

MISSOULA COUNTY AIRPORT AUTHORITY  
Regular Board Meeting  
June 29, 2021  
1:30 pm, Airport Board Conference Room

THOSE PRESENT: Chair Matthew Doucette  
Secretary/Treasurer Larry Anderson  
Commissioner Jeff Roth  
Commissioner Deb Poteet via conference call  
Commissioner Dori Brownlow via conference call  
Commissioner Shane Stack via conference call  
Alternate Commissioner Pat Boyle  
Honorary Commissioner Jack Meyer

STAFF: Acting Director Brian Ellestad  
Administrative Manager Lynn Fagan  
Finance Manager Teri Norcross  
Manager of Projects Tim Damrow  
Dan Neuman, Business Development Manager  
Nate Cole, Airfield Manager  
Justin Shaffer, Chief of Police via conference call  
Jesse Johnson, Compliance Officer  
Donna Marie Robnett, Office Administrator  
Rick Reeve, Administrative Assistant via conference call  
Brianna Brewer, Accounting Clerk via conference call  
Doug Stobie, Airport Intern

OTHERS: Martin Kidston, Missoula Current via conference call  
Todd Koster, PayneWest Insurance via conference call  
Scott Billadeau, Liquid Planet  
Shaun Shea, Morrison-Maierle

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: Commissioner Jeff Roth moved to seat Alternate Commissioner Pat Boyle

Second: Secretary/Treasurer Larry Anderson

AGENDA

Motion: Commissioner Shane Stack 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 May 25, 2021; there were none.

Motion: Secretary/Treasurer Larry Anderson moved to approve the minutes of the Regular Board Meeting dated May 25, 2021, as presented.

Second: Alternate Commissioner Pat Boyle

Vote: Motion Passed Unanimously

## CLAIMS FOR PAYMENT

Finance Manager Teri Norcross noted that Donna Marie Robnett, Office Administrator, was in person for the meeting and would be able to help answer any questions. There were none.

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

Motion: Alternate Commissioner Pat Boyle moved to approve the Claims for Payment as presented.

Second: Commissioner Jeff Roth

Vote: Motion Passed Unanimously

## FINANCIAL REPORT

Finance Manager Teri Norcross commented that as we get to the close of Fiscal Year 2021, the overall revenue numbers look pretty decent compared to 2019, noting that there are federal funds included in those numbers. She also said that the Airport received some county funds that we had been waiting for. They are a payroll credit that was previously being funded by the CARES Act. She mentioned that we are in the communication with customers regarding outstanding invoices in our Accounts Receivable.

Secretary Larry Anderson asked about those funds listed as uncollectable in the Accounts Receivable report. Teri noted that in general, a majority of that debt is due to non-based landing fees from small aircrafts that land here at MSO. The Airport does their best to collect those outstanding fees throughout the year, but there are some that are eventually written off. The ones owed by large commercial air carriers are in the process of being reminded of what they owe.

Acting Director Brian Ellestad noted that the Airport is currently in talks with a vendor that may be able to help collecting such types of debts from small aircraft owners. Administrative Assistant Rick Reeve has been working with the vendor to determine the efficiency and cost of bringing on this company to take on the identification, invoicing, and collection process. The early negotiations seem promising and could potentially net the Airport some income. The Airport will provide updates on this process as they occur.

Teri also noted that Chair Matt Doucette had pointed out that the coffee concession was missing. She replied that the Airport was just waiting to receive the payment before including it as revenue.

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

Motion: Commissioner Dori Brownlow moved to accept the financial report as presented.

Second: Commissioner Shane Stack

Vote: Motion Passed Unanimously

### DIRECTOR'S REPORT

Acting Director Brian Ellestad began by thanking all Board Members that were able to come to the Board Workshop. Chair Matt Doucette also echoed the same sentiment. American Rescue Act monies have been calculated and MSO will receive about \$5.3 million, plus some monies for concession relief. May enplanement numbers were at 85% of 2019 passenger traffic. Brian noted that the new terminal layout should help all the airlines facilitate such high passenger volumes much easier. United and American are both planning to extend Chicago service to early October, and United plans to extend San Francisco service until then as well. This means there are 30% more available seats for September 2021.

