

MISSOULA COUNTY AIRPORT AUTHORITY
Regular Board Meeting
July 29, 2025
1:30 pm, Johnson Bell Conference Room

THOSE PRESENT

BOARD:

Chair Deb Poteet
Vice Chair Pat Boyle
Secretary/Treasurer Adriane Beck
Commissioner Winton Kemmis
Commissioner Matt Doucette
Commissioner David Bell (via Teams)
Commissioner Andrew Hagemeyer
Alternate Jack Meyer

STAFF:

Director Brian Ellestad
Deputy Director Tim Damrow
Director of Finance and Administration Will Parnell
Business Development Manager Dan Neuman
Director of Maintenance Nate Cole
Ground Handling Manager Andrew Bailey
HR Manager Nikki Munro
Federal Compliance Manager Jesse Johnson
IT Manager Dylan O'Leary
Accounting Clerk Brianna Brewer
Field Supervisor Jake Sol

OTHERS:

Gary Matson, Runway 25 Hangars
Shaun Shea, Morrison-Maierle
Travis Frey, Martel Construction
Cole Jensen, Martel Construction
Ashley Osten, Baker Tilly (via Teams)
Tyler Miles (via Teams)

Chair Deb Poteet called the meeting to order and advised everyone that the meeting was being recorded.

Deputy Director Tim Damrow performed a roll call of Board members, staff members, and members of the public.

AGENDA

Chair Deb Poteet noted that no Alternate Commissioners needed to be seated.

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 Andrew Hagemeyer

Vote: Motion passed unanimously

PUBLIC COMMENT

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 June 24, 2025.

Motion: Commissioner Winton Kemmis moved to approve the minutes for the Regular Board Meeting dated June 24, 2025.

Second: Commissioner Andrew Hagemeyer

Vote: Motion passed unanimously

Chair Deb Poteet asked for approval of the minutes for the Facility and Operations Committee dated June 24, 2025.

Motion: Commissioner Winton Kemmis moved to approve the minutes for the Facility and Operations Committee dated June 24, 2025.

Second: Secretary/Treasurer Adriane Beck

Vote: Motion passed unanimously

CLAIMS FOR PAYMENT

Director of Finance and Administration Will Parnell presented the Claims for Payment. During the month of June 2025, the Airport incurred approximately \$1.2 million in project expenses. Of the \$1.2 million in project expenses, approximately \$685,000 or 54% will be submitted to the FAA for reimbursement. The remaining project expenses will be paid with reserves and debt. Staff clarified that the expense to cover the cost of an extra elevator motor was not due to the failure of the current motor, but rather to have a back-up in stock at the Airport in case the motor fails in the future.

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

Motion: Vice Chair Pat Boyle moved to approve the Claims for Payment.

Second: Commissioner Winton Kemmis

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 year-end fiscal adjusting journal entries and classifications have not been recorded on the June interim financial statements. Alternate Commissioner Jack Meyer complimented staff on the accuracy of their budgeting for Fiscal Year 2025. A member of the public, Gary Matson, asked for clarification on how long it will take the Airport to pay off its debt and staff responded that the footnote on page 29 of the Board Packet provides the term of all existing series of notes. The 2022 series runs through 2047.

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

Motion: Vice Chair Pat Boyle moved to approve the Financial Report.

Second: Secretary/Treasurer Adriane Beck

Vote: Motion passed unanimously

DIRECTOR'S REPORT

Airport Director Brian Ellestad informed the Board that the month of June ended with another record-breaking month and that while the record was only 188 passengers beyond June of the prior year, the terminal did feel very full. Frontier is planning to come back in October and over the holidays, with the hope that they will come back over spring break and the summer.

The TSA checkpoint is doing well with the fourth lane and good staffing over the summer.

Runway A26 has been approved for decommissioning which will change some things on the airfield.

Deputy Director Tim Damrow provided updates on the terminal expansion project. The B Concourse is nearing completion with the final gates B3/4 to open in mid-August. The new concessions areas in the B Concourse will open on August 7th. In addition, the temporary rental car tent is coming down and rental car parking is moving to its permanent location, which will open up about 300 long-term parking spaces.

