

MISSOULA

COMMUNITY PLANNING, DEVELOPMENT & INNOVATION

Development Services Division

435 RYMAN | MISSOULA, MT 59802-4297 | 406.552.6630 | FAX 406.552.6053

MISSOULA CITY PUBLIC FORUM APPLICATION

Date: January 6, 2023

Meeting Date: _____

Applicant Name: Missoula County Airport Authority

Address: 5225 Highway 10 West Phone: 406. 728. 4381

Agent Name: Lynn Fagan - Administrative Manager

Address: Same Phone: 406. 532. 8640

Project Address/Location: 4955 Aviation Way

Request Type: Exemption from local zoning regulations provided in § 76-2-402, MCA

The following items must be submitted as part of the application:

Legal Description

Lot(s): _____; Block(s): _____; Subdivision: _____

Section: 1; Township: 13 N; Range: 20 W

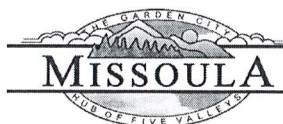
COS#: Improvements on leased land - see attachment

Zoning: Aviation

PACKETS MUST CONTAIN THE FOLLOWING ITEMS

Provide the following information as pdf's emailed to the Zoning desk staff at ZoningDesk@ci.missoula.mt.us Staff will review the application for completeness and provide any corrections. Once a complete application and the fee is received staff will provide a schedule for the public hearing date.

- a. Application
- b. Cover Letter
- c. Site Plan & Landscaping Plan (to scale)
- d. Elevation Drawings (to scale)
- e. Topography Map, if applicable (to scale)
- f. Floor Plan



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APPLICANT'S RESPONSIBILITY

The burden of proof for an applicable hardship and justification of proposal lies with the applicant. The applicant or the applicant's agent must be present at the meeting. Failure to appear at the meeting is grounds for denial of the variance request.

STATUTORY AUTHORITY

A public forum process is established as authorized by §76-2-402 MCA. Whenever an agency proposes to use public land contrary to local zoning regulations, a public hearing must be held and the agency shall attend the public hearing. The City Council is responsible for conducting public hearings.

TITLE 20, SECTION 20.85.095 PUBLIC FORUM

Title 20, Section 20.85.095 includes the process to implement the Public Forum provisions in state law. An "agency" means a means a board, bureau, commission, department, district, an authority, or other entity of state or local government.

The City Council shall hold a hearing within 30 days of the date the agency gives notice of its intent to develop land contrary to local zoning regulations and pays the application fee. The City Council shall hold the public hearing as a public forum and shall have no power to deny or condition the proposed use, but shall act only to allow a public forum for comment on the proposed use.

I hereby attest that the information on this application form is accurate and complete.

Property Owner's Signature Brian Ellestad Date 1/6/2020

I, Brian Ellestad, owner of the said property authorize Lynn Fagan
to act as my agent in this application.



5225 West Broadway | Missoula, MT 59808
www.flymissoula.com | 406-728-4381

Madson Matthias
Missoula Community Planning, Development & Innovation
Development Services Division
435 Ryman
Missoula, MT 59802-4297

*RE: Missoula County Airport Authority
Application for a Public Forum*

Dear Madson:

Please find enclosed an Application for a Public Forum pursuant to § 76-2-402, MCA. The Missoula County Airport hereby provides notice that it intends to lease a portion of its land in a manner which the Missoula Development Services Division has determined is contrary to the local zoning law. Also, please withdraw the SEA application 2022-MSS-SEA-00028.

The Airport Authority has leased the land in question to Krusers Mobile Services LLC (Krusers), an automobile servicing business. The parcel is located on Aviation Way next to the car rental quick turnaround facility; it includes a commercial building with 1458 square feet of office space, 2012 square feet of shop/garage space and 7,650 square feet of paved parking area. Krusers provides services for another airport tenant, Federal Express, as well as other clients.

Pursuant to § 67-11-201, MCA, the Airport Authority has the power to plan, construct, maintain and operate at the airport buildings and facilities for the comfort and accommodation of air travelers, among other powers and duties. Further, § 67-11-211, MCA, provides that the Airport Authority may grant the privilege of using the airport for commercial purposes.

