

MISSOULA COUNTY AIRPORT AUTHORITY
Regular Board Meeting
April 25, 2017

THOSE PRESENT: Chair Paul Stafford
Vice Chair Shane Stack
Commissioner Dori Brownlow
Commissioner Larry Anderson
Commissioner Jeff Roth
Commissioner Matt Doucette (by telephone)
Alternate Commissioner Deb Poteet
Alternate Commissioner Winton Kemmis

STAFF: Director Cris Jensen
Deputy Director Brian Ellestad
Financial Manager Teri Norcross
Administrative Manager Lynn Fagan
Business Development Manager Dan Neuman
Facilities Manager Thad Williams
Airfield Operations Manager Nate Cole
Advertising Manager Amanda Jacobson

OTHERS: Shaun Shea, Morrison Maierle
Gary Matson, GA Pilot

Chair Paul Stafford called the meeting to order and advised everyone that the meeting was being recorded.

Motion: Commissioner Jeff Roth moved to seat Alternate Commissioner Deb Poteet

Second: Commissioner

Vote: Motion passed unanimously.

AGENDA

Motion: Commissioner Larry Anderson moved to approve the Agenda as presented.

Second: Commissioner Shane Stack.

Vote: Motion Passed unanimously.

Public Comment Period: None

MINUTES

Motion: Commissioner Shane Stack moved to approve the minutes of the Regular Board meeting dated March 28, 2017.

Second: Commissioner Deb Poteet.

Vote: Motion Passed Unanimously

CLAIMS FOR PAYMENT

Finance Manager Teri Norcross explained that the Magnetic Variance project and the terminal schematic design costs would be paid by a federal grant this year that should be available soon. We are not sure when the rest of this year's federal grant money will be available because of the continuing resolution. The payment for Cooper Crouse-Hinds is from an existing grant so that will be taken care of. Commissioner Paul Stafford asked if there is a time limit to get the magnetic variance project done and Director Cris Jensen answered that originally the time limit was the end of 2017 but the FAA has agreed to an extension until Spring 2018.

Motion: Commissioner Shane Stack moved to approve the claims for payment as presented.

Second: Commissioner Jeff Roth.

Vote: Motion Passed Unanimously

FINANCIAL REPORT

Finance Manager Teri Norcross brought to the Board's attention a change to the Income Statement regarding the Allegient incentives and the transfer of \$35,000.00 to the groundhandling account from the marketing account. Teri explained that the budget has been sent to the airlines for comments and a Finance Committee meeting will review the budget. An Audit RFQ has gone out. Teri will have the Finance Committee review the proposals.

Motion: Commissioner Jeff Roth moved to approve the financial report as presented.

Second: Commissioner Larry Anderson.

Vote: Motion Passed Unanimously

DIRECTOR'S REPORT

Director Cris Jensen discussed the staff's meeting with the City of Missoula regarding annexation. In the end, staff does not believe that anything really changes for the airport in how we function and the City agreed with that. We did take the opportunity to bring up the impact fees and provide the City with our legal analysis. We will wait to hear back from the City on that issue. We are in negotiations with our Public Safety Officers. Their focus has been on keeping the 24 hour schedule and transitioning from a 30 year retirement program to a 20 year retirement program.

The federal government funding runs through Friday so if there is no funding bill passed all non-essential employees are furloughed. TSA is essential. The odds of something passing are getting better.

Cris reminded the Board that the airport is having its Disaster Drill on May 11th at 9 am.

Deputy Director Brian Ellestad stated that Frontier will be starting service on Friday, two weeks earlier than last year. Allegiant will be starting service to Oakland next week, also two weeks earlier than last year. United restarts service to Chicago and San Francisco. American's advanced bookings for Billings look good and they are very happy with Bozeman.

Commissioner Anderson asked Director Jensen if Neptune is being assessed impact fees on their project. Cris stated that Neptune is in the same position as Homestead Helicopter in that the City has agreed to let the project go forward without payment of the impact fees until the legal issue is resolved.

