

MISSOULA COUNTY AIRPORT AUTHORITY
Regular Board Meeting
September 24, 2024
1:30 pm, Johnson Bell Conference Room

THOSE PRESENT

BOARD: Chair Winton Kemmis
Vice Chair Deb Poteet
Secretary/Treasurer Pat Boyle
Commissioner Larry Anderson
Commissioner Shane Stack
Commissioner Matthew Doucette via MS Teams
Alternate Commissioner Jack Meyer

STAFF: Director Brian Ellestad
Deputy Director Tim Damrow
Director of Finance and Administration Will Parnell
Legal Counsel Lynn Fagan
Public Safety Chief Justin Shaffer
Human Resources Manager Nikki Munro
Compliance Officer Jesse Johnson
IT Specialist Dylan O'Leary
Accounting Clerk Brianna Brewer

OTHERS: Shaun Shea, Morrison Maierle
Gary Matson, Runway 25 Hangars
Travis Frey, Martel Construction

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 Larry Anderson moved to seat Alternate Commissioner Jack Meyer

Second: Secretary/Treasurer Pat Boyle

Vote: Motion Passed Unanimously

AGENDA

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

Motion: Secretary/Treasurer Pat Boyle moved to approve the agenda.

Second: Vice Chair Deb Poteet

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. Gary Matson of the Runway 25 Hangars thanked MCAA staff for their participation in the General Aviation barbeque and noted that Airport Director Brian Ellestad and Deputy Director Tim Damrow do a great job grilling at the barbecue.

MINUTES

Chair Winton Kemmis asked if anyone had questions, edits, or public comments regarding the minutes for the Regular Board Meeting dated August 27, 2024. There were none.

Motion: Commissioner Larry Anderson moved to approve the minutes of the Regular Board Meeting dated August 27, 2024.

Second: Vice Chair Deb Poteet

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 August 2024, MCAA incurred approximately \$2.7 million in project expenses. August project expenses will be paid in the next few days and are presented as accounts payable projects on the balance sheet. Of the \$2.7 million in project expenses, approximately 3% have been submitted to the FAA for reimbursement. The remaining project expenses will be paid with reserves and debt.

There were a few significant payables incurred over the reporting period. A check to Ailevon Pacific Aviation Consulting, LLC, in the amount of \$26,250 was paid for consulting services related to the Small Community Air Service Grant application. A payment of \$11,000 to WeConnect Montana was for fiber installation for the new parking lot equipment.

Chair Winton Kemmis asked if there were any Board questions or public comments regarding the Claims for Payment. There were no questions or comments.

Motion: Alternate Commissioner Jack Meyer moved to approve the Claims for Payment

Second: Vice Chair Deb Poteet

Vote: Motion Passed Unanimously

FINANCIAL REPORT

Director of Finance and Administration Will Parnell presented the Financial Report. Will noted that parking revenue has increased approximately \$97,000 as compared to the same period last year. The increase is primarily related to a change in billing terms from the old vendor. The previous billing terms required a tiered remittance approach based on gross receipts. For comparison purposes, by eliminating terms or making equal, parking gross revenue increased by \$77K as compared to the same period last year.

Rental car revenue has increased by approximately \$73,000 or 17% compared to the same period last year. The change is a result of increased demand and inventory.

Revenues and expenses are currently 27% and 14% of the annual operating budget, respectively.

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

Motion: Alternate Commissioner Jack Meyer moved to approve the Financial Report

Second: Vice Chair Deb Poteet

Vote: Motion Passed Unanimously

DIRECTOR'S REPORT

Airport Director Brian Ellestad presented his report to the Board. Brian reported that passenger numbers increased 11.8% year over year for August 2024. Brian noted that Congress passed a continuing resolution funding the federal government until December 20, 2024. Brian also reported that Will Parnell and Nikki Munro will be attending a National Transportation Safety Board training in October.

Deputy Director Tim Damrow presented a construction update. Tim noted that the exterior siding and curtain wall on Phase 2 of the terminal project are almost complete. The contractor will begin on the heated sidewalks next week. The steel for Phase 3 is going to start to be installed in the next few weeks.

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

LEGAL REPORT

Legal Counsel Lynn Fagan presented her report to the Board. Lynn reported that staff has been meeting with the City of Missoula staff about restoration work the City will be doing on Grant Creek. The City will be relocating the streambed of Grant Creek to a more historically accurate location that will also reduce the size of the floodplain in that area. Some of the work will occur on MCAA owned property. Staff is working on an agreement with the City that will outline the requirements for the work on airport land. That agreement will be brought to the Board in the next month or so.

Lynn also mentioned that MCAA's new insurance broker was on site last week to begin work on our renewal for Fiscal Year 2026.

Lynn continues to work with the City Parks staff on the Buy-Sell for the Milwaukee Railroad right-of-way.

