

**MONTANA AERONAUTICS BOARD MEETING
JUNE 6, 2024**

Department of Transportation

Tim Conway, MDT Aeronautics
Karen Hallenbeck, MDT Aeronautics
Stephen Torske, MDT Aeronautics
Tyler Moss, MDT Legal
John Haffey, MDT Legal
Kelsie Watkins, MDT

Aeronautics Board (Remote)

Matthew Prinkki
Tim Robertson
Greg Smith
Grayson Sperry

Aeronautics Board (In-Person)

Bill Lepper, Board Chair
Wade Cebulski

Guests

John Paul Noyes, Red Eagle
Aviation/Kalispell Airport Association
Christian Widera, Electrician
Travis Eickman, Morrison-Maierle

Call to Order

Chair Bill Lepper called the meeting to order at on June 6, 2024 at 1:00 pm.
Roll call established a quorum; six (6) board members were present.

Wade Cebulski made a motion to approve the January 2024 minutes as presented. Tim Robertson seconded the motion. The motion passed unanimously.

Public Comment

Bill Lepper asked for public comment. No public comments were provided.

FY23 Second Grant Extension Requests –

1. Deer Lodge - \$21,150 grant

Deer Lodge remains unable to complete the required pre-construction environmental assessment (EA), due to scheduling challenges with external agencies/consultants. The board discussed the timeline and feasibility of project completion and agreed that the same EA issues were likely to continue hindering progress on this and other projects.

Wade Cebulski made a motion to reject Deer Lodge's second grant extension request. Tim Robinson seconded the motion. The motion passed unanimously.

2. Kalispell - \$394,187 grant

Progress on this project stalled in 2023 due to challenges coordinating with the City of Kalispell. The board discussed the timeline, feasibility, and importance of this lighting improvement project. The board felt that project progress was likely to continue thanks to improved communication and collaboration with city leadership.

Tim Robertson made a motion to approve Kalispell's second grant extension request. Greg Smith seconded the motion. Five board members voted aye, and Wade Cebulski voted nay. The motion passed.

FY24 Loan/Grant Extension Requests –

3. Culbertson - \$29,000 grant/\$7,250 loan

Culbertson’s project to design and build a new Snow Removal Equipment (SRE) building was designed and advertised for bids in early 2024, but after receiving a low number of high bids, the Culbertson Airport Board and Federal Aviation Administration (FAA) have determined that the project must be redesigned. The requested extension would allow time for the redesign and rebidding process, with construction now anticipated for the 2025 construction season. The board agreed that allowing more time for the redesign and rebid was the best option to ensure that the project is completed within budget and in a timely manner.

Tim Robinson made a motion to approve Culbertson’s grant/loan extension request. Wade Cebulski seconded the motion. The motion passed unanimously.

4. Deer Lodge - \$32,144 grant/\$5,799 loan

The board further discussed the status of the EA, and whether approving the extension request would help to expedite its completion. With no identifiable timeline for EA completion, and noting that the EA has indefinitely delayed construction on all Deer Lodge Airport projects, the board favored rejecting both Deer Lodge extension requests until the EA is complete, at which time the airport may apply for retroactive funding.

Matthew Prinkki made a motion to reject Deer Lodge’s grant/loan extension request, due the indeterminate state of the Environmental Assessment. Greg Smith seconded the motion. The motion passed unanimously.

5. Lincoln – \$36,250 grant

The project design is complete and is currently being advertised for bids. Once a contractor is selected, the project must be approved by the FAA for federal funding before state funds can be dispensed. MDT staff shared that FAA is expected to provide approval this summer, and once federal funding is secured there are no other foreseeable delays. The board agreed that allowing additional time for Lincoln Airport to secure federal funding is the best route to timely, on-budget project completion.

Wade Cebulski made a motion to approve Lincoln’s grant extension, providing more time to secure FAA funds for the project. Greg Smith seconded the motion. The motion passed unanimously.

6. Malta – \$29,325 grant

The project is designed and was advertised this year but only one bid was received, which Malta rejected due to the contractor’s inability to meet Buy American Preference requirements for equipment. If the extension is approved, the project will be readvertised the project for bids. The board discussed the proposed solution and agreed that Malta would have more success rebidding the project at a later date.

