

MISSOULA COUNTY AIRPORT AUTHORITY
Facilities and Operations Committee
August 13, 2025
3:00 pm, Johnson Bell Conference Room

THOSE PRESENT

BOARD:

Chair Deb Poteet
Secretary/Treasurer Adriane Beck
Commissioner Winton Kemmis
Commissioner Matt Doucette
Commissioner David Bell
Commissioner Andrew Hagemeyer
Alternate Jack Meyer

STAFF:

Director Brian Ellestad
Deputy Director Tim Damrow
Director of Finance and Administration Will Parnell
Legal Counsel Juniper Davis
Business Development Manager Dan Neuman
Director of Maintenance Nate Cole
Ground Handling Manager Andrew Bailey
Building Maintenance Supervisor AJ Bemrose

OTHERS:

George Bailey, St. Regis Solar
Mike Mamuzich, Minuteman Aviation
Forest Gue, Minuteman Aviation
Jillian Mamuzich, Minuteman Aviation

Committee Chair David Bell 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

Committee Chair David Bell asked if there were any changes to the agenda. There were no suggested changes to the agenda.

Motion: Committee Member Jack Meyer moved to approve the agenda.

Second: Commissioner David Bell

Vote: Motion passed unanimously

PUBLIC COMMENT

Committee 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.

NEW BUSINESS

Presentation and discussion regarding proposal for solar/hydrogen project with St. Regis Solar

Business Development Manager Dan Neuman provided a presentation on a potential project proposed for the south side of the Airport's property on land that is currently utilized for agriculture. The project is led by St. Regis Solar and would entail placing a solar array on a portion of the agricultural land, including hydrogen conversion facilities. Along with this proposed project would be the possibility to also place on Airport property the infrastructure needed for access and utilities. If the project funding is secured and the project moves forward, St. Regis Solar would lease land from the Airport and provide for the needed infrastructure.

The committee confirmed that the lease is expected to be presented to the board by the end of September. A survey will also be needed to finalize the property boundaries. The cost of the survey is estimated to be between \$6,000 and \$7,000. The lease execution is a prerequisite for Department of Energy (DOE) approval, which will enable further development of the project.

Minuteman Aviation Update and Discussion

Minuteman Aviation Lease and Airport Expansion Planning

The Committee transitioned to a comprehensive review of Minuteman's lease history and future Airport planning, with an overview and background presentation by Deputy Director Tim Damrow. Minuteman holds several ground leases with the Airport, on which Minuteman operates FBO operations, maintenance hangars, and fueling facilities. Minuteman leases date back to 1989 and 1990, including a number of extensions in the years that followed.

Passenger numbers are projected to reach 524,000 in 2025, surpassing earlier estimates. To meet future parking needs for those passengers, the Airport has invested approximately \$2.8 million in expansions and is considering further development into Minuteman's lease area on the eastern side of the terminal. The Minuteman lease for the eastern hangar area is set to expire in 2027, at which time the Airport has plans to expand parking into this area.

Tim provided additional historical context, referencing master plans from 2008 and 2015, which anticipated Airport development in the areas currently under discussion. The committee reviewed past relocations and demolitions of hangars, emphasizing the collaborative efforts between the Airport and Minuteman. Key takeaways from Tim's presentation include: 1) recognition that the plans for Airport expansion into Minuteman's eastern hangar complex have been planned and discussed for many years; 2) Minuteman's current lease for the eastern hangar area expires in 2027 and includes a requirement for Minuteman to remove its buildings at the end of the lease term; and 3) In instances throughout the past decades when the Airport has needed additional ground for Airport expansion, the Airport has provided Minuteman with additional areas for hangar development which have resulted in no net-loss of leased square footage.

Minuteman's Capital Improvement Plans

Minuteman shared updates on their plans for their business, stating that they want to continue to operate at the Airport well into the future. They explained that the costs for

construction have escalated over the years, making it difficult for them to budget for the costs of building a new maintenance hangar on the western side of the Airport when they are required to vacate and remove the maintenance hangar on the east side at the expiration of the 2027 lease.

They have been working with an engineering firm on plans for a new maintenance hangar. Architectural and engineering work began in October 2024. The design aims to accommodate larger aircraft and support continued business growth. Challenges in obtaining fixed-cost bids were noted, with contractors suggesting cost-plus arrangements due to economic volatility.

Financial and Legal Considerations

Legal Counsel Juniper Davis and Director of Finance and Administration Will Parnell provided an overview of the Airport's financial and regulatory constraints. As a federally funded facility, MSO must adhere to FAA grant assurances, which require that the Airport treats its operators equitably, that the Airport utilizes a self-sustaining business model, and that the Airport maintain fair and consistent lease practices. Juniper explained that if the Airport doesn't adhere to those grant assurances, the Airport risks enforcement actions as well as loss of funding. Operating transparently and without special treatment helps ensure the Airport is good stewards of its public funding. Juniper also mentioned Minuteman's lease terms for the eastern facility which is set to expire in 2027 with a requirement that Minuteman bear the costs of removing the existing buildings on the site. Juniper concluded by saying that the failure to enforce lease terms can be seen as a lapse in oversight by the FAA.

Will further explained the Airport currently holds \$45 million in outstanding debt, limiting its ability to offer financial assistance. Will added that if the Airport were to offer capital financing to Minuteman, that the Airport would be required to recover not just the capital outlay but also the associated debt service directly from Minuteman. Discussions with the FAA's ADO are ongoing to explore potential federal funding options, though none are currently available for private entities like Minuteman.

Deputy Director Tim Damrow referenced the Minuteman letter and explained that Juniper and Will's responses largely address the requests numbers 1, 2, 3 and 5. Request number 4 for a new long-term lease for a new hangar on the western hangar area could very likely be accomplished.

Next Steps and Action Items

Airport Director Brian Ellestad presented a different option where the Airport's future parking needs might be able to be moved to the western side of the terminal, which might prevent the need for Minuteman to leave their facilities on the eastern side. More work and discussion would need to be occur in order to determine if this is an option.

The committee agreed to continue quarterly updates and meet in the fall to allow Minuteman time to review the information presented. Minuteman was advised that financial statements would be required to facilitate further discussions on potential support. The Airport will present its six-year Capital Improvement Plan in September, which may include prioritization of utility infrastructure projects. Both parties acknowledged the importance of

Minuteman's services to the Airport and expressed a commitment to finding viable solutions for future development.

Meeting Adjourned.