

MISSOULA COUNTY AIRPORT AUTHORITY
Regular Board Meeting
July 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 Matt Doucette
Commissioner Jeff Roth
Alternate Commissioner Pat Boyle
Alternate Commissioner David Bell

STAFF:

Director Brian Ellestad
Deputy Director Tim Damrow (Call In)
Director of Finance and Administration Will Parnell
Administrative Manager Lynn Fagan
Business Development Manager Dan Neuman
Airfield Manager Nate Cole
Public Safety Chief Justin Shaffer
Compliance Officer Jesse Johnson
IT Specialist Dylan O'Leary

OTHERS:

Accounting Clerk Brianna Brewer
Gary Matson, Runway 25 Hangars
Shaun Shea, Morrison-Maierle
Scott Bell, Morrison-Maierle
Martin Kidston, Missoula Current (Call In)
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 an Alternate Commissioner was not needed.

AGENDA

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

Second: Commissioner Matthew Doucette

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 June 27, 2023. There were none.

Motion: Commissioner Jeff Roth moved to approve the minutes of Regular Board Meeting dated June 27, 2023.

Second: Commissioner Matthew Doucette

Vote: Motion Passed Unanimously

CLAIMS FOR PAYMENT

Director of Finance and Administration Will Parnell noted that the Airport incurred project costs in May in the amount of \$1,200,000 and these have been submitted for federal reimbursement. He also explained that budgeted goods and services which are billed at the beginning of the fiscal year are amortized over the year. Will also noted that the first of three installment payments of approximately \$52,000 for the Amadeus airline system is on the Claims list.

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

Motion: Secretary Treasurer Deb Poteet moved to approve the Claims for Payment

Second: Vice Chair Winton Kemmis

Vote: Motion Passed Unanimously

FINANCIAL REPORT

Director of Finance and Administration Will Parnell reported that for fiscal year 2023 Accounts Receivable, the average duration is 29 days, as compared to 34 days in fiscal year 2022. Will also noted that he has started to record year-end entries on the Balance Sheet. Specifically, the accruals related to compensated absences (increase in liability of \$28,970.21 over prior year), the defined benefit plan or PERS (increase in liability of \$874,167.34 over PY), wages and ER benefits (\$71.4K in wages and ER benefits accrued in FY23, but paid in FY24) and lease assets and lease liabilities or GASB 87 (net impact similar to PY as there was no new leases subject to the provisions of GASB 87 and no material changes to existing leases).

Will also noted that revenues and expenses for FY23 are currently 118% and 109% of the annual operating budget, respectively, and that cash flow is positive.

As of June 30, 2023, long-term debt is \$21,341,774. No drawdowns on the note occurred in June.

Chair Larry Anderson asked if there were any Board questions or public comments regarding 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 staff had issued two Press Releases that day regarding record passenger numbers in June and Teri Norcross', Finance Manager, award for Small Hub Airport Finance Manager of the Year.

Brian noted that he and Tim were busy preparing for the October air service conference here in Missoula. He also congratulated Nate Cole, Airfield Manager, and Justin Shaffer, Chief of Public Safety, for the completion of the airfield pavement project which took place at night over several weeks.

Deputy Director Tim Damrow gave a construction update. Tim stated that the basement in Phase 2 of the terminal project is complete, and steel will be showing up in August. The deice ramp expansion is progressing and the laydown year is still a little behind schedule.

LEGAL REPORT

Administrative Manager Lynn Fagan reported that procurement issues are keeping her busy. The Board awarded the badging RFP last month to AirBadge. The contract is not on the agenda this month as staff are still negotiating terms with AirBadge. There are two Invitations to Bid out now. One is for an overlay of the Forest Service roof and the other is for snow removal equipment. Both are expected to be awarded at the August meeting.

Lynn also noted that Nikki Munro was hired as a Human Resources Generalist and would be starting in early August. The implementation for new HR and payroll software is progressing and is on track to go live in early October.

Lynn also explained to the Board that representatives from Moss Adams, the firm hired to audit the airport's fiscal year 2023 financial statements, will be making a presentation at the August meeting.

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 July 25, 2023, to review the Board agenda.

Finance Committee: No Activity

Business Development: No Activity

Contract & Lease Committee: No Activity

Facility & Operations Committee: Met July 25 for a Master Plan update.

Marketing Committee: No Activity

General Aviation Committee: No Activity

Legislative Committee: No Activity

UNFINISHED BUSINESS

Contract with Integrated Security Solutions for Access Control

Administrative Manager Lynn Fagan explained that last month the Board approved the award of the Access Control RFP to Integrated Security Solutions (ISS). This item is to approve the contract for those services. ISS will be servicing more than 150 doors and gates and around 300 networked cameras around the airport. The contract is for three years. A rate sheet was provided to the Board members at the meeting.

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

Motion: Vice Chair Winton Kemmis moved Move to approve the contract with Integrated Security Solutions for Access Control and CCTV Integrator services for a term of three years, including Exhibit A and a change to the insurance requirement from \$1.5 million to \$1 million.

