



Regular Board of Directors Meeting

January 8th, 2020

12:00 noon Airport Conference Room

PRESENT: Dave Holman, Chairman

Mark Moodry, Member

JR Hanson, Member

Brendon McDonough, Member

Jim Beauchamp, Member

Staff: Jim Kambich and Rick Ryan

Excused Absence: Rod Alne, Member and Pam Chamberlin, Airport Manager

PUBLIC COMMENT: Chairman Holman opened the meeting at approx. 12:00 noon asking for public comment. Seeing no public comment proceeded with the Agenda.

CORRESPONDENCE: None.

MINIUTES OF THE Dec 4th, 2019.

The motion was made by Mark Moodry to accept and approve the minutes of the December 4, 2019, Board of Directors Meeting. The Motion was seconded by Jim Beauchamp with the amendment that his name be added as a Board member present for the meeting which he did attend. Chairman Holman called for the vote and the motion carried unanimously.

MINUTES OF DECEMBER 17TH, 2019 SPECIAL MEETING:

The Motion was made by Mark Moodry to approve and accept the minutes of December 17th, 2019, as presented. The motion was seconded by Jim Beauchamp. Chairman Holman, called for the vote and the motion carried unanimously.

BILLS: The Airport Authority Board of Directors were presented with the December, bills for approval and signatures. A motion was made by Mark Moordry to accept and approve the bills as presented and the motion was seconded by Brendon McDonough. Chairman Holman called for the vote and the motion carried unanimously.

OLD BUSINESS: Mr. Scott Bell, Morrison and Maierle, reported on several items. First, Scott reported that the terminal demolition was complete and the area had been smoothed out and compacted. Scott presented two items to be approved as a change order 1. The Fence line was adjusted from the apron to the gate and increase of \$5K to Markovich Construction. Second, seeking approval the gravel fill 350 cu yd of fill dirt and 350 cu yd of road mix for a change order of \$ 6K, which would go to Hoffman Construction. Mark Moodry asked if the fencing was 100% complete and was the cost in line, Scott reported yes.

Scott additionally reported the Butte Airport his getting prepared to do seal coating this spring. He reported as well the final close out on the generator ATS (Automatic Transfer Switch) at \$69,105.15 was complete.

The Motion was made by Mark Moodry, to accept the RFI? as presented and the motion was seconded by Jim Beauchamp. Chairman Holman, called for the vote the motion carried unanimously.

OTHER BUSINESS: EAS: As reported in December, the EAS contract was awarded to SkyWest by the Department of Transportation.

FAA Notice of Cancellation NPA:

As per the FAA letter submitted to BTM staff regarding a Notice of Cancellation NPA in December. A letter of opposition was developed by Chairman Holman and Jim Kambich and presented to the Airport Board of Directors. After discussion by the Board the letter was approved as presented with the following amendment, by JR Hanson, to be inserted in the last paragraph. The closing sentence was added "Please take the operators high use into consideration so we do not reduce the number of aircraft into BTM, which would have a negative impact at BTM". The Motion was made by Mark Moodry to accept the opposition letter as presented with the amendment provided by JR Hanson. The motion was seconded by Brendon McDonough. Chairman Holman called for the vote and the motion carried unanimously. Note that Opposition letters were also submitted by NorthWestern Energy, REC, Butte Aviation, and Life Flight.

Air Service Development Committee Update:

JR Hanson presented to the Airport Board of Directors information from the first teleconference meeting with United Airlines regarding the MRG, held on December 18,2019. JR Hanson reported that United's initial discussion spoke to a June 4, 2020 to August 18, 2020,

with no flights during the winter Holiday Seasons, also requested it be a two- year contract and that the MRG would need to present an irrevocable line credit. After lengthy discussion by the Board, the Board said to proceed with caution there is concern by the Board on the length of the contract being so short (84 Flights in the summer).

and that donors will need to be notified about the seasonal flight. JR said there is a conference call on January 9th, 2020, to begin to layout the terms of proposal for the MRG. It was also reported that a little over \$200k had been secured in pledges and cash by the community.

JR Hansen reported at the meeting that the contract with United may have to be signed in order to avoid the MRG to rise due to the volatility in the aviation industry. It was reported that if we signed at this time the price would remain at \$400K.

In addition to the United offer being at a higher cost and shorter term as anticipated, the Board suggested the Committee may want to begin looking at an MRG with other carriers such as Horizon Airlines and go to the major donors to make sure they understood they were giving to not a specific air carrier but to increase air service to Butte. JR Hanson also reported that along with the January 9th meeting of the Committee there will be a TBID committee meeting on January 13th looking to increase the bed tax from \$1 to \$2 per night. Brendon McDonough reported that this issue will eventually be brought to the BSB Council of Commissioners along with extending the life of the TBID.

LAND DEVELOPMENT COMMITTEE:

Jim K. present the Board of Directors with a document titled "Impact of Baby Boomers on the Economy". The report is done annually by NWE Budget Director and Economist John Kasperick. The basic message of the report is that Butte's per capita income and age of our community is below the State and National average. The point being there is not availability ready workforce for good paying jobs here in Butte. Jim asked for permission to being the structure of an ad hoc land development committee for sale or lease. Chairman Holman, then asked if Mark Moodry would represent the committee for the Board of Directors and also asked if he and Brendon McDonough would volunteer as well. The Board instructed Jim K. to move forward with this effort. Jim K. will provide a list of names to the board of potential committee members.

ADOURN: At 1:40 pm Brendon McDonough mad the motion to adjourn and the motion was seconded by Mark Moodry. Chairman Holman called for the vote the motion carried unanimously.

Minutes by Jim Kambich