

MISSOULA COUNTY AIRPORT AUTHORITY  
Regular Board Meeting  
August 30, 2022  
1:30 pm, Johnson Bell Conference Room

THOSE PRESENT

BOARD:

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

STAFF:

Director Brian Ellestad  
Deputy Director Tim Damrow  
Finance Manager Teri Norcross  
Business Development Manager Dan Neuman  
Facilities Manager Thad Williams  
Compliance Officer Jesse Johnson  
IT Specialist Dylan O'Leary  
Accounting Clerk Brianna Brewer

OTHERS:

Gary Matson, Runway 25 Hangars via conference call  
Shaun Shea, Morrison-Maierle  
Martin Kidston, Missoula Current via conference call

Chair Adriane Beck called the meeting to order and advised everyone that the meeting was being recorded.

Deputy Director Tim Damrow performed a roll call of Board members, staff members, and members of the public.

AGENDA

Motion: Secretary/Treasurer Winton Kemmis moved to approve the agenda as presented.

Second: Commissioner Deb Poteet

Vote: Motion Passed Unanimously

PUBLIC COMMENT PERIOD

Chair Adriane Beck asked if there was any public comment on items not on the Boards agenda. There was none.

MINUTES

Chair Adriane Beck asked if anyone had questions, edits, or public comments regarding the minutes for the Regular Board Meeting dated July 26, 2022. There were none.

Motion: Commissioner Jeff Roth moved to approve the minutes of the Regular Board Meeting dated July 26, 2022.

Second: Secretary/Treasurer Winton Kemmis

Vote: Motion Passed Unanimously

### CLAIMS FOR PAYMENT

Finance Manager Teri Norcross stated that the Project Expenses weren't added to the Claims for Payment, so a separate sheet was provided.

Chair Adriane Beck asked if there were any questions or public comments regarding the Claims for Payment.

Commissioner Deb Poteet asked what Rood & Associates was. Teri stated that they are a firm that does the independent fee analysis for engineering fees (IFE). The FAA requires an IFE for engineering task orders that exceed \$75,000.00.

Commissioner Jeff Roth asked if the \$6,771 expense for ammunition an annual expense. Teri responded that it is for when the Public Safety Officers use the ammunition for qualifications and at the shooting range.

Motion: Vice Chair Larry Anderson moved to approve the Claims for Payment with the additional checks presented.

Second: Secretary/Treasurer Winton Kemmis

Vote: Motion Passed Unanimously

### FINANCIAL REPORT

Finance Manager Teri Norcross reported that the fiscal year to date revenues are looking good, expenses are down from what was budgeted in prior year. A couple of changes in our Profit & Loss statement, the use fees for the signatory carriers are part of the rent they would pay annually. We will have to do a modification to our budget to show those. Director Brian Ellestad mentioned that in the Airline Use Agreement there is a fixed and variable portion to their revenues. The variable portion will be a month behind because the airline's report their enplanement numbers. Teri also reported that the car rental companies are doing well and are at about 140% of their budget for the first month. Miscellaneous revenue was high due to ground transportation being reported. That will now be separated out. Brian then stated that the budget will just shift a little bit due to American Airlines becoming a signatory carrier which it wasn't before.

Chair Adriane Beck asked if anyone had any questions or public comments regarding the Financial Report.

Commissioner Jeff Roth asked how the expenses compare from the old terminal to the new terminal. Finance Manager Teri Norcross responded that it is hard to tell right now but in a couple months it might be clearer. Facilities Manager Thad Williams mentioned that next month's Northwestern Energy bill should give us an idea on how we are doing. The water bill was \$500 more this month than last year to date but there are more passengers. Deputy Director Tim

Damrow stated that we are hoping to have a debrief on utilities and where we stand when we have a few months under our belt.

Motion: Commissioner Deb Poteet moved to accept the Financial Report as presented.

Second: Vice Chair Larry Anderson

Vote: Motion Passed Unanimously

### DIRECTOR'S REPORT

Director Brian Ellestad began his report by thanking Compliance Officer Jesse Johnson and Airfield Operations Manager Nate Cole for a perfect airfield inspection. Brian also thanked Facilities Manager Thad Williams for his help with the building insurance inspection. Brian reported that September and October there are more seats than last year and staff is sending a bunch of social media out to fill up more seats. There is an airline rendezvous in Helena that Tim and Brian are attending and there will be 5 or 6 airlines to meet with there. Brian also reported that we got our Master Plan Grant over the last two weeks. Brian then added that he reached one year on his contract and wanted to thank the Board for their support.