Tim also reminded the Board and the public that the upcoming runway closure is scheduled from Sept. 2 to 7, 2025. Along with completing a full overlay of the primary runway, numerous other airport maintenance projects will also occur.

COMMITTEE REPORTS

Chair Deb Poteet notified the Board that there was an Executive Committee meeting on July 29, 2025, to discuss the Board agenda and packet.

UNFINISHED BUSINESS

None

NEW BUSINESS

Baker Tilly Pre-Audit Presentation

Ashley Osten informed the Board that they have kicked off the fiscal year 2025 audit. Moss Adams has merged with Baker Tilly as of June 3, 2025, forming a combined organization of approximately 11,000 employees. Despite adopting the Baker Tilly name, the merger is considered one of equals, with Moss Adams' CEO set to lead the combined firm starting January 1, 2026. The audit team remains unchanged, with the same personnel continuing in their roles, including the engagement reviewer, concurring reviewer, and engagement manager.

The scope of services includes the annual financial statement audit, federal compliance audit, and passenger facility charge program compliance audit for the year ending June 30, 2025. Key audit focus areas include cash and investments, revenue recognition, capital assets, long-term debt disclosures, and federal compliance. The team will also assess fraud risks and perform journal entry testing. The audit fieldwork is scheduled for September 8–12. The only new accounting standard applicable this year is GASB 102, which introduces disclosure requirements for concentrations and constraints. GASB 103 and 104 will be addressed in the following fiscal year.

RiseVision Player Lease Approval for Digital Display Replacement

IT Manager Dylan O'Leary updated the Board on the need for the Airport to replace the digital display players that it uses throughout the interior of the Airport. The players will be leased from RiseVision and RiseVision will have the ability to service the players remotely. RiseVision will replace players if there is a problem that they cannot resolve. RiseVision has given the Airport a 20% discount for a total of \$7,220 per year.

Chair Deb Poteet asked if there were any Board questions or public comments regarding the RiseVision Lease. Staff clarified that these players are the backend to the actual digital display; the players create and send the images to the display and includes RiseVision's proprietary software. This lease will cover 95 RiseVision players. There were no other questions or comments.

Motion: Vice Chair Pat Boyle moved to approve the signing of the Service Agreement with RiseVision for \$7,220 per year for five years.

Second: Commissioner Winton Kemmis

Vote: Motion passed unanimously

Lease Amendment for U.S. Forest Service Hangar

Director of Finance and Administration Will Parnell informed the board that the Airport has an existing lease with the USFS for a large hangar that expires July 31, 2025. Airport staff have been working with the USFS for about 18 months to enter into an extension of the agreement. Will noted that the extension is for five years, includes a 2% annual escalation clause, removal of operating costs from the annual adjustment, and removes the water utility costs.

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

Motion: Commissioner Matt Doucette moved to approve the lease amendment for the US Forest Service Hangar.

Second: Secretary/Treasurer Adriane Beck

Vote: Motion passed unanimously

Amendment to Horizon Air Industries Airport Use Agreement and Terminal Lease

Deputy Director Tim Damrow explained that the Airport utilizes two different use and lease agreements with airlines, one being a signatory agreement (used with long term and frequent air carriers) and the second type is a non-signatory agreement (used with less frequent, low-cost air carriers). With a signatory agreement comes the ability for an air carrier to have preferential gates at the airport. All of the signatory air carriers have one preferential gate and now Alaska wants a second preferential gate. This amendment will increase their gates from one to two and will result in an approximately \$95,000 increase in the annual payment to the Airport.

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 approve amendment number one to the Horizon Air Industries Airport Use Agreement.

