

MISSOULA COUNTY AIRPORT AUTHORITY
Regular Board Meeting
June 24, 2025
1:30 pm, Johnson Bell Conference Room

THOSE PRESENT

BOARD:	Chair Deb Poteet Commissioner Winton Kemmis Commissioner Matt Doucette Commissioner Andrew Hagemeyer Alternate Commissioner Shane Stack Alternate Jack Meyer (via Teams)
STAFF:	Director Brian Ellestad Deputy Director Tim Damrow (via Teams) Director of Finance and Administration Will Parnell Legal Counsel Juniper Davis Business Development Manager Dan Neuman Public Safety Chief Justin Shaffer IT Manager Dylan O'Leary HR Manager Nikki Munro Federal Compliance Manager Jesse Johnson Accounting Clerk Brianna Brewer Field Supervisor Jake Sol Building Supervisor AJ Bemrose
OTHERS:	Gary Matson, Runway 25 Hangars Shaun Shea, Morrison-Maierle Travis Frey – Martel Construction Mike Mamuzich – Minuteman Aviation Forest Gue – Minuteman Aviation Ralph Gentile – Rising Fast Maintenance Carrie Kelly – Ailevon Pacific Aviation Consulting

Chair Deb Poteet 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 Deb Poteet noted that Alternate Commissioners needed to be seated.

Motion: Commissioner Andrew Hagemeyer moved to seat Alternate Commissioner Shane Stack as regular Commissioner for the duration of the meeting.

Second: Commissioner Matt Doucette

Vote: Motion passed unanimously

Chair Deb Poteet asked if there were any changes to the agenda. There were no suggested changes to the agenda.

Motion: Commissioner Winton Kemmis moved to approve the agenda.

Second: Commissioner Shane Stack

Vote: Motion passed unanimously

Chair Deb Poteet noted that a second Alternate Commissioner needed to be seated.

Motion: Commissioner Winton Kemmis moved to seat Alternate Commissioner Shane Stack as regular Commissioner for the duration of the meeting.

Second: Commissioner Matt Doucette

Vote: Motion passed unanimously

PUBLIC COMMENT PERIOD

Chair Deb Poteet asked if there was any public comment on items that were not on the Board's agenda. There was no public comment.

MINUTES

Chair Deb Poteet asked if anyone had questions, edits, or public comments regarding the minutes for the Regular Board Meeting dated May 27, 2025.

Motion: Alternate Commissioner Jack Meyer moved to approve the minutes for the Regular Board Meeting dated May 27, 2025.

Second: Commissioner Winton Kemmis

Vote: Motion passed unanimously

CLAIMS FOR PAYMENT

Director of Finance and Administration Will Parnell presented the Claims for Payment. During the month of May 2025, the Airport incurred approximately \$2.1 million in project expenses. Of the \$2.1 million in project expenses, approximately \$1.2 million or 57% will be submitted to the FAA for reimbursement. The remaining project expenses will be paid with reserves and debt.

Chair Deb Poteet asked if there were any Board questions or public comments regarding the Claims for Payment.

Motion: Commissioner Winton Kemmis moved to approve the Claims for Payment.

Second: Alternate Commissioner Shane Stack

Vote: Motion passed unanimously

FINANCIAL REPORT

Director of Finance and Administration Will Parnell presented the Financial Report. Will explained that the financial report narrative is included in the Board packet and that the narrative provides a breakdown of accounts receivable on the balance sheet, budget information, long-term debt activity and a construction in progress roll-forward for the East Concourse project.

Will also informed the Board that the end of the fiscal year is approaching and as such there are not currently any year-end fiscal journal entries, but more information can be expected in July or August. Operating cashflow resulted in a negative cashflow in the amount of \$295,144 in the month of May, related primarily to a third pay period occurring during that month, as well as some non-reoccurring payments related to the East Concourse project.

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

Motion: Alternate Commissioner Shane Stack moved to approve the Financial Report.

