

**STEVENSVILLE AIRPORT BOARD
MEETING MINUTES**

**APRIL 11, 2023 – 5:30 P.M.
STEVENSVILLE TOWN HALL**

STEVENSVILLE AIRPORT BOARD:

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

OTHERS PRESENT:

**BOB MICHAELSON (WARD 2 COUNCILMEMBER)
1 OTHER MEMBER FROM PUBLIC**

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. **Airport Board Meeting Minutes, March 2023.** Minutes were approved.

3. AIRPORT BUSINESS: DISCUSSION/DECISION

- a. **Gravel Pit, Funding Source/Mechanism for the Airport**

Craig – This has been a topic of discussion for 2-3 years. We have had multiple meetings with Nate at Ravalli County and we would like to take this in front of Council again. Previously, we were asked not to present to the Council as they were going through an audit. Now that the audit is wrapping up, I would like to approach the Council again.

Craig read a letter sent to Mayor Gibson from John Horat, Administrator with the Road and Bridge Department for Ravalli County, dated October 24, 2022. The letter explained that the Ravalli County Commissioners gave positive consensus to entering discussions working towards the development of a gravel pit and provided a draft sketch showing their proposed limits of excavation, along with a Memorandum of Understanding that lists responsibilities for the County and the Town of Stevensville.

Tyler summarized the FAA response to the gravel pit proposal he received on 11/4/2022. The FAA does not object to the proposal but included some recommendations: work with FAA so they can perform and Section 163 determination (NEPA), include conditions that prevent standing water/wildlife attractants and dust control, delineating the future RPZ by survey, updating the ALP, and establishing it as a “Concurrent Use of Aeronautical Property for Other Uses”. Tyler mentioned that the actual gravel pit limits would need to be further defined as the latest County exhibit appears to differ slightly from the exhibit he sent to the FAA.

Craig - This would basically increase the revenue by 100% for at least 10 years. Estimated royalties would be 20-30K per year. I would like to take make a motion to present this to the next Town Council.

Dusty - Is there a way to add verbiage that all the revenue will stay on the airport?

Rich - Do we have something that states that fact? How do you make sure that happens?

Tim – We will need to talk to Robert and Pam.

William - This is an example where we should be reviewing the budget every month or two so we can monitor the funds to ensure they're being utilized for airport expenses.

Rich - How do we deal with a \$30K shortfall that was mentioned during the last Board Meeting?

William - The deficit that was reported during the last Board Meeting (Special) was not accurate. I think the gravel pit is a great idea. I think it would be good to have someone from the County at the Council meeting who can explain to the Council their interest, what they're trying to do, and to explain the financial benefit.

Tim - It would be similar to how we got the master plan approved. The contractual details are handled further down the road, I wouldn't worry about the wordage at this point, more just focus on the general issue.

Cindy- And it could also be kicked over to the City Attorney for review.

Tim - Under federal grant assurances, airport revenue has to go the airport account, but it would be good to mention that.

William - That should be specifically stated in the proposal/agenda item so its cut and dry. And that falls under what we're trying to do - when you look at Municipal code, etc.

Craig – The memorandum of understanding for the gravel mining lease will be negotiable by the Airport Board and the County regarding methods of mining, volumes of materials, pricing, payments, fencing, reclaiming, etc. for the Stevensville Council approval.

William made motion to present the gravel pit proposal to Town Council. Motion Carried.

b. Don Whitehair Lease Suspension for Payment of Lease for 2 years (2023-2024)

Craig – I did not present this item correctly when attempting to add to the agenda. I would like a motion for a lease extension for Don to Council.

Dusty - What about the check from Cliff?

Craig - Don was behind with his lease payments so the check from Cliff Orcutt was just covering that. This motion is to suspend the future lease payment.

