

**Montana Aeronautics Board
Loan and Grant Application Meeting
Montana Department of Transportation; Auditorium
2701 Prospect Avenue, Helena, MT
Tuesday, January 11, 2022**

Aeronautics Board

Bill Lepper, Board Chair
Wade Cebulski, Vice-Chair
Robb Bergeson
Pam Chamberlain
Dan Hargrove
Tim Robertson
Tom Schoenleben
Tim Sheehy
Greg Smith

Department of Transportation

Mack Long, MDT Director
Julie Brown, MDT Deputy Director
Tim Conway, MDT Aeronautics
Marc McKee, MDT Aeronautics
Karen Speeg, MDT Aeronautics
Shannon Buswell, MDT Aeronautics
Valerie Balukas, MDT Legal

Guests

Jason Slezak, KLJ
Craig Canfield, KLJ
Nathan Schroht, KLJ
Jim Greil, DOWL
Travis Eickman, Morrison Maierle
Katie Barry, Morrison Maierle (Zoom)
Andy Galen, Morrison Maierle
Nick Enblom, Morrison Maierle
Lance Bowser, Robert Peccia & Associates
Mary Bell, Robert Peccia & Associates
Chelsea Rayfield, Legislative Audit Division

John Faulkner, Great Falls Airport Manager
Mark Peterson, Havre City County
Kevin Myhre, Century Co. Inc.
Hunter Michelbrink, Park County Airport Board
Steve Koontz, Park County Airport Board
Todd Clark, Kalispell City Airport
Bryon Armour, Lewistown Airport Manager
Bob Hollister, Canyon Ferry Airport Manager
Mark DeRudder, Stateline Contractors (Zoom)
Scott Gasvoda, Teton County Airport Board
Mike Campbell, Dutton Airport Manager

Call to Order / Pledge of Allegiance / Overview of the Rules / Approval of Minutes

- Chairperson Lepper called the meeting to order at 1:03 p.m., opening with the Pledge of Allegiance. Mr. Lepper expressed his thanks to Aeronautics staff members, presenters, and board members, as well as previous board members.
There was a roll call of board members; all board members were present.
Also present were MDT Director Mack Long, MDT Deputy Director Julie Brown, and Valerie Balukas from MDT Legal.

Mr. Tim Robertson made a motion to approve the September 30, 2021 board minutes as presented. Mr. Tim Sheehy seconded the motion, which passed unanimously.

Quick Word from Director Long

Director Long provided an overview of MDT and the state of MDT in regard to the COVID-19 pandemic, as well an overview of the year ahead with passage of the congressional infrastructure bill. Director Long

noted that the funding of the infrastructure bill is separate from the bill's passage. He also spoke about working with districts around the state, and getting out across Montana, including with members of Aeronautics staff to locations such as Del Bonita to fill gopher holes. Director Long noted that a busy 2022 is planned for MDT.

There were no questions for Director Long.

Deputy Director Brown echoed thanks to everyone for their time, including staff, presenters, and everyone providing information during the meeting.

Ms. Balukas had no update or questions. She also expressed her thanks and welcomed everyone.

Aeronautics Update from Tim Conway

Mr. Conway remarked that he had updated the board extensively at the previous board meeting, so he would try to keep his remarks short. Mr. Conway provided staffing updates: Mr. Marc McKee has announced that he is resigning his position with Aeronautics after March 1, 2022. Mr. Conway expressed his appreciation for Marc's work and stated that Aeronautics intends and hopes to double-fill this position, in order to provide training for the new staff member that will be in his position. Mr. Conway also noted that after a long process, Aeronautics has hired Kelly Garber in the Accountant position. She comes to Aeronautics from the Department of Military Affairs and is still undergoing training currently at MDT. This position is strictly an accounting position, and responsibilities are not the same as they were previously, such as being present at board meetings. Mr. Conway also offered an update on planning for the annual aviation conference. The conference will be held in Missoula, March 3-5, 2022. There are currently 29 of 48 booths filled, and approximately 100 attendees currently registered. There is also a Legislative Audit currently underway, and Mr. Conway introduced Ms. Chelsea Rayfield, Legislative Auditor from the Legislative Audit Division.

