

# KOOTENAI COUNTY

## COEUR D'ALENE AIRPORT ADVISORY BOARD



### MINUTES OF MEETING

May 9, 2018 - 5:00 p.m.  
10375 Sensor Avenue- Airport Manager's Office  
Coeur d'Alene Airport, Hayden, Idaho

### MEMBERS PRESENT:

X	Chairwoman Genter
X	John Adams
X	Brett Boyer
X	Tim Komberec
X	John Parmann
X	Sholeh Patrick
X	Rich Ronnestad
X	Jim Thorpe
X	Mark Vehr
E	Chris Way
X	Nolan Wiley

**CALL TO ORDER:** Chairwoman Genter called the meeting to order at 5:00 pm.

**PLEDGE OF ALLEGIANCE:** All stood for the Pledge of Allegiance.

**STAFF PRESENT:** Steven Kjergaard, Ian LaRitchie, Linda Leigh, Mary Hopkins.

**VISITORS PRESENT:** Marc Eberlein-Commissioner, JR Norvell, Gene Soper, George Barnhart, Harry Craviotto, Joe Rossetti, Ted Pulver, Elsbeth Roach, Patrick O'Halloran, Greg Gfeller, Charlie Branch, Terry Saunders, Noelan (Mac) McCormack, Judith Kirkwood, Bob Kirkwood, Allen Peterson, John Bateman, Carl Cederquist, Greg Delavan.

**CONFLICTS OF INTEREST:** No conflicts of interest were noted.

**CHANGES TO THE AGENDA:** No changes to the agenda were made.

**APPROVAL OF MINUTES:** Jim Thorpe stated his name was listed as Chairman and it needed to be changed to Chairwoman Genter.

**MOTION:** Jim Thorpe moved to approve the minutes of the previous meeting with the name changed from Chairman Thorpe to Chairwoman Genter. Sholeh Patrick seconded; the Motion carried.

## **NEW BUSINESS:**

**A-2 Rentals Sign** – A-2 Rentals proposal is to place a 5' X 20' "T - Hangars For Rent" sign on the Taxiway side of his building. Airport staff needs to refer to an Airport sign ordinance before a decision is made by the Advisory Board.

**FBO Vote** – Chairwoman Genter read the letter from StanCraft and an email from Jim Chamberlain (attached). Both opposed a government owned FBO. The comments and votes were as follows:

- Mark Vehr – No.
- Sholeh Patrick – She would like to hear the other's comments first.
- Tim Komberec – He fundamentally opposes a government entity running the FBO. No.
- Nolan Wiley – He has talked to several pilots about it. He is not in favor of it.
- John Adams – He has read a portion of the Trillion Aviation report. He is philosophically opposed to the Government taking over the FBO operation.
- Jim Thorpe – Private industry should run the FBO.
- Brett Boyer – If a private business can do it then they should. He wouldn't spend the money unless the BOCC directs them to do it.
- Rich Ronnestad – Not at this time. There's too much risk.
- John Parmann – His concern is adding that many additional County employees to the payroll. He believes it should be private.

Greg Gfeller representing the COE Airport Association members did not poll the members but did indicate the executive team was mixed.

Steven Kjergaard stated that reason he started looking at this is so the Airport could become self-sufficient and this is one of the ways to do it. He agrees with Tim, it can be a risky situation. He indicated that he may have to come back to it later.

Commissioner Eberlein stated that he thought it was a non-starter from the very beginning both on principal and on philosophy contrary to what's been reported. "When you get down to the dollars and cents of it, with the cost we'd have to invest in this, we'd have to you've probably got a 15-20 years payback on it. That's not a good investment for any business." He stated that private enterprise is the best way.

**MOTION: Nolan Wiley moved to vote for the County run FBO. John Parmann seconded; the Motion carried. The Board voted "Nay". The vote was unanimous.**

**Viewing Center Location Proposal** - Nolan Wiley stated that they're looking at the area outside the fence at the south ramp. Harry Craviotto indicated that they are looking into some kind of structure that could be portable, have electricity and be able to hear the pilots' radio transmissions. Phil Cummings has heard about a control tower at the Hailey Airport that they will be getting rid of in the future. Chairwoman Genter asked the Coeur d'Alene Airport Association to work with the Airport staff and John Adams and Nolan Wiley to have a plan ready for the next Advisory Board meeting.

**Empire Airlines/Fed-Ex Express** – Tim Komberec stated that there is an acute pilot and mechanic shortage. He discussed a project collaboration between FedEx, Empire, and Mountain Air Cargo called "Purple Runway". Detailed information can be found on their website at [www.empireairlines.com/careers/fedex](http://www.empireairlines.com/careers/fedex).

**CDAAA Letter to BOCC** – Steven Kjergaard stated that as an Airport we don't agree with some of the phrasing and some of the things in there. He wanted that on record.

