increasing flight frequency that warrant the need for additional workstations. Over the last few years, the team has implemented and evaluated several solutions to allow air carriers to share a common gate or ticketing position. While these solutions were marginally effective in the short term, the team ultimately decided that a more robust solution should be put in place moving forward. On February 24, 2021, MCAA advertised a Request for Proposals (RFP) for a Common/Shared Use Passenger Processing System for installation in the South Concourse. At the highest level, this system provides airlines the ability to share computing resources at the gate and ticket areas, granting airlines and the airport ultimate operational flexibility. The installation of this common infrastructure can also serve as an effective air service development tool, minimizing air carrier investment while providing a turnkey solution to setup an operation. This installation will initially cover several ticketing and gate positions but can be expanded as operations dictate. The RFP was advertised nationally, and 3 proposals were received and reviewed by a selection committee of staff members. The committee reached out to several airports and airlines that currently operate the proposed systems to provide feedback. The selection committee evaluated and scored the proposals and is recommending award of the RFP to Amadeus. The amount of the RFP is TBD.

Secretary/Treasurer Larry Anderson asked why Amadeus was awarded the contract. Tim explained that one of the main advantages was the cloud-based service feature. This allows for easy expansion, as well as more mobile-friendly use when needed.

Vice Chair Adriane Beck asked – what if the airlines refuse to adapt this system? Tim reiterated that the gates will still be equipped with both the proprietary software for each airline and that Amadeus is a secondary work option. Acting Director Brian Ellestad also noted that Delta was excited to learn that Amadeus worked with their RFID bag tracking system.

Alternative Commissioner Winton Kemmis asked if there was a backup system. Tim explained that the dual system allowed for redundancies in hopes to avoid a total system failure in the event of some sort of outage.

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

Motion: Commissioner Jeff Roth moved to approve the award of the Common/Shared Use Passenger Processing System RFP to Amadeus Airport IT Americas Inc.

Second: Alternative Commissioner Winton Kemmis

Vote: Motion Passed Unanimously

#### Authorization of South Concourse FFE Package 5

Manager of Projects Tim Damrow explained the South Concourse FFE (Furniture, Fixtures and Equipment) Package 5 includes a variety of components to support operations and commissioning of the new facility. In an effort to reduce costs and complexities, the Missoula airport team will be coordinating purchase, delivery and installation of these components. As such, this package has been assembled similar to a construction GMP, allowing airport staff to procure these components and services in accordance with MCAA Procurement Policies. The elements of this package include supply and install of building and kitchen equipment, network components/configuration, environmental graphics, and featured display elements. With changing market conditions driving potential price increases, the team would like to proactively purchase this package to ensure pricing and supply. A contingency amount of 5% has been added to help cover any additional product adjustments that may occur. Most components of this package are under their initial budget estimate and will put the entire FFE phase under budget. Tim also added that it was important to get this order done ASAP as equipment and material costs are changing and rising on an almost daily basis throughout the construction industry.

Commissioner Deb Poteet asked if shipping was included in the total cost; Tim said it was.

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

Motion: Commissioner Deb Poteet moved to authorize the purchase of South Concourse FFE Package 5 components in the amount not to exceed \$584,164.

Second: Secretary/Treasurer Larry Anderson

Vote: Motion Passed Unanimously

## NEW BUSINESS

### Agreement for Transfer of AIP Entitlements

Acting Director Brian Ellestad explained that West Yellowstone Airport reached out to see if MSO would be willing to trade FAA entitlement dollars this year. They have a terminal project currently under design and will be needing their full allotment once they start construction. West Yellowstone would transfer \$350,000 to Missoula this year, and in 2024, MSO would return that same amount out of our entitlement share. By doing this swap, it would lower the amount of short-term debt we will need for the terminal project. Brian added that the Montana FAA office and its airports do a great job of keeping the entitlement money in the state by agreeing to these types of transfers.

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

Motion: Commissioner Jeff Roth moved to authorize entitlement swap of \$350,000 in AIP funds between West Yellowstone Airport and Missoula Montana Airport.

