

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

THOSE PRESENT

BOARD: Commissioner Larry Anderson – Acting Chair
Commissioner Shane Stack
Commissioner Matthew Doucette via MS Teams
Alternate Commissioner David Bell

STAFF: Director Brian Ellestad
Deputy Director Tim Damrow
Director of Finance and Administration Will Parnell
Legal Counsel Lynn Fagan
Director of Maintenance Nate Cole
Business Development Manager Dan Neuman
Ground Handling Manager Andrew Bailey
Compliance Officer Jesse Johnson
Human Resources Manager Nikki Munro
IT Specialist Dylan O’Leary via MS Teams
Accounting Clerk Brianna Brewer

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
David Fleming, TRS Group

Acting Chair Larry Anderson 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.

Acting Chair Larry Anderson noted that an Alternate Commissioner needed to be seated.

Motion: Commissioner Shane Stack moved to seat Alternate Commissioner David Bell

Second: Commissioner Matthew Doucette

Vote: Motion Passed Unanimously

AGENDA

Acting Chair Larry Anderson asked if there were any changes to the agenda. There were none.

Motion: Commissioner Shane Stack moved to approve the agenda.

Second: Alternate Commissioner David Bell

Vote: Motion Passed Unanimously

PUBLIC COMMENT PERIOD

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

MINUTES

Acting Chair Larry Anderson asked if anyone had questions, edits, or public comments regarding the minutes for the Regular Board Meeting dated June 25, 2024. There were none.

Motion: Alternate Commissioner David Bell moved to approve the minutes of Regular Board Meeting dated June 25, 2024.

Second: Commissioner Shane Stack

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 June 2024, MCAA incurred approximately \$1.9 million in project expenses. June project expenses will be paid in the next few days and are presented as accounts payable projects on the balance sheet. Of the \$1.9 million in project expenses, approximately \$1.3 million or 70% has been submitted to the FAA for reimbursement. The remaining project expenses will be paid with reserves and debt.

There was a significant payables incurred over the reporting period. Will explained that TIBA Parking, LLC is a new vendor providing parking and access control equipment. The check for \$277,815.50 is 50% of the equipment charges. This was approved by the Board at the regular May 2024 meeting.

Acting Chair Larry Anderson asked if there were any Board questions or public comments regarding the Claims for Payment. There were no questions or comments.

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

Second: Alternate Commissioner David Bell

Vote: Motion Passed Unanimously

FINANCIAL REPORT

Director of Finance and Administration Will Parnell presented the Financial Report. As of June 30, 2024, the accounts receivable balance is approximately \$3.5 million. Will noted that parking revenue has increased by approximately \$370,000, or 12%, as compared to the same period last year.

Revenues and expenses are currently 105% and 105% respectively of the annual operating budget.

Acting Chair Larry Anderson asked if there were any Board questions or public comments regarding the Financial Report. There were no questions or comments.

Motion: Alternate Commissioner David Bell moved to approve the Financial Report

Second: Commissioner Shane Stack

Vote: Motion Passed Unanimously

DIRECTOR'S REPORT

Airport Director Brian Ellestad presented his report to the Board. Brian began by thanking staff for being so responsive after the storm of July 24th. The airport experienced winds up to 81 mph. Multiple fences, ground boarding bridges and numerous signs blew over. One flight diverted to Spokane and arrived the following day and another was rescheduled for the following day. No injuries were sustained. Staff have opened an insurance claim and will provide information to the insurer as it is received.

The month of June ended with an increase of 16.5% more passengers as compared to last June. Staff is expecting double digit growth in July as well. Brian noted that July has been a tough month operationally. In addition to the storm, there was the global IT outage that affected many airlines. Brian praised the ground handling team for its hard work throughout.

Staff submitted MSO's application for a Small Community Air Service grant for year-round service to Chicago. Brian thanked Alternate Commissioner David Bell, Destination Missoula, and Glacier Country, for their assistance on the project. Brian noted that he thinks the application was strong.

Acting Chair Larry Anderson asked if there was any impact on the airport's IT from the global outage. Dylan O'Leary responded the airport was not affected. if there were any Board questions or public comments.