Second: Commissioner Winton Kemmis

Vote: Motion passed unanimously

DIRECTOR'S REPORT

Airport Director Brian Ellestad informed the Board that the month of May ended with an increase of 3.4% more enplaned passengers as compared to last year. This is our 16th month in a row with monthly increases and the 13th record month in a row. Staff hope that June will continue on the same path. On June 25 Sun Country starts Minneapolis on Wednesdays and Saturdays. A fourth Denver flight is starting on June 26 and second, Saturday only, flight to San Francisco also starts soon.

The fourth TSA checkpoint opened and is operating well, with 450 went through the morning rush, which was our busiest day so far.

Brian and Carie Kelly went to an air service conference in Chicago and had many positive meetings.

Parking continues to be tight, and the upcoming economy lot expansion project will help free up more area, along with removing the rental car tent. The parking signs for the rental car lot should be installed shortly, which will allow the rental car parking to shift, which also frees up additional spots.

Deputy Director Tim Damrow informed the board that the new concession space in the East Concourse should open the first week of August.

A question was asked regarding the roll out of Real ID and Brian responded that it has not had a significant impact. It appears that most passengers who don't have a Real ID are travelling with their passports.

LEGAL REPORT

Legal Counsel Juniper Davis provided an update that a number of RFPs are wrapping up, including custodial services and Chicago air service.

Juniper also informed the Board that staff are working with some of our off-airport rental car companies, peer-to-peer rental car companies and TNCs (such as Uber and Lyft).

Juniper updated the Board on efforts to obtain past-due payments from prior lessees. This includes approximately \$50-80,000 in property clean-up costs from an expired agricultural lease and approximately \$70,000 in unpaid rent from an expired light-industrial lease. The Airport has engaged an outside attorney to help recover those costs through legal avenues.

The Airport's water rights project continues to move forward, which includes tracking and responding to the 76M Middle Clark Fork River adjudication process. The Airport will be filing some self-objections and other administrative tasks with the goal to have our water rights accurately described. In addition, Airport staff are meeting with representatives from the City of Missoula to discuss the allocation of shares in the Hellgate Valley Irrigation Company.

COMMITTEE REPORTS

Chair Deb Poteet notified the Board that the Executive Committee met on June 24, 2025, to discuss the Board agenda and that there will be a Facility and Operations Committee directly following the current board meeting.

UNFINISHED BUSINESS

None

NEW BUSINESS

Off Airport Rental Car Agreement with Dollar Car Rental

Director of Finance and Administration Will Parnell explained that the Airport has a long history of working with Dollar Car Rental as an off-site car rental agency. This action item is for an updated agreement between the Airport and Dollar Car Rental to set out new terms. The main update is to increase the percentage of gross receipts that is required to be submitted to the Airport from 6% to 10% for trips originating at the Airport. This is better aligned with state and regional percentages.

Chair Deb Poteet asked if there were any Board questions or public comments regarding the Dollar Car Rental agreement. There were no questions or comments.

Motion: Commissioner Winton Kemmis moved to approve the Off Airport Rental Car Agreement with Dollar Car Rental

Second: Alternate Commissioner Shane Stack

Vote: Motion passed unanimously

Award of Custodial Services RFP to Rising Fast Maintenance

Deputy Director Tim Damrow provided the Board background on the last RFP process in 2018 and the selection of Rising Fast Maintenance as the custodial provider for the Airport. Tim explained that in the spring staff released a new RFP for custodial services and received a total of eight responses. The initial scoring process was weighed initially towards price, which allowed for staff to narrow down to four respondents with the best prices for further review. Staff conducted interviews of the top four respondents and honed in on staff pay, employee retention, and experience working in airports as main delineators among the group. Staff recommend awarding the RFP and entering into a contract with Rising Fast Maintenance.

Chair Deb Poteet asked if there were any Board questions or public comments regarding the Custodian RFP award. There were no other questions or comments.

Motion: Alternate Commissioner Shane Stack moved to award the Custodial Services RFP to Rising Fast Maintenance and approve the custodial services contract to Rising Fast Maintenance in the amount of \$515,400/year for a 3-year term with optional 2-year extension

Second: Commissioner Winton Kemmis

Vote: Motion passed unanimously

Lease Agreements with Neptune Aviation Services

Deputy Director Tim Damrow explained that this lease update resulted in staff discovering some small inconsistencies in an existing lease, as well as a desire to consolidate multiple leases for easier administration. Legal Counsel Juniper Davis added that while this motion is to approve a consolidated lease, it also contains a second lease for a smaller area. This second lease has a shorter lease term because that area is needed for future airport expansion.

Chair Deb Poteet asked if there were any Board questions or public comments regarding the Neptune lease agreements. There were no other questions or comments.

Motion: Alternate Commissioner Shane Stack moved to approve the updated Neptune Aviation Lease Agreements

Second: Commissioner Winton Kemmis

Vote: Motion passed unanimously

Fiscal Year 2026 Insurance Renewal

Director of Finance and Administration Will Parnell detailed that Gallagher Risk Management Services and Airport staff have been working on a proposal for our FY26 insurance renewal. Our total insurance cost for FY25 was \$259,299 and that the FY26 package was quoted at \$387,342, representing an increase of approximately 49% or \$128,000/year. Will explained

that the increase is primarily related to the property line of business as the real property values and exposure increased by approximately \$133,000,000 compared to the previous fiscal year. The increase in real property values is primarily related to the east concourse being placed in service and other adjustments as a result of the independent insurance valuation performed in April 2025. Will explained that the updated values are included in the Fiscal Year 2026 Insurance Executive Summary.

Chair Deb Poteet asked if there were any questions from the Board or the public on the insurance renewal. There were no other questions or comments.

Motion: Commissioner Winton Kemmis moved to accept the Gallagher Insurance Renewal Package for Fiscal Year 2026 for a total of \$387,342.

Second: Alternate Commissioner Shane Stack

Vote: Motion passed unanimously

Fiscal Year 2026 Engagement Letter and Contract for Auditing Services

Director of Finance and Administration Will Parnell explained that the Airport is required to go through a single audit which is a comprehensive financial and compliance audit with an external, third-party auditor. The annual audit process includes the approval and execution of an Audit Engagement Letter and Standard Audit Contract which outlines the responsibilities of both the auditing firm and the Authority. The Authority has worked with the firm Moss Adams for its last two fiscal year audits. The firm of Baker Tilly recently consolidated with the firm Moss Adams, as a result, this proposed audit engagement letter and contract are under the business name of Baker Tilly. Fees for the services will be \$74,945 and \$85,000 was in the budget.

Chair Deb Poteet asked if there were any Board questions or public comments regarding the auditing services. There were no other questions or comments.

Motion: Alternate Commissioner Shane Stack moved to approve the execution of the annual Audit Engagement Letter & Standard Audit Contract with Baker Tilly

Second: Commissioner Winton Kemmis

Vote: Motion passed unanimously

Award of RFP for Small Community Air Service Grant

Director Brian Ellestad explained that we were awarded a Small Community Air Service Grant to provide year-round service to Chicago. Staff put out an RFP for this service and both United and American expressed interest in providing service to Chicago from Missoula. The Airport put together a stakeholder advisory group to help provide input on the selection which included Missoula Economic Partnership, Missoula Tourism Business Improvement District and Glacier Country Regional Tourism Commission. Next steps will be an air service agreement to start the service in mid-December.

Chair Deb Poteet asked if there were any Board questions or public comments regarding the award. There were no other questions or comments.

Motion: Commissioner Winton Kemmis moved to authorize award of the air service RFP to American Airlines and authorize Airport Director to negotiate an agreement for winter Missoula to Chicago service utilizing our Small Community Air Service Grant

Second: Commissioner Matt Doucette

Vote: Motion passed unanimously

INFORMATION/DISCUSSION ITEMS(S)

Deb reminded the room that the Facility and Operations Committee will begin immediately after the current meeting is adjourned.

Meeting Adjourned.