

MISSOULA COUNTY AIRPORT AUTHORITY
Regular Board Meeting
April 25, 2023
1:30 pm, Johnson Bell Conference Room

THOSE PRESENT

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

STAFF: Director Brian Ellestad
Deputy Director Tim Damrow
Finance Manager Teri Norcross
Director of Finance and Administration Will Parnell
Administrative Manager Lynn Fagan
Airfield Manager Nate Cole
Compliance Officer Jesse Johnson
IT Specialist Dylan O'Leary
Accounting Clerk Brianna Brewer
Public Safety Officer Gus Geldersma

OTHERS: Gary Matson, Runway 25 Hangars
Shaun Shea, Morrison-Maierle
Martin Kidston, Missoula Current via conference call
Travis Frey, Martel Construction
Cole Jensen, Martel Construction

Chair Larry Anderson 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 Larry Anderson noted that no Alternate Commissioner needed to be seated as the two Alternates were unable to attend the meeting.

AGENDA

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

Second: Vice Chair Winton Kemmis

Vote: Motion Passed Unanimously

PUBLIC COMMENT PERIOD

Chair Larry Anderson asked if there was any public comment on items not on the Board's agenda. There was none.

MINUTES

Chair Larry Anderson asked if anyone had questions, edits, or public comments regarding the minutes for the Regular Board Meeting dated March 28, 2023. There were none.

Motion: Vice Chair Winton Kemmis moved to approve the minutes of Regular Board Meeting dated March 28, 2023.

Second: Commissioner Shane Stack

Vote: Motion Passed Unanimously

CLAIMS FOR PAYMENT

Director of Finance and Administration Will Parnell noted that the Project expenses listed were for costs incurred in March and paid in April. Will also highlighted two checks that were non-reoccurring costs related to furniture and fixtures for the new terminal.

Chair Larry Anderson asked if there were any Board questions or public comments regarding the Claims for Payment. There were none.

Secretary/Treasurer Deb Poteet noted that she abstained from voting on this matter.

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

Second: Vice Chair Winton Kemmis

Vote: Motion Passed with one abstention

FINANCIAL REPORT

Director of Finance and Administration Will Parnell noted that he has included statements of cash flow, operating revenues, and operating expenses with the normal financial reports. Will also noted that the financials included two new accounts – accounts payable retainage long-term and accounts receivable retainage long-term. Will stated that accounts payable retainage was not previously considered reportable on the financials because it was payable by grant funds. Will also explained that he and the administrative staff have put new processes in place for reducing accounts receivable. Currently, 100% of the accounts receivable are deemed collectible. Will also reported that revenues are 90% of the current budget and expenses are 60% of the current budget.

Chair Larry Anderson asked if there were any Board questions or public comments regarding the Financial Report. There were none.

Motion: Secretary/Treasurer Deb Poteet moved to approve the Financial Report as presented.

Second: Commissioner Adriane Beck

Vote: Motion Passed Unanimously

DIRECTOR'S REPORT

Airport Director Brian Ellestad reported that March passenger enplanements came in strong with a 1.3% increase year over year. Brian stated that he and Deputy Director Tim Damrow recently travelled to Las Vegas for the annual Allegiant update conference. Brian reported that Allegiant currently has an all-Airbus fleet but has 50 Boeing aircraft deliveries over the next few years. Allegiant reported that they are very happy with our market.

Delta has upgraded their early morning Salt Lake City flight to an A319 aircraft for the summer. Brian stated that the airlines are making schedule adjustments much closer to the summer season than in the past due to the pilot shortage.

Brian invited the Board members to a birthday celebration for the Miss Montana aircraft that will be held at the Museum of Mountain Flying. Brian also reported that staff has been notified that Broadway would be getting re-surfaced in front of the airport, potentially causing some traffic delays.

Brian then reported that there was a severe windstorm at the airport recently and a ground boarding bridge was tipped over. There was also some damage to cars in the parking lot.

Deputy Director Tim Damrow gave a brief update on construction progress. Tim reported that work is in progress on the basement foundation for the East Concourse of the terminal. Tim also reported that there would be a new naming convention for the terminal phases. Staff has been calling Phase 1 the "South Concourse" and Phase 2 the "East Concourse." Tim is now adding Concourse A to the South Concourse and Concourse B to the East Concourse, as he has received some criticism on the directional descriptors.

Tim then reported that work on the laydown yard was underway and work on the deice ramp will begin next week.

Tim reported that the Master Plan process was ongoing but there would not be a lengthy update today. Morrison-Maierle is working on facility requirements based on the forecast data that was presented last month. Staff has given Morrison-Maierle input on needs related to the terminal, parking, and support space for firefighting needs.