Deputy Director Tim Damrow presented an operational update. Parking has been a challenge but Tim noted that the new vendor, LAZ Parking, is now on site and doing a great job. Staff and LAZ have taken steps to create space in all of the lots. The short-term lot has been rebranded as "Premium" parking, as it is closest to the terminal and rates are \$20 per day in that lot. Long-term is currently \$12 per day. After a month of these changes, the premium lot is at about 50% occupancy, compared to close to 95% previously. Long-term lot is around 80% occupancy and the economy lot is in the 40-50% range. New equipment for the lot will be delivered and installed next month.

Tim also mentioned that June marked the 15-year anniversary of MSO providing ground handling services. Tim noted that there were 10 ground handling employees when we started and there are over 50 now. Our staff alone have handled over 100,000 passengers this year. Tim also praised the staff for winning the American Customer Cup and generally for their high level of customer support.

Tim then reported that there have been some departmental structural changes. Nate Cole was promoted to Director of Maintenance; to support Nate in that role, AJ Bemrose from the building department and Jake Sol from airfield have been promoted to supervisors.

Acting Chair Larry Anderson thanked staff on behalf of the Board for jumping in and helping during the storm. Larry then asked if there were any questions or comments from the Board or the public. There were no questions or comments.

LEGAL REPORT

Legal Counsel Lynn Fagan presented her report to the Board. Lynn notified the Board of an upcoming training opportunity and stated she would email the information. Lynn then reminded the Board about a Facilities and Operations committee meeting directly after the Board meeting. Staff would update the committee on revisions to the Primary Guiding Documents and discuss a potential lease for a solar farm.

Lynn also stated that staff would be meeting with City Parks and Cory Miller about a potential sale of the Milwaukee railroad right-of-way.

Acting Chair Larry Anderson 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 July 30, 2024, 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

Amendment to Lease with L3Harris Technologies, Inc. (formerly Exelis, Inc.)

Legal Counsel Lynn Fagan presented this item. In March 2012, MCAA entered into a Lease Agreement with Exelis Inc. for the placement of equipment in the Air Traffic Control Tower (ATCT). The equipment, an ADS-B radio station site, is an integral part of the FAA national airspace systems. Exelis, Inc. merged with Harris Corporation in 2015 and in 2019, Harris Corporation changed its name to L3Harris Technologies, Inc. This amendment to the lease is to update the name and notice provision and change the renewal terms of the original contract. L3Harris has an agreement with the FAA which concludes at the end of the 2025 federal fiscal year. The new renewal provision allows L3Harris to extend the lease in coordination with FAA contract extensions.

Acting Chair Larry Anderson asked if there were any Board questions or public comments. There were no questions or comments.

Motion: Commissioner Shane Stack moved to approve Amendment to Lease with L3Harris Technologies, Inc.

Second: Alternate Commissioner David Bell

Vote: Motion Passed Unanimously

NEW BUSINESS

MCAA Resolution No. 2025-01 - Revisions to Employee Policy Manual

Human Resource Manager Nikki Munro presented this item. The MCAA Employee Policy Manual was last updated in December 2019. Nikki stated that she and Legal Counsel Lynn Fagan have both reviewed the manual and are presenting these revisions for your approval. Job titles have been updated throughout the manual to reflect changes in the organization and gender-neutral language has been added. The Military Leave section has been revised to include all requirements of the Montana Military Service Employments Rights Act. A six-month probationary period for part-time employees has been added. The probationary period for full-time employees remains at nine-months.

The Payroll section has been updated to reflect UKG (new HR and payroll software) requirements.

We have also added language regarding eligibility for health insurance and PERS for part-time employees and added information on when employees can buy-out vacation leave.

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

Motion: Alternate Commissioner David Bell moved to adopt MCAA Resolution No. 2025-01 – Resolution Adopting the Missoula County Airport Authority Employee Policy Manual.

