

**HELENA REGIONAL AIRPORT AUTHORITY
BOARD MEETING MINUTES**

**LOCATED: 2850 MERCER LOOP, HELENA, MONTANA 59602, 2ND FLOOR, BOARD ROOM
AUGUST 20, 2024, CALLED TO ORDER AT 11:34 A.M.**

MEETING

In Attendance:

Mike Muscarelli, Chair
Debbie Havens, Vice Chair
Bob Heberly, Secretary
Tom McGree, Commissioner
Jason Davis, Commissioner
Jim Enyeart, Commissioner
Troy McGee, Commissioner
Jeff Wadekamper, Airport Director

Others Attending:

Cory Kesler, Morrison Maierle Engineers
Greg Gould, Jackson, Murdo & Grant, P.C.
Mike Talia, Jackson, Murdo & Grant, P.C.
Ross Marty, Assistant Airport Director
Connie Lundin, Financial Manager
Amber Huggett, Office Manager
Jerry Gresens, Helena Aircraft Co.
Jeff Switzer, CEO of Tailwinds Hospitality, Inc.

PUBLIC COMMENT PERIOD

None received.

MINUTES

MOTION was made by Vice Chair Havens, seconded by Commissioner McGee to approve the Meeting Minutes from the July 16, 2024, Airport Authority Meeting. The motion carried unanimously.

MOTION was made by Commissioner McGee, seconded by Secretary Heberly to approve the Meeting Minutes from the July 16, 2024, Airport Authority Meeting Executive Session. The motion carried unanimously.

MOTION was made by Commissioner Enyeart, seconded by Secretary Heberly to approve the Meeting Minutes from the August 14, 2024, Airport Resiliency Project Meeting. The motion carried unanimously.

AIRPORT IMPROVEMENT PROGRAM PROJECTS

AIP-62 (Terminal Roof and HVAC Replacement Project) – The roof and HVAC project is ending. The contractors have done an excellent job, and these improvements will serve us well for many years. We recommend approval of the claims as submitted.

AIP-62 (Terminal HVAC, Roof Replacement Project) -

CWG Architects	\$ 5,948.50
Dick Anderson Construction (Pay App#7)	\$62,727.66
State of Montana 1% Withholding Tax	\$ 633.51
TOTAL CLAIMS	\$69,309.67

MOTION was made by Commissioner McGree, seconded by Commissioner Enyeart to Approve AIP-62 Claim in the Amount of **\$69,309.67**. Commissioner Heberly abstained from the motion.
The motion carried unanimously.

AIP – 71 (Hangar Taxi Lane, ARFF Equipment, Snow Removal Equipment) Claims:

Administrative (RPA Independent Fee Review)	\$ 3,500.00
Morrison Maierle (Design, Bidding, Basic Services)	\$168,390.51
Morrison Maierle (Construction Management)	\$ 16,399.63
<u>LN Curtis (ARFF Equipment – Pay Request #1)</u>	<u>\$236,242.20</u>
TOTALS	\$424,532.34

MOTION was made by Commissioner Davis, seconded by Commissioner Heberly to Approve AIP-71 Claim in the Amount of **\$424,532.34**.
The motion carried unanimously.

AIRPORT AUTHORITY ISSUES

Appoint a Nominating Committee to Recommend a Slate of Authority Officers for 2024-2025 – Chair Muscarelli asked for volunteers to appoint a nominating committee to develop a slate of Airport Authority officers for 2024-2025 to bring back to the September meeting for approval.

MOTION was made by Commissioner McGree, seconded by Commissioner McGee to Approve Appointment of a Nominating Committee of Chair Muscarelli, Vice Chair Havens and Secretary Heberly, to Recommend a Slate of Authority Officers for 2024-2025.
The motion carried unanimously.

Consider Pay Request #1 from Golden Eagle Construction in the Amount of \$57,550 for Construction of the FAA Airport’s Office Leased Space – Golden Eagle Construction is making great progress on the FAA Office buildout project. We have reviewed the pay request with CWG Architects and recommend approval as submitted.