Tim reminded the Board that MSO's triennial disaster drill will be taking place on May 5th.

Chair Larry Anderson asked if there were any Board questions or public comments for Brian and Tim. There were none.

LEGAL REPORT

Administrative Manager Lynn Fagan began by thanking MSO's administrative professionals, Brianna Brewer, and Kathi Fritz, stating that they are two of our best employees. Lynn then gave an update on Montana legislation. Staff have been following three bills that directly affect MSO. House Bill 319 addressed retirement benefits for firefighters by making those employees eligible for the 20-year firefighters retirement plan. Unfortunately, that bill died in committee and missed the transmittal deadline. Senate Bill 263 raised the maximum lease term for airport authorities from 40 years to 50 years. Senate Bill 264 addressed airport liquor licenses by increasing an airport's ability to lease the liquor license from one vendor to up to 3 vendors. Senate Bills 263 and 264 passed the legislature and are currently awaiting signature by the Governor.

Lynn then reminded the Board that there will be a presentation on May 19th at 9:30 am by MSO's air service development consultant and all are welcome to attend.

Chair Larry Anderson asked if there were any Board questions or public comments regarding the Legal Report. There were none.

COMMITTEE UPDATES

Executive Committee: Met April 25, 2023, 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

Contract with Systems Technology Consultants for Cybersecurity Assessment

Administrative Manager Lynn Fagan reminded the Board that they awarded the cybersecurity assessment RFP to Systems Technology Consultants last month. Staff has negotiated a contract. The contract incorporates the RFP, Systems Technology Consultants response, and provisions required by our FAA grant assurances. Systems Technology Consultants will perform a comprehensive NIST (National Institute of Standards and Technology) cybersecurity assessment in order to better understand our current risks and provide guidance on mitigating those risks.

Chair Larry Anderson asked IT Specialist if this process would interrupt MSO's IT systems at all. Dylan responded that he did not believe it would interfere. Larry asked if there were any Board questions or public comments. Commissioner Adriane Beck asked if there was a timeframe for completion of this work. Dylan responded that it should be completed before the end of the fiscal year.

Chair Larry Anderson asked if there were any further Board questions or public comments.

Motion: Secretary/Treasurer Deb Poteet moved to approve the contract with Systems Technology Consultants for a cybersecurity assessment in the amount of \$8,000.

Second: Vice Chair Winton Kemmis

Vote: Motion Passed Unanimously

NEW BUSINESS

Purchase of Snow Removal Equipment

Airfield Manager Nate Cole explained that staff would like to purchase a new MB-5C high speed runway broom/plow combination. The unit will have a 24' plow, and a 22' broom, with high-speed air blast. Sourcewell cooperative purchasing would be utilized. The airport would like to use this new unit to replace a 2005 Osh Kosh truck and tow behind MB broom. There is a 15-month lead time for this vehicle, and it will be paid for with AIP funds for federal fiscal year 2024. This will be

in MSO's budget for FY2025 for \$1,146,723.88. Nate noted that he and Ty Martinsen, Airport Mechanic, had discussed this equipment with staff at Denver airport. They have 5 of these and are very impressed with them. The big issue with them is the cost and the lead time.

Chair Larry Anderson asked if Board members had any questions. Vice Chair Winton Kemmis asked what staff's intention was for the old equipment. Nate responded that we would keep the old equipment for at least one year after delivery of the new equipment to ensure it functioned properly. Nate also stated that in the past, MSO has donated old equipment to smaller airports, but staff has not discussed this recently. There are now some sites online for auctioning off old equipment.

Chair Larry Anderson asked if the new equipment would reduce staff needs. Nate responded that it would not. The equipment it is replacing has the same functions.

Airport Director Brian Ellestad explained to the Board that staff is proposing purchasing this from our cooperative procurement vendor, Sourcewell. The FAA Airport District Office is not familiar with Sourcewell, so staff is providing them with information regarding Sourcewell's compliance with federal procurement regulations. However, Brian stated that he cannot confirm that this will be reimbursable by the FAA. However, if it is not, that money would be redirected to the terminal project.

Chair Larry Anderson asked if there were any further Board questions or public comments; there were none.

Motion: Vice Chair Winton Kemmis moved to approve the purchase of the MB 5C High Speed runway broom with plow in the amount of \$1,146,723.88 from Sourcewell.