Manager of Projects Tim Damrow gave an update on the terminal project. Interior wood finishing has started in the public areas and cabinetry in our administrative offices is starting to show up. TSA baggage screening equipment is also arriving, and windows, siding, and drywall are in full production. Outside parking lot work also continues. Knife River did have to do full depth construction just east of the current exit booth. Overall, we are managing parking as we incrementally keep adding parking spaces as Knife River paves out sections. We are hoping for another 100 spaces to be paved out at the end of July.

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 minutes for the Board Workshop will be included as part of next month's Board packet. Regarding the Deschamps land agreement, the Airport is still waiting for a release from FAA for the land in question, and we have 60 days to get that. Lynn has also been in contact with the attorneys for the Deschamps about potentially getting a covenant limiting development on purchased land.

Two items on the agenda – Turo and Nissan agreements – were brought to the board quickly in an effort to help MSO visitors have more options for car rentals as soon as possible.

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

### COMMITTEE UPDATES

Executive Committee: Met May 25, 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

### FY 2022 PayneWest Insurance Renewal

Administrative Manager Lynn Fagan referenced a formal quote shown on the monitor for the FY 2022 insurance policy. The premium last year was \$127,482.00. The proposed premium this year is \$136,878.00. That comes to about a 7% increase, which was budgeted for, and ultimately came in just under the budgeted amount. Our liability provider is Chubb. We carry \$50 million in liability coverage. The liability premium increased approximately \$4,000. Lynn also noted that there was a claim against the liability and property this past year involving an accident with the deice truck at the fuel farm. Our liability rate last year was down slightly because of decreased enplanement forecasts due to COVID, so it is not surprising that it has increased this year.

The commercial property portion has also increased by approximately \$5,000.00. We had been in a three-year locked rate with Cincinnati Insurance Company for the commercial property and that rate expired this year. Todd Koster from PayneWest looked at other companies for property, but Cincinnati still provided the best rate. Todd thanked the MSO team for showing hospitality and safety measures we have in place, as that was showcased to Cincinnati and Chubb during their on-site visits.

Commissioner Jeff Roth asked about how the new terminal was covered. Todd replied that was covered under a separate Builder's Risk policy.

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

Motion: Secretary/Treasurer Larry Anderson moved to accept FY 2022 insurance renewal in the amount of \$136,878.00.

Second: Alternative Commissioner Pat Boyle

Vote: Motion Passed Unanimously

### Award of Bid for Snow Removal Equipment to M-B Companies

Acting Director Brian Ellestad explained that on April 16, 2021, staff published a bid for a new snow removal vehicle with a 22' runway broom. Bids were due on May 18, 2021. Two bids were received. The apparent low bid was received from J.A. Larue Inc, a Canadian company, in the amount of \$573,948.00. The second bid was received from M-B Companies, Inc. in the amount of \$584,699.00. Because this item is funded by an Airport Improvement Program grant from the FAA, it required a Buy American certification. Larue indicated in its bid that it would require a waiver from the Buy American requirement. Staff contacted the FAA Airports District Office and was advised to hold off on awarding the bid until the waiver documentation could be reviewed by the FAA. Larue submitted the documentation showing 60.82% of the materials in the vehicle would fulfill the Buy American requirement.

The FAA denied Larue's Buy American waiver request and instructed staff to move to the second low bid. M-B's bid was only \$10,751 higher (less than 2% difference), so staff had submitted the larger amount with our AIP grant request to ensure the airport was covered. Airfield Manager Nate Cole has been in touch with M-B Companies, and they indicated they should be able to have the vehicle ready by end of January 2022.

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

Motion: Commissioner Jeff Roth moved to award of bid to M-B Companies for Snow Removal Equipment in the amount of \$584,699.00.