Second: Alternative Commissioner Winton Kemmis

Vote: Motion Passed Unanimously

### Authorization to Accept FAA Grant for AIP Entitlements

Acting Director Brian Ellestad explained that the FAA will be issuing grant offers shortly. It is estimated that the dollar value will be in the \$766,000 range. Time frames to execute grants back to the District Office are always on short. This grant will be a combination of remaining entitlement and the West Yellowstone Airport transfer. Because of the short turn-around time and in order to avoid the need for a special meeting, staff determined that it was prudent to request that the Board preauthorize the Acting Airport Director to accept the grant offer. An additional grant will be issued this summer for a new fire truck and snow removal equipment.

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

Motion: Alternate Commissioner Winton Kemmis moved to pre-authorize the Acting Airport Director to accept upcoming AIP Grant 076 which will be used for terminal construction.

Second: Commissioner Deb Poteet

Vote: Motion Passed Unanimously

### Memo of Understanding with MFPE - Building and Field

Administrative Manager Lynn Fagan explained that the Montana Federation of Public Employees is the union that represents our Building and Field personnel. Their current agreement was set to expire at the end of June this year, but because of some bills before the legislature, a three-year extension was executed in January, with a provision to negotiate salaries during the budgeting process each year. Lynn explained that this works well for now because of the unpredictability of the market, so we do not have to agree to wage increases for future years when we do not have assurance that the market will return to normal. The union originally came in with a large ask for an increase this year, based on the dramatic increase in housing prices in Missoula and the surrounding areas. While management recognizes the impact this has on our staff, they did not

feel comfortable agreeing to a large increase while our revenues were still down due to the pandemic. Staff did go out and look at comparable wages for City and County positions and other airports in the state. MSO's wages are in line with those. Staff also asked about wage freezes last year and were surprised to find that the City and County gave raises last year and most of the airports in the state did as well. After several negotiations, staff agreed on a 3% wage increase from the contracted FY2021 wage, a lump sum repayment of the wage increase which the union waived last union at the height of the COVID pandemic (amounting to approximately \$28,000). Other changes in the agreement are due to the Supreme Court's decision regarding union dues.

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

Motion: Commissioner Shane Stack moved to approve the Memorandum of Agreement with MFPE - Building and Field setting forth wages for Fiscal Year 2022 and other matters as presented.

Second: Alternate Commissioner Winton Kemmis

Vote: Motion Passed Unanimously

#### Airport Car Condos, LLC Lease Addendum

Dan Neuman, Business Development Manager, noted that Airport Car Condos, LLC has been conducting business with the Missoula Airport since February 2002. Since that time they have expanded their facility 4 times. They are proposing a 5th expansion to the facility by leasing an additional 2,650 SF (approximate) to construct additional storage units (Parcel 13-F). This facility currently is located on Corporate Way adjacent to the 7/25 hangars. This lease will generate an additional \$1,033.50 in annual revenue with a lease rate is \$0.39 per square foot per year.

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

Motion: Secretary/Treasurer Larry Anderson moved to approve Addendum to the Lease Agreement with Airport Car Condos, LLC.

Second: Commissioner Jeff Roth

Vote: Motion Passed Unanimously

#### Approval of Airport Director Job Description

Administrative Manager Lynn Fagan explained that as the Hiring Committee moves forward with the process of finding a permanent Airport Director, one of the first tasks was to review and update the Airport Director's job description. The last job description update was in 2009 and a lot has changed since then. Particularly, air service development has become more of a priority as well as community engagement, neither of which were addressed in the previous job description. She obtained job descriptions from several other Montana airports, as well as out-of-state airports of similar size, and worked with the Hiring Committee on the version which is being presented today.

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

Motion: Commissioner Deb Poteet moved to the revised Airport Director Job Description as presented.

Second: Vice Chair Adriane Beck

Vote: Motion Passed Unanimously

The May Board Meeting will be held in the Airport Conference Room and remotely via GoToMeeting on Tuesday, May 25, 2021 at 1:30pm.

There being no further business, the meeting was adjourned.