Mr. Wade Cebulski noted that he has always had a printed financial report/balance sheet on Loans and Grants. Mr. Cebulski has made a request to make this available to the board in their packets.

Mr. Lepper asked if this was something that could be done retroactively for this meeting, and Mr. Conway confirmed that it was.

Airport Audit Update from Marc McKee

Mr. McKee provided an Airport Audit update. Mr. McKee stated that Hot Springs was selected to be audited but was not able to complete their project. Therefore, this audit has not been completed. This may be discussed at the next meeting.

There were no questions for Mr. McKee.

Historical Board Practices

Mr. Lepper remarked that due to the nature of this board, seven of the nine total board positions have new members. Therefore, he requested that Mr. Conway help bring the board up to speed on the Loan and Grant process.

Mr. Conway provided an overview of the Loan and Grant process. He explained that applications for loans/grants come in, Aeronautics staff compiles the applications into sheets that the board received and provides recommendations to the board. The board does not need to take these recommendations into account.

Mr. Bergeson asked if recommendations are based on Mr. Conway's and the Aeronautics staff's knowledge of airports around the state. Mr. Conway responded that 90% of funding comes from the federal government. Therefore, Aeronautics has historically allowed federal recommendations to drive Aeronautics' recommendations. Aeronautics takes the National Priority Index (NPI) and applies some criteria (see spreadsheet provided to board) and this is arbitrarily based on Aeronautics' experience. Aeronautics takes the NPI and the factors that are applied to estimate one way to distribute the funding, based on funding available. Basically, this is Aeronautics' best-guess at a way to mechanically approach how to fund the total.

Mr. Conway continued that typically, presenters provide information about their project and any updates since the close of application process. There are no dollar changes; some priority indexes come in with the incorrect priority index, and other than any application withdrawals, these have been the only changes from Aeronautics. The board historically has made an initial run-through of the applications, then another iteration, then the board begins to make cuts. Sometimes, this has been done by using factors, sometimes the board has prioritized certain types of projects. Usually, the board is able to make decisions within three passes through the applications. Mr. Conway noted that one thing to consider is consistency, and that the board has much latitude to fund projects how they desire.

Mr. Cebulski stated that the priority ratings have changed quite substantially, and it is now a lot bigger form. There are things listed multiple times with slight verbiage changes. Mr. Conway stated that staff have made some changes, which are noted in the spreadsheet.

Mr. Conway also noted that Aeronautics sat down with Mr. Lepper and the FAA to get more information. There are clarified notes listed on the spreadsheet.

Mr. Cebulski asked if the FAA was available if the board had questions. Mr. McKee noted that the FAA is still unable to travel due to their COVID-19 protocols, but they are available by phone if needed.

Mr. Cebulski stated that he may want to ask questions of the FAA during individual consideration of projects to ask for more information/clarification.

Mr. Lepper noted that the board is in the enviable position of having about 42% chance of success with funding this Loan and Grant cycle, rather than the approximately 15% of the previous cycle.

Review of Loan & Grant Applications

Zoom Applicant Presentations of Loan/Grant Applications

- **Bridger Airport** – Mark DeRudder with Stateline Contractors provided a presentation on behalf of the airport.

- **There were no questions from the board.**
- **Columbus Airport** – Katie Barry with Morrison-Maierle, presenting on behalf of Stillwater County and the City of Columbus, provided a presentation. Ms. Barry thanked Aeronautics staff and the board for being able to present virtually.
 - **Questions from the board:**

Mr. Cebulski asked if there was an official waiting list for the hangars. Ms. Barry expressed that she was not aware of an official list, as they are in the design stages.