Second: Commissioner Shane Stack

Vote: Motion Passed Unanimously

Award of RFP for ARFF Vehicle Cleaning Services

Deputy Director Tim Damrow presented this item. Tim explained that for several decades, airports around the country have been required to use FAA approved firefighting foam (AFFF) to suppress fires in airport environments. Recent studies have expressed concern around these foams and associated PFAS contents due to potential environmental impacts. Over the last few years, airports and the military began work to find a replacement to AFFF that meets Federal standards while being environmentally friendly. These new foams, formally called “Fluorine Free Foams” (F3) have recently received FAA approval for use in airport environments, allowing airports to continue to meet Part 139 requirements for firefighting. MSO staff has been following guidance related to foam and is wanting to get ahead of the curve and transition to new F3 foam. This item is for procuring services to clean our vehicles and equipment from AFFF. Staff believe that being in the first group of airports to transition to these products will offer time and cost savings. To complete the transition to F3 foam, ARFF vehicles need to be cleaned of the current AFFF before being switched over to F3 foam. Current federal guidance recommends a single water rinse to flush the system but many airports, MSO included, believe this to be insufficient to fully decontaminate the vehicle. Staff published an RFP seeking firms to clean, treat and dispose of all existing AFFF in ARFF vehicles and bulk concentrate. MSO received one response from the TRS Group which offers a full-service solution to clean and dispose of all remaining AFFF on-site. TRS utilizes a proprietary treatment process to clean AFFF from contaminated vehicles with greater effectiveness and reduced waste. This purchase will be submitted for reimbursement under a grant program enabled from the FAA Reauthorization Act of 2024.

Acting Chair Larry Anderson asked if there were any Board questions or public comments. Commissioner Shane Stack asked if all three of the ARFF trucks currently have the foam in them. Tim responded that they do and explained that the trucks have a water tank and a separate foam

tank. Tim also explained that staff had reached out to Seattle airport's environmental department and they have been very helpful in providing assistance with this process. They issued an RFP prior to ours and TRS Group is actually on site there now. Seattle staff spoke very highly of the process. We are hopeful that following the same process will facilitate our ability to obtain reimbursement on upcoming FAA grants.

Board member discussion ensued regarding the process and procedure.

Motion: Commissioner Shane Stack moved to award the RFP for ARFF Vehicle Cleaning Services to the TRS Group.

Second: Alternate Commissioner David Bell

Vote: Motion Passed Unanimously

Purchase of F3 Firefighting Foam

Deputy Director Tim Damrow presented this item, which follows along with the previous item. Staff is requesting approval to purchase the new F3 foam to be used in the ARFF vehicles after the cleaning process is completed. Staff obtained bids and received a low bid for Solberg foam provided through L.N. Curtis. Tim stated that this purchase will also hopefully be reimbursable from a grant in the future.

Acting Chair Larry Anderson asked if there were any Board questions or public comments. Commissioner Shane Stack asked how much foam would be purchased. Tim responded that the amount purchased is enough to fill all three trucks with enough extra to cover one truck.

Motion: Commissioner Shane Stack moved to approve the purchase of Solberg firefighting foam from LN Curtis in the amount not to exceed \$42,485.

Second: Alternate Commissioner David Bell

Vote: Motion Passed Unanimously

Purchase of Cameras for Public Safety

Deputy Director Tim Damrow presented this item. Tim explained that we have brought on two new Public Safety Officers and therefore need to purchase body cameras for them. Our officers currently wear Motorola body-worn cameras while on police duty. Each officer has a camera issued to them. The police vehicles are also outfitted with an in-car camera system. The footage from these cameras can be used as evidence and a training resource for various situations. The new cameras staff is requesting authorization to purchase would be from Axon. They come with updated technology and work off a cloud-based system where the old system runs off a local server. Axon cameras would also sync with the officer's department issued tasers. Staff would like to try the Axon system in tandem with the Motorola cameras to determine which performs better.

This purchase would be for 3 new body-worn cameras and 1 in-car system. MCAA currently has a new patrol vehicle on order which would need an in-car camera system. The 3rd body-worn camera would be a spare in the event one of the other cameras experiences an issue. The total Sourcewell purchase price for all cameras is \$28,455.80. Payments will be made over a 5-year period with the annual payment of \$5,691.16.

Acting Chair Larry Anderson asked if there were any Board questions or public comments. There were no questions.

Motion: Alternate Commissioner David Bell moved to approve the purchase of AXON cameras in the amount not to exceed \$28,455.80.