Chair Winton Kemmis asked if there were any Board questions or public comments regarding the Legal Report. Alternate Commissioner Jack Meyer asked if a price has been agreed to for the Milwaukee right-of-way. Lynn responded that the price will be \$100,000.

There were no further questions.

COMMITTEE UPDATES

Executive Committee: Met September 24, 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

Martel Contract Amendment No. 27 – Build out of Phase 2 Concession Space

Deputy Director Tim Damrow presented this item. In March '22, the MCAA Board approved a Guaranteed Maximum Price contract ("GMP") with Martel Construction for construction of the East Concourse (Phase 2). Notably absent from this GMP was the buildout of space programmed for concessions. This scope of work was omitted initially as further coordination with the airport concessions operator, Faber, Coe and Gregg Intl. was required.

Airport staff worked with Faber to determine the project parameters and in February '23 the MCAA Board approved an MOU with Faber for East Concourse Concessions. Faber agreed to fund design and equipment, with the airport funding construction of the spaces. At completion of the design, staff requested an estimate of buildout costs and worked with Faber to find value engineered options to optimize funding. The proposed GMP for the East Concourse Concessions covers a minor remodel to pre- security concessions, adds a secure storage area, kitchen, marketplace (coffee/retail) and taproom (full bar service). The expanded concession spaces will help to disperse passengers throughout the facility, improving service levels, reducing lines and increasing revenue opportunities with expanded product offerings.

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

Motion: Secretary/Treasurer Pat Boyle moved to approve the GMP with Martel Construction in the amount not to exceed \$1,437,235.

Second: Vice Chair Deb Poteet

Vote: Motion Passed Unanimously

Phase 2 Furniture, Fixtures & Equipment Package #4

Deputy Director Tim Damrow presented this item. Phase 2 Furniture, Fixtures and Equipment ("FFE") Package 4 includes several assorted items to round out the buildout of the new Missoula Airport. The primary component of this package is an expansion of the airport's Amadeus common use passenger processing system (8 terminals). This system allows seamless transition for airline staff between gates and ticket counters, allowing ultimate flexibility for operations. The package also includes the purchase of an additional 40 passenger luggage carts that will be placed in baggage claim. Airport staff intend to find a sponsor for the luggage carts to cover the initial purchase and offer carts to passengers free of use fees. The final component is a replacement of our checkpoint queuing system. The

airport has been evaluating the optimal layout of the checkpoint queue based on passenger volumes and subsequent wait times. Staff are recommending we implement a flexible stanchion layout to optimize queueing between peak and off-peak traffic volumes. The proposed system allows staff to easily re-queue the checkpoint area, increase room in existing lanes, provide better lane signage and is compatible with existing stanchions. To reduce costs and complexities, the Missoula airport team will be coordinating purchase, delivery and installation of each respective item. 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: Alternate Commissioner Jack Meyer moved to approve Phase 2 FFE Package 4 and authorize staff to procure and purchase package elements in the total amount not to exceed \$118,492.

Second: Commissioner Larry Anderson

Vote: Motion Passed Unanimously

Airport Police Vehicle Purchase

Public Safety Chief Justin Shaffer presented this item. The Public Safety Department was approved to purchase a new Police Vehicle in the FY2024 Capital Equipment Budget. On July 25th, 2023, MCAA Board approved the purchase of a new Airport Police Vehicle for the Public Safety Department for \$58,886.38. The order was placed through the National Auto Fleet Group on July 26th, 2023. Due to the supply demand, the vehicle was never picked up by a dealer in the fiscal year, so the new vehicle was never built. The Police Vehicle replacement budget was moved to the current fiscal year budget. Currently, new build orders are being accepted. MCAA was able to locate a new 2024 Ford F-150 Police responder that just arrived on the lot at Jim Shorkey Dealership in White Oak, PA. After searching multiple locations, this vehicle is one of the last new Police Responder vehicles available. The F-150 responder would be shipped from PA to Missoula Airport if purchased. This new Police Vehicle is replacing our 2013 GMC Yukon Police Vehicle.

Chair Winton Kemmis asked if there were any Board questions or public comments.

Motion: Vice Chair Deb Poteet moved to approve the purchase of the 2024 Ford F-150 Police Responder in the amount not to exceed \$56,064.00.

Second: Alternate Commissioner Jack Meyer

Vote: Motion Passed Unanimously

NEW BUSINESS

Airport Director Performance Review

Chair Winton Kemmis stated that the meeting is being closed to the public because it relates to a matter of individual privacy – specifically the Airport Director's performance. Winton stated that as the presiding officer, he has determined that the demands of individual privacy

clearly exceed the merits of public disclosure. Winton asked Airport Director Brian Ellestad if he wanted to waive his right to privacy. Brian stated he did not. The meeting was then closed to the public.

Vice Chair Winton Kemmis re-opened the meeting to the public.

Chair Winton Kemmis noted that the next Board meeting will be in the same hybrid format on October 29, 2024, at 1:30 p.m.

Meeting Adjourned.