

Minutes of Meeting
Airport Project Updates
October 2, 2014
9:30 a.m.

The Kootenai County Board of Commissioners: Chairman Todd Tondee, Commissioner Jai Nelson, and Commissioner Dan Green met to discuss the following agenda items. Also present were Airport Director Greg Delavan and Deputy Clerk Daniel Robertson.

A. Call to Order: Chairman Tondee called the meeting to order at 9:33 a.m.

B. Introductions: There were no introductions made.

C. Changes to the Agenda: There were no changes to the agenda.

D. Old Business: There was no old business discussed.

E. New Business:

Airport Director Greg Delavan met with the Board to discuss the current and upcoming airport projects. He stated that he had met with the biologist and engineer who will be completing the wildlife hazard assessment. This is a yearlong project, at the end of which the data will be compiled and the contractors will submit their findings, which will be used to create a Wildlife Management Plan.

Mr. Delavan updated the Board on the general aviation ramp, which needs to be reconstructed. The airport has received a design only grant for this ramp for Fiscal Year (FY) 2015, which includes a requirement to conduct an Environmental Assessment (EA). T-O Engineers will be sending a revised draft of the EA to the stakeholders. Once approved by the Federal Aviation Administration (FAA) the EA will be sent to the public, which will initiate a thirty (30) day comment period. A public hearing may be required, if requested. These requirements have delayed the acquisition of land that was budgeted for FY14. Commissioner Nelson inquired as to what the FAA requirements are for a public hearing, such as whether the Board will need to attend, etc. Mr. Delavan stated that he would research her question.

Mr. Delavan estimated that an additional grant will be available from the FAA in FY16 to begin construction work on the general aviation ramp. Commissioner Nelson requested clarification on the timeline, as the document listing airport projects that Mr. Delavan submitted to the Board indicates FY15. Mr. Delavan clarified that it may be possible for the FAA funds to become available in FY15, but this is more likely to be the case in FY16.

Mr. Delavan reported that the FAA is prioritizing safety standards. He stated that new safety standards have been published which may require reconstruction of Taxiway Alpha, which was reconstructed in 1994 and is in decent condition. He stated that this would likely require reconstruction of the end of Runway 220 as well. He estimated that these projects would cost more than \$10 million. He stated that safety projects may qualify for discretionary funding from the FAA. Mr. Delavan informed the Board that these projects may take priority over other Capital Improvement Projects (CIP) if the FAA continues to prioritize safety projects. He submitted two (2) alternative CIP lists to the Board with different options depending on the guidance from the FAA.

The attendees discussed whether an offer could be made on the proposed land acquisition. Chairman Tondee stated that FAA regulations may stipulate that the EA be completed before an offer can be made, as was the case with the Federal Transit Administration (FTA) land acquisition. Mr. Delavan did not believe that this would be the case with the FAA and that an offer could be made, but that he would do research to confirm this. Commissioner Green was in favor of making an offer, if the FAA rules allow.

Mr. Delavan stated that he is awaiting the notarized copy of the lease agreement with the Kootenai Humane Society. Commissioner Green asked about when this was expected to be received. Mr. Delavan stated he had already expected it and would follow up with the Humane Society.

Mr. Delavan reported that the lease with the Lakes Highway District is still under discussion. He stated that the Highway District was not in favor of increasing the cost of the lease to bring it up to market value, and had expressed concerns that as they lease property to the County for \$1 per year, their lease on the airport property should remain at the same rate. Mr. Delavan had informed them of the FAA guidance to charge fair market value for all airport property, and that even other County entities were required to pay this amount to the airport for land use. The Highway District has suggested that paying cash, rather than the current in-kind services, may be preferable. Mr. Delavan stated that the contract does not specify cash payments as an acceptable alternative.

Mr. Delavan reported on the pending lease with the United States Forest Service (USFS), which plans to lease the property that was previously leased to the United States Army Reserves (USAR) as a component of the Department of Defense (DoD). The USFS has stated that they would prefer to assume the USAR lease, rather than be assigned a new lease. Mr. Delavan did not believe this was possible, as the former lease was with the DoD, a separate federal entity from the USFS. Commissioner Green requested clarification on this, as they are both entities of the federal government. He also inquired about the cost of the DoD lease. Mr. Delavan clarified that this was according to the opinion he received from Legal, which the USFS did not agree with. He also stated that the DoD lease was for \$1 per year, paid 100 years in advance. He stated that the FAA would make the final determination whether the USFS could assume the DoD lease. Commissioner Green was in favor of forwarding this issue to the FAA in order to move forward with the lease.

Mr. Delavan reported that he mailed the Panhandle Area Council (PAC) their proposed updated lease in order to bring them up to market rate, as required by the FAA guidance. They have not returned it yet, although Mr. Delavan has spoken with PAC Executive Director Jim Hammond,

who was favorable to signing it, pending approval by the PAC Board of Directors. Commissioner Green inquired if the lease was up for renewal, and stated that he was not in favor of asking the PAC and other lessees to sign a new lease to bring them to market rate, unless the current lease is expiring. Mr. Delavan stated that he was unaware of whether the current lease is expiring, but stated that the lessee could determine whether they were willing to sign a new lease. Commissioner Nelson echoed Commissioner Green's concerns.

Mr. Delavan reported that the Sheriff's Office is now paying market rate for the lease.

Mr. Delavan stated that Aspen Homes has expressed interest in leasing another parcel and building a hangar similar to their current hangar, and that the stated purpose is to rent the space out for revenue. This would be a deviation for the airport's normal policy of not allowing potential tenants to lease property unless they have an immediate use to store aircraft. However, he was inclined to approve the lease as they already have a hangar housing an airplane. These policies have been in place to prevent speculative and non-aviation use of the property, as the FAA guidance is for all hangars to be used for aviation purposes. In the past tenants have used hangars for storage, which is not appropriate. However, Aspen Homes would be using the property for aviation use if they rent the space out for aircraft housing. The Board was amenable to this.

The attendees discussed responses to the letters sent to the Kootenai Metropolitan Planning Organization (KMPO) members. Only a few responses have been received. This will be further discussed at the next Commissioners' Debriefing.

Mr. Delavan updated the Board on the airport sustainability plan, stating that the scope of work has been refined based on input received during the teleconference he had attended with the FAA. Commissioner Green inquired why the sustainability plan was not completed before the end of FY14, as required by the grant. Mr. Delavan reported that the FAA did not accept the scope of work. Chairman Tondee inquired why the scope was not accepted, and Mr. Delavan responded that the FAA requested changes to the language.

Mr. Delavan reported that the airport has received a response from Southfield Fuel regarding their fuel flowage payments, stating that they will likely choose a quarterly payment system. Commissioner Nelson inquired if the airport has received all the forms and documents required, Mr. Delavan replied that they have, other than the fuel flowage release form. He reported that Southfield Fuel was not inclined to meet with him, as they were busy.

- F. Staff Reports:** There were no staff reports.
- G. 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 11:05 a.m.

Respectfully submitted,

JIM BRANNON, CLERK

TODD TONDEE, CHAIRMAN

BY: _____
Daniel Robertson, Deputy Clerk