Second: Alternate Commissioner Pat Boyle

Vote: Motion Passed Unanimously

## NEW BUSINESS

Task Order No. 39 to the Master Agreement for Professional Engineering Services with Morrison-Maierle - Calculating Disadvantaged Business Enterprises Goal for Federal FY 2022, 2023, 2024  
Administrative Manager Lynn Fagan explained that every three years, the FAA requires an Airport Sponsor to re-evaluate their DBE Goals. The time has come to complete that calculation for the next three fiscal years (2022, 2023 and 2024). In addition to the DBE Goal Calculation, this Task Order also includes completing a lease boundary survey for the Washington Hangar and update the lease exhibits. The Washington Corporation recently completed an expansion to their existing hangar on the east end of the airfield and the lease exhibits and boundary need to be updated to match the expansion.

The project will begin immediately following MCAA Board approval, as the DBE goal calculations are due to the FAA by August 1st, 2021. The updated lease exhibit for the Washington Hangar will be complete before the end of July.

Alternate Commissioner Pat Boyle asked if the goals were set once for a 3-year period, or if it was done every year. Shaun Shea of Morrison-Maierle clarified that although the goal is set for all 3 years, there is reporting required each fiscal year.

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

Motion: Commissioner Dori Brownlow moved to approve Task Order No. 39 with Morrison-Maierle in the amount of \$9,900.00 for completion of the DBE goal calculations and Washington Hangar survey.

Second: Commissioner Shane Stack

Vote: Motion Passed Unanimously

## Award and Approval of Engineering Contract to Morrison-Maierle

Acting Director Brian Ellestad explained that FAA regulations require that professional services contracts be put out for bid every five years. For our Engineering RFP, only one firm put forth a proposal. That firm was Morrison-Maierle, who is currently doing our airport work.

For the past five years the airport has been very happy with the work Morrison Maierle has done on the new terminal and airfield. Staff would recommend that we continue to work with Morrison Maierle and continue with another five-year contract.

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

Motion: Alternate Commissioner Pat Boyle moved to award and approve Morrison-Maierle, Inc. an Engineering contract for a five-year term beginning on July 1, 2021.

Second: Secretary/Treasurer Larry Anderson

Vote: Motion Passed Unanimously

#### Award and Approval of Planning Contract to Morrison-Maierle

Acting Director Brian Ellestad explained FAA regulations require that professional services contracts be put out for bid every five years. For our Planning RFP, three firms put forth proposals. Those firms were Air Transport Business Development, Inc., KLJ and Morrison-Maierle. A committee made up of Commissioner Shane Stack, Secretary/Treasurer Larry Anderson, Manager of Projects Tim Damrow, Airfield Manager Nate Cole, Building Manager Thad Williams, and myself was established to review the proposals and interview the proposers. The committee agreed to "short list" two firms. Those firms were KLJ and Morrison-Maierle and interviews were held June 16th. After deliberation by the committee, it was decided that Morrison-Maierle offered the best and most comprehensive proposal. Therefore, the committee is recommending to the full Board that Morrison-Maierle be awarded the contract.

Shaun Shea of Morrison-Maierle commented on the positive relationship with the Airport throughout the years and expressed his thankfulness for the opportunity to continue to work at MSO.

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

Motion: Commissioner Deb Poteet moved to award and approve Morrison-Maierle, Inc. an Aviation Planning contract for a five-year term beginning on July 1, 2021.

Second: Commissioner Jeff Roth

Vote: Motion Passed Unanimously

#### Purchase of Snow Removal Equipment – Ford F-550

Administrative Manager Lynn Fagan explained that the Airport would like to utilize the Sourcewell Competitive bid process to purchase one Ford F-550 cab and chassis to use for snow removal on the airport road system. This will include the purchase of a flatbed, plow, deice tank and controls. Airport staff will build the de-ice system. The price of the cab and chassis is \$50,019.78. The total price is not to exceed \$105,000. This is included in FY2022 budget.

Acting Director Brian Ellestad noted that the current truck used at the Airport is from the late 1980s and has had countless welding jobs, and so the new equipment will be a welcome upgrade.