## **STAFF REPORTS/UPDATES:**

**AIP Project/Master Plan** – The next Master Plan meetings are scheduled for May 29<sup>th</sup> as well as the open house. The location for the open house is the Post Falls Police Department.

**Request for Proposals** – The RFP is nearly complete. The issue is the Minimum Standards. They must be completed before the RFP.

**Minimum Standards** – We will be sending out a new draft soon. The old document didn't address FBO's and SASO's. The new draft has a reversion clause in it, which is an industry standard. Trillion Aviation will be here next month to discuss the Minimum Standards.

**COE Air Expo** – The Expo will be held on the south ramp on July 14<sup>th</sup> thru July 15<sup>th</sup>. The hours are 10 a.m. to 5:00 p.m. both days. The event is being put on with some sponsor help and any excess funds will be donated to the ACE program. Pat O'Halloran and Tim Komberec will work together to have a table promoting aviation careers.

**COE Airport Association Update:** Greg Gfeller, the new President of the Association, stated that the next meeting is next Wednesday at 5:00 p.m. at Resort Aviation. The Association is going to focus on being support and the liaison between the pilots, the Airport staff and the Advisory Board. The Association would like to participate in the Expo.

#### **OLD BUSINESS:**

**Southfield Fuel** – Steven Kjergaard indicated that he believes this issue has come to a resolution and it can be taken off the agenda.

**PUBLIC COMMENT:** Patrick O'Halloran discussed the ACE Academy and promoting aerospace careers with 13 to 18 year olds.

Joe Rossetti stated that in regards to the Southfield discussion last month, it was eluded that they only service the specific hangars over here which is why there was some conflict on whether or not they were going to be held to certain standards. In the past month, there have been at least 6 or 7 airplanes that have gone over to them that are not based on the airport. They are in fact itinerant aircraft from other areas. He further stated that he just wanted to make it clear to everybody that they aren't just focused on hangar operations here. He referenced the Minimum Standards from 1991, which he agreed are completely outdated and need to be updated, it does reference that anybody that sells fuel or other services on the airplane does need to have a heated lounge or waiting room conveniently located where passengers and crew can actually get to them, as well as sanitary restrooms. He'd like the standards to be held across the board. The standards that he is held to the other company should be held to.

**ADJOURNMENT:** Jim Thorpe moved to adjourn the meeting at 6:07 p.m. John Parmann seconded; the Motion carried.

Respectfully Submitted,

Linda Leigh  
Recording Secretary

**From:** Jim Chamberlain [<mailto:jchamberlain@sunstatebuilders.com>]  
**Sent:** Tuesday, May 8, 2018 7:21 AM  
**To:** Joan Genter  
**Subject:** CDA Airport - County Owned and Operated FBO

Hello Ms. Genter,

I have three airplanes, all of which burn JET A fuel. Flying is my passion. I routinely fly in and out of the CDA Airport in my Citation, a turbine Beaver on floats, and a Kodiak. Between my partner and I, we currently possess and utilize four hangars at the CDA airport. On average, I fly about 300 hours per year. As a result, I have seen FBO's all over the US, and can tell you, as usual, the most efficient and pleasant operators are those privately owned. Even better, the best support for General Aviation is an airport with two FBO's. For example, the Spokane Airport Manager has selected one FBO to supply fuel. Today's retail price for JET A in Spokane is \$7.11 per gallon. Southfield Aviation's retail price today at CDA is \$4.47 per gallon of JET A. I think the ripple effect of high fuel prices has quite an impact on multiple considerations, including young people's desires to even start flying. Further, it would seem to me that if you have competitive fuel prices, you will draw visitors to your airport.

I have been flying in and out of CDA airport for many years. I have substantial experience with both FBO's and can tell you that I do hope you keep both FBO's operating at your airport. It is hard for me to imagine anything good coming out of the County managing all fuel sales. The first thing that will happen is they will raise the price to \$7.11 and my guess is that you will sell substantially less fuel in the course of a year. Further, I wonder if any government agency looks to be more efficient with their budget dollars while they are at the same time trying to generate more revenues.

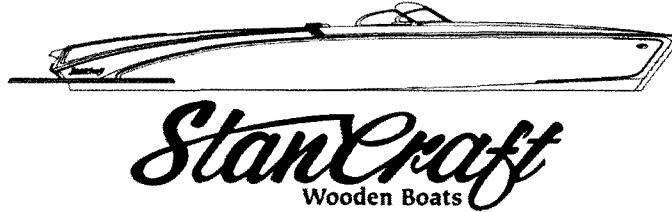
While I encourage you to hold the course and keep the two existing FBO's, I fully recognize that I am taking a huge risk as it relates to bureaucratic backlash. Because flying is my passion, my wish is to continue to enjoy the experience. