

Minutes of Meeting
Airport
January 17, 2019
1:30 p.m.

The Kootenai County Board of Commissioners: Chairman Chris Fillios and Commissioner Leslie Duncan met to discuss the following agenda item. Also present were Airport Director Steven Kjergaard, Deputy Director Phil Cummings, and Deputy Clerk Ronnie Davisson. Also present were Airport Advisory Board Chair Joan Genter, Airport Advisory Board Members Jim Thorpe and John Adams, Attorney Paul Daugharty, Panhandle Area Council Executive Director Wally Jacobson, StanCraft Owner and President Robb Bloem, and citizens Jolene Compton and Greg Delavan. Commissioner Bill Brooks was present via teleconference.

- A. Call to Order:** Chairman Chris Fillios called the meeting to order at 1:33 p.m.
- B. Introductions:** There were no introductions.
- C. Changes to the Agenda (Action):** There were no changes to the agenda.
- D. Public Comment (Discussion):** This section is reserved for citizens wishing to address the Board regarding a County related issue. Idaho Law prohibits Board action on items brought under this section except in an emergency circumstance. Comments related to future public hearings should be held for that public hearing. There were no public comments.
- E. Business:**

Airport Lease Agreement

Airport Director Steven Kjergaard explained that he had met with StanCraft Owner and President Robb Bloem six weeks prior and discussed a new facility proposal.

Panhandle Area Council (PAC) Executive Director Wally Jacobson explained that he would use the meeting to explain the relationship between StanCraft, PAC, and the Airport. He began by providing a brief overview of PAC and what PAC's purpose would be in StanCraft's proposal. After providing a brief overview, he introduced Mr. Bloem.

Mr. Bloem continued the discussion on the trio's working relationship and explained the history of StanCraft. One important detail that Mr. Bloem stressed was that mainly 95% of StanCraft's clientele flew private, which was how they developed the new project proposal. Mr. Jacobson said he had been looking to develop a multi-hangar tenant space as he had been hearing for two years that there needed to be more space at the Airport; he was then directed to speak to Mr. Bloem. Since Mr. Bloem had been looking to expand the StanCraft brand into high-end mahogany interiors on jets as well, the project was an opportunity for both parties. Mr. Jacobson also pointed out that there were several other interested parties in hangar rentals – North Idaho College Aerospace Center, Dauntless Air, and Global Navigation Sciences, Inc. to name a few.

Mr. Jacobson outlined several perspectives for the proposed Fixed Based Operator (FBO) and hangar complex – industry demand for larger hangars and expansions, would provide the opportunity to qualify for disaster grant funds, and to help with workforce development for North Idaho College. Mr. Bloem offered some of StanCraft’s perspectives – as 95% of their clientele fly private, the Airport would be a prime location; their customers had been requesting interior and avionics upgrades to their aircraft; and would provide a unique opportunity to collaborate with Empire Airlines. Mr. Bloem further pointed out that the project could help the local economy, as it would provide more jobs to the residents and an FBO could attract an entirely new clientele.

Mr. Bloem said that StanCraft had hired a contractor to provide an estimate for Phase 1, which had been completed in December 2018; the estimate was approximately \$24 million. He further explained it would be an estimated 24-month project and would start in spring 2019. Mr. Jacobson said that PAC had submitted an EDA grant application in which they had requested \$10.5 million to support construction and \$1.5 million for NIC Aviation power plant equipment. He further explained that PAC would own the facility and lease the spaces back to the tenants. Mr. Bloem said he had a land lease ready to be submitted to the Airport and Kootenai County, which would then be emailed to the BOCC and Mr. Kjergaard for their review. Chairman Fillios pointed out that the decision on the lease would be contingent on receiving the financing for the proposed complex and Mr. Bloem said it was undecided if the land lease would be in PAC’s name or Coeur d’Alene Jet Center (the new proposed FBO).

Chairman Fillios asked whether there might be some hang-ups with the lease. Mr. Bloem said that the use of the public ramp would be the only major concern, as the FAA had built it; however, they were all in agreement with the terms of the lease and the price of the area. Mr. Kjergaard said that he had an email out to the FAA related to the ramp and said that the FAA was reviewing it with their regional office to see whether the Airport could buy out the FAA’s portion of the ramp. He further clarified that when the FAA built the ramp, they had paid 95% of the cost and the Airport paid 2.5%. He then discussed an option of the ramp with Mr. Bloem, explaining that StanCraft would buyout the FAA and Airport’s shares, which would leave StanCraft owner of the ramp, which would be roughly \$1 million.

F. Adjourn (Action): Chairman Fillios adjourned the meeting at 2:29 p.m.

Respectfully submitted,

JIM BRANNON, CLERK

CHRIS FILLIOS, CHAIRMAN

BY: _____
Ronnie Davisson, Deputy Clerk