In-Person Applicant Presentations of Loan/Grant Applications

- **Anaconda** – Jim Greil from DOWL provided a presentation on behalf of the airport. Mr. Greil provided a background of himself as an aviation consultant and noted that he has been presenting in front of the board for around 30 years. He then provided his presentation for the Anaconda application.
 - **Questions from the board:**

Mr. Bergeson asked how many annual operations Anaconda has, and Mr. Greil responded that there are several thousand.

Ms. Chamberlain asked who would maintain the visual aids, and Mr. Greil responded that it is not a visual aid system, it is an uncoupling of the existing regulator so that it is on its own circuit.

Mr. Cebulski asked for clarification on what the administration fees covers, and Mr. Greil responded that this could be management, advertising for the project. He noted that design is typically a separate line item.

Mr. Cebulski asked if a general estimate from an electrician will be obtained, and if there would be any change. Mr. Greil responded that no, based on his understanding, the electrician still has the same estimate.

Mr. Sheehy asked about defraying costs to help fund the Master Plan. Mr. Greil stated that 10-15 years is typical for Montana airports to be doing Master Plans regularly. The Master Plan was already slated for FY 23, without the influence of the affluent individual who has come forward. When this individual came forward, that exacerbated the desire to get it accomplished.

Mr. McKee stated that there are 3,500 operations at Anaconda each year.

Mr. Lepper asked if there is a threshold for being eligible for FAA funding. Mr. Greil responded that it is in NPIAS (National Plan of Integrated Airport Systems).
- **Big Timber Airport** – APPLICATION WITHDRAWN
 - **Questions from the board:** N/A
- **Broadus Airport** – Nathan Schroht with KLJ provided a presentation on behalf of the airport and Powder River County.
 - **There were no questions from the board.**
- **Browning Airport** – Marc McKee, Airports & Airways Bureau Chief for MDT Aeronautics provided a presentation on behalf of the airport, which is an MDT airport. Mr. McKee provided a handout to the board members, which included letters to the board from other entities, related to requested funding for the Browning Airport. As part of his presentation, Mr. McKee noted that Gary Nevins used to oversee the airport and helped mend the fence, but he has now moved. There is a new individual in his place, but he is not as aviation-minded.
 - **Questions from the board:**

Mr. Bergeson asked if there are any numbers on incidents of aborted takeoffs or landings due to animal issues. Mr. McKee responded that Benefis has had to go around several times. They are sometimes able to scare the animals away, but sometimes have to abort the mission.

Mr. Robertson asked if it was possible to add a landing fee for this airstrip to pay for this in a year or two. Mr. McKee stated that Aeronautics can look into this, but that there is difficulty in monitoring this, as no one is present at the airport to monitor.

Mr. Lepper referenced the numbers on provided handouts.

Mr. Smith asked if the other entities have said that they'd be willing to pitch in, and Mr. Sheehy asked about a block grant to chip in for this. Mr. Conway provided clarification, stating that historically, the hospital, Aeronautics, and the tribe went 1/3, 1/3, and 1/3.

At this point, Mr. Lepper cautioned against getting too far into the allocation process during this time of the meeting.

- **Canyon Ferry Airport** – Bob Hollister, airport manager for Canyon Ferry Airport, provided a presentation on behalf of the airport board for Broadwater County.

As part of his presentation Mr. Hollister noted that the airport is used primarily as a “reliever airport” with between 500-1000 total landings, especially student pilots and flying clubs from Helena and Bozeman.

- **Questions from the board:**

Mr. Smith asked about the difference between county and county property, and how it affects their operations. Mr. Hollister provided clarification and stated it would not affect their operations, but that they do not want the property infringement.

- **Choteau Airport** – Jim Greil with DOWL provided a presentation on behalf of the airport, along with Scott Gasvoda, Chairman of Teton County Airport Board.