Second: Commissioner Matt Doucette

Vote: Motion passed unanimously

Turo Peer-to-Peer Car Sharing Operating Agreement

Deputy Director Tim Damrow explained that Turo is a peer-to-peer car sharing and rental platform. With Turo, an individual can list their personal car for someone to rent and in the case of the Airport, rental exchanges taking place at the Airport are subject to our agreement and fees. The new agreement sets out a new term and continues to identify that 10% of gross receipts from transactions occurring at the Airport must be remitted to the Airport. Apart from the new term, the other substantive change is the area in which the car rental transactions can occur – previously they were allowed in the commercial lane but now they will only be allowed to occur in the parking lots.

Chair Deb Poteet asked if there were any Board questions or public comments regarding the Turo agreement. Tim clarified that the agreement limits the Airport's liability in regards to rental transactions utilizing the Turo platform. There were no other questions or comments.

Motion: Commissioner Dave Bell moved to approve the 2025 Turo car sharing agreement.

Second: Vice Chair Pat Boyle

Vote: Motion passed unanimously

Acceptance of Montana State Department of Environmental Quality Grant to Purchase an Electric Baggage Tractor

Business Development Manager Dan Neuman provided information to the Board regarding a recent grant award for \$47,804.04 from the State of Montana's Department of Environmental Quality to purchase a new electric baggage tractor.

Chair Deb Poteet asked if there were any Board questions or public comments regarding the grant award. Dan clarified that the Airport is required to cover 30% of the costs of the new electric baggage tractor. There were no other questions or comments.

Motion: Commissioner Winton Kemmis moved to pre-authorize the Airport Director to accept the upcoming Montana DEQ grant award in the amount of \$47,804.04.

Second: Commissioner Matt Doucette

Vote: Motion passed unanimously

Purchase of Electric Baggage Tractor

Business Development Manager Dan Neuman added that after the DEQ grant is accepted, staff will want to go ahead and purchase the electric baggage tractor and install the infrastructure needed to charge the tractor. The cost of the electric baggage tractor and to install charging infrastructure is \$71,392, which includes a \$23,588 from the Airport and remaining to be paid from the DEQ grant.

Dan clarified to the Board that the infrastructure being installed is a charging station only. Dan also clarified that the Airport has one electric push-back tractor and three electric belt loaders. Dan said that the Airport is a good location for use of electric equipment and that we are now 100% electric in our baggage handling.

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 Matt Doucette moved to authorize the Airport to purchase an Electric Baggage Tractor and install charging infrastructure in the amount of \$71,392.

Second: Secretary/Treasurer Adriane Beck

Vote: Motion passed unanimously

Grant preauthorization and Award of Zero Emissions Vehicle (ZEV) Purchase

Business Development Manager Dan Neuman discussed the grant and purchase of zero emissions vehicles with the Board. Dan explained that the Airport received one bid for

acquiring two electric trucks, outfitting one with emergency equipment, and installing charging stations. The total project cost is \$121,170.70, with bids reviewed and recommended by Morrison-Maierle. The FAA plans to offer a grant of \$159,363 to cover all project costs, including professional service fees. To meet public notice requirements, staff recommends the Board pre-authorize the Airport Director to accept the grant, which requires a 5% local match.

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 Matt Doucette moved, contingent of federal funding, to accept the Zero Emissions Vehicle Purchase with Wendle Ford in the amount of \$111,026, the bid for equipment for the Public Safety Vehicle to KDBCO in the amount of \$5,519.70 and for the installation of charging equipment with Liberty Electric in the amount of \$4,625. In addition, accept the upcoming Grant Offer for AIP-TBD in the total amount of \$159,363 as submitted to the FAA and their corresponding matching share.

Second: Commissioner Winton Kemmis

Vote: Motion passed unanimously

Convergent Contract for Fire Monitoring

Director of Maintenance Nate Cole explained that the Airport has a contract with Convergent for fire alarm monitoring. This is a renegotiation of that contract as we move into the expanded terminal; it also covers the SRE and ATCT buildings. It is a three-year contract, with slight increase in contract price each year and the total is \$57,045.

Chair Deb Poteet asked if there were any Board questions or public comments regarding the contract. Staff clarified that the cost of these services are in the budget. There were no other questions or comments.

