

**PUBLIC MEETING – March 23, 2005**

The Public Meeting was called to order at 1:30 p.m. by Chair Jean Curtiss. Also present were Commissioner Barbara Evans, Commissioner Bill Carey, Chief Civil Deputy County Attorney Mike Sehestedt and Chief Administrative Officer Ann Mary Dussault.

**Pledge of Allegiance**

**Public Comment**

None

**Routine Administrative Actions**

Commissioner Carey moved that the Board of County Commissioners approve the routine administrative items adopted the past week and approve the weekly claims lists in the amount of \$373,146.90. Commissioner Evans seconded the motion. The motion carried on a vote of 3-0.

**Bid Award (Facilities Management): Clerk of Court Remodel Project**

Larry Farnes, Facilities Management Supervisor, presented the staff report.

Bids were advertised for the remodel of the Clerk of Court’s office with five companies responding as follows:

<b>Company</b>	<b>Bid Amount</b>
D. Lower Construction	\$314,762
Western Interstate	\$300,000
Pew Construction	\$293,682
Jackson Contractor Group	\$287,950
Garden City Builders	\$301,000

This project is remodeling the old County Attorney’s office into the new Clerk of Court’s office. The project will include some demolition, mechanical, electrical and renovate, so it will be a good usable area for the Clerk of Court. It is the recommendation of the Department to award the bid to Jackson Contractor Group in the amount of \$287,950, as the lowest responsive bidder.

Chair Curtiss asked for public comments. There were none.

Commissioner Evans moved that the Board of County Commissioners approve awarding the bid for the remodel of the Clerk of Court Office to Jackson Contractor Group in the amount of \$287,950.00, as the lowest responsive bidder. Commissioner Carey seconded the motion. The motion carried on a vote of 3-0.

**Hearing: Call for Transportation Project Proposals (CTEP) – POSTPONED TO MARCH 30, 2005**

Chair Curtiss announced that the Call for Transportation Project Proposals had been postponed for one week to Wednesday, March 30, 2005.

**Hearing: Amend Resolution No. 80-183 Creating a Municipal Airport Authority for Missoula County**

Chair Curtiss opened the public hearing.

Ann Mary Dussault presented the staff report.

Ann Mary Dussault: Commissioners, for the record, I’m Ann Mary Dussault, Missoula County Chief Administrative Officer. You have before you a resolution that amends Resolution No. 80-183, which was the resolution passed in 1980 that created the Municipal Airport Authority for Missoula County, under Title 67, Chapter 11, MCA. The Board is desirous of amending Resolution 80-183 per staff recommendations. These amendments provide for, the first amendment indicates that any amendments to the resolution are effective on passage and approval. The second amendment, called Commissioners of the Authority, expands the Authority to two additional members for a total of seven and indicates that the two new members will be in the employ of Missoula County. It clarifies, if it needed to be clarified and I don’t recall this right now, that in the absence of a quorum, the necessary number of alternates can

serves as voting commissioners for that meeting. Amendment 3 proposes five year staggered terms for the Authority commissioners, which is as it is now. The new language term limits the commissioners to two consecutive five year terms. The final amendment is language relative to land use and zoning and indicates that zoning powers of the Authority will be restricted to lands owned by the Authority, regardless of current or future statutory changes. However, all new construction within the Airport Influence Area will be required to file an avigation easement with the County Clerk and Recorder when it is within the power of the County Commission or the Authority to so require. Madam Chair, in addition, the Commissioners have signed a Memorandum of Understanding with the Airport, it goes to the Airport Board Meeting next Tuesday, that deals with other matters that we've discussed in the past, which I'd be happy to iterate if you so wish, there are copies available of that.

Chair Curtiss: Thank you Ann Mary. This is a public hearing. Is there anyone who would like to make any comments upon, just to clarify, today what we will be voting on is whether or not to amend the Resolution 80-183 as proposed with those four amendments. The Memorandum of Understanding, if people would like to make comment, I guess they could, but that is not what the hearing is for today. Is there anyone who would like to make any comments?

Cliff Larson: Madam Chair, Commissioners, the Missoula International Airport Board of Commissioners welcomes the opportunity to appear before the Missoula County Board of County Commissioners at this public hearing and we stand ready to continue serving the flying public, both commercial and general aviation, and to support the BCC in your efforts to ensure the highest quality air service possible for Western Montana. We have worked with Ann Mary Dussault, your Chief Administrative Officer, in working up these changes and do not object to these changes.

