

MISSOULA COUNTY AIRPORT AUTHORITY
Regular Board Meeting
December 17, 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 Adriane Beck
Commissioner Shane Stack via MS Teams
Commissioner Matthew Doucette
Alternate Commissioner David Bell
Alternate Commissioner Jack Meyer via MS Teams

STAFF: Director Brian Ellestad
Deputy Director Tim Damrow
Director of Finance and Administration Will Parnell
Legal Counsel Lynn Fagan
Legal Counsel Juniper Davis
Business Development Manager Dan Neuman
Director of Maintenance Nate Cole
Human Resources Manager Nikki Munro
IT Specialist Dylan O'Leary
Accounting Clerk Brianna Brewer

OTHERS: Shaun Shea, Morrison-Maierle
Cole Jensen, Martel Construction
Martin Kidston, Missoula Current
Ashley Osten, Moss Adams
Steve Hurst, The Resort at Paws Up

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

Legal Counsel Juniper Davis performed a roll call of Board members, staff members, and members of the public.

AGENDA

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

Motion: Commissioner Adriane Beck 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. There was no public comment.

MINUTES

Chair Winton Kemmis asked if anyone had questions, edits, or public comments regarding the minutes for the Regular Board Meeting dated November 26, 2024. There were none.

Motion: Commissioner Larry Anderson moved to approve the minutes of the Regular Board Meeting dated November 26, 2024.

Second: Commissioner Matt 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 November 2024, the airport incurred approximately \$1.7 million in project expenses; of the \$1.7 million in project expenses approximately \$1.1 million was submitted to the FAA for reimbursement. The remaining project expenses of approximately \$600,000 will be paid with reserves and debt.

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: Vice Chair Deb Poteet moved to approve the Claims for Payment

Second: Alternate Commissioner Adriane Beck

Vote: Motion passed unanimously

DIRECTOR'S REPORT

Airport Director Brian Ellestad first thanked staff for all their hard work over the year. He reported that by the end of November the Airport has seen an almost 12% increase in passengers which is 11% higher than the national average for increases. This year will be a record year, and the Airport expects to see its one millionth passenger in the upcoming week.

Brian reported that on May 22nd and for the duration of the summer, United will be bringing in an Airbus A320 for Chicago flights.

The costs of the repairs for the recent elevator mechanical issue were covered by the warranty.

Brian thanked Lynn Fagan for her many years of service as legal counsel to the Airport and he also thanked Larry Anderson for his many years of service on the Board.

Chair Winton Kemmis asked if there were any Board questions or public comments regarding the Directors Report.

A question was asked regarding whether license plate readers have been installed in the parking lots and Deputy Director Tim Damrow clarified that they are in place and being use for the purpose of tracking in/out times and for parking payment.

LEGAL REPORT

Legal Counsel Juniper Davis provided an update on a recent comment letter that the Airport sent to the City of Missoula in advance of their recent decision to adopt their Growth Policy Update. The letter brought up the Airport's concerns around potential higher density residential development indicated for areas directly east an adjacent to Airport property. Those concerns center around: aircraft noise impacts; safety related to aircraft accidents; electronic interference with navigation; and physical and visual obstructions. Airport staff will be meeting with the City's planning staff in January to discuss these concerns in greater detail.

Brian Ellestad shared information regarding a subdivision called West End Farms that was planned for an area just east of the Airport. The developer met with the Airport in advance of finalizing their development plans and put into place a number of changes that would lessen impacts and concerns.

Additional discussion occurred regarding the timing for finalizing the Airport's Master Plan and how that timing will dovetail with the City's implementation of their Growth Policy Plan.

Lastly, Juniper provided an overview of the status of ongoing projects, including Grant Creek restoration, Milwaukee trail fee title purchase, procurements, and leased property updates.

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

COMMITTEE REPORTS

There were no committee reports.

NEW BUSINESS

Fiscal Year 2024 Audit

Director of Finance and Administration Will Parnell introduced Ashley Osten from Moss Adams to present the fiscal year 2024 audit results.

Ashley presented a detailed overview of the audit process and the airport's financial status. Based on their audit procedures, Ashley confirmed that the airport's management had applied its accounting policies consistently and appropriately, aligning with expectations and the previous year's practices.

The audit did not encounter any major challenges. Ashley noted that management was cooperative throughout the process and no issues with documentation or access arose. Importantly, no corrected or uncorrected audit adjustments were needed.

Ashley reported that there were no disagreements with management regarding the audit or accounting matters, and no instances of non-compliance or fraud were discovered. The audit concluded without identifying any material weaknesses or significant deficiencies. Ashley mentioned that there were a few best practice recommendations that were communicated informally to management during the audit but did not rise to the level of formal inclusion in the report.

Ashley concluded by affirming that the airport's financial position was stable, with no concerns raised regarding the ability to continue operations.

Chair Winton Kemmis asked if there were any Board questions or public comments regarding the audit report. Ashley addressed a question as to whether Board members were interviewed during the audit process with the response that no, such interviews are not required by auditing standards but could be accommodated for in the future if it is needed.

Motion: Commissioner Pat Boyle moved to approve the annual audit report for fiscal year 2024.

Second: Commissioner Adriane Beck

Vote: Motion passed unanimously

Award of the Airport Suite RFP to the Resort at Paws Up

Tim Damrow presented an overview of the Airport Suite that is included as part of the Phase 2 Terminal Expansion opening in the spring of 2025. Tim explained that the intent of this space is to provide a secluded location, post security for a vendor to utilize on an as needed basis during operational hours.

Staff received and evaluated the one response to the Request for Proposals for operation and management of the Airport Suite. This response was from the Resort at Paws Up. If approved, staff will follow up with contract negotiations with the intent of bringing a final contract to the board next month.

Steve Hurst, a representative from the Resort of Paw Up, contributed additional background on their proposed operations of the Airport Suite, including private space for their guests, continued partnership with the Airport, and making sure the space remains available to other members of the public,

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

Motion: Commissioner Larry Anderson moved to award the Airport Suite RFP to the Resort at Paws Up.

Second: Vice Chair Deb Poteet

Vote: Motion passed unanimously

Authorization to accept FAA Grant for Improvements

Airport Director Brian Ellestad informed the Board that the Department of Transportation gave notice that MSO was awarded a \$900,000 grant for Air Traffic Tower improvements that will be utilized for elevator replacement and associated tower infrastructure. The grant program will not require the Airport to provide any match funding, so the work will be covered 100% by grant funds.

Chair Winton Kemmis asked if there were any Board questions or public comments regarding the FAA grant acceptance. In response to a question, Brian clarified that the funding will hopefully be obligated in a short time frame.

Motion: Vice Chair Deb Poteet moved to pre-authorize the Airport Director to accept the upcoming FAA Contract Tower Program grant offering in the amount of \$900,000.

Second: Commissioner Matt Doucette

Vote: Motion passed unanimously

INFORMATION/DISCUSSION ITEMS(S)

Airport Director Brian Ellestad recognized Larry Anderson for his many years of service on the Board. Chair Winton Kemmis also extended his thanks and recognition to Larry Anderson and his Board service.

Chair Winton Kemmis then also thanked and recognized Legal Counsel Lynn Fagan for her over twenty years working for the Airport.

Chair Winton Kemmis thanked staff and the board for their support over the past year while he served as Chair. He welcomed new officers for 2025: Chair Deb Poteet, Vice Chair Pat Boyle, and Secretary/Treasurer Adriane Beck.

Meeting Adjourned.