

MISSOULA COUNTY AIRPORT AUTHORITY
Regular Board Meeting
June 27, 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 Matt Doucette (Call In)
Alternate Commissioner Pat Boyle
Alternate Commissioner David Bell
Honorary Commissioner Jack Meyer

STAFF:

Director Brian Ellestad
Deputy Director Tim Damrow (Call In)
Finance Manager Teri Norcross
Director of Finance and Administration Will Parnell
Administrative Manager Lynn Fagan
Business Development Manager Dan Neuman
Airfield Manager Nate Cole
Compliance Officer Jesse Johnson
IT Specialist Dylan O'Leary
Accounting Clerk Brianna Brewer (Call In)
Tyler Martinsen Airfield Operations Tech
Ryan Devlin Airfield Operations Tech

OTHERS:

Gary Matson, Runway 25 Hangars
Shaun Shea, Morrison-Maierle
Martin Kidston, Missoula Current (Call In)
Todd Koster, Payne West Insurance
Christel Terrell, Serco NA

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 an Alternate Commissioner needed to be seated.

Motion: Commissioner Shane Stack moved to seat Alternate Commissioner Pat Boyle.

Second: Secretary/Treasurer Deb Poteet

Vote: Motion Passed Unanimously

AGENDA

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

Second: Commissioner Shane Stack

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 May 30, 2023, and the Special Board Meeting dated June 9, 2023. There were none.

Motion: Secretary/Treasurer Deb Poteet moved to approve the minutes of Regular Board Meeting dated May 30, 2023, and the Special Board Meeting dated June 9, 2023.

Second: Vice Chair Winton Kemmis

Vote: Motion Passed Unanimously

CLAIMS FOR PAYMENT

Director of Finance and Administration Will Parnell noted that the Airport incurred project costs in April in the amount of \$591,891, which have been submitted for federal reimbursement. He also noted in the general checking account check, 49162 for \$26,650 – ARFF Profire training conducted during the disaster drill. Approximately \$36,000 was spent on drill which was budgeted for \$45,000. Check number 49179 for \$47,008 was for material and installation related to the fencing project on the east side of Airport property and check number 184 for \$49,202.75 for final payment on the Airport radio system.

Chair Larry Anderson asked for a motion to approve the Claims for Payment.

Motion: Commissioner Adriane Beck moved to approve the Claims for Payment

Second: Commissioner Shane Stack

Vote: Motion Passed Unanimously

FINANCIAL REPORT

Director of Finance and Administration Will Parnell pointed out the Airport's Accounts Payable and Accounts Receivable (A/R) ratios. Will focused on the fact that A/R turnover has improved thanks to efforts by staff, who collected over \$100,000 (87%) in the over 60 days due category. Special thanks to Accounting Clerk Brianna Brewer for her efforts.

From the profit and loss statement, Will noted that revenues and expenses are currently 108% and 95% of the annual operating budget, respectively. Also, Will explained that MCAA recognized \$487 in PFC revenue in May, and that approximately \$170,000 is payable but was delayed due to a lost check. Will explained that PFC funds are recognized on a cash basis in the profit and loss statement.

Chair Larry Anderson asked if there were any Board questions or public comments regarding the Financial Report. Commissioner Pat Boyle asked what landing fee commissions were. Will explained that we utilize a third party to collect all non-based landing fees.

Chair Larry Anderson asked for a motion to approve the Financial Report.

Motion: Vice Chair Winton Kemmis moved to approve the Financial Report as presented.

Second: Secretary/Treasurer Deb Poteet

Vote: Motion Passed Unanimously

DIRECTOR'S REPORT

Airport Director Brian Ellestad reported that enplanements for May 2023 increased 5.5% year over year and that in July we have a 26% increase in seats so we hope to hit double digits in YoY growth.

Brian thanked staff for the recently completed FAA inspection which resulted in zero deficiencies.

Brian gave an update on construction progress. Tim Damrow noted that construction of the laydown yard and deice pad extension are off schedule about a month due to the amount of precipitation received in June. Terminal project has seen lots of progress. Martel is expecting to begin seeing steel show up in August of this year.

The main parking lot has been filling up every weekend although there is plenty of overflow parking.

Meet the staff: Christel Terrell, Serco NA, MSO Air Traffic Manager, introduced herself and fielded questions. Also, Tyler Martinsen and Ryan Devlin, both Airfield Operations Technicians introduced and spoke a little about themselves.

LEGAL REPORT

Administrative Manager Lynn Fagan reported that with the end of the fiscal year she is working to update staff wages and benefits. Management staff have been interviewing for the HR position and working with UKG to automate our payroll and human resources processes. There are 2 procurements on the board's agenda today. Lynn mentioned that there is a new hire in the Building Maintenance department. This brings us to 86 employees on our last payroll.

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 June 27, 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

FY 2024 Payne Insurance Renewal

Administrative Manager Lynn Fagan explained this is our insurance renewal and rates are going up again. Cincinnati, who covers our property insurance, completed an inspection which resulted in rates going up about 15%. Lynn explained that our liability insurance is based on enplanements which were lower during COVID and have far exceeded the numbers we saw during that time. Todd Koster, Payne West Insurance, explained that an evaluation was done on the new Terminal which resulted in higher property valuation. That along with the Rental Car tent and a few other changes led to an increase in property insurance. Also, equipment values have gone up \$250,000 (3 new trucks and 4 new pieces of equipment). Vice Chair Winton Kemmis asked what the Board might expect for increase in insurance rates for next year with the new concourse. Todd said he would work on that but that we could plan on a \$.09 per \$100,000 increase for that additional structure.