Chair Curtiss: Thank you Cliff. Anyone else who would like to make comments?

Bill Wagner: My name is Bill Wagner. I'm not here representing any client today, I'm simply here as a member of the public to state that I favor these as well, do not object to them. I wanted to comment, however, on some of the problems that the Airport Authority and its Board of Directors seems to have faced in the last several months. I have represented a client that is, has been through a series of negotiations with the Airport Authority and that client's funds were part of the problem, I think, in an escrow that was established outside of budget with regard to the termination of the last Airport Authority General Manager. My comments again are made personally and not in my capacity as a representative, legal or otherwise, for any individual or any party in that regard. I would like to state that in dealing with the Airport Authority, I was most impressed with the integrity of the individuals with whom we dealt. We had no idea that that which occurred, would have occurred. I think that goes in hand as well for the Board of Directors. In my dealings with the Board, I am satisfied that they were acting in the best interests of the Airport Authority and in hind sight, I think some changes may be necessary and I don't want these changes to reflect upon the personal integrity of any of those Board members. I happen to be a very close, personal friend of the Chairman, Cliff Larson, and I have known him and respected him for a number of years. Cliff is a person that has integrity first and foremost in his mind in everything he undertakes and I'm simply here to confirm that and to state to the Board of County Commissioners that whatever action is being taken, I'm sure is well considered and appropriate and any actions that were undertaken previously that should not have been done by the former employee should not reflect upon, again, the integrity of that Board. I thank you.

Chair Curtiss: Thank you Mr. Wagner. Anyone else who'd like to make comments?

Tim Newhart: Good afternoon Council Members. I don't think many of you in the room know me, my name is Tim Newhart and I'm here to address this group today as a marketing professional who has spent the last 22 years working in the travel industry serving communities between California and New York and everything in-between. But I'm proud to say that over the last two years, I've called Missoula home and personally have been a frequent business traveler through the Missoula Airport. Unlike most marketing guys, I will keep my comments brief and to the point. First, kudos to everyone associated with the airport for a job well done. From my personal perspective, the Airport Authority and the staff has done an excellent job of operating a first-class facility and addressing the concerns for future use and also moving decisively when questions of concern arise. I would like to point out, secondly, though, that the Missoula Airport is one of the key economic engines that has the potential to keep the Missoula economy competitive and attracting new businesses and tourism to our community. Note that I say it has the potential to keep us competitive. Without an aggressive and business-like plan for expansion of the airport and increased service from additional carriers, we run the risk of falling into a second tier category. Our customers, of course, are residents and they're tourists, but more importantly, our customers for the airport are business travelers and airlines. In 20+ years in this industry, I've courted and negotiated my share of airlines and I'll tell you that nothing dampens an airline's enthusiasm for bringing new service to a destination than having to negotiate with a government agency. Why? Well, government agencies certainly have their place, we respect the spirit that everyone puts into municipal projects, but they're not well suited to a business-like approach to building relationships with air carriers and the challenges of running an enterprise like Missoula International Airport. So, I guess my

comment is that I respectively submit to this group that the present Airport Authority is doing an admirable job of operating and planning for the future and for growth at the facility and I'd urge you to permit them to continue on the course they've plotted without any additional layers of government restriction or interference. The airport's a business and it should be run like one.

Chair Curtiss: Thank you Mr. Newhart. Anyone else who would like to make comments? Come to the microphone and identify yourself, please.

Wes Orlaub: Thank you for this opportunity to speak to you. I'm Wes Orlaub, the manager for Northwest Airlines here and in Kalispell and I'd like to add my positive comments to the relationship that's been established between the airlines, the airport leadership team and the Board. It has resulted in Missoula becoming one of the leading cities in their classification for growth and development, and with that relationship, it should not be interrupted or changed in any way because it has really fostered a good relationship and development and helped us at the airlines to contribute and provide service to your city here in Missoula. I've lived here two years and I intend to retire here, so I'd like to see that continue. Thank you.

Chair Curtiss: Thank you. Anyone else?