Wade Cebulski made a motion to approve the Malta Airport's grant extension so they can rebid for a Buy American compliant contractor. Tim Robinson seconded the motion. The motion passed unanimously.

7. Poplar - \$27,625 grant/\$2,486 loan

Poplar must complete preliminary evaluations and basic lighting system upgrades before more substantial lighting rehabilitation can begin. The board reviewed Poplar's anticipated project timeline noting that, even with this setback, construction remains scheduled for 2024. The board discussed the timeline and feasibility of project completion and agreed that the project was likely to continue without further delays.

Greg Smith made a motion to approve the Poplar Airport's grant/loan extension, in order to accommodate their updated 2024 construction timeline. Grayson Sperry seconded the motion. The motion passed unanimously.

8. Sidney - \$365,000 grant

Sidney is awaiting FAA discretionary grant funds, and is unable to advertise the project for bids until this funding is secured. The grant extension would allow Sidney Airport and MDT additional time to coordinate with FAA for this funding. The board discussed the uncertainty surrounding the project timeline and availability of funding.

Wade Cebulski made a motion to reject Sidney's grant extension request due to the uncertainty of discretionary funding. Bill Lepper seconded the motion. The motion was withdrawn after further discussion.

Additional discussion and input from Sidney Airport and MDT staff about the status of FAA discretionary funding. MDT staff estimated a 50/50 chance that the project would be funded in 2024 and a final decision will be made by September 30. The board discussed conditionally approving the request with a deadline, which would allow time to determine funding while preventing longer term delays.

Wade Cebulski made a motion to approve the extension request until November 1, 2024, after which point it will be automatically rejected if FAA discretionary funding has for FY24 has not been secured. Bill Lepper seconded the motion. The motion passed unanimously.

9. White Sulphur Springs – \$67,700 grant/\$12,393 loan.

White Sulphur Springs, in coordination with the FAA, is developing a new approach that will better support the rural local community and its critical access hospital. The FAA determined that they may be able to construct the approach without performing overhead powerline obstruction removal work, which would reduce the overall project cost by about \$900,000. An extension is needed to determine how the updated design will affect the overall scope of work and funding needs .

Wade Cebulski made a motion to approve White Sulphur Springs grant/loan extension request. Tim Robertson seconded the motion. The motion passed unanimously.

Aeronautics Update - Tim Conway, Aeronautics Division Administrator

- MDT has announced that Chris Dorrington, currently Director for the Department of Environmental Quality (DEQ), will be the new Director of Transportation starting July 1. Prior to his time at DEQ, Dorrington worked in MDT's Planning division.
- Update on operations numbers and expenditures for FY 2024.
- Grant/Loan Funds FY 2024 updates.
- Audit updates.
- West Yellowstone Terminal Project updates:
 - Baggage claim terminal under consideration.
 - Anticipated completion is Spring 2025.
 - \$28.5 million spent on the project so far.
 - Delta aircraft changes, multi-class service into WYS.
- Dell Airport sale update.
- FAA Funding Recap.

Legislative Audit Discussion

- MDT attorney Tyler Moss reviewed the results of the 2023 Legislative Audit, as well as the Montana Code Annotated (MCA) and MDT policies that govern the Aeronautics Board.
- General discussion of developing more detailed formal processes for Aeronautics Board procedures, such as loan/grant extensions, minute taking, etc.
- The board selected a committee to meet at 8 a.m. Tuesday, June 11 to discuss/draft a response to the Legislative Audit Committee. They also scheduled a board meeting to review/approve the response to the Legislative Audit Committee at 4 p.m. Thursday June 13.
- Next Legislative Audit Committee Meeting: June 17, 1 to 6 p.m.

Wade Cebulski made a motion to establish a committee including Bill Lepper, Tim Robertson and Grayson Sperry which will draft a formal response to the Legislative Audit Committee. Greg Smith seconded the motion. The motion passed unanimously.

Schedule Next Meeting

Chairman Bill Lepper proposed that an Aeronautics Board training retreat be scheduled for fall 2024, coupled with a public meeting. The meeting was scheduled for Thursday September 19, 2024 (location to be determined).

The Annual Grant and Loan Award meeting is scheduled for February 5 and 6, 2025 in Helena.

Wade Cebulski made a motion to adjourn the meeting. Bill Lepper seconded the motion. The motion passed unanimously.

The meeting adjourned at 4:34 p.m.