



**Stevensville Airport Board Meeting
Agenda for
TUESDAY, JANUARY 10, 2023
5:30 PM
206 Buck Street, Town Hall**

1. Call to Order and Roll Call
2. Approval of Minutes
 - a. November Meeting Minutes
 - b. December Meeting Minutes
3. Engineers Report
4. Airport Business: Discussion/Decision
 - a. Applications for Airport Board
 - b. Montana Skydive Request to Council to Contact the Town Attorney (at their cost) to Establish Waivers for Skydiving
5. Airport Manager's Report
6. Public Comments
7. Adjournment

Guidelines for Public Comment

Public Comment ensures an opportunity for citizens to meaningfully participate in the decisions of its elected officials. It is one of several ways your voice is heard by your local government. During public comment we ask that all participants respect the right of others to make their comment uninterrupted. The council's goal is to receive as much comment as time reasonably allows. All public comment should be directed to the chair (Mayor or designee). Comment made to the audience or individual council members may be ruled out of order. Public comment must remain on topic, and free from abusive language or unsupported allegations.

During any council meeting you have two opportunities to comment:

1. During the public comment period near the beginning of a meeting.
2. Before any decision-making vote of the council on an agenda item.

Comment made outside of these times may not be allowed.

Citizens wishing to speak during the official public comment period should come forward to the podium and state their name and address for the record. Comment during this time maybe time limited, as determined by the chair, to allow as many people as possible to comment. Citizens wishing to comment on a motion for decision before any vote can come forward or stand in place as they wish. Comment must remain on the motion before the council.

File Attachments for Item:

a. November Meeting Minutes

**STEVENSVILLE AIRPORT BOARD
MEETING MINUTES**

**NOVEMBER 1, 2022 – 5:30 P.M.
STEVENSVILLE TOWN HALL**

STEVENSVILLE AIRPORT BOARD:

- Craig Thomas – Airport Board Chairman
- Rich Perry
- Dustin Wood
- Don Whitehair
- Kelli Weed
- Brian Germane
- Cindy Brown – Council Representative

OTHERS PRESENT:

PAM SOSA – TOWN FINANCE OFFICER
ROBERT UNDERWOOD – CONTRACTED TOWN FINANCE OFFICER
BOB MICHAELSON – TOWN COUNCIL PRESIDENT
WILLIAM ROWE

STEVENSVILLE AIRPORT REPRESENTATIVES:

- Tyler Reed – Airport Engineer (MMI)
- Tim Smead – Airport Manager

1. CALL TO ORDER AND ROLL CALL

- a. Meeting began at 5:30 PM

2. APPROVAL OF MINUTES

- a. Meeting Minutes for 10/11/2022

3. FINANCIAL REPORTS

Guests: Pam Sosa, Finance Officer. Robert Underwood, Contracted Finance Officer. Craig introduced Pam and Robert to the Board.

Robert handed out a copy of the budget. Craig explained the history of Robert and the previous administration.

Robert: First, I would like to explain how the fund works. The Town itself puts all its money in accounts and CDs. We can't move money between funds without Town approval. We can't move money from one account to another, that would be illegal. \$84,823 is how much money is in the Airport Fund. There is no other bank account out there. There are a lot of accounts with funny names. The Airport has no other money outside of that besides this account. There is a CD, it has some money in it, it's included in the same Airport Account. We get audited every year with it.

Craig: What about the CARES money, there was \$13K that showed up, where is it?

Robert: There were several rounds of CARES. Right now, there's two of them, all we have to do is pay some bills and get reimbursed for that money. That's where the cash sits. If you co-mingle the money, you get in trouble, it doesn't work like that. I can't speak to years ago, but currently that's the cash balance.

Craig – Explained some more history and how Robert went way back and found some money that belonged to the Town.