Rich made the motion to recommend to the Council to suspend Don Whitehair's lease payment for two years. Motion Carried.

c. Budget, Request from the Airport Board to Provide the FAA with the Results of the Current Audit as a Sponsor Requirement for Received Grants

Craig - We haven't done this for a while.

William - From my understanding speaking with Robert, this was something that we had done. There is an approx. \$6K share of professional services to the Airport for their share of the audit. Part of our budget goes to that prorated share. That audit has been done.

Rich - So you're telling me its \$6K for \$22K of revenue?

William - Right now, the Airport has \$46,000 available (does not include CARES).

Tim - The Airport itself has 2 CARES funds left (CRSSA and ARPA). There is a dividing line, which comes down to the grant assurances, it only goes to the Airports. There's money available that we continue to receive pressure to utilize.

Craig - When was the last time we saw a budget?

William - May, 2019. There' still budget and audit stuff going on. There's a lot of moving parts. Because of everything that's gone on (past administration, etc.), they're playing catch-up.

Rich - When it says current appropriations, what does that mean?

William explained what the numbers meant (back and forth between Rich and William).

Rich - So we have \$47K and the CARES, so around 100K total?

Craig - What we need is to have Robert come here and explain. What I'd like to do is request the Board request supply the FAA with results of audit. That's why we didn't bring it up to the Council since the Mayor requested no new items (especially budget-related) be brought forward for at least five months until the audit is completed. How about I pull this budget item? At the next board meeting let's ask Robert where we stand? At least we'll have a report.

William - That will be a good place to start. If we could line that out - have Robert come to the next board meeting?

Bob Michaelson – So you want a separate audit?

Craig - No

Bob - I'm guessing you'll just get a copy of the audit to send to the FAA?

Craig – Yes

Bob - That's not a big deal. The audit it pretty much done. I haven't checked in a while.

Craig - So the best plan of attack is to have Robert present the report next meeting.

Dick - If you're getting a copy of the audit, you could just take the Airport section and send it to the FAA.

4. AIRPORT MANAGER'S REPORT

1. At the end of December, the Forest Service Land Use Agreement (LUA) expires. They haven't told us the process, if that goes through bid, we'll know more as it moves along. We'll have to look at a few lease areas, we'll have to decide if we should still allow for lease areas or switch something up. We could integrate it into the Master Plan, I will get with Tyler. It's good for you guys to begin thinking about.

2. Our SAMS registration is expiring May 1st.
3. Email from Leann Anderson – The Museum of Mountain Flying is possibly making another real estate transaction. I have not heard from the Museum folks. There may be one or two hangar transactions. Once they get their ducks in a row, I can update the Board. Right now, we don't have any control over a real estate acquisition but would like to discuss with the Town.
4. I received another email from State of Montana for surplus vehicle/courtesy car grants – applications are being accepted through the 31st of May. They're awarding up to four grants up to \$5K each. They will be awarded June 15th. The MCAs have changed as far as courtesy cars, and there's been some strikethroughs. Tim reached out to the Hamilton Airport regarding their courtesy car. I'm hoping to have a report over to the Board on this.

Craig - Kelli is working on the courtesy car topic.

Craig - Back to the LUA, what's the termination date? How much was that worth last year?

Tim - We had a Chinook out there for a week, and it was around \$5K.

Dusty - Are there any of those that would be in the way of the skydiving operation?

Will - That's a separate area.

Tim - It's not just limited to the Bitterroot Forest Service; they can contract out with whomever they want to work here. Technically, the Board has the same autonomy so they could pursue entities. There's lots of ways this could be handled. There are other opportunities out there.

Craig - For the LUA, can we still get the \$0.06/gal?

Tim – I recommend increasing the passthrough to \$0.07/gal like Hamilton did.

(Tim and Craig discussed fuel quality control).

Rich - Does the audit show who hasn't paid? How many people aren't current?

Cindy - That would be a question for Robert.

Tim - Back during the 2014-2019 meetings, a financial report was included in the agenda, so the Board was able to track the finances. It's taken a long time for me to get that info.