Steven Powell: Commissioners, my name is Steven Powell, I'm an orthopedic surgeon here in town. I'm a pilot, I have an airplane out at the airport and I know some of the gentlemen on the Airport Authority Board and I just want to give my support to their role, not only in managing the airport, but also in overseeing the complex organization that they have. I think that the reason for these amendments and all the motions have come out of the resignation and circumstances surrounding the resignation of the previous director and I think that it's pretty clear to the public, as I have talked to other pilots and other people in the public, that the due diligence that was required of the Authority was done very well with the mess was cleaned up pretty squarely, I think, and that any oversight that they have was adequately carried out and I think that they deserve our support. I don't think they should be hamstrung by adding layers of unnecessary bureaucracy, not to say that you folks don't do a good job, but this is a business and I think that business people have demonstrated they do a good job and they should be allowed to continue that. Thank you.

Chair Curtiss: Thank you Dr. Powell. Anyone else?

Andy Wilcox: My name is Andy Wilcox, I operate Alamo and National Car Rentals at the Missoula County Airport. We also operate in nine other cities in Montana, Wyoming and Idaho. Needless to say, I've had opportunity to deal with several airports on lots of different issues and I wanted to comment on our experience with the Missoula Airport Board. From a business standpoint, they've been fair and looked at the issues in depth and I just can't say enough, I can compare these to other airports and I'm proud of living in Missoula and working with these folks. So, I just wanted to make those comments and hope things continue. Thanks.

Chair Curtiss: Thank you. Anyone else?

Dick King: Good afternoon, Chairman Curtiss and members of the Commission. My name is Dick King with the Missoula Area Economic Development Corporation. I just want to highlight a couple of things. When I came to Missoula to assume my current position, one the things that was startling was that, we're an economic development organization that tries to work on priorities and take a look at the future and foster a better environment for business growth in the area, and we have about 90 businesses that are members and several community members, the City, the County, the University, the School District, the Chamber, the Downtown Association, etc. The Airport Authority was not a member of MAEDC when I took my position and I happen to know a couple of members of the Airport Authority from a prior life and we had a discussion, it wouldn't take very long in dealing with the Airport Authority, the Airport Authority became a member and we amended our bylaws to reflect that. That created a partnership that has worked very well, I think, for the benefit of all of us in Missoula County. Two examples, one is the trip we took to Chicago the week before Christmas in December of 2000, to meet with United Airlines. That resulted in the addition of the new service from Denver to Missoula. Just recently we took a trip to Phoenix to talk about America West and service. The partnership between an economic development organization and the Airport Authority then is a dynamic one, and it truly benefits the community. The other thing that's been very apparent to me, we heard from Northwest Airlines, and that is the airlines that have served our community for many, many years have been well served by the Airport Authority, that is a very tricky relationship, to try to develop new service that brings opportunities for people to travel where they want to get and still pay close attention to the needs and the service presented by those carriers that are already here, and the Airport Authority's done a wonderful job. The amendments, as I see it, makes some changes a little bit, but still keeps the autonomy of the Authority and lets it do its job from what we see needs to happen. Thank you for your time.

Chair Curtiss: Thank you Dick. Anyone else? Any comments from the Commission?

Commissioner Evans: Yes, I do have comments. I'm going to make a motion that we adopt this resolution and I'd also like to tell you all that I've served either as a member of the Board or liaison to the Airport Board for over 20 years and during that time, I have seen some Airport Boards, Airport Authorities, that really were not quite as cognizant of what was going on at the airport as I would have liked. And in some cases, wouldn't listen when they were told. The Board that we currently have not only listen, they acted immediately when they found there was a problem. I admire the speed that they did it and I know it hurt every one of them because I know how much all of us thought of that director, myself included. Certainly sorry all this stuff took place and I do not think that anyone on that Board did anything wrong, I think they were all extremely efficient at the job that they did and in spite of the pain it caused, they did what they had to do. I think that there should not be the slightest doubt that the Airport Authority that we currently have has done a good job. I would like to move that we adopt this resolution. Is there anything else required on my motion, Michael?

Mike Sehestedt: What you're adopting are amendments to the Resolution that created and with the exception of these changes, everything else remains as is.

Commissioner Carey: I second the motion. I, too, concur with Commissioner Evans. I have the highest regard for the folks that serve on this Authority. There is no question of their integrity and their competence, in my mind. I see these amendments, I see this resolution as serving to strengthen the partnership between the Airport Authority and the County Commission and the citizens of this County that this Commission represents.

Chair Curtiss: So, was that a second?

Commissioner Carey: That's a second.

Chair Curtiss: So, it's been moved and seconded. Is there further comment before we vote? Seeing none, all in favor say "Aye."

Commissioner Carey: Aye.

Commissioner Evans: Aye.