Robert – Began explaining the expenditures. Even though there is \$90K, you always have to have 25% of expenditures in your fund, so you can't drain it down to zero. Right now, they allocated about \$111K out of that fund - that's what Council approved. It's not legal to move money out of this fund. Robert further explained the codes. Out of 111K, about \$30K of payroll, and \$32.5K is for local match for Master P

only way the Airport is able to build this fund is during fire season if the Forest Service bases its operations at the Airport. If you look at what happened this year, projected revenue is about \$37,000, \$9,760 of that is coming from TEDD account. So, TEDD money basically pays off the outstanding loans unless if/when the TEDD twilights. As far as the expenditure budget, inside our system, you have expenditures, revenues, and cash. The computer doesn't correlate them, a human has to keep track of it. Black Mountain software doesn't allow you to get away with anything - there are audit trails. The program doesn't tell you if you don't have money to spend, you have to look at it. If your cash drops below that 25%, you have to find money to add to it quickly. Robert explained the different columns: "committed" is spent so far, then there are current appropriations, and available appropriations. As of right now, the Airport has paid 23% of the budget. Most of that remaining is the master plan which will drop down quickly. As far as paying bills go - A bill originates from Tim and he submits a PO to the Council. The Board advises the Council and Mayor. The Council has approval of everything from the Board.

Craig: The Board makes a recommendation of what should be spent. And Tim manages the Airport.

Craig: The Montana Aeronautics grant for the Airport administrative building, what happened to that?

Robert: The Mayor didn't sign the extension, so it went away.

Robert: Now you have a council member that actually goes to the meetings - she hears everything, that's a good thing. She's able to report on everything, that's how you get the Councils' ears. Your recommendations can go directly to Cindy and she'll bring it to the Council. That's as good as it gets.

Robert: I understand there's 30-something hangars. Business is up there, it's important. And that doesn't get relayed to the Town well, and that's a problem. People don't realize the benefit to the Town.

Craig: Should we point out some of the things going on up there? I was told not to bring anything Airport-related up until after September. There's all kinds of stuff going on up there, like Kelli's organization painting the apron. Kelli could write it up, bring it to Council?

Robert: Yes. Tim has a board report as well. So you have two channels connected to Council. Let's talk about taxes. The airport gets taxes. All the money the Town gets from the Airport goes into the Airport fund. So, you we have your account, and we have the TEDD account with a different code. And that TEDD accumulates about \$10K and it pays down the Montana Aeronautics loan.

Craig: About 60% of my taxes goes to the schools? If we pay \$1,000 in taxes how much does that go to the Airport.

Robert: Only about \$4K goes to the Airport. The additional buildings that were built after the new construction, that money goes to the TEDD, until it twilights. The State of Montana, they keep increasing the exempt property amount. We have a TIFF district next to Ace. We hardly got anything from that. All I can tell you is the money that goes to the Airport goes to the Airport.

Craig: Can we get a report each month so we can put it on the board agenda?

Robert: Yes.

Robert: I'm going to talk about this from a finance perspective. The FAA has a lot of money to give out. A lot of it requires a local match. There's about \$617K in local matches on the Airport's CIP. I don't think we're going to burn down a Lolo Forest. It looks good on paper, but if we don't have money to match it, we can't do the project.

Craig: Could some of the local match be a private contribution?

Robert: Yes. They could do a donation. It would have to be used for the purpose specified.

Brian: Robert, how do we see what the revenue actually is?

Robert: I have a revenue sheet right here. I can show you this afterwards. It shows all of the fees like tie-down fees hangar fees, etc. All of the airport revenue goes back into the airport fund.

Rich: All the revenue the airport gets is generated by the airport?

Robert: Yes.

Rich: So the airport is self-standing.

Robert: At the end of this year, we're going to have about \$24K left in the account. That is assuming we don't get a Montana Aeronautics Match. With the CARES grant, that goes up to \$50K. So, it's about \$80K per year to run the airport. We may have to make cuts next year.

Craig: Several years ago, we put in for everything at Montana Aeronautics, we got money for everything. But then the mayor didn't sign the extension.

Brian: I can't understand, outside of construction projects, how do we operate?

Robert: Tax-wise we get about \$4,600K in taxes. The TEDD is \$11K. The TEDD just pays the debt. In about two years, after the loans are paid off, you'll be able to recognize that money. AV fuel is about \$1K. Tie-downs \$35. About \$14,050 is what we're expecting in hangar fees. Last year the fee increase didn't go up the 10% like it was supposed to go up. We've had people come in saying they're not paying their fee increase. The Airport is proposing an increase in lease terms. I would never do a 40-yr lease, the only time you can increase your fee is when your lease expires. The fee increases have to go up with inflation. As a finance person, you have to say "I'm sorry we have to keep up with inflation rate".

