

MISSOULA COUNTY AIRPORT AUTHORITY  
Regular Board Meeting  
June 25, 2024  
1:30 pm, Johnson Bell Conference Room

THOSE PRESENT

BOARD:

Chair Winton Kemmis  
Commissioner Larry Anderson  
Commissioner Adriane Beck  
Commissioner Shane Stack  
Commissioner Matthew Doucette  
Alternate Commissioner Jack Meyer

STAFF:

Director Brian Ellestad  
Deputy Director Tim Damrow  
Director of Finance and Administration Will Parnell  
Legal Counsel Lynn Fagan  
Business Development Manager Dan Neuman  
Compliance Officer Jesse Johnson  
IT Specialist Dylan O'Leary via MS Teams  
Accounting Clerk Brianna Brewer  
Administrative Assistant Kathi Fritz

OTHERS:

Gary Matson, Runway 25 Hangars  
Shaun Shea, Morrison Maierle  
Tyler Reed, Morrison Maierle  
Travis Frey, Martel Construction  
Martin Kidston, Missoula Current via MS Teams  
Cole Jensen, Martel Construction  
Jen Ewan, Sova Partners  
Nick Terlecki, Gallagher Risk Management Services

Chair Winton Kemmis called the meeting to order and advised everyone that the meeting was being recorded.

Legal Counsel Lynn Fagan performed a roll call of Board members, staff members, and members of the public.

Chair Winton Kemmis noted that an Alternate Commissioner needed to be seated.

Motion: Commissioner Matthew Doucette moved to seat Alternate Commissioner Jack Meyer

Second: Commissioner Larry Anderson

Vote: Motion Passed Unanimously

AGENDA

Chair Winton Kemmis asked if there were any changes to the agenda. There were none.

Motion: Commissioner Shane Stack moved to approve the agenda.

Second: Alternate Commissioner Jack Meyer

Vote: Motion Passed Unanimously

### PUBLIC COMMENT PERIOD

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

### MINUTES

Chair Winton Kemmis asked if anyone had questions, edits, or public comments regarding the minutes for the Regular Board Meeting dated May 28, 2024. There were none.

Motion: Alternate Commissioner Jack Meyer moved to approve the minutes of Regular Board Meeting dated May 28, 2024.

Second: Commissioner Matthew Doucette

Vote: Motion Passed Unanimously

### CLAIMS FOR PAYMENT

Director of Finance and Administration Will Parnell presented the Claims for Payment. Starting with project expenses, during the month of May 2024, MCAA incurred approximately \$2.6 million in project expenses. May project expenses will be paid in the next few days and are presented as accounts payable projects on the balance sheet. Of the \$2.6 million in project expenses, approximately \$522,000 or 20% has been submitted to the FAA for reimbursement. The remaining project expenses will be paid with reserves and debt.

There were a few non-recurring and/or significant payables incurred over the reporting period. Will explained that Convergent Technologies, LLC, is a new vendor for fire alarm service and monitoring. The check to Convergent for \$17,525 will be amortized over the fiscal year. The \$10,460 check to Motorola is for service for the Public Safety department's body cameras.

Chair Winton Kemmis asked if there were any Board questions or public comments regarding the Claims for Payment. Commissioner Larry Anderson asked about charges for custodial services as they seemed high. Will explained that the amounts paid to Rising Fast and Spectrum Window Cleaning are fixed and paid monthly.

There were no other questions or comments.

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

Second: Commissioner Adriane Beck

Vote: Motion Passed Unanimously

### FINANCIAL REPORT

Director of Finance and Administration Will Parnell presented the Financial Report. Parking revenue has increased by approximately 10% compared to last year. Revenues and expenses

are currently 94% and 92% of the annual operating budget, respectively. The negative operating cash flow in April was due to increased payroll costs as there were three pay periods.

Chair Winton Kemmis asked if there were any Board questions or public comments regarding the Financial Report. There were no questions or comments.

Motion: Commissioner Adriane Beck moved to approve the Financial Report

Second: Commissioner Matthew Doucette

Vote: Motion Passed Unanimously

#### DIRECTOR'S REPORT

Airport Director Brian Ellestad presented his report to the Board. May ended with an increase of 21.9% more passengers as compared to last May. There was a 40% increase in available seats in May. Sun Country is beginning service from MSO to Minneapolis tomorrow.