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

Motion: Commissioner Pat Boyle moved to accept the Payne Proposal for FY 2024 insurance renewal in the amount of \$227,568.

Second: Vice Chair Winton Kemmis

Vote: Motion Passed Unanimously

Approval of Moss Adams Engagement Letter and State Audit Contract.

Director of Finance and Administration Will Parnell presented action item to approve an Engagement letter with Moss Adams which outlines responsibilities of Auditors and MSO. It was discussed that there was a cap on travel expenses of \$5,000.

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 execution of the annual Audit Engagement Letter & Standard Audit Contract.

Second: Secretary/Treasurer Deb Poteet

Vote: Motion Passed Unanimously

Concourse Furniture, Fixtures and Equipment Package.

Deputy Director Tim Damrow presented action item to approve the Furniture, Fixtures and Equipment package for the B concourse including: hold room seating, kitchen equipment, network components and rental car office furniture. MSO would like to start purchasing items for this package to lock in supply and pricing.

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

Motion: Secretary/Treasurer Deb Poteet moved to approve the B Concourse FFE Package 1 and authorize staff to procure and purchase package elements in the total amount not to exceed \$919,900.

Second: Commissioner Shane Stack

Vote: Motion Passed Unanimously

NEW BUSINESS

Morrison-Maierle Task Order 54 – Final design of SRE bay modifications

Director Brian Ellestad explained that in our current snow removal equipment facility, the garage doors are inadequately sized to accommodate our fire trucks safely. It is staff's intention to remove these doors, expand the space and reinstall larger doors. Shaun Shea contributed that we are trying to align this work with a future grant in 2024.

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 Task Order No. 54 with Morrison-Maierle in the amount of \$45,000.00 for completing the Final Design of a the SRE Building Modifications.

Second: Secretary/Treasurer Deb Poteet

Vote: Motion Passed Unanimously

Award of Badging Services Request for Proposals

Compliance Officer Jesse Johnson presented action item to accept AirBadge as our badging system. Staff published a Request for Proposals on May 11, 2023. Three proposals were received by the June 13, 2023, deadline. Jesse explained that this will transition us to a paperless system and automate the process. Estimated time savings is 200 hours per year. It also reduces the likelihood of audit findings.

Chair Larry Anderson asked if they charge us extra as new requirements are handed down by TSA. Jesse explained that everything they charge us for is integrated into the fee. There are no separate start up or equipment fees. Any time there are upgrades it is based on per badge fee. Larry asked the cost per badge. Jesse said it was \$4.00 per badge.

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

Motion: Commissioner Pat Boyle moved to authorize staff to accept the proposal of AirBadge for badging services.

Second: Secretary/Treasurer Deb Poteet

Vote: Motion Passed Unanimously

Award of Access Control RFP

IT Specialist Dylan O'Leary presented an action for a contract to manage the 150+ doors and 300+ cameras on Airport property to Integrated Security Solutions, Inc. Staff published a Request for Proposals for an Access Control and CCTV Integrator on May 15, 2023. Two firms submitted proposals which were reviewed by a staff committee. The committee recommended award to Integrated Security Solutions, Inc. as the most advantageous to MCAA.

Chair Larry Anderson asked if this amount includes training for Dylan and Jesse. Dylan responded that an enhanced service agreement would be executed that allows staff access to the manufacturer. Chair Larry Anderson asked if we would be able to take care of any emergencies once they are certified. Dylan affirmed.

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

Motion: Secretary/Treasurer Deb Poteet moved to authorize staff to accept the proposal of Integrated Security Solutions, Inc. for Access Control and CCTV Integrator.

Second: Vice Chair Winton Kemmis

Vote: Motion Passed Unanimously

Purchase of Cat 938 Front-End Loader

Airfield Manager Nate Cole explained this equipment would be used for snow removal. It has features that allow us to switch between plowing and bucket quickly. Procurement is through Sourcewell.

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

Motion: Commissioner Pat Boyle moved to approve the purchase of one Cat 938M wheel loader through Sourcewell for an amount of \$268,893.00.

Second: Commissioner Shane Stack

Vote: Motion Passed Unanimously

Airport Car Condos, LLC Lease Addendum

Business Development Manager Dan Neuman presented an addendum to the lease for the remainder of the parcel that Airport Car Condos, LLC have developed since 2002. Dan noted that this is the last parcel remaining in their present location.

Chair Larry Anderson asked for clarifications about the property.

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

Motion: Vice Chair Winton Kemmis moved to Approve the Addendum to the Lease Agreement with Airport Car Condos, LLC to include Parcel 13-Remainder.

Second: Secretary/Treasurer Deb Poteet

Vote: Motion Passed Unanimously

Discussion Items

Chair Larry Anderson asked about a Master Plan update. Shaun Shea responded with the current state of that effort. There will be a doodle poll to carve out some time for the board to meet and get a current assessment on July 11th.

Chair Larry Anderson noted that the next Board meeting will be in the same hybrid format on July 25th at 1:30 p.m.

Meeting Adjourned.