

**HELENA REGIONAL AIRPORT AUTHORITY
MEETING MINUTES
OCTOBER 25, 2022**

MEETING

In Attendance:

Tom McGree, Chair
Mike Muscarelli, Vice Chair
Debbie Havens, Secretary
Mike Murray, Immediate Past Chair
Dave Simkins, Past Chair
Jeff Wadekamper, Airport Director

Others Attending:

Nick Enblom, Morrison Maierle Engineers
Greg Gould, Jackson, Murdo & Grant, P.C.
Ross Marty, Assistant Airport Director
Connie Lundin, Financial Manager
Amber Huggett, Office Manager

Excused:

Bob Heberly, Commissioner
Bill Burkland, Commissioner

PUBLIC COMMENT PERIOD

Lisa Gresens with Helena Aircraft attended the Board meeting but did not have a public comment or question.

MINUTES

MOTION was made by Immediate Past Chair Murray, seconded by Secretary Havens to approve the Meeting Minutes from the September 20, 2022, Authority Meeting.

The motion carried unanimously.

AIRPORT IMPROVEMENT PROGRAM PROJECTS

AIP-62 (Station 1 Roof, Terminal Roof, HVAC Replacements) Payment Claims – CWG Architects has submitted two separate claims for the design and bidding for the terminal building roof and HVAC replacement and also the separate project to replace the station 1 roof. These costs were included in the proposed engineering scope of work and Independent Fee Estimate the Commissioner approved earlier in 2022. Jeff recommends approval as submitted.

MOTION was made by Immediate Past Chair Murray, seconded by Past Chair Simkins to Approve AIP-62 Claims in the Amount of **\$11,783.56**.

The motion carried unanimously.

AIP-66 (Road Paving Projects)

Consider Change Order #1 in the Amount of \$12,951.00 – The project budget has additional funds remaining following the paving work, as the material quantities were less in the field than what was actually estimated and bid. We discussed the idea of using epoxy paint as opposed to water-based traffic paint as the epoxy paint last much longer. We determined it made sense to utilize the epoxy paint for the second application. Morrison Maierle has developed the following change order for the Commissioners to consider. The additional cost to apply epoxy paint for the second coat totals \$12,951.00. Jeff recommends approval of the change order as it is worth the added cost for a longer lasting paint, and we have the Federal funds in the overall project budget to cover the added expense.

MOTION was made by Immediate Past Chair Murray, seconded by Vice Chair Muscarelli to Approve Change Order #1 in the Amount of **\$12,951.00**.
The motion carried unanimously.

AIRPORT AUTHORITY ISSUES

Presentation of FY 2022 Financial Audit Report – Megan Connors, Anderson Zurmuehlen – Megan Connors from Anderson Zurmuehlen joined the meeting virtually on the big screen to provide an overview of the Fiscal Year 2022 Financial Audit.

A copy of the draft audit was included with the meeting materials for Commissioners to review. Megan Connors stated that overall, the audit produced an unmodified opinion with no significant deficiencies and no findings. The Airport's financial position continues to be stable despite increasing costs due to inflation and a tight airline market.

Jeff thanked Connie for all of her efforts to manage our financials and always have every detail in good order. Connie spends a significant amount of time each year providing the materials that the auditors need and to ensure we are following an increasingly changing fiscal environment that is heavily regulated. Jeff also thanked Megan and her team. Anderson Zurmuehlen has been great to work with these past few years and have been very professional. This is the 3rd and final year of the audit contract that we have in place with them, however it has a contract extension clause in there to allow us to consider extending their services if we choose to do so. Jeff stated that we plan to have this as a separate agenda item in a month or two once this year's audit process is completed.

MOTION was made by Secretary Havens, seconded by Past Chair Simkins to Approve Acceptance of FY 2022 Airport Financial Audit

Update on Airport Resiliency Project and Energy Efficiency Analysis Options – Jeff stated the interconnect applications have been submitted to Northwestern Energy for both the electric and gas portions of the project. An additional application has also been completed and submitted for review to consider sourcing natural gas from the major gas transmission line that passes through the area and comes from the natural gas source in Alberta, Canada. Northwestern Energy

initially determined that their local gas distribution line could not handle the necessary capacity for the gas fired plant, so they suggested getting the application in to consider using the transmission line. The team fully expected this to occur so that was not necessarily a surprise.

Last month Commissioner Burkland requested that we consider having an energy efficiency analysis done to the terminal building as part of the Resiliency Project. Commissioner Burkland has asked to be excused from this month's meeting, but Jeff still wanted to give everyone an update on this item. Jeff contacted CWG Architects, Morrison Maierle, and Northwestern Energy to see what options existed for this review. Jeff plans to have this item on the November Agenda as well as we should have some of the analysis underway by that time.