Second: Commissioner Shane Stack

Vote: Motion Passed Unanimously

Morrison-Maierle Task Order-50, FHWA Charging and Fueling Infrastructure Grant Application

Deputy Director Tim Damrow explained to the Board that this Task Order covers preparation and completion of an application for a Federal Highway Administration grant for Charging and Fueling Infrastructure charging and alternative energy infrastructure. There are two categories for the grant and MSO fits both. Staff believes the airport is a unique location for these services as the rental car companies can make use of them, as well as passengers and travelers coming through on the interstate. A more substantive task order for design will follow if MSO is awarded a grant.

Honorary Commissioner Jack Meyer asked how much grant money we are applying for. Tim responded that under the community access category has a minimum grant of \$500,000 with a maximum of \$15 million. The travel corridor category minimum is \$1 million with no maximum cap.

Chair Larry Anderson asked if Board members had any other questions or public comments.

Motion: Secretary/Treasurer Deb Poteet moved to approve Task Order No. 50 with Morrison-Maierle in the amount of \$35,000.

Second: Commissioner Shane Stack

Vote: Motion Passed Unanimously

Award of Construction Bid for Pavement Rehabilitation Project

Airport Director mentioned that airside pavements are in need of upkeep. The Airport received and publicly opened bids for the Pavement Rehabilitation Project on April 19, 2023. Four bids were received and opened. All bids were vetted by Morrison-Maierle for compliance with FAA regulations. The low bid (submitted by CR Contracting) is considered to be a reasonable and responsible bid. Brian noted that staff has worked with this vendor before and they did very good work.

The low bid (\$816,515.50) was 18% lower than the Engineer's Estimate. While there were a number of bid items that were lower than the Engineer's Estimate, the primary reason for the lower bid is due to a competitive bid market for this project. In comparison to the competing bidders, there are no significant outliers in costs that would allude to any bidding discrepancies or mistakes in CR Contracting's overall bid.

Shaun Shea of Morrison-Maierle noted that CR Contracting is out of Bend, Oregon. They are very familiar with airport work. They will self-perform all the work, including crack sealing, fog sealing and pavement marking.

Chair Larry Anderson asked if Board members had any questions or public comments.

Secretary/Treasurer Deb Poteet asked what the engineer's estimate for the project was. Shaun responded that it was \$992,000. Commissioner Shane Stack asked how long the runway would have to be closed. Shaun stated that the project would be 14 straight days with 100%-night work from 9 p.m. until 5 a.m. The runway should not have to closed, with the exception of some work at the ends of the runway.

Chair Larry Anderson asked if Board members had any further questions or public comments. There were none.

Motion: Vice Chair Winton Kemmis moved to accept the Pavement Rehabilitation Project bid results and award construction to CR Contracting in the amount of \$816,515.50 contingent on the availability of federal funding.

Second: Secretary/Treasurer Deb Poteet

Vote: Motion Passed Unanimously

Morrison-Maierle Task Order-51, Construction Management Services for Pavement Rehabilitation Project

Airport Director Brian Ellestad noted that this task order is the corresponding construction management work for the Pavement Rehabilitation project. Services include on-site observation during construction, as well as grant management and closeout services.

Chair Larry Anderson asked if Board members had any questions or public comments. There were none.

Motion: Commissioner Shane Stack moved to approve Task Order No. 51 with Morrison-Maierle in the amount of \$53,500.

Second: Secretary/Treasurer Deb Poteet

Vote: Motion Passed Unanimously

Morrison-Maierle Task Order-52, Final Design of Rental Car Lot Modifications

Airport Director Brian Ellestad explained that in an effort to alleviate an overflowing terminal parking lot, and in conjunction with the expanded parking area currently under construction, this project will add controlled access/egress points into the rental car lot and allow separation from the paid parking lot in this area. Final design will modify and improve existing site lighting in this area with energy efficient LED lighting, add security cameras throughout the parking area and provide emergency backup power. This project will also research and recommend access control equipment as part of the bid documents. Lastly, this project will create a grading plan to mill and overlay the existing rental car lot.

With the upcoming completion of the added parking lot this summer, this design will finalize the components necessary for making this a complete paid parking area that can also flex into rental car parking at the completion of the terminal project.

The design work will begin immediately in hopes of bidding the project this summer and constructing in the fall when parking needs have decreased.

Chair Larry Anderson asked if Board members had any questions or public comments. There were none.

Motion: Commissioner Shane Stack moved to approve Task Order No. 52 with Morrison-Maierle in the amount of \$67,500

Second: Commissioner Adriane Beck

Vote: Motion Passed Unanimously

Discussion Items

Chair Larry Anderson stated that there being no further business, the meeting was adjourned. Chair Larry Anderson noted that the next Board meeting will be in the same hybrid format on May 30th at 1:30 p.m.