Deputy Director Tim Damrow reported that the South Concourse project closeout is nearing completion and will see some remaining punch list items being competed in September and October. Tim also wanted to thank Jesse Johnson, Nate Cole, Thad Williams & Chief of Public Safety Justin Shaffer for their work on both inspections.

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

### COMMITTEE UPDATES

Executive Committee: Met August 30, 2022, 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

#### Republic Parking Rate Change

Director Brian Ellestad explained that Republic Parking has been our parking vendor provider since July 1, 1999, and its current contract is set to expire June 30, 2024. Earlier this year, Republic requested that we consider a parking rate change as through their analysis they showed we were below our peer airports. We have had multiple committee meetings to discuss, staff did further analysis as we are space confined between the terminal, Highway 10, and Minuteman east and west locations. An onsite shuttle lot area was identified for long term growth if a suitable walkable lot is not identified during our Master Planning process. While staff would prefer to keep rates flat, we acknowledge that Republic Parking has additional labor costs they are incurring, and the Finance and Operations Committee noted that it would be good to create a fund for future

infrastructure parking needs. While Republic asked for a \$2 increase on the Long-Term rate, the combined Finance and Operations Committee made a motion to keep the Short-Term lot flat at \$15, increase the Long-Term rate to \$10 and keep the first hour free for our customers. This rate aligns us with the Bozeman Airport and \$5 cheaper per day in the Long-Term lot than the Kalispell Airport. Our last price increase took effect January 1, 2020, where the Short-Term rate was increased but the Long-Term rate was left flat at \$9 per day.

Chair Adriane Beck stated that with a seconded motion, she would take public comments first and then Board discussion.

Chair Adriane Beck asked if there were any public comments on the seconded motion; there were none. Chair Adriane Beck then asked if there was any Board discussion. Commissioner David Bell stated that he was the dissenting vote at the committee level and raised the point that the staff did not come into the committee recommending the increase; there should be equitable access to the airport; that he did not hear there was a need for increased funding. David also mentioned that in looking at the prices from nearby airports, MSO is currently close to the median now and finally, passengers coming in on October 1<sup>st</sup> with new parking rates will assume that they are paying for the new terminal.

Seconded Motion from the combined Finance and Operations Committee to keep Short Term parking rate flat at \$15/day and increase Long Term parking from \$9 to \$10/day and keep the first hour free in both lots for customers with an implementation date of October 1, 2022.

Vote: Motion Passed Unanimously

#### Motorola 800 MHz Radio System Purchase

Facilities Manager Thad Williams explained to the Board that staff carry VHS radios on their persons and vehicles. Since opening the new terminal there has been significant challenges to radio communications resulting from poor reception in the new building. The team evaluated, tested, and determined that remaining staff radios on VHF frequencies be upgraded to 800mhz series radios to eliminate the reception issues. Given the critical nature of airport communications and supply chain concerns, staff utilized board approved emergency procurement procedures to get equipment ordered. In December 2021, the MCAA Board approved the purchase of portable 800mhz radios for the Public Safety Department as local agencies are phasing out older VHF radios. This change will render our current radios obsolete and no longer able to communicate on those frequencies. With mobile radios already purchased for officers, we are now looking to equip all airport Public Safety Vehicles with the same radios to match the portable units purchased previously. This action item covers purchase, installation, and configuration of 40 mobile, 9 vehicle and 2 base station radios. The Public Safety vehicle radios were approved in the FY23 capital request budget, the remaining radios will be purchased with reserve funds. Vice Chair Larry Anderson asked if these radios tied into the tower as well. Thad responded that they did. Larry then asked if there was a guarantee on that. Thad responded that there was a one-year warranty.

Chair Adriane Beck asked if Board members had any other questions. Commissioner David Bell asked where Industrial Communications & Electronics was located. Thad responded that they were in Billings and Bozeman. David noted that there was a Missoula Motorola office and Thad responded that the Missoula office had come out but they had no solutions and then he could not get any response from them, so he went to Industrial Communications & Electronics.

Chair Adriane Beck asked if there were any public comments; there were none.