The lease to Krusers was approved at the May 26, 2020 regular meeting of the Airport Authority Board of Commissioners' public meeting. (Minutes attached as Exhibit 1.) No public comments were received on the proposed lease. At the time of the lease, airport staff was unaware that the business did not comply with local zoning. The zoning issue came up in mid-2022 when Krusers applied for a City business license. Prior to the Krusers lease, the parcel was leased to the FAA for use by its technicians who service air control towers throughout the region.

The Aviation zoning district "is to provide a specific zoning classification for aviation and industrial, service, and commercial uses related to or compatible with Airport operations." Missoula Municipal Code § 20.20.020. Table 20.20-1 shows allowed uses in the Aviation District. Vehicle sales and service is prohibited in the zone. However, airport staff misread the table because vehicle sales and service contain no designation in the table.



In considering land leases, the Airport Authority is required to comply with grant assurances from the Federal Aviation Administration (FAA). Relevant to zoning is the grant assurance that requires the Airport Authority to restrict the use of its land to activities and purposes compatible with normal airport operations. Per FAA guidance, uses which are incompatible with airport operations are:

- Residential and other noise sensitive uses;
- Congregations of people in approach and departure areas to protect people and property on the ground;
- Man-made and natural structures that can interfere with flight;
- Uses which may be affected by vibration or fumes from aircraft operations;
- Uses of land on the airport that interfere with areas needed for aviation related activities.

Prior to submitting the lease to the Airport Authority Board, staff determined that the Krusers' lease is compatible with normal airport operations. It is a commercial use which is not noise sensitive; it does not result in congregations of people; the building has been in place on airport since the mid-1990s and does not interfere with flights; the use is not affected by vibration or fumes from aircraft operations; and the land is not needed for aviation related purposes.

This use will support the Airport by adding revenue and thereby decreasing the costs that must be passed on to the airlines. The effect will be to lessen the burden on airlines and consequently contribute to decreases in airfares for the community.

The use also considers the effect on motorized transportation systems by use of either the existing airport entrance off of Highway 10 West or the eastern entrance onto Aviation Way and by use of existing airport roads. The parcel is inside the Waste Water Service Area and served by public infrastructure and utilities.

Additionally, the use is designed to secure safety from fire and other dangers, is designed to promote the public health, safety and general welfare, provides adequate light and air and will not adversely affect nearby properties or their occupants. The Airport Authority has trained law enforcement officers on site 24/7. These officers are also trained in rescue and firefighting. The Airport Authority has Mutual Aid Agreements with Missoula Fire Department and Missoula Rural and Fire. This use facilitates the provision of fire and police protection at urban levels of service and would have a very short response time for emergency services.

All in all, the Airport Authority feels that this is an efficient and productive use of this parcel and that, although it may not be technically compliant with the zoning, it is in compliance with FAA regulations and will provide additional revenue to the Airport Authority.

Respectfully,

A handwritten signature in black ink that reads "Brian Ellestad". The signature is written in a cursive, flowing style.

Brian Ellestad
Airport Director

EXHIBIT 1

MISSOULA COUNTY AIRPORT AUTHORITY
Regular Board Meeting
May 26, 2020
1:30 pm, Airport Board Conference Room

THOSE PRESENT: Chair Matt Doucette via conference call
Vice Chair Adriane Beck via conference call
Secretary/Treasurer Larry Anderson via conference call
Commissioner Shane Stack via conference call
Commissioner Jeff Roth via conference call
Commissioner Dori Brownlow via conference call
Alternate Commissioner Winton Kemmis via conference call
Alternate Commissioner Pat Boyle via conference call
Honorary Commissioner Jack Meyer via conference call

STAFF
Director Cris Jensen
Deputy Director Brian Ellestad via conference call
Finance Manager Teri Norcross via conference call
Administrative Manager Lynn Fagan via conference call
Business Development Manager Dan Neuman via conference call
Accounting Clerk Rita Harris-Powers via conference call
Manager of Projects Tim Damrow

OTHERS:
Steve Conway, Martel Construction via conference call
Kim Briggeman, Missoulia via conference call
Martin Kidston, Missoula Current via conference call
Gary Matson via conference call
Andrew Stickney via conference call
Tim Aynur via conference call
Unidentified, Krusers Mobile Services, LLC via conference call
Unidentified, Thrifty Car Rental via conference call

Chair Matt Doucette called the meeting to order and advised everyone that the meeting was being recorded.