- **Questions from the board:**

Regarding the FAA project, there were no questions from the board.

Regarding the non-FAA project, the board had the following questions:

Mr. Cebulski asked for clarification on whether this is an annual maintenance cost request.

Mr. Gasvoda and Mr. Greil provided explanation that yes, it is.

Mr. Cebulski asked if this was design-only. Mr. Greil stated that both design and construction were included, the design for FY 22, and the construction for FY 23.

Mr. Cebulski asked why not request design-only for this year. Mr. Greil clarified that that is what is being requested, per their application.

Mr. Cebulski asked for the design-only portion cost. Mr. Greil responded \$150,000.

Mr. Cebulski asked if they would be requesting an extension next year, and Mr. Smith asked about the FAA funding the design. Mr. Greil clarified FAA funding for FY 22 and FY 23.

Mr. Lepper asked for clarification of when the FAA fiscal year runs. Mr. Conway provided clarification of FAA fiscal year and FAA funding timelines, as well as clarification of Mr. Cebulski's question on the extension.

Mr. Gasvoda stated they would not be opposed to a loan.

Mr. Cebulski asked what the proposed construction was/whether it was a mill overlay. Mr. Greil responded that no, it was removing markings, crack and fog seal.

A break was called as of 2:30 p.m. Meeting reconvened as of 2:42 p.m.

- **Conrad Airport** – Lance Bowser with RPA provided a presentation on behalf of the airport and Pondera County. Mr. Bowser expressed his thanks to the board members and noted the importance of the 10% to the airports.
 - **Questions from the board:**
 - Mr. Cebulski asked for clarification that this was design-only. Mr. Bowser responded.
 - Mr. Hargrove asked how much land it was. Mr. Bowser responded 22 acres.
 - Mr. Hargrove asked if current landowner has stated they are open to discussion or negotiations on sale of land. Mr. Bowser responded.
- **Culbertson Airport** – Craig Canfield with KLJ provided a presentation on behalf of the Town of Culbertson and Roosevelt County.
 - **Questions from the board:**
 - Mr. Bergeson asked if there was anywhere currently to house SRE (Snow Removal Equipment). Mr. Canfield responded.
 - Mr. Smith asked if two different structures? Mr. Canfield provided clarification.
 - Mr. Schoenleben asked if it was all one structure Mr. Canfield responded yes.
 - Mr. Schoenleben asked if they were looking for approval of SRE and pilot's lounge. Mr. Canfield responded yes.
 - Mr. Schoenleben asked if the board funded SRE but not pilot's lounge, would this be sufficient to support the project. Mr. Canfield responded that the airport would intend to move forward with the full project if only one was funded.
- **Cut Bank Airport** – Lance Bowser with RPA provided a presentation on behalf of the Cutbank Airport Authority. Mr. Bowser noted that Dave Reece recently passed away, who was the face of this airport.
 - **Questions from the board:**
 - Mr. Smith asked for the dimensions of the door. Mr. Bowser provided door specifications and additional information on the door.
 - Mr. Lepper asked if this was the only hangar on the airport. Mr. Bowser provided information on other hangars on the airfield and ownership.
 - Mr. Robertson asked for priority of projects after the pavement maintenance. Mr. Bowser responded that if they were able to fund the majority of one of the second projects, they would move forward with both (of the remaining projects). They do have some local match.
- **Deer Lodge Airport** – Travis Eickman with Morrison-Maierle provided a presentation on behalf of Powell County and City of Deer Lodge. Mr. Eickman stated that they are asking for grant funds but would consider loan funds.
 - **Questions from the board:**
 - Mr. Cebulski asked about EA (Environmental Assessment), the completion of EA, and for additional details. Mr. Eickman provided additional information about the timeline of the EA and project timeline.
 - Mr. Cebulski asked for a percentage of success. Mr. Eickman stated that it was 100% on his side, government review is another thing.
 - Mr. Bergeson asked about annual income for the airport, for example if user fees are a possibility to increase revenue. Mr. Eickman responded, yes, but that there are no full-time staff on the airport.