Commissioner Stafford asked Shaun Shea if annexation will have any impact on the terminal project. Shaun Shea stated he did not anticipate any differences in dealing with the City rather than the County for building permits, etc.

LEGAL REPORT

Administrative Manager Lynn Fagan reported to the Board that she attended the Board of Adjustment hearing earlier in the month on the Rental Car Quick Turn Around Facility project. The hearing related to an exception from zoning which required trees to be planted every 50'. The only member of the public to attend hearing was Bruce Madsen, who owns land adjacent to the airport. He asked the Board of Adjustment if he could have the same exception on his land.

Lynn then discussed work she and Dan Neuman have been doing on the commercial lane, specifically working on contracts with Uber and Lyft and re-designing the front of the terminal to avoid congestion.

COMMITTEE UPDATES

Executive Committee: Met March 28, 2017 to discuss 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:

Construction Lease for Missoula FX, LLC

Business Development Manager Dan Neuman reminded the Board that at last month's meeting the Board approved an Option to Lease for Missoula FX, LLC, the local group that is going to build the facility for Fed Ex. Dan explained that he and Lynn have worked on the terms of this Construction Lease with the attorneys for Missoula FX and Fed Ex. This lease is at the same rate as the option but allows them a possessory interest of the property to start construction. Lynn Fagan brought some changes to the document in Section 4.1 and Section 17.2.

Motion: Commissioner Larry Anderson moved to approve the Lease Agreement with Missoula FX, LLC with the changes presented by legal counsel.

Second: Commissioner Jeff Roth

Vote: Motion Passed Unanimously

Amendment No. 1 to Task Order 23 with CH2MHill

Cris Jensen explained that this change order is because Territorial Landworks had to perform additional services under CH2's contract in order to comply with revised Montana Department of Environmental Quality regulations. CH2 is not requesting an increase in their fees for oversight and management of Territorial but are simply passing the costs through.

Commissioner Shane Stack noted that Mountain Water virtually stopped working on any new agreements since the City's action began and they have had similar issues trying to get tasked moved through review.

Motion: Commissioner Jeff Roth moved to approve CH2MHill Task Order No. 23 – Amendment No. 1 in the amount of \$19,164.00.

Second: Commissioner Deb Poteet

Vote: Motion Passed Unanimously

Task Order No. 7 for Master Agreement with Morrison-Maierle for fuel spill mitigation in current rental car QTA facility

Director Cris Jensen explained the history regarding two old fuel spills and the opportunity to look at the area under the old Quick Turn Around facility and determine if there has been any migration. The State Petroleum Board has paid for remediation efforts in the past and this work will also be reimbursable by the Petro Board. There is a potential that these sites can actually be closed out if the testing determines there has been no migration. If there is further work required, staff will bring another item to the Board for action. Commissioner Larry Anderson asked how long the monitoring would go on. Shaun Shea of Morrison-Maierle responded that it would last 4-6 months, through the end of summer, early fall. Commissioner Larry Anderson asked if the clay soil we have out here is conducive to the spill moving. Shaun stated that it is not. More discussion ensued regarding the past mitigation efforts, etc.

Motion: Commissioner Larry Anderson moved to approve Task Order No. 7 with Morrison Maierle in the amount of \$53,519.89.

Second: Commissioner Dori Brownlow

Vote: Motion Passed Unanimously

NEW BUSINESS:

Amendment to Pathfinders Lease

Administrative Manager Lynn Fagan explained to the Board that John Horton runs the Pathfinders real estate business in the airport and has operated in the airport for quite some time. John is a great tenant and acts as a kind of visitor's center for the passengers. His current lease expired in January. This is a one year extension because one of the spaces he rents will be needed for the terminal expansion project. Staff will likely bring another extension next year for a smaller space.

Motion: Commissioner Dori Brownlow moved to the Addendum to John Horton's Lease as presented.

Second: Commissioner Shane Stack

Vote: Motion Passed Unanimously

INFORMATION/DISCUSSION ITEMS

None.

There being no further business the meeting was adjourned.