Second: Secretary Treasurer Deb Poteet

Vote: Motion Passed Unanimously

Martel Construction - Change Orders re: Bag Handling System

Deputy Director Tim Damrow explained that while most of the South Concourse task orders were closed out several months ago, the Baggage Handling System was unable to be closed due to shipping delays for spare parts. With the last of the spare parts now on-site, Martel is ready to close out the associated contracts for the baggage handling system. Each of the respective contracts below requires a deductive change order that will close the project out and reconcile unused budgets. The unused budget from the Martel contracts will be advanced to the East Concourse Project as additional contingency budget. Deductive change orders are as follows:

- Martel Contract #18B – BHS, Installation – Deductive Change #1 = (\$64,363.31)
 - Martel Contract #19 – Temporary Baggage Claim – Deductive Change #1 = (\$31,818.62)
 - M-M Task Order #32C – BHS Construction Admin – Deductive Change #1 = (\$19,054.27)
- Total Deductive Change Orders = (\$115,236.20)**

With several design changes to the scope of the East Concourse Design (Basement and Holdroom Expansion), we are looking to augment existing project contingencies (Martel Contract Amendment #24, East Concourse Construction) with the unspent funds from previously mentioned project components (Martel Contract Amendments 18B, and 19) in the amount of \$96,181.93. The funds from Morrison Maierle Contract #32C will be treated as a budget underrun in the amount of \$19,054.27.

Martel Contract #24 - East Concourse Construction – Additive Change #1 = \$96,181.93
Total Additive Change Order = \$96,181.93

Tim thanked Martel Construction and Morrison-Maierle for being good caretakers of the airport's public funds.

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

Motion: Commissioner Jeff Roth moved to accept the deductive change orders to Martel Construction and Morrison-Maierle contracts in the amount of \$115,236.20 and the additive change order to Martel Contract #24 in the amount of \$96,181.93.

Second: Commissioner Adriane Beck

Vote: Motion Passed Unanimously

Change Order for Knife River Contract.

Director Brian Ellestad explained that as part of the Deice Apron Project, Knife River has provided a budget to complete the construction of the East Air Carrier Ramp Expansion Project.

The project budget was determined by using the unit prices established with Knife River's competitive bid for the Deice Apron in June 2022. Morrison-Maierle designed the East Air Carrier Ramp Expansion and applied Knife River's contracted unit prices to the quantities and scope of the East Air Carrier Ramp Expansion. A copy of the itemized units of work that built up the project budget were presented to the Board.

As a result, Knife River is proposing a Construction Change Order in the amount of \$646,596.10 to complete the construction for the East Air Carrier Ramp Project. This project will begin immediately. The project will be funded by an AIP grant in the amount of \$581,926.49. MCAA's share will be \$64,659.61.

Brian noted that this will provide staff with more flexibility in aircraft parking. Two of the three aircraft parking spaces in the Phase 2 area are already in use this summer.

Chair Larry Anderson asked if there were any further Board questions or public comments. Alternate Commissioner David Bell asked if the new ramp space in Phase 2 will be serviced with a jet bridge. Brian responded that it will not. Phase 1 has 4 jet bridges and Phase 2 will include two more jet bridges.

Commissioner Shane Stack asked if staff are comfortable with the pricing. Shaun Shea responded that the pricing is 20 to 25% less than comparable prices from across the region and that he did check with Knife River to ensure they could honor the price for this extra work.

Motion: Vice Chair Winton Kemmis moved to accept the budgeted price and construction change order from Knife River in the amount of \$646,596.10 for the construction of the East Air Carrier Ramp Expansion Project.

Second: Secretary/Treasurer Deb Poteet

Vote: Motion Passed Unanimously

Morrison-Maierle Task Order Amendment – Construction Services for East Air Carrier Ramp Expansion

Director Brian Ellestad explained that this Morrison-Maierle Task Order coincides with the construction change order for the East Air Carrier Ramp Expansion Project. Services will include on-site observation during construction, as well as survey services, grant management and closeout services. Brian also thanked Morrison-Maierle staff for all the work on projects at the airport in the last few weeks.

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

Motion: Commissioner Shane Stack moved to Approve Task Order No. 55 with Morrison-Maierle in the amount of \$46,250

Second: Commissioner Adriane Beck

Vote: Motion Passed Unanimously

NEW BUSINESS

Purchase of 2024 Chevrolet Silverado for Public Safety Department

Chief of Public Safety Justin Shaffer explained that the Public Safety Department was approved to purchase a new Police Vehicle in the FY2024 Capital Equipment Budget. The budget amount available is \$65,000. The vehicle to be purchased is a 2024 Chevrolet Silverado Police Vehicle and would be purchased through Sourcewell (National Auto Fleet Group). This will replace a 2013 GMC Yukon Police Vehicle. Justin stated that MCAA's Procurement Policy, approved by the Board in November 2019, permits staff to procure goods through cooperative purchasing groups, such as Sourcewell.

Justin also noted that Brian and Tim were also on site for the recent night work and stated they provide excellent leadership.

Chair Larry Anderson asked if Board members had any other questions or public comments. Commissioner Matthew Doucette asked if the new vehicle would come with all required police equipment. Justin responded that the light package, computer, and other equipment will be removed from the decommissioned vehicle.

Motion: Commissioner Matthew Doucette moved to approve the purchase of the 2024 Chevrolet Silverado Police Vehicle through Sourcewell in the amount of \$58,886.38.

Second: Vice Chair Winton Kemmis

Vote: Motion Passed Unanimously

Discussion Items

Chair Larry Anderson noted that there will be a Facilities and Operations Committee meeting following the Board meeting regarding a Master Plan update.

Chair Larry Anderson noted that the next Board meeting will be in the same hybrid format on August 29th at 1:30 p.m.

Meeting Adjourned.