

Minutes of Meeting
Airport Advisory Board Update
December 23, 2013
9:30 a.m.

The Kootenai County Board of Commissioners: Chairman Todd Tondee and Commissioner Dan Green met to discuss the following agenda items. Also present were Airport Advisory Board Chairman John Adams, Airport Director Greg Delavan, and Deputy Clerk Nancy Jones. Commissioner Jai Nelson was excused.

- A. Call to Order:** Chairman Tondee called the meeting to order at 9:32 a.m.
- B. Introductions:** There were no introductions made.
- C. Changes to the Agenda:** There were no changes made to the agenda.
- D. New Business:**

Airport Advisory Chairman John Adams informed the Commissioners that a representative from T.O. Engineers recently gave a presentation to the advisory board regarding the Airport sewer study. Upon review, it was determined that sewer rates will need to be raised significantly in order to cover the costs of the current level of sewer activity at the Airport. Doubling the rates would also provide some funding for Operations and Maintenance (O&M) and Capital Reserves. Commissioner Green asked questions regarding sewer and water usage in the airport hangars. In response, Airport Director Greg Delavan verified that tenants with water service pay individual fees to Avondale Irrigation District (Avondale), and that the airport maintains records of those hangars with sewer access. (Water inflow and bathrooms with sewer access are separate, optional services.) Further, Mr. Delavan stated that he is working to obtain water flowage information from Avondale. The group acknowledged that this fee increase will need to follow public hearing requirements, per statute. Commissioner Green suggested that Mr. Delavan speak with the Hayden Area Regional Sewer Board (HARSB) regarding water fees that are currently being paid by the Airport, but which are related to usage by the City of Hayden. Mr. Delavan suggested that he has been in touch with HARSB and that he will continue to follow up on all water flowage and sewer issues.

Mr. Adams also shared that the Airport Advisory Board held a meeting to discuss the sustainability study. It was determined that the main focus should be both protecting the airport and enhancing the Airport's economic viability. Mr. Adams presented an airport land study that was completed about fifteen (15) years ago. That study suggested that, if all of the available and leasable square footage at the airport was leased to tenants, the annual income at that time would have totaled approximately \$1,484,000 (based on ground lease rates of sixteen (16) cents per square foot). Mr. Delavan stated that some of the parcels included in that study are leased today, but most are still available. About seventy (70%) of the Airport land would be considered 'leasable', with the remaining percentage dedicated to safety areas and Airport operations. Another suggestion from the sustainability meeting was to consider having the Airport buy the Fixed Base Operator (FBO) Operation. Specifically, this would allow the Airport to control fuel flowage and, over time, to maximize revenue from other various sources (e.g. fuel, parking, rental cars, landing fees, freight, aircraft storage, and commercial services), as well as controlling the customer service experience at the Airport. As the Airport sponsor, they could be permitted to hold exclusive rights for this purpose, but Mr. Adams stated that the suggestion will require additional study to determine its viability. Mr. Adams shared his hope that the sustainability study will include these and other suggestions, in order to create a solid path to making the airport profitable.

E. Staff Reports: There were no staff reports.

F. Public Comment: This section is reserved for citizens wishing to address the Board regarding a County related issue. There was no public comment.

The meeting was adjourned at 9:59 a.m.

Respectfully submitted,

JIM BRANNON, CLERK

BY: _____
Nancy A. Jones, Deputy Clerk