Administrative Manager Lynn Fagan performed a roll call of Board Members and members of the public that called in.

Motion: Commissioner Dori Brownlow moved to seat Alternate Commissioner Pat Boyle.

Second: Secretary/Treasurer Larry Anderson

Vote: Motion Passed Unanimously

AGENDA

Motion: Secretary/Treasurer Larry Anderson moved to approve the agenda as presented.

Second: Commissioner Jeff Roth

Vote: Motion Passed Unanimously

PUBLIC COMMENT PERIOD:

None.

MINUTES

Chair Matt Doucette asked if anyone had questions or comments regarding the minutes for the Regular Board Meeting dated April 28, 2020; there were none.

Motion: Commissioner Dori Brownlow moved to approve the minutes of the Regular Board Meeting dated April 28, 2020 as presented.

Second: Vice Chair Adrienne Beck

Vote: Motion Passed Unanimously

CLAIMS FOR PAYMENT

Finance Manager Teri Norcross stated the Claims for Payment are more brief than usual this month, adding that dollar amounts are smaller than usual as well. Teri offered to answer any questions. Secretary/Treasurer Larry Anderson asked about the nature of the payments to the American Association of Aviation Executives (AAAE). Teri explained that \$8,800.00 was to pay for interactive training for airport badging and \$2,975.00 was to pay for individual membership dues and the annual Contract Tower Association membership. Larry asked if the \$8,800.00 was a flat fee and Teri confirmed that is correct. Director Cris Jensen added that the interactive training is computer-based, and this fee will pay for updates to the video portions of the training.

Chair Matt Doucette asked if there were any other questions or public comments; there were none.

Motion: Secretary/Treasurer Larry Anderson moved to approve the Claims for Payment as presented.

Second: Alternate Commissioner Pat Boyle

Vote: Motion Passed Unanimously

FINANCIAL REPORT

Finance Manager Teri Norcross began by explaining that MCAA's share of the terminal construction project costs on the balance sheet is approximately \$600,000.00. She stated that MCAA filed for reimbursement of \$1.2 million in CARES Act funding to cover operating expenses. She added that the requests are going to the Federal Aviation Administration (FAA) headquarters instead of the usual FAA Area District Office (ADO) in Helena.

Teri stated that meeting minutes for the most recent Budget Committee Meeting are right behind the Financial Report in the board packet. She stated the fiscal year 2021 budget has been sent to the air carriers and none have responded. She added that approval of the budget will be included in the June 2020 meeting.

Teri explained the COVID-19 expense amount on the profit and loss is equivalent to the advertising revenue in response to there being no audience for their advertisements for the past two months.

Chair Matt Doucette asked if anyone had additional questions or comments regarding the Financial Report; there were none.

Motion: Commissioner Dori Brownlow moved to accept the financial report as presented.

Second: Vice Chair Adriane Beck

Vote: Motion Passed Unanimously

DIRECTOR'S REPORT

Director Cris Jensen stated that the Transportation Security Administration (TSA) reported a national bounce back in passenger numbers from 5% up to 12% of last year's numbers for Memorial Day weekend. He stated that passenger numbers are currently at roughly 15 – 20% of normal for Missoula with a similar trend playing out across the state of Montana.

Cris stated that COVID-19 procedures, including social distancing and the use of masks, have continued from last month. He added that there is continuing communication with the FAA regarding the CARES Act funding amounts and the formulas that determine how much MCAA is eligible for. He then explained that concessions have proven to be a bigger challenge due to COVID-19, adding that each concessionaire has unique needs. He stated that Administrative Manager Lynn Fagan is putting in a significant amount of time working with each concessionaire.

Cris reminded the Board that they pre-authorized Cris to accept and sign for \$257,540.00 in Airport Improvement Program (AIP) 66 pay-back funding from Butte Airport. He stated that Lynn witnessed him sign for and execute the grant and that the funds are available in the Delphi system.

Deputy Director Brian Ellestad then delivered a brief air service update, stating that passenger numbers in Missoula are increasing from roughly 5% up to 10% of normal. He explained that May 2020 is showing a 65% decrease in available seats compared to last year and June is showing a 65 – 70% decrease. He added that bookings for July 2020 and beyond are beginning to materialize, showing an upward trend. Brian mentioned that Frontier Airlines plans to be back in Missoula's market on July 3, 2020. He stated that the plan going forward is to continue forecasting, working on incentives for landing fees, and marketing.