- **Dutton Airport** – Jim Greil with DOWL provided a presentation on behalf of the airport. Also presenting was Mike Campbell, Airport Manager for Dutton and past member of Teton County Airport Board. As part of their presentation, Mr. Campbell spoke to the history of the runway.
 - **Questions from the board:**

Mr. Cebulski asked how many square feet of area there is. Mr. Campbell responded with additional information. Mr. Greil also provided additional information.

Mr. Cebulski also asked about similarity of this project to the Fairfield project. The presenters responded that yes, they are the same type of construction, but the soil type is different.

Mr. Cebulski asked if other airports have done similar procedures. Mr. Greil responded yes, there are several who have done this in Montana, Idaho, and Arizona previously.

Mr. Robertson asked for the number of operations at the airport. Mr. Greil and Mr. Campbell offered an approximate number.
- **Ekalaka Airport** – Jason Slezak provided a presentation on behalf of Carter County.
 - **Questions from the board:**

Mr. Cebulski questioned the priority index. Ms. Speeg clarified that this number should be 82.

Mr. Lepper asked about AWOS and timeline. Mr. Slezak responded with clarification.
- **Ennis Airport** – Lance Bowser with RPA, representing Madison County provided a presentation. As part of his presentation, Mr. Bowser stated that they withdraw the taxiway portion of their application and prefer to focus their efforts on acquiring the land. Mr. Bowser also noted that their long-term board chairman recently passed away.

There were no questions from the board on this aspect of the project.

Mr. Bowser continued his presentation, regarding the second part of their request: the public water supply well.

 - **Questions from the board:**

Mr. Cebulski asked about the administration costs and asked for clarification on what these administrative costs mean. Mr. Bowser responded with clarification that administrative costs could be legal advertisements, navigational aids require FAA checks of PAPIs, and IFE (Independent Fee Estimates) are all examples of what administrative costs could be. He further explained that there is no applicable work code for this on the application other than Admin.

Mr. Cebulski asked for an estimate of what the actual asset would cost. Mr. Bowser clarified that there is approximately \$300 of true “admin” costs. Drilling the well and putting in service lines are what costs would be.

Mr. Smith asked for clarification on the land acquisition portion. Mr. Bowser responded that the cost of engineering appraisals is a cost, instead of saying “construction”.
- **Eureka Airport** – Nick Enblom with Morrison-Maierle, representing Lincoln County and Eureka Airport, provided a presentation.
 - **There were no questions from the board.**
- **Fairfield Airport** – Jim Greil with DOWL provided a presentation on behalf of the airport along with Scott Gasvoda, manager of the Fairfield Airport. As part of the presentation, Mr. Gasvoda expressed his thanks to the board for their assistance with the Fairfield airport.
 - **Questions from the board:**

Mr. Cebulski asked about soil destabilization and if the board does not fund the chip seal, how or if they would move forward with the soil stabilization. Mr. Gasvoda responded that his personal opinion as an individual is that if they do not do the chip seal, it would not be worth moving forward with the soil stabilization.

It was noted at this point in the meeting that Forsyth withdrew their application.

- **Gardiner Airport** – Lance Bowser with RPA, Hunter Michelbrink, current Chair of the Park County/City of Livingston Airport Board, and Steve Koontz, Park County Airport Board member, provided a presentation on behalf of the airport.
 - **Questions from the board:**

Mr. Bergeson asked about other federal funding options, such as FWP or Parks Service money. Mr. Michelbrink responded that they have explored these other entities, but that their hands are tied, because they cannot allocate funding for property outside of the parks. He continued that these entities have helped in the past to allocate *donated* funds, but that their hands are truly tied. They do what they can to support the airport because they do support the airport. Gardiner really does not have other avenues, no federal funding, and is one of the airports that kind of falls through the cracks.