Deputy Director Tim Damrow gave a construction update on the progress of the terminal Phase 2. Phase 3 construction is set to begin in the next few weeks with site prep and installing piers.

Chair Winton Kemmis asked if there were any Board questions or public comments. There were no questions or comments.

#### LEGAL REPORT

Legal Counsel Lynn Fagan presented her report to the Board. There was a Facilities and Operations committee meeting on June 18<sup>th</sup> to discuss a potential sale of the Milwaukee railroad right-of-way. City Parks staff and Cory Miller, an adjacent landowner also interested in the property, attended. Staff reviewed the history of the parcel, the appraisals, and the FAA process for release of the property from the FAA grant assurances. After much discussion, it was agreed that the three parties would get together to discuss a deal that benefits all parties.

Chair Winton Kemmis asked if there were any Board questions or public comments regarding the Legal Report. There were no questions or comments.

#### COMMITTEE UPDATES

Executive Committee: Met June 25, 2024, to review the Board agenda.

Finance Committee: No Activity

Business Development: No Activity

Contract & Lease Committee: No Activity

Facility & Operations Committee: Met June 18, 2024

Marketing Committee: No Activity

General Aviation Committee: No Activity

Legislative Committee: No Activity

#### UNFINISHED BUSINESS

##### Fiscal Year 2025 Insurance Renewal

Director of Finance and Administration Will Parnell presented this item to the Board. Staff issued an RFP for an insurance broker and the Board approved award to Gallagher Risk Management

Services at the April 23<sup>rd</sup> meeting. Staff have been working with Nick Terlecki and his team since then and Nick has submitted a proposal for our FY25 insurance renewal. Gallagher had a short turnaround time for the renewal this year but has put together an excellent package. Our total insurance cost for FY24 was \$228,730. The FY25 package is approximately 11% higher but does include a \$1 million Cyber Insurance policy.

Chair Winton Kemmis asked if there were any Board questions or public comments. Commissioner Larry Anderson stated that he thought the Executive Summary prepared by Nick's team was very informative and he liked the information on national trends.

There were no other questions or comments.

Motion: Alternate Commissioner Jack Meyer moved to accept the Gallagher Insurance Renewal Package for Fiscal Year 2025 for a total of \$254,242.

Second: Commissioner Larry Anderson

Vote: Motion Passed

#### Martel Contract Deductive Change Order

Deputy Director Tim Damrow presented this item. Over the last few months, MSO has closed out several project grants with the FAA. These grants were related to various project scopes throughout the airport from the deice apron to terminal expansion. Several of the related task orders were underbudget from the initial project GMPs. The underruns were a result of scope reductions, schedule efficiencies and overall responsible project management from Morrison Maierle. Each of the respective task orders requires a deductive change order that will close the project out and reconcile unused budgets, as shown below.

MM Task Order #44 – Deice Ramp CMS – Deductive Change #1 = (\$20,561.88)  
MM Task Order #49 – Laydown/FTAR CMS – Deductive Change #1 = (\$2,624.33)  
MM Task Order #51 – Pavement Rehab CMS – Deductive Change #1 = (\$5,927.81)  
MM Task Order #55 – East Ramp Expand CMS – Deductive Change #1 = (\$1,634.76)  
**Total Deductive Change Orders = (\$30,748.78)**

Chair Winton Kemmis asked if there were any Board questions or public comments. Commissioner. Commissioner Larry Anderson asked where the money will go. Tim responded that the contracts will just be closed out under budget.

There were no other questions.

Motion: Alternate Commissioner Jack Meyer moved to accept the deductive change orders to Morrison Maierle Task Orders 44, 49, 51, and 55 in the amount of \$30,748.78.