Craig: Hamilton leases just went to 30 years.

Robert: A lot of people think there's a bunch of rich people living up there. It's not the case. It's just a lot of people with hobbies. You don't want to gouge the users. But the whole idea of the airport is it pays itself. The airport is really only used by the airport users. Most of the people with hangars don't live in town.

Craig: That was the original deal in '78 - we pleaded the City to be part of the airport. They said they wouldn't contribute money. And that's where user fees were started.

William Rowe: There's something on the website - an enplanement fee. Who keeps track of that?

Craig and Robert: Never heard of that.

William Rowe: We run 80 planes a week. That would be a big increase in revenue.

Robert - We'll take a look at that.

Cindy - What was that called?

William Rowe: It's an enplanement fee. That's common practice just about everywhere. Because it's using the airport's resources. They don't use it for private, just commercial.

Craig: We stopped tracking that because it was impossible to track. You have to go through all of these time sheets. I haven't seen anything on that.

Craig: I have another question - there's an infrastructure fee? 65 cents a foot?

Robert: Yes, that goes right into your bank account. The only fee that doesn't come in is the building inspector.

Craig: Infrastructure fee, lease fee, and new hangar would go into the TEDD district.

Brian: Was that the end of the revenue?

Robert: There's a miscellaneous line. Since you have a little money in your account, you do get a little bit of interest based on your fund. It's about \$50 this year.

Craig: Is there any way we can assist you and Pam with simplifying things, where we can be your worker?

Bob: What percentage of the airport goes to Pam?

Robert: 10%. Historically, 10% of the finance officer's wages goes to the airport.

Craig: When we were annexed our rates went up 13% and there's also the 10% that goes to Finance so are we paying that twice?

Robert: There's two portions of the bill that goes to the tax bill. There's two lines "Airport" and "TOSAairport". Historically, that TOS piece has always gone into the Airport so it's not double.

Rich: In order to become more self-sufficient, we need more growth at the airport?

Robert: Yes.

Rich: So we need more hangars, more business, to generate more revenue.

Robert: It's only \$300-\$400 per hangar, then you have the taxes. I should do a projection to see what the revenue would be if all the hangars were built -out.

Brian: In summary, our current appropriation for 22-23 is \$111K. Our total revenue without outside sources is just under \$20K?

Robert: There is a big disconnect between revenue and expenditures.

Rich: So we're \$80K light?

Robert: That's assuming we don't get anything from MT Aeronautics.

Rich: Is the City of Stevensville having the same issues?

Bob: We're telling department heads and everyone, it's coming, there's going to be cuts. All of the CARES and ARPA are going to be gone. We rely on taxes just like the airport.

Rich: Tim, are the leases current?

Tim: No there are a handful up there that haven't paid. And there are some leases that have to get up to speed since there are some that are expired.

Cindy: I was talking with Linda at the Clerk and Reports office - We need to get a spreadsheet that shows who the current lease is . Also, the Dept of Revenue doesn't know if there's a structure there or not. So if there's a spreadsheet out there, that could help out the Airport.

4. ENGINEERS REPORT

Update on the gate. The electricians are scheduled to make the final power connection on the gate tomorrow. As far as the Master Plan goes, the Airport received an independent fee review back from Rood and Associates, their estimated fee was 5% higher than Morrison-Maierle's. Tyler and Tim are working with the FAA for their approval of the Task Order, then it will go in front of Town Council along with the Master Agreement.

5. NEW BUSINESS

a. **Guest: Council President Bob Michalson, Courtesy Car.**

Craig: Bob has been through all kinds of things. He doesn't get compensated much, he loves the Town.

Bob: I've served the Town of Stevensville from 2016 and I've left a couple times because I didn't get along with administration. The courtesy car came up with Council. Right now, I'll explain why. MCA is our bible, it's your bible. They have a section part 9, title 37 (Bob began reading the MCA Code). The term doesn't include local pilots and airport personnel. So, it doesn't include Tim or anyone. So basically, if someone wants to fly into the airport, shop, they would need to show their insurance to Tim.

Craig: So when I go to Libby, I need a certification of insurance to use this car?

Bob: Yes, it can't be used by airport personnel so I wonder if even the board can use it?

Craig: It would be our responsibility to get a copy of their insurance saying they're liable for that insurance. If they hit someone, it's on them, not on us.