MOTION was made by Secretary Heberly, seconded by Vice Chair Havens to Approve Pay Request #1 from Golden Eagle Construction in the Amount of \$57,550 for Construction of the FAA Airport's Office Leased Space.
The motion carried unanimously.

Consider Assignment of Lease for Airport Food and Beverage Concession Agreement from Oakwells to Tailwinds Hospitality, Inc. – Director Jeff Wadekamper stated that Oakwells has entered into an agreement to be purchased by Tailwinds Hospitality, Inc., which is another airport food and beverage concessionaire in 45 airport locations across the nation with a corporate office in Denver. Information was included in the meeting packet which was provided by Tailwinds to give an overview of their company. Jeff has reviewed the lease with Greg and Mike, as the lease does provide for consent to an assignment, which would transfer all obligations to Tailwinds if approved. We would utilize our own lease assignment document as well, as we do with any other lease assignment that the board approves. Mike Reilly, owner of Oakwells, stated that he and his entire staff will be employed by Tailwinds, so they do not anticipate any changes to the folks that we have been working with on a daily basis. The CEO of Tailwinds, Jeff Switzer, was in attendance to introduce himself and his company and to answer any questions.

MOTION was made by Commissioner McGree, seconded by Commissioner Enyeart to Approve Assignment of Lease for Airport Food and Beverage Concession Agreement from Oakwells to Tailwinds Hospitality, Inc.
The motion carried unanimously.

LEASES

Consider Adoption of Policy Regarding Fees for Airport Lease Transfers, Reassignments and Other Transactions – Jeff stated that we regularly have various transactions with respect to lease agreements. While some of them are straightforward and simple, others require extensive legal review and even development of transfer or reassignment agreements, etc.... One recent example is the Soccer Association Lease Amendment. This particular lease requires development of a lease amendment along with extensive legal review. The cost of the legal work alone could easily eat up a substantial portion of an entire year's lease revenues. We developed a fee schedule to cover all lease and business transactions with the Airport Authority, to ensure we are not eating up a significant share of important lease revenue on the time and expertise it takes to create these agreements. Jeff stated that he sees most other airports doing similar things with respect to lease and business agreements, so this is not unique. The goal is not to nickel and dime our customers to death, but we do feel the cost of these transactions are reasonable to ask for. Included in the packet is the fee schedule for your consideration.

MOTION was made by Commissioner McGee, seconded by Commissioner Davis to Approve Adoption of Policy Regarding Fees for Airport Lease Transfers, Reassignments

and Other Transactions.

The motion carried unanimously.

Consider Amendment to a Non-Aeronautical Ground Lease with the Helena Youth Soccer Association – Jeff outlined that the Helena Youth Soccer Association has requested an amendment to their ground lease. The purpose initially was to remove the City of Helena from the lease as a signatory. Phil McGovern and Andy Adamek from the Soccer Association attended one of our Authority meetings a year or so ago asking if we were receptive to the City going off the lease and the overall feeling was that we would be receptive if the City was agreeable. The City invested a large amount of money initially, as part of their open space funds. That was over 20 years ago. Recently the City issued a letter to the Soccer Association stating that they were agreeable to removing the City as a signatory from the lease. A copy of that letter was included in the meeting packet for your review.

This amendment removes the city and clarifies a few other aspects of the lease with respect to the site, parking, improvements, and indemnity. The current lease expires in December of 2027, so we felt it might make sense to incorporate the term extension into this amendment, rather than doing so in a couple years. HYSA has expressed some interest in exploring more field investments and even an enclosed field building, so an extension of their lease would give them the certainty to begin planning for those larger capital investments. They originally requested another 30-year term, so we are suggesting 20 years, with a 10-year renewal.

Greg and Mike thoroughly reviewed all of the details of this amendment. Andy Adamek, legal counsel for HYSA has also been involved in our discussions and review.