Motion: Commissioner Jeff Roth moved to approve the purchase of Motorola Dual Band Radios from Industrial Communications & Electronics not to exceed the amount of \$164,173.30.

Second: Secretary/Treasurer Winton Kemmis

Vote: Motion Passed Unanimously

Martel Construction – Contract Amendment #17 Change Order #1 – Deductive Change Order

Deputy Director Tim Damrow explained that with the recent completion and opening of the South Concourse this Spring, we are beginning to reconcile project balances and closeout the remaining project components. Each of these respective projects is requiring a deductive change order to effectively close out the project and balance unused funds. Upon initial GMP formulation, these projects contained several allowances to cover unknown/unbid items that subsequently came in under budget. In addition, there was a reduction in overall quantities on several project items leading to additional cost savings. The deductive change orders are listed below for reference: Martel Contract #17 -JetBridges – Deductive Change Order #1 = (\$112,668.92) Martel Contract #20 – Landscape – Deductive Change Order #1 = (\$63,909.77) Total Deductive Change Orders – (\$176,578.69) With final punch list items being closed out on the South Concourse, we are looking to augment existing project contingencies (Martel Contract Amendment #14, Vertical Construction) with the unspent funds from previously mentioned project components (Martel Contract Amendments 17, and 20) in the amount of \$176,578.69. This final adjustment will be used to cover any additional items remaining to close out the South Concourse Expansion.

Chair Adriane Beck asked if Board members had any questions. There were none.

Chair Adriane Beck asked if there were any public comments; there were none.

Motion: Commissioner Deb Poteet moved to accept the deductive change orders to Martel Contract Amendment's 17 and 20 in the amount of \$176,578.69 and accept the additive change order to Martel Contract Amendment 14 in the amount of \$176,578.69.

Second: Vice Chair Larry Anderson

Vote: Motion Passed Unanimously

Martel Construction – Contract Amendment #20 Change Order #1 – Deductive Change Order

Deputy Director Tim Damrow stated that for these change orders, he had to go back and do some research as this work was done at the very beginning of the terminal project. Work on the terminal access road and parking lot has been comprised of 5 project phases and over 15 task orders with multiple contractors. Throughout the course of this project there have been several deductive and additive change orders. The net result of these change orders results in a net decrease in overall project GMP across all phases. Change Order #1 for the Terminal Exit Plaza Project is a reconciling deductive change order which finalizes the contract price for the project. The project began in April of 2021, went through one winter shutdown and was considered substantially complete with the installation of landscaping in August, 2022. This change order balances out several itemized bid quantities and prices, some owner requested changes, and some unforeseen

field conditions (unsuitable soils). The overall change order results in a reduction of final project costs. The final construction costs associated with the project came in (\$22,412.00) under the original budget. A change order in that amount will be applied to the project.

Chair Adriane Beck asked if Board members had any questions. There were none.

Chair Adriane Beck asked if there were any public comments; there were none.

Motion: Commissioner Jeff Roth moved to accept Change Order #1 to the Terminal Exit Plaza Project with Knife River in the amount of \$22,412.00.

Second: Commissioner Shane Stack

Vote: Motion Passed Unanimously

#### Knife River – Change Order #1 to the contract with Knife River for the construction of the Terminal Exit Plaza Project

Deputy Director Tim Damrow stated that this deductive change order relates to the parking lot and access road as well. This was an additive change order as we ran into some unsuitable soils that required over-excavating dirt, adding additional base. This change order balances out several itemized bid quantities and prices, some owner requested changes, and some unforeseen field conditions (unsuitable soils). The overall change order results in an increase of project costs. The original bid amount was \$2,293,000.00. The final construction costs associated with the project came in \$53,477.48 over the original budget, making the total project cost \$2,346,477.48.

Chair Adriane Beck asked if Board members had any questions. There were none.

Chair Adriane Beck asked if there were any public comments; there were none.

Motion: Vice Chair Larry Anderson moved to accept Change Order #1 to the Terminal Parking Lot Expansion Project with Knife River in the amount of \$53,477.48.

Second: Commissioner Shane Stack

Vote: Motion Passed Unanimously

#### NEW BUSINESS

##### Civil Air Patrol, Missoula Composite Squadron, Lease Agreement

Commissioner Deb Poteet stated that she would recuse herself from voting on this matter as both her children were in the Civil Air Patrol.