Northwestern Energy and CWG recommend using John Campbell of ERM which is a local firm that completes energy efficiency studies. He is currently completing a similar study for the City of Helena. Jeff contacted John, and he is going to provide us a proposal of what the energy analysis could include along with a cost estimate. Jeff plans to have this information at a future Board meeting for consideration so we can move ahead with this process.

Immediate Past Chair Murray asked if we anticipate any protests in regard to the gas generation?

Jeff replied, probably that would be my guess.

Past Chair Simkins asked if it had been released to the public yet?

Jeff said not at this time. We need to do the analysis to see if it is feasible. If it is feasible, then we can contemplate the public notice process. It has to go through to the public service commission which includes it being announced to the public. We have to make sure we have enough gas to sustain the operation first.

Past Chair Simkins asked if the gas would come from Canada?

Jeff explained, yes, all the gas we currently have comes from Canada as that is where Northwestern gets the natural gas.

Past Chair Simkins asked if Northwestern Energy thought the gas line would be big enough to help us?

Jeff said they anticipate it will be, yes. They think there will be enough capacity there, it is just more of a factor of the gas company transmission line. They are taking into consideration all the growth in the area and how it will impact that as well.

Consider Adoption of Updated Airport Advertising Policy – We are updating our Airport Advertising Policy to better align with a number of things that have come up in recent years. For example, we recently had a medical marijuana dispensary ask to display advertising materials in

our terminal. Jeff denied the request based on the fact that as an airport that has received Federal funds, we are required to follow Federal rules and grant assurances. While medical marijuana dispensaries are legal in Montana by State code, there is still a Federal prohibition, which would prevent us from allowing that to be advertised at our airport. Jeff said that he had reached out to all of the other Montana airports to see if anyone had a different interpretation and every other airport and their legal counsels have also denied allowing those types of advertisements for that same reason, so we are being consistent.

We received the advertising policies from the other airports to see what others were doing. We utilized some ideas of other airport policies we felt made sense and combined them with ours to develop the updated draft policy that is included in the packet for consideration by the Commissioners. Greg has also reviewed this policy from a legal standpoint as well.

Overall, this policy update is needed to ensure that we have a consistent and enforceable set of parameters to help us determine what should and should not be displayed on the airport property, including the terminal building and other locations.

Greg gave his legal opinion and opened the discussion up to the commissioners to decide what they think on a few key points is best for the airport. One question that came up was regarding the airport's legal ability to restrict advertising in tenant owned facilities since they are on leased airport property. Greg thought that was up to the airport through the lease most likely, but he would like to take a deeper dive into this particular subject to determine if that was the case. The commissioners discussed keeping the policy the same for all advertising throughout airport properties to be consistent if that is legally workable.

MOTION was Tabled for the commissioner's input and Greg's legal advice. Jeff will put the motion for the Adoption of Updated Airport Advertising Policy on November's meeting agenda so additional clarification can be provided to help answer the questions raised at today's meeting.

ASSISTANT AIRPORT DIRECTOR'S REPORT – Ross Marty

- ➔ Monthly passenger operations for September of 2021 are still down compared to September of 2019 by **-32.94%**. Due to United removing the second flight and still no Delta to Minneapolis flight.
- ➔ **Alaska Airlines Airframe Conversion** - The conversion from the Q-400 Turboprop to the Embraer 175 Jet by Alaska/Horizon airlines took place on October 6th and went off without a hitch. The local staff had undertaken several training days to get ready for the new jet as the Q-400 didn't require a jet bridge to use and the EMB175 does. While that is the case, it has been operating seamlessly with great reception from the local passengers, from everything that we have been hearing.
- ➔ **FAA Weather/Flight Cameras** - The weather/local area cameras that the FAA, MDT Aeronautics Division, and we have been working on installing are now up and running live on the FAA's system. Montana is the third state to undertake this project behind Colorado and the pioneers, Alaska. The intent behind these cameras is to provide

another visual element to pilots while flight planning. Ross displayed the weather cameras on the screen in the board room to show the Commissioners how they are set up. He also provided the web address where anyone can view those cameras to get an idea what the current weather and visibility looks like near the Helena area.