RECOMMENDATION – Jeff recommends approval of the amendment as submitted.

MOTION was made by Commissioner McGee, seconded by Commissioner Davis to Approve Amendment to a Non-Aeronautical Ground Lease with the Helena Youth Soccer Association.

The motion carried unanimously.

Consider Renewal of a 40 X 40 Non-Commercial Aviation Hangar Ground Lease with Lindsay Drilling for an Additional 5 Year Term – Lindsay Drilling owns two 40 X 40 noncommercial hangars that are located adjacent to the Earhart Condo hangars. These two hangars are old wood pole buildings with green metal siding and red colored doors. The Lindsays have not flown in many years, but have subleased the hangars to John Semple of JHS, Inc, who has used them to store some older age spraying planes that are currently not airworthy.

The original 20-year lease term began in 1993, however, some research shows that the hangars were constructed in the 1970's, so they have been there a long time. They are unheated and the floor is asphalt paved inside the pole building. The leases expire on December 31 of this year, but Terry Lindsay asked if we would consider renewing them a few months early so they can advertise them for sale. These leases are currently in the 5-year renewal phase and have been

renewed twice already; this would be the third renewal. I would not recommend a new lease as the hangars really need some TLC as they are badly faded and are a little rough due to their age.

MOTION was made by Vice Chair Havens, seconded by Commissioner McGree to Approve Renewal of a 40 X 40 Non-Commercial Aviation Hangar Ground Lease (Hangar one – Northern most hangar only) with Lindsay Drilling for an Additional 5 Year Term. The motion carried unanimously.

Consider Renewal of a 40 X 40 Non-Commercial Aviation Hangar Ground Lease with Lindsay Drilling for an Additional 5 Year Term – This lease is the second adjacent hangar and is identical to the other one, except this one has sliding wood doors ad opposed to the first hangar which has a newer steel, bi-fold door. Jeff provided a few pictures of this hangar and noted that it needs some repairs to be completed before he would recommend approving a lease. The hanger doors are wood and in bad shape and there are pieces of trim and a piece of siding missing on the front of the hangar. The Commissioners and Jeff discussed distinct options regarding the approach to handling these needed improvements to ensure the hangar is maintained in good condition, while still being reasonable with the owner and a possible new owner if the hangar is sold.

MOTION was made by Commissioner Davis, seconded by Secretary Heberly to Table Renewal of a 40 X 40 Non-Commercial Aviation Hangar Ground Lease with Lindsay Drilling for an Additional 5 Year Term subject to Jeff developing a plan with owner for the required next steps, he has 90 days to fix the replacement of door, replace missing trim and paint the hangar. Once this is completed the commissioner’s will revisit the lease renewal.

The motion carried unanimously.

Consider a 100 X 100 Non-Commercial Aviation Hangar Ground Lease with Brad Garber – Brad Garber has applied to construct a new non-commercial hangar. The hangar will be a full steel sided/framed hangar and will be non-commercial. Brad owns a “Howard” aircraft which is a high wing 1930’s radial engine antique airplane. There are only 15 flying Howards left flying in the world and interestingly, 2 are based in Helena. We have reviewed his plans, and everything meets our requirements, so we recommend approval as submitted.

MOTION was made by Commissioner Davis, seconded by Commissioner Enyeart to Approve a 100 X 100 Non-Commercial Aviation Hangar Ground Lease with Brad Garber. The motion carried unanimously.

CONSENT AGENDA

MOTION was made by Secretary Heberly, seconded by Commissioner Davis to Approve the Consent Agenda.

The motion carried unanimously.

DIRECTOR’S COMMENTS

MEETING ADJOURNED AT 12:55 P.M.

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 – Cory Kesler

/s/ Mike Muscarelli
Mike Muscarelli, Chair

ATTEST:

/s/ Bob Heberly
Bob Heberly, Secretary

(SEAL)