Chair Curtiss: Opposed, no? Alright, the motion is passed. I didn't vote no, I said all opposed say no. I'm in favor, yes, just to clarify the record. So, we'll close the hearing. I guess we should have done that before we voted, but we'll officially close it.

The motion carried on a vote of 3-0.

## **MEMORANDUM OF UNDERSTANDING BETWEEN THE BOARD OF COUNTY COMMISSIONERS (THE COUNTY COMMISSION) AND THE MISSOULA COUNTY AIRPORT AUTHORITY (THE AUTHORITY)**

Responding to the need to iterate and clarify relationships between the County Commission and the Authority, the County Commission and the Authority mutually agree to the following items in this Memorandum of Understanding:

1. The Authority will retain private legal counsel as chief counsel to the Authority. However, the Authority will contract with the Missoula County Attorney's Office – Civil Division for representation and counsel on topics and matters to be jointly determined with the County Attorney.
2. The Finance Director of the Airport Authority and the Chief Financial Officer for Missoula County will meet to discuss ways in which the two offices can cooperate and exchange information about financial matters.
3. Before the Authority adopts a new budget for the upcoming fiscal year, the Airport Director and Authority will meet with the County Commission and present the budget to the County Commission for their information.
4. At the end of each fiscal year, an Annual Report will be presented to the County Commission by the Director and the Authority concerning the operation and management of the Airport. Included in this annual report will be a copy of the independent certified audit that the Authority has prepared each year.

**A RESOLUTION AMENDING RESOLUTION NO. 80-183 CREATING A MUNICIPAL AIRPORT AUTHORITY FOR MISSOULA COUNTY UNDER TITLE 67, CHAPTER 11, MONTANA CODE ANNOTATED.**

**WHEREAS**, Section 67-11-102, M.C.A. authorizes the Board of County Commissioners of Missoula County (hereinafter called the County Commission) by resolution to create a municipal airport authority which shall have all the powers authorized by Title 67, Chapter 11, MCA; and

**WHEREAS**, by Resolution No. 77-9, the County Commission exercised the powers of a municipal airport authority under Title 67, Chapter 11, M.C.A. and created a Board of Airport Administrators which was delegated designated powers and duties relating to the management and operation of Missoula County Airport; and

**WHEREAS**, by Resolution No. 80-183, the County Commission deemed it advisable and in the public interest to repeal Resolution No. 77-9 thereby ceasing to exercise the powers of a municipal airport authority and disbanding the Board of Airport Administrators; and

**WHEREAS**, by Resolution No. 80-183, the County Commission deemed it desirable and in the best public interest to create a municipal airport authority for Missoula County which would be conferred with all the powers authorized by Title 67, Chapter 11, MCA; and

**WHEREAS**, by this Resolution, the County Commission desires to reaffirm that it is in the public interest to continue the municipal airport authority created by Resolution No. 80-183, but wishes to amend Resolution No. 80-183; and

**WHEREAS**, by this Resolution, the County Commission wishes to amend Resolution 80-183 with the following provisions.

**NOW, THEREFORE, BE IT RESOLVED** by the Board of County Commissioners of Missoula County that:

There is a Municipal Airport Authority, hereinafter called the Authority, for Missoula County under Section 67-11-102, M.C.A. which shall have, except as provided herein, all the powers authorized by Title 67, Chapter 11, M.C.A.

1. **Authority to Amend Resolution No. 80-183.** The County Commission reserves the power to pass and adopt resolutions amending Resolution No. 80-183. Any amendments enacted pursuant to this section will become effective upon adoption by the County Commission.
2. **Commissioners of the Authority.** The Authority will consist of seven voting commissioners, two of whom will be in the employ of Missoula County and two non-voting alternates appointed by the County Commission. In the absence of a quorum of voting commissioners at a meeting, the necessary number of alternates will serve as voting commissioners for that meeting.
3. **Terms of Authority Commissioners.** Commissioners of the Authority will serve five-year staggered terms. Alternates will serve terms as chosen by the County Commission. Authority commissioners will serve no more than two consecutive five-year terms. Partial terms and the time served as an alternate will not count against the term limit.
4. **Land Use - Zoning.** Zoning powers of the Authority will be restricted to lands owned by the Authority, regardless of current or future statutory changes. However, all new construction within the Airport Influence Area will be required to file an avigation easement with the Missoula County Clerk and Recorder when it is within the power of the County Commission or the Authority to so require.

There being no further business to come before the Board, the Commissioners were in recess at 1:50 p.m.