Robert: I think we have to get them to sign something.

Rich: Does an agreement exist?

Bob: It's been a hit or miss thing ever since Mim Mack came in in '14.

Craig: So if we don't do those two things, then the Town is liable?

Bob: No key should be handed out unless those two steps are taken.

Tim: This also came up about a year ago, we found out MMIA doesn't cover people outside of the Town.

Bob: You're still considered employees. (Bob continued reading MCA). He listed a bunch of airports that submitted for grants. (Bob continued reading the MCA). I would say, taking away a courtesy car, that may help move you up on the list of getting a new one from Montana Aeronautics. April 1st to May 31st is the window to submit for one.

Robert: Right now, the Town does not have a courtesy car at the Airport because we don't have insurance on it.

Bob: There's no system for the courtesy car. According to the guidelines, that's a big "no-no".

Cindy: I did some research also looking into the courtesy car. One airport, you had to give them a code to the sheriff to get the key. Another one, you had to go to a business. There are ways to go about it such as lock boxes with a call number. They should pre-request anyways and provide their insurance anyways to just get the code.

Robert: If you don't get the person's signature, he runs the car into something, he's gone.

Craig: With all the airports I've been to, they've all had different methods of lending out courtesy cars.

Tim: Typically, on airports with FBOs, the FBO will take care of the courtesy car.

Kelli: I would disagree that airports don't have courtesy cars. I chose to fly to airports that have courtesy cars and there has to be a way to do it. The state owns airports that have courtesy cars. Maybe contact the State.

Craig: Can you email the MCA to us?

Bob: Yes.

Tim: No one gets a new car. They give you a reimbursable amount of \$5K. Then Montana Aeronautics reimburses you up to \$5K. It would be worth the conversation with the State or FBO operator.

- a. Discussion/Decision: Recommendation to the Council to Direct the Airport Manager to use whatever available means to Obtain Payments on Delinquent Leases.

Craig: I would like a motion to council "to Direct the Airport Manager to use whatever available means to Obtain Payments on Delinquent Leases". Kelli made the motion. Motion carried.

Rich: How does the city deal with people who don't pay bills?

Robert: Shut off the service.

Rich: Could you issue a lien?

Robert: You could charge them with trespassing.

Craig: In my lease, I have 30 days to pay. Then if the Town notifies, then there's another 10 days, then the lease gets transferred to the Town.

Robert: When you contact people, most people just pay. Tim has been tasked with collecting taxes for the last two years now. Honestly, that's something that should maybe go back to accounting.

Tim: There's a total of 11, and a majority of those were wrong addresses or they moved. He's hoping Cindy can help him with some of those things. There's only a total of about 5 that I'll need some help with.

Tim: Part of the hang-up was I didn't have access at the time. I just went on information I had at the time. It was just information in a spreadsheet.

Tim: I put the invoices in QuickBooks so you can keep track of the invoices. It took a while to put together, but I could do it again and it wouldn't be that hard because there's only about 30 hangars on the airport. It keeps historical data in it. It started with hard copies, then excel spreadsheets, so QuickBooks would be a lot easier.

Cindy: Linda is the one who coordinates the tax bills. So, you only really need to get the information to her. And she does it in September.

(There was some back-and-forth conversation about I-Docs)

Tim: Ultimately when a new lease goes to Council, I don't see it after that.

Cindy: I should probably get with you (Tim). Or I could go over to the County to do it.

Robert: They usually have the best information, but then they ask the Town to verify.

7. AIRPORT MANAGER'S REPORT

Tim Presented the following items:

- ARPA Grant: Council approved the \$283,452.00 ARPA grant for the airport water and wastewater system project that we will do at a later discussed date. Tyler and I will need to look at the priority over the 5-year CIP (capital improvement plan). Even though there is a match for the grant, there's not a match for the grant. We can look at the priorities to put that into place. Tim would like to move forward with a business plan.
- AWOS: The AWOS (airport weather equipment) modulator has been sent to OSI for their final tuning. Once I get it back, I will get the system back online. I know this has been ongoing but hopefully this repair will be the final repair needed. If it is not, I will visit with them to continue troubleshooting. An out of service NOTAM (notice to airmen) remains in effect. I'm still holding their feet to the fire, they already showed up once and they didn't fix it. OSI submitted an invoice for hotel stay. Their invoice is incorrect. There is a NOTAM still active and in effect that notifies pilots the AWOS may be incorrect.
- Skydiving Proposal: Council also approved the skydiving proposal we received that was outside of the ALP (airport layout plan) to go forward to the FAA for review and I have submitted the necessary documents to the FAA for their review/response. I'm hopeful to have that response back prior to the next council meeting.