Motion: Commissioner Winton Kemmis moved to approve the contract with Convergent for monitoring and testing of the fire alarm systems

Second: Commissioner Matt Doucette

Vote: Motion passed unanimously

Purchase of Fuel Dispensers for Rental Car Fuel Tank – Nate Cole

Director of Maintenance Nate Cole provided background to the Board by explaining that the current rental car fueling system is old and outdated, requiring padlocks and individual reporting. This new system will be automated, which will help with tracking fuel use and will make for more efficient bookkeeping. The total amount is \$81,674.84, which includes a 5% contingency.

Chair Deb Poteet asked if there were any Board questions or public comments regarding the award. Staff confirmed that the Board Action Sheet stated the total cost as \$77,674.5, but that did not include the contingency. There were no other questions or comments.

Motion: Commissioner Andrew Hagemeyer moved to approve the contract with Energy Systems in the amount of \$77,785.57 and a 5% contingency for a total of \$81,674.84 for rental car fuel system upgrades.

Second: Secretary/Treasurer Adriane Beck

Vote: Motion passed unanimously

Award of Air Traffic Control Tower (ATCT) Modernization Project – Brian Ellestad

Airport Director Brian Ellestad reminded the Board that the Airport applied for a grant with the FAA for air traffic control tower upgrades. The grant covers 100% of the project costs, up to \$900,000. When the Airport went out for bid with requests for building modernization and equipment modernization. One bid was received for the building modernization which will include replacement of the elevator and some work on the boiler monitoring system, for a total of \$992,489.23. The Airport share will be 92,489.23.

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

Motion: Vice Chair Pat Boyle moved to accept the air traffic control tower modernization project bid results and award construction to Martel Construction in the amount of \$992,489.23 contingent on the availability of federal funding

Second: Secretary/Treasurer Adriane Beck

Vote: Motion passed unanimously

Morrison-Maierle Task Order #71, ATCT Modernization Construction Management – Brian Ellestad

Airport Director Brian Ellestad explained to the board that this item is for Morrison-Maierle to provide construction management for the air traffic control tower modernization project.

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 Matt Doucette moved to approve task order #71 with Morrison-Maierle for \$27,175.

Second: Commissioner Winton Kemmis

Vote: Motion passed unanimously

MOU with Community Partners in support of the American Airlines Chicago Air Service Agreement – Brian Ellestad

Airport Director Brian Ellestad explained that the Missoula Economic Partnership, Missoula Tourism Business Improvement District, and Glacier Country Regional Tourism Commission worked within the community to find match funding to supply to the Small Community Air Service Development grant from the U.S. Department of Transportation. This MOU spells out those financial contributions and the parameters for how the funding will be supplied to the project.

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

Motion: Vice Chair Pat Boyle moved to endorse the MOU from our community partners which will allow the airport to be the administering sponsor of the Small Community Air Service Development Grant for the Department of Transportation.

Second: Commissioner Winton Kemmis

Vote: Motion passed unanimously

American Airlines Chicago Air Service Agreement

Airport Director Brian Ellestad reminded the Board of the Small Community Air Service Development grant from the U.S. Department of Transportation. He then updated the Board about the RFP process undertaken by staff to determine which air carrier should be recommended for the air service. Both United and American submitted responses and staff are recommending American as the most beneficial to the airport. This agreement spells out the terms of the relationship between the Airport and American for the Chicago air service.

Chair Deb Poteet asked if there were any Board questions or public comments regarding the award. Brian clarified that American does a code share with Alaska such that American has the opportunity to utilize Alaska flights for reroutes. There were no other questions or comments.

Motion: Commissioner Matt Doucette moved to authorize the Airport Director to sign the American Airlines Service Agreement

Second: Commissioner David Bell

Vote: Motion passed unanimously

INFORMATION/DISCUSSION ITEMS(S)

Deb reminded the room that the Facility and Operations Committee will be meeting on August 13 at 3 pm and that the next Board meeting is on August 26 at 1:30 pm.

Meeting Adjourned.