Manager of Projects Tim Damrow then delivered a brief terminal construction project update. He explained that work on the terminal access road and vertical construction phases are in progress, and the demo and foundation phase is nearing completion. Tim stated that parking lot modifications continue, adding that the employee parking lot has been permanently relocated to just northeast of the long-term parking lot. He stated that work on the West General Aviation (GA) area continues. Tim added that upcoming items include escalator installation in the new terminal building, design finalization for the food and beverage concessions area, and a construction newsletter and update video. Tim offered to schedule walkthroughs of the construction site for

anyone interested in seeing the progress before presenting the layout for the airport's new website.

Gary Matson extended his thanks to Administrative Manager Lynn Fagan and anyone else involved in executing the meeting format. Gary asked if there is any significant comparison between the number of arriving passengers and the number of departing passengers. Brian responded that the numbers are usually close to a fifty-fifty split. Cris added that anecdotally, inbound passengers have been slightly higher than outbound passengers. Business Development Manager Dan Neuman added this is not unusual for the season, given that many people migrate back to Montana in the summer after spending winters in the South. Cris stated there were 1,460 inbound passengers and 1,383 outbound passengers in April 2020.

Chair Matt Doucette then asked if anyone had additional questions or public comments; there were none.

LEGAL REPORT

Administrative Manager Lynn Fagan explained that in April 2020 the FAA released some guidance on changing regulations to allow airports to provide concessionaires with financial relief made necessary by the COVID-19 crisis. She stated that the restaurant and café have both met their minimum annual guarantees (MAGs) for the 2020 fiscal year but that the rent car companies have much higher MAGs per their contracts with MCAA. She added that the rent car companies' contract year runs from October through September, so they were only about halfway through that annual period when the COVID-19 crisis began. Lynn stated that the gift shop has been hit very hard since it was closed for a couple of months in accordance with the governor's order. She explained that MCAA staff is working with all the concessionaires individually to find a fair solution without affecting the budget too much.

Lynn shared that Dylan Wyman of the Building department has a new son and that Kaitie Derosier of the Administrative department is scheduled to have her new son on Friday, adding that two more MCAA staff babies are expected in June 2020.

Chair Matt Doucette asked if anyone had questions or public comments for Lynn; there were none.

COMMITTEE UPDATES

Executive Committee: Met May 26, 2020 to discuss the Board agenda.

Finance Committee: Met on May 12, 2020 to review the fiscal year 2021 budget.

Business Development: No Activity

Contract & Lease Committee: No Activity

Facility & Operations Committee: No Activity

Marketing Committee: No Activity

General Aviation Committee: No activity

Legislative Committee: No Activity

UNFINISHED BUSINESS:

None.

NEW BUSINESS:

Lease of former FAA building to Kruse Mobile Services, LLC

Business Development Manager Dan Neuman explained that the building at 4955 Aviation Way was constructed in 1990 for the FAA Tech Ops to occupy with a thirty-year lease; that lease is set to expire on June 30, 2020.

Dan stated that Chris Kruse of Krusers Mobile Services, LCC has expressed interest in leasing the building. He stated the company of mechanics works primarily remotely, adding that they are frequently deployed to wildfires for equipment repair. Dan explained that the lease will begin on July 1, 2020 and that the recommended motion will be subject to MCAA staff's approval of the lease application that has yet to be received.

Secretary/Treasurer Larry Anderson asked if there will be equipment stored on site. Dan responded that some equipment will be kept on site at the millings lot over the winter for mobile units, adding that there is also a large shop in the building which may be used for equipment.

Matt asked if anyone had additional questions or comments; there were none.

Motion: Secretary/Treasurer Larry Anderson moved to approve the Addendum to the Lease Agreement with Krusers Mobile Services LLC as presented, subject to approval of the application by Airport staff.

Second: Vice Chair Adriane Beck

Vote: Motion Passed Unanimously

Memo of Understanding with Montana Federation of Public Employees - Building and Field Personnel

Administrative Manager Lynn Fagan stated that the Montana Federation of Public Employees (MFPE) union agreement between MCAA and employees from the Building and Field departments is active through June 2021, adding that those employees are due a 3% raise as of July 1, 2020 under the agreement. Lynn stated that due to the COVID-19 crisis and decreased revenue for the airport, the union employees have agreed to forego their 3% raise for now with the understanding that the budget will be reviewed with them every quarter.