- DCE Hangars: Council approved the leases on the 7 lots DCE requested. They hope to get working on one later this next month depending on weather and material availability. The plan is for them to build the first one as a spec hangar. The remaining six should be completed by the summer of '23.

Rich: Are they happy with the lease terms?

Tim: No, but they are moving forward.

Rich: Have they broken ground yet?

Tim: Not yet.

- FBO Proposal: The FBO proposal up for consideration to the airport board is being reviewed by both the FAA and Engineering. Once I have that information, I can get it over to the parties making the proposal for their review and further discussion on next best steps. They would like to secure the lease for the fuel farm location. Tyler is looking into the possibility of the fuel farm. Now is a good time to look into the fuel quality control standards. I'm working on that right now and plan to get back to the Board with additional information.

Craig: That will be on the next Board agenda.

- Gravel Pit: The County has sent a letter about the gravel mining operations. In that report, is the letter from the County on what they are looking to do. The map they gave us in the letter versus what MMI drew up do not match.

Craig: Do we need to add this to the board agenda again even though the board approved it before?

Tim: Would recommend they do.

Craig: I will get it on the next agenda.

Tim: Choice Aviation has the self serve tank. I've been on them for two years on fuel quality control. I've been on them daily on the lack of fuel checks and I've raised the flag. I've asked for the help of the City attorney to get them back into compliance. Now they've fallen back behind. They don't have a lease, the last lease was from 2008. We're getting a little bit of revenue but could be getting more.

Rich: Isn't this a liability?

Tim: With Choice Aviation. AV fuel has minimum standards. This falls under AT103 which are the minimum standards for jet fuel but standard practice is to follow it for AVGAS. And in the future, if FS wants to buy jet fuel they need to know that the specification is followed. WE need to discuss how we're going to handle the lease, or lack thereof, with Choice Aviation.

Craig: Let's discuss this at the next meeting.

8. PUBLIC COMMENTS

None

8. ADJOURNMENT

- Meeting Adjourned at 7:29 p.m.

Next Meeting – Tuesday, December 13th, 2022 @ 5:30 P.M. (Town Hall).

File Attachments for Item:

b. December Meeting Minutes

**STEVENSVILLE AIRPORT BOARD
MEETING MINUTES**

**DECEMBER 13, 2022 – 5:30 P.M.
STEVENSVILLE TOWN HALL**

STEVENSVILLE AIRPORT BOARD:

- Craig Thomas – Airport Board Chairman
- Rich Perry
- Dustin Wood
- Don Whitehair
- Kelli Weed
- Brian Germane
- Cindy Brown – Council Representative

STEVENSVILLE AIRPORT REPRESENTATIVES:

- Tyler Reed – Airport Engineer (MMI)
- Tim Smead – Airport Manager

OTHERS PRESENT:

WILLIAM ROWE

1. CALL TO ORDER AND ROLL CALL

- a. Meeting began at 5:30 PM

2. APPROVAL OF MINUTES

- a. Meeting Minutes for 11/01/2022

3. CORRESPONDENCE

Craig mentioned that he received an email from the Mayor saying that people may volunteer at the Airport.
Rich: What can we volunteer for?
Craig: Plowing, mowing, etc.

4. FINANCIAL REPORTS

Craig said he's been communicating with Robert Underwood regarding the Airport's finances. The audit has been completed. There is no financial information for this meeting but there will be next month.

5. ENGINEERS REPORT

Tyler told the Board that the Master Plan Update is moving forward. The Council has approved the Task Order and Master Agreement. Tyler is working with the FAA to execute the grant.

6. AIRPORT BUSINESS

a. **Discussion/Decision: Skydive Proposal for Approval to Council.**

William addressed the Board. He told them he's waiting on a lawyer to complete the liability stuff. Custom waivers are being written specific to Montana law.

Perry: If you jump, you have to sign a waiver beforehand?