<https://weathercams.faa.gov/>

- **Vector Update** - We will be transitioning over to Vector for flight tracking and billing services on the first of November. Vector had some trouble sourcing some computer components but have rectified that issue and we received all the pertinent infrastructure and equipment to get up and running. Our maintenance staff already installed the antenna on top of the roof that will capture the inbound and outbound ADSB signals that aircraft emit, now we just must get it synced and hooked up to our network.
- **TSA Comprehensive Badge Audit** - It is that time of year again where we are required by TSA to audit 100% of our badge population – this year that amounts to 666 individuals with Airport IDs. While a substantial number, it is up to 200 less than in years' past without the large amount of paving or construction contractors with badges.
- **DEQ Stormwater Permit Update** - At the end of this year our current DEQ Stormwater Permit is set to expire, thus requiring us to go through a vast application process. While it is large, Morrison-Maierle does the lion's share of the weightlifting on this with Mark Franchi being a major help in the realm of Stormwater and drafted our lengthy permit application for us to submit. The permits are valid for a period of five years, so it has been some time since we have had to go through this process.
- **ARFF Truck Procurement** - Despite still being around a year away from receiving and putting into service our newly acquired ARFF trucks, their progress is coming along quite nicely. This past week Oshkosh sent over an update, and things are moving along as scheduled.
- **Annual FAA ADO Conference/MAMA Meetings** - This past week the annual FAA Airport District Office Conference was held here at the Airport and was the first-time post-pandemic that we have had everyone together. Last year we operated a hybrid-model, but this year it was almost 100% in-person, except for the guest speakers based out of Washington DC or the Seattle FAA Office that did virtual presentations. It was a great turnout with around 150 Airport staff, consultants, and FAA staff.
- **Chamber Board** - Several weeks ago, I received a call from the Chamber that I had been selected to be part of their board as well. Like the MAMA board, I'm very much looking forward to working with this group and being more involved in the Chamber and Helena business community. I'm humbled by the inclusion on both boards and am excited to get started.

Immediate Past Chair Murray asked if Alaska has moved forward in adding a second flight for Helena instead of storing empty planes in Spokane?

Jeff said no they haven't yet, but we might be able to discuss it further when they come next week.

Vice Chair Muscarelli asked Ross if the new FAA weather/flight cameras were on a public website

and if you needed security clearance to see them?

Ross responded yes, they are on a public website, they are open source so anyone can view them at any time.

CONSENT AGENDA

Review of Income and Expense Reports
Review of Past Due Accounts

MOTION was made by Immediate Past Chair Murray, seconded by Past Chair Simkins to Approve the Consent Agenda.
The motion carried unanimously.

OLD BUSINESS.

None.

DIRECTOR'S COMMENTS.


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- ➔ **American Airlines Recruitment Update** – We have a meeting with American scheduled in a couple weeks to discuss next steps now that the US DOT has approved during our small community air service grant for service from Helena to Dallas. Hopefully, they will have interest in setting a date for this service to begin so we can begin promoting it. I'll keep the Commissioners updated following our meeting.
- ➔ **Alaska Airlines – Airport Affairs Upcoming Visit** - I recently learned that we are being assigned to a new point of contact for Alaska Airlines' Airport Affairs who will be coming to visit us in November to get acquainted with us and the operation and keep our working relationship strong.
- ➔ **Delta Airlines** – I had a recent conversation with a VP of Delta Airlines. I reminded them about our airport incentive program that would provide 2 years of no fees if they added the Minneapolis service back to the Helena market. They indicated they still have interest in bringing that back, but just have limited resources, especially pilots, but hope that can be improved at some future point. As a reminder to the Commissioners that incentive program is available for any airline adding service to Helena, not just Delta.
- ➔ **Southern Airways** – We also have a Zoom Meeting with Southern Airways next week to discuss their interest in serving some communities within Montana including Helena. They were extremely impressed with what they saw and learned at the Airline Rendezvous in September.
- ➔ **Hotel Accommodations RFP** - Jeff stated that we have a Request for Proposals currently advertised for the next 3 training seasons related to hotel accommodations for the fire training center students. That will be on the agenda in November for selection.
- ➔ **Snow Plan** – We had our annual meeting with stakeholders to review our Airport Snow and Ice Control Plan in preparation for winter's arrival.

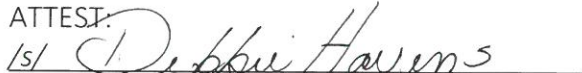
- ➔ **Board Position** – With Dave Simkins terming out, I expect the County to select a new Commissioner in the next two weeks. The County has advertised the open position.
- ➔ **Assistant Airport Director** – I'd like to congratulate Ross on his appointment to the Chamber of Commerce Board and as Secretary of the Montana Airport Manager's Association. He will do well and gain some vast knowledge and experience along with the networking opportunities within the community.

REPORTS PRESENTED FOR REVIEW:

Director's Report and Board Report – Jeff Wadekamper
Assistant Director's Report – Ross Marty
Fiscal YTD Financials – Connie Lundin
FAA Funded Airport Improvement Project Report – Nick Enblom



Tom McGree, Chair

ATTEST:

Debbie Havens, Secretary

(SEAL)