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

Motion: Alternate Commissioner Pat Boyle moved to approve the purchase of the Ford F-550 with plow, flatbed, and de-ice system in an amount not to exceed \$105,000.00.

Second: Secretary/Treasurer Larry Anderson

Vote: Motion Passed Unanimously

#### Purchase of Snow Removal Equipment – Cat 908M

Administrative Manager Lynn Fagan explained that the Airport would like to purchase one 908M Cat wheel loader with attachments, using the Sourcewell purchasing agreement. The primary use of this loader will be for snow removal in parking lots and the airport road systems. The attachments will include a 9' snow blade, a loader bucket, a set of pallet forks, and a post pounder. These attachments will allow the use of the loader year-round, and all the attachments will also work with our skid steer. Currently, the airport has been leasing a loader during the winter months for snow removal. This is in FY2022 budget.

Alternate Commissioner Pat Boyle asked how much the Airport was paying to lease the previous vehicle. Airfield Manager Nate Cole said it was about \$8,000 to \$10,000 per year.

Acting Director Brian Ellestad added that this allows the Airport to be better prepared for any early or late winter operations.

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

Motion: Secretary/Treasurer Larry Anderson to approve the purchase of the Cat 908M compact wheel loader with attachments through Sourcewell in the amount of \$128,377.

Second: Commissioner Dori Brownlow

Vote: Motion Passed Unanimously

#### Operating Agreement with Turo, Inc.

Acting Director Brian Ellestad explained that Turo is a peer-to-peer car rental company. It allows individuals to rent out their private vehicles online via a mobile interface. Turo started in 2012 and in 2019 a holding company invested \$250 million into the company. This operating contract would allow Turo to operate on the airport property and provide the same percentage of gross to the airport similar as the on-site car rental companies. Staff has been in discussions with Turo and has tentatively agreed to the same terms as they have at Glacier Airport. Staff would like the Board to approve the agreement - so long as no material changes are made - so that our passengers have access to this service this summer.

Alternate Commissioner Pat Boyle asked about the potential volume of cars from Turo. Brian stated that it is hard to say, but at least a handful to start.

Commissioner Shane Stack asked if these cars owned by private citizens will be stored at the Airport. Brian replied that all reservations are done through Turo's website and then the agreement between the parties happens like an Airbnb reservation. The two parties then figure out a time and place to meet, noting that there is insurance in place through Turo. So, no cars

would be stored at the Airport in any type of designated area, but if they use the Airport lot, they will pay the fees like any other customer. Brian also noted that Turo will pay the same percentage (10%) as the current on-site car rental companies.

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

Motion: Commissioner Jeff Roth moved to approve operating agreement with Turo, Inc. with 10% concession fee and no material changes to the agreement.

Second: Alternate Commissioner Pat Boyle

Vote: Motion Passed Unanimously

#### Off Airport Car Rental Agreement Missoula Nissan Hyundai

Acting Director Brian Ellestad noted that staff met with representatives from Missoula Nissan/Hyundai in the spring about the possibility of Nissan offering car rental services here at the Airport. Staff explained the concession arrangement to them, which would be at 10%. Business Development Manager Dan Neuman has reached out to Nissan staff, and we expect them to execute the attached Off Airport Car Rental Agreement. Because of the shortage of cars this summer, we are bringing this to the Board for preapproval so that our passengers have access to this service this summer. Brian noted that Nissan is geared towards adventure style and outdoor activities, which would be a nice fit for both winter and summer activities here in Missoula. Vehicles will feature such things as ski racks, 4x4, snow tires, and other such accessories to accommodate these types of activities.

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

Motion: Alternate Commissioner Pat Boyle moved to pre-approve Off Airport Car Rental Agreement Missoula Nissan Hyundai, with a note that the fee would be at 10%.

Second: Secretary/Treasurer Larry Anderson

Vote: Motion Passed Unanimously

The May Board Meeting will be held in the Airport Conference Room and remotely via GoToMeeting on Tuesday, June 29, 2021, at 1:30pm.

There being no further business, the meeting was adjourned.