William: yes, you have to fill out and sign the waiver.

Perry: What if you've never jumped?

William: This would be a tandem jump. Students will have their own waiver, whereas licensed jumpers will have their own waiver.

Perry: So this would protect the Town from liability?

William: Yes, this is similar to a business license for a bar. If someone leaves drunk and gets in an accident, the Town isn't liable. The skydiving company would still be liable if one of their planes crashed and it turned out that they weren't up on their maintenance.

Craig: The legal review will have to go through Town Council.

Cindy: Town Council would have to review the company's insurance. William will have to get it on the agenda. You will have to state that this is for the Board to approve you contacting the Town Attorney to review the waivers.

William: Our session is going to start in May.

Cindy: The waivers are the holdup. The Council would probably be a little nervous approving it if they haven't had MMIA and the Town Attorney review the waivers first.

Craig: so it's basically the same proposal as before but you'd be providing the waiver and Town Council request approval contingent on insurance review and approval. I will get it on the agenda.

Cindy: I thought there was already something on the January 12th agenda. Bylaws?

Craig: We will check into it.

Cindy: You should include the amended document.

William: They are still working on the waivers. When do I need them by?

Craig: by Noon on the 4th.

William: With the holidays, we may have to push it to the next Council meeting.

Craig: Let's just plan for the 26th.

William: that works on my end.

Craig: Maybe your lawyer can work with Mr. Overstreet on the 12?

William: That works good.

- b. **Discussion/Decision: Airport Board Member Terms.** Craig told the Board there are two members with Board terms expiring at the end of the meeting – Don Whitehair and Brian Germane. Brian's term was one year. There are two positions open now.

William: How do you get on the Board?

Craig: You fill out an application.

Craig gave William an application.

Rich Perry recommended that the Mayor reinstate Brian for another term, motion was carried. Don does not plan on continuing with the Board.

7. OLD BUSINESS

Perry: Where are we on the courtesy car?

Craig: Not sure, Tim would know.

Kelli: I'm not sure Montana Aeronautics would fund it.

Tyler: They may fund it since the last one was donated by the Missoula Airport.

Rich: We may need some clarity from the Mayor on insurance concerns.

Kelli: There's still a risk of losing it again.

Cindy: There's conditions with the grant application that you may want to review.

Brian: What was frustrating was that the Board wasn't consulted on it (the Council removing the Courtesy Car)

Kelli: They don't realize how important the courtesy car is.

Rich: As the airport grows, it's going to get busier up there and demand will increase.

Brian: Cindy, what do you think?

Cindy: My suggestion is you read through the grant conditions.

There was a back-and-forth discussion on where the courtesy car went and whether it was sold.

Cindy: Nothing has been discussed about that throughout the Council Meetings.

Brian: My understanding was it wasn't so much the issue of the insurance, but more the liability of the vehicle. So unless we address this, it doesn't matter where the car comes from.

Rich: Who's our insurance?

Cindy: MMIA

Brian: Maybe we could contact Aeronautics and collectively do some homework?

Brian and Kelli are going to look into this further. They will plan to present something during the next board meeting on January 10th.

8. NEW BUSINESS

a. **Santa Visit to the Airport and Volunteer Request**

Craig: as part of the Red Sleighs event, we will have a stop at the Airport on December 19th at 11:45 AM and are planning on serving kids hot chocolate. There was a request for volunteers to help with the event.

b. **Coberly Construction Start Date.** Craig said he hasn't received any communication from Mr. Coberly. Cindy reminded Craig that Coberly needs to get a building permit.

9. AIRPORT MANAGER'S REPORT

Airport Manager not present.

10. PUBLIC COMMENTS

Rich: I wasn't able to connect with Robert to go over the finances.

Craig: Robert is still working part-time.

Cindy: The spreadsheets are done with addresses and parcel numbers. Jenelle has the thumbdrive if someone needs it. I can't send it directly to Tim, so I went through Jenelle.

Rich: Weren't we working on getting the Board some authority?

Craig: That has to do with the ordinance change which will go in front of Council at the next meeting.

Cindy: It has to go through the Board twice since it's an ordinance.

11. ADJOURNMENT

- Meeting Adjourned at 6:34 p.m.

Next Meeting – Tuesday, January 10, 2023 @ 5:30 P.M. (Town Hall).