Second: Commissioner Shane Stack

Vote: Motion Passed Unanimously

FAA Entitlement Transfer

Airport Director Brian Ellestad presented this item. It is common practice in the Northwest Mountain Region for airport sponsors to help each other balance their surplus or shortfall of entitlement funds. Typically, this is done when additional funds are needed to complete a project. In the past 5 years the Missoula Montana Airport has transferred funds to/from the Butte Airport, West Yellowstone Airport and Deer Lodge Airport. With the FAA requesting that MSO accelerate design and construction for the rehabilitation of RW 12-30, additional federal funds are needed for design efforts in this fiscal year. The West Yellowstone, Circle, Montana, and Billings-Logan Airports have excess entitlement funds available in FY-24 that can be transferred to us to fund design. The FAA has asked if we can accept the additional entitlement funds for FY-24 and return the same funds to the airports in FY-25.

We are requesting approval to accept \$114,361 in entitlements from West Yellowstone Airport, \$150,000 from Circle, and \$562,842 in entitlements from the Billings-Logan Airport. In turn, we are requesting approval to return the same funds from next year's entitlements to each airport. By doing this, we are simply moving federal funds programmed for next year on the runway project into this fiscal year. There is no detrimental impact on our finances, in fact, moving these federal funds forward will improve cash flow for the runway project.

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

Motion: Commissioner Shane Stack moved to accept the entitlement transfer from West Yellowstone Airport in the amount of \$114,361, from Billings-Logan Airport in the amount of \$562,842, and the Circle, Montana Airport for \$150,000 with the reciprocal agreement to return said funds to each airport in the next fiscal year.

Second: Alternate Commissioner David Bell

Vote: Motion Passed Unanimously

FAA AIP 90 Grant Acceptance

Airport Director Brian Ellestad presented this item. The FAA is planning to extend a grant offer for the design of the Runway 12-30 rehabilitation project in the amount of \$768,600 in the next week. Because of the requirement to post public notices of Board meetings at least 48 hours in advance, staff determined that it was prudent to request the Board pre-authorize the Airport Director to accept the grant offer. This grant will be for a total of \$854,000. It requires a 10% local match of \$85,400.

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

There were no other questions.

Motion: Alternate Commissioner David Bell moved to pre-authorize the Airport Director to accept upcoming FAA grant AIP-090 for fiscal year 2024.

Second: Commissioner Shane Stack

Vote: Motion Passed Unanimously

Purchase of Two Snow Removal Vehicles

Director of Maintenance Nate Cole presented this item. Staff would like purchase two new MB-5C high speed runway broom/plow combination units. The units 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 these new units to replace 2-2005 Osh Kosh trucks with tow-behind MB brooms.

Acting Chair Larry Anderson asked if there were any Board questions or public comments. Commissioner Shane Stack asked if the old brooms would be auctioned off or kept. Nate responded that his preference would be to keep them both for the first year and then keep the one in the best condition for a spare.

Motion: Commissioner Shane Stack moved to approve the purchase of the 2-MB 5C High Speed runway brooms with plows.

Second: Alternate Commissioner David Bell

Vote: Motion Passed Unanimously

Ground Handling Employee Bonus

Ground Handling Manager Andrew Bailey presented this item. The Ground Handling Department is facing significant challenges this summer. Unlike previous peak seasons, this year has presented numerous operational difficulties, including increased flight operations, mechanical and weather delays, computer outages, gate congestion, and high staff turnover and attendance issues occurring almost daily. Despite these challenges, Ground Handling employees have continued to work safely, provide excellent customer service, and manage the operational demands effectively. Andrew noted that staff has operated 425 flights during this time period.

To recognize their hard work, staff is proposing a 'Summer 2024' Performance Incentive program for the Ground Handling staff. Reward amounts and eligibility will be based on employment duration from June 1st, 2024, to August 18th, 2024; average weekly hours worked; attendance; job classification; training compliance; and demonstration of exceptional teamwork. If deemed eligible by Airport management, Individual rewards will range from \$250 to \$1200, with the total payout not to exceed \$25K, to be finalized after August 18th, 2024.

Acting Chair Larry Anderson praised the ground Handling staff and all the work they do, operating in all kinds of weather and different situations that come up. Larry asked if there were any other Board questions or public comments. There were none.

Motion: Alternate Commissioner David Bell moved to approve reward payouts for Ground Handling Staff in recognition of their exceptional performance during the challenging Summer 2024 operations.

Second: Commissioner Shane Stack

Vote: Motion Passed Unanimously

Information/Discussion Item(s)

Acting Chair Larry Anderson noted that the next Board meeting will be in the same hybrid format on August 27, 2024, at 1:30 p.m.

Meeting Adjourned.