Mr. Bowser stated that they would prioritize allocation of funds to the runway.

Mr. Michelbrink expressed that it is a popular airport, but people shy away from it due to the conditions, and Mr. Koontz expressed that there would be increased activity if improved.

Mr. Robertson asked about the resort tax. Mr. Michelbrink clarified that revenues from the resort tax total \$113,078.

Mr. Robertson asked about other funding resources. Mr. Michelbrink stated there are none. There are minimal funding revenues from existing leases.
- **Glasgow Airport** – Jim Greil with DOWL provided a presentation on behalf of the airport. As part of the presentation, Mr. Greil noted that Glasgow is an EAS (Essential Air Service) airport.
 - **There were no questions from the board.**

A break was called as of 4:10 p.m. Meeting reconvened as of 4:18 p.m.

- **Great Falls Airport** – John Faulkner, Airport Director, provided a presentation on behalf of the airport.
 - **Questions from the board:**

Mr. Cebulski asked about the snow removal equipment and FAA funding. Mr. Faulkner responded that the FAA is going to try to fund this year out of discretionary money.

Mr. Cebulski asked if the price of the machinery is close to the cost listed. Mr. Faulkner responded yes.
- **Havre Airport** – Jim Greil with DOWL provided a presentation on behalf of the airport, along with Mark Peterson, commissioner for Hill County. It was noted that Chase Stoner did much of the work on the application, but he was unable to make it to the meeting today. It was also noted that Havre is an EAS (Essential Air Service) airport. Mr. Peterson remarked that he is representing the Hill County Commissioners, and states that he is proud of their board and their financial responsibility; they are frugal. Mr. Peterson also read a message from board member Max Fogle. Mr. Peterson also noted that the Havre Airport is served by two different power companies.

- **There were no questions from the board.**
- **Helena Airport** – There was no presentation for this application. They were just applying for the weather camera.
 - **There were no questions from the board.**
- **Kalispell City Airport** – Todd Clark, pilot and aircraft owner at Kalispell City Airport, provided a presentation on behalf of the airport. Mr. Clark noted that he is not at the meeting as a chair or board person, he is just a pilot and aircraft owner here to represent Kalispell City.
 - **Questions from the board:**

Mr. Robertson asked if Kalispell City was eligible for federal funding. Mr. Clark responded no; they are not eligible for federal funding.
- **Laurel Airport** –Nathan Schroht from KLJ provided a presentation on behalf of the airport.
 - **There were no questions from the board.**
- **Lewistown Airport** – Andy Galen from Morrison-Maierle provided a presentation on behalf of the airport along with Bryon Armour, Airport Manager from Lewistown. It was noted that the Runway 321 portion of the project was withdrawn, as the proposed approach would not be feasible.
 - **Questions from the board:**

Mr. Cebulski asked about the rehab taxiway funding. Mr. Galen expressed that this can be checked on with the FAA.
- **Libby Airport** – There was no presentation for this application. They were just applying for the weather camera.
 - **There were no questions from the board.**
- **Lincoln Airport** – Craig Canfield with KLJ presented on behalf of the State and the Lincoln Airport Foundation. It was noted that since their application was submitted, the SRE they did have is now inoperable, and they are now reliant upon MDT Highways to do snowplowing, which is a secondary priority for them. He clarified that they were going to build the building, then request SRE, but now the SRE is a higher priority.
 - **Questions from the board:**

Mr. Cebulski asked about separating the design and construction portions. Mr. Canfield responded that they would hope to be ready in June.

Public Comment

- *There was no public comment.*

Guidelines and Reminders for Second Day

Chairperson Lepper stated that the board meeting would reconvene at 8:00 a.m. the following morning.

The meeting adjourned at 5:02 p.m.

Bill Lepper, Chairman

Wade Cebulski, Vice-Chairman