Rich - Are they reporting revenue or cash-in-hand that we got? My question is, is this the amount that's owed to us or the cash we've received?

Tim - That would be a question for Robert.

Rich - We deal with these budgets and these budgets are sometime hypothetical.

William - Have you discussed the new drop zone with Diane?

Rich - The drop zone hasn't been presented to the City?

Craig - That'll be presented on the 27th.

Dusty - As far as the billing, did they change something?

Tim - They have the same spreadsheet as I have.

Dusty - Is there a way we can get a copy of that and verify the accuracy?

Cindy - I was using IDOC, Cadastral, etc. to verify the bills.

Tim - Last time, Pam and I worked together, they sent invoices out for 2021, and invoices for 2022, then in May I sent a tenant letter explaining the plan to move forward. It was a Robert function prior, still there are a lot of problems they'll have to work through - there's a lot of leases that have expired or about to expire that need to be updated. There's no lease on the fuel farm (Choice). The Board should take a very hard look at the fuel system because you can negotiate those fees. Robert was trying to clean up a lot of this stuff before, he did a lot, but there's still a lot to be done.

Craig - Robert put in many hours looking at the Airport budget before.

Bob - I think it comes down to personal responsibility. If you guys come down to 2-3 years behind on your leases, you should be working on this.

Dusty - We don't know who has paid or who hasn't paid.

Tim - This system could be completely automated. I proposed a simple model to automate, it didn't go anywhere, so it's been a frustrating thing for me. This audit thing has been a tough thing to go through. They've done a lot, now it's just catching up.

Rich - How many people have hangar leases?

Cindy - The County doesn't have good info on the Stevi Airport.

Tim explained the structure of an airport authority. The airport authority could collect taxes themselves.

Tim - The question remains: the airport was annexed into the Town, why is the County collecting taxes?

Dusty - Anything prior to the annexation is collected by the County.

Tim - The TEDD is another issue that has been "smoke in mirrors", and is about to sunset. An airport authority would give the Town the ability to collect all the revenue.

William - It seems like it's complicated but it could be simple. We have a list of people who haven't paid and have paid. If ten days pass and they still haven't paid, they get a certified letter. If they still don't pay, the Sheriff locks the hangar.

Rich - We need a system that's consistent and can continue for a 100 years.

Craig - This is the perfect question to ask Robert when he's here.

Tim - I came in December 2020. Robert left later. I have a limited view of the finances. Then I found out I had to take over the leases. Then I realized that there was a lot of ground to cover to make it a functional system.

William - I think we clearly line out Robert with these different items. It would simplify things if we had more of that oversight.

Tim - My recommendation would be - look back a year and look at what was discussed last year, you laid low and waited for the Town to get through its stuff. Now we can start bringing those things up again.

Dusty - It never changes. This is the norm. We have to figure out how to get through it. As soon as Robert leaves, we're back where we were before. Many times, over the years, nothing gets passed, nothing gets through.

Cindy - The thumb drive is with Jenelle. You can look at it.

Dusty - We get no feedback for what was paid or what wasn't paid. We can't do anything. Last year, we sent letter after letter, they're not getting anywhere. There's some dilapidated aircraft up there. They may be paying tiedown fees, but still. It's like a five-year cycle, we think we have it all squared away and we run in to the same thing again.

Rich - If we got a printout every meeting showing who's paid, etc., we would be able to start addressing and doing something to deal with things.

William - That's the frustrating part. It's like a jigsaw puzzle. It should all be in one place.

Rich - Can you give us the people who have leases, and who has paid?

Tim - As accurately as what I have now.

William - I'm willing to put different things together, I'll deliver letters, I'll do whatever I can to help improve the system.

5. PUBLIC COMMENTS

None

6. ADJOURNMENT

- Meeting Adjourned at 6:40 p.m.

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