Lynn stated that the MFPE union agreement between MCAA and employees from the Public Safety department expires June 30, 2020 and those employees have the goal of joining the International Association of Fire Fighters (IAFF). She added that both unions belong to the American Federation of Labor and Congress of Industrial Organizations (AFL-CIO) which requires that the employees wait one year after leaving MFPE before they can join IAFF. She stated the Public Safety department will not be getting raises in the coming fiscal year.

Secretary/Treasurer Larry Anderson expressed his appreciation for the willingness of both union and non-union employees to forego raises.

Chair Matt Doucette asked if there were any questions or comments from the Board or the public; there were none.

Motion: Commissioner Dori Brownlow moved to approve the Memo of Understanding with Montana Federation of Public Employees - Building and Field Personnel as presented.

Second: Vice Chair Adriane Beck

Vote: Motion Passed Unanimously

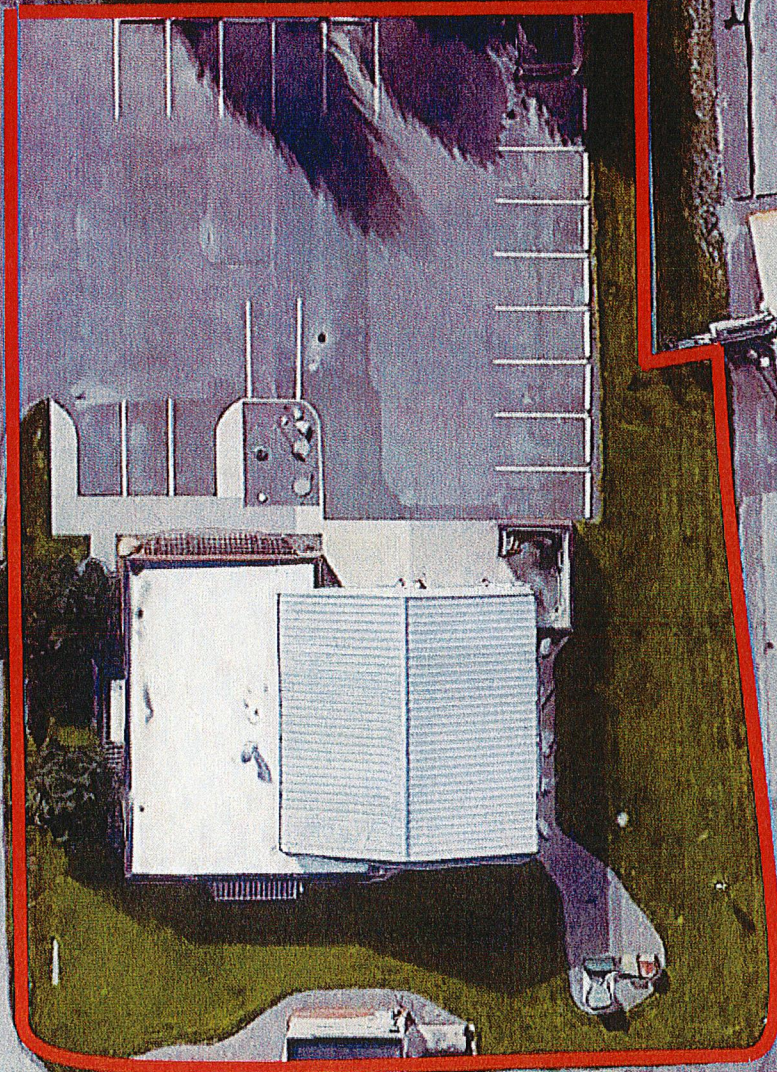
INFORMATION/DISCUSSION ITEMS

Chair Matt Doucette thanked Administrative Manager Lynn Fagan and other MCAA staff for coordinating the meeting, adding that next month's meeting may be in the same format.

The June Board Meeting will be held in the Airport Conference Room and remotely via GoToMeeting on Tuesday, June 30, 2020 at 1:30pm.

There being no further business the meeting was adjourned.

Exhibit 2 - SITE PLAN



102 ft

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Google

46°55'06.00" N 114°04'40.58" W elev. 3203 ft

WAG. 5112. 514

EXHIBIT 3 - FLOOR PLAN