Second: Commissioner Adriane Beck

Vote: Motion Passed Unanimously

#### Terminal FFE Package 3 – Holdroom Seating

Deputy Director Tim Damrow presented this item. The “B” Concourse FFE (Furniture, Fixtures and Equipment) Package 3 includes additional hold room seating quantities to cover the Phase 3

Terminal Expansion. Holdroom seating was initially bid in late 2020 as part of the South Concourse project and Arconas was selected as the low bidder. To reduce costs and complexities, the Missoula airport team will be coordinating purchase, delivery and installation directly with Arconas. The elements of this package include supply and installation of hold room seating and related components. A contingency amount of 8% has been added to help cover any additional product adjustments that may occur.

Chair Winton Kemmis asked if there were any Board questions or public comments. There were no questions or comments.

Motion: Commissioner Larry Anderson moved to approve Phase 3 FFE Package and authorize staff to procure and purchase package elements in a total amount not to exceed \$185,936.

Second: Commissioner Matthew Doucette

Vote: Motion Passed Unanimously

## NEW BUSINESS

### Award and Contract Approval for ATM Services

Legal Counsel Lynn Fagan presented this item. Rocky Mountain ATMs have operated at the Missoula MT Airport since 2008. The concession was last advertised in 2016. No other proposals were received at that time. Staff published a Request for Proposal for this concession on April 26, 2024. Eight vendors requested the RFP documents; however, only Rocky Mountain ATMs submitted a proposal. John Hubley of Rocky Mountain ATMs has been great to work with. Staff are recommending that the bid be awarded to Rocky Mountain ATMs. A five-year contract is attached. There are currently 4 ATMs in the terminal. Additional spaces may be added when Phase 2 is opened. Rocky Mountain ATMs will pay a per transaction fee of \$1.50 with a Minimum Annual Guarantee of \$9,012 for each year of the contract. Additionally, they will pay 10% of any revenue they receive for third-party advertising. Customer fees are capped at \$3.00 and may not be increased without MCAA's approval.

Chair Winton Kemmis asked if there were any Board questions or public comments. Commissioner Larry Anderson asked if the past revenue exceeded the Minimum Annual Guarantee. Lynn stated that she had not checked that recently but she believes it has.

There were no other questions.

Motion: Alternate Commissioner Jack Meyer moved to award the ATM RFP to Rocky Mountain ATMs and to approve the ATM Concession Agreement as presented.

Second: Commissioner Larry Anderson

Vote: Motion Passed Unanimously

### Morrison-Maierle Task Order No. 63 – Runway Reconstruction Design

Airport Director Brian Ellestad presented this item. Runway 12-30 is in need of rehabilitation. The most recent rehabilitation projects for RW 12-30 happened in 2006 (mill/overlay) and 2017 (seal coat and remarking). The 2006 mill/overlay project is nearing the end of its useful life and the Airport's Operations staff is struggling to keep up with the aging pavement. This Task Order is for

design only and will be taken through bidding services. Design is anticipated to begin immediately following Board Approval and will progress until bid opening and a recommendation of award in May 2025.

In addition to rehabilitating the runway surface, other major scope items include designing transitions to all the connector taxiways, upgrading the runway lights to LED and replacing the emergency generator for the airfield electrical vault. The design team will provide multiple construction phasing alternatives for Airport Management to review before coordinating potential shutdowns with the airlines and airport users.

This project was originally scheduled on the Airport's ACIP and with the FAA for construction in 2027. The FAA has requested the project be moved up due to an opportunity to capture discretionary funding in 2025. That scheduling change requires design to begin as soon as possible.

Chair Winton Kemmis asked if there were any Board questions or public comments. Commissioner Larry Anderson asked what the extent of the project included. Shaun Shea responded that it included the whole runway.

Alternate Commissioner Jack Meyer asked whether the runway would be shut down a little time each day during the project. Brian responded that is what was done in 2006. An alternative would be to shut the runway down for 72 hours straight. Details on how this will be handled have not yet been determined.

There were no other questions.

Motion: Alternate Commissioner Jack Meyer moved to approve Task Order No. 63 with Morrison-Maierle in the amount of \$850,000.00 contingent on an Independent Fee Estimate (IFE).

Second: Commissioner Adriane Beck

Vote: Motion Passed Unanimously

#### Information/Discussion Item(s)

Chair Winton Kemmis noted that the next Board meeting will be in the same hybrid format on July 30, 2024, at 1:30 p.m.

Meeting Adjourned.