Deputy Director Tim Damrow stated that the Civil Air Patrol approached staff in the spring about this lease. Tim stated that the Civil Air Patrol is the auxiliary arm of the air force and they operate similar to the Scout program as a youth educational outreach and also assist in search and rescue and disaster response. The Missoula Squadron would like to install electronic equipment to assist with their state-wide search and rescue operations. This would be a nominal lease rate of \$10 per year. The FAA specifically recognizes civil air patrol's search and rescue efforts as a benefit to airport operators and community safety. Tim explained that the space leased inside the terminal is about the size of a shoebox and then some antenna space on the roof.

Chair Adriane Beck asked if there was any Board discussion or questions; there were none.

Chair Adriane Beck asked if there were any public comments; there were none.

Motion: Secretary/Treasurer Winton Kemmis moved to approve the Civil Air Patrol, Missoula Composite Squadron, Lease Agreement for the nominal lease rate of \$10 per year.

Second: Commissioner Shane Stack

Vote: Motion Passed Unanimously

Morrison-Maierle Contract Amendment No. 04 to Task Order No. 09 to the Master Agreement for Professional Engineering Services

Deputy Director Tim Damrow explained that this is an additional task order for monitoring wells from a fuel spill out on the rental car overflow lot. While the underground tanks and contaminated soils were removed, DEQ required ongoing monitoring of petroleum levels in the groundwater. Over the last five years, Morrison-Maierle and Tetra Tech have been working to get a Corrective Action Plan approved by DEQ on this remediation site. Tetra Tech has been able to obtain funds through the State Petroleum Board to reimburse efforts to clean up and close the site with DEQ. Through work over the last five years and sampling results from monitoring wells, DEQ is now requesting that the sampling of existing wells continue. At the completion of this amendment work, it is anticipated that DEQ will consider the site clean and closed.

Chair Adriane Beck asked if there was any Board comment or questions; there were none.

Chair Adriane Beck asked if there were any public comments; there were none.

Motion: Vice Chair Larry Anderson moved to Approve Amendment No. 04 to Task Order No. 9 with Morrison-Maierle in the amount of \$11,607.05.

Second: Commissioner Jeff Roth

Vote: Motion Passed Unanimously

Pre-authorization to accept discretionary FAA AIP Grant

Director Brian Ellestad reminded the Board that back in June, the Board awarded bids for the Deice Apron Expansion Project to Knife River pending availability of federal funds. Staff is hoping to hear about discretionary grants in the next few days as we approach the end of the federal fiscal year. The last conversation we had with the FAA, they did not indicate an amount for the grant. However, because the grants need to be turned around on a short timeline, we are asking the Board to pre-approve acceptance.

Chair Adriane Beck asked if Board members had any questions; there were none.

Chair Adriane Beck asked if there were any public comments. There were none.

Motion: Commissioner Deb Poteet moved to pre-authorize the Airport Director to accept upcoming AIP Discretionary Grant for the Deice Ramp Expansion in this FY2022.

Second: Secretary/Treasurer Winton Kemmis

Vote: Motion Passed Unanimously

### Purchase of Boundary Fencing

Director Brian Ellestad displayed a map of the southeastern portion of the airport property and explained that he and Airfield Manager Nate Cole met with a neighboring landowner a few weeks ago. This is the area where there was previously a check dam. There is currently no fencing in place. 44 Ranch is beginning construction on its next phase and staff would like to install a permanent 6-foot chain link fence. We would utilize our BIL AIP funding for this project. We are proposing up to 4200 feet of fencing to secure our south side. Staff has consulted with Commissioner Shane Stack in order to coordinate with the County.

Chair Adriane Beck asked if Board members had any questions; there were none.

Motion: Commissioner Shane Stack moved to approve a contract with Fencecrafters Missoula, Inc. as presented for approximately 4200 feet of fence not to exceed \$92,400.

Second: Secretary/Treasurer Winton Kemmis

Chair Adriane Beck asked if there were any public comments or board discussion.

Vote: Motion Passed Unanimously

Chair Adriane Beck mentioned that there were no other discussions items on the agenda, and that the September Board Meeting will be held in the same room and remotely via GoToMeeting on Tuesday September 27, 2022, at 1:30 pm.

There being no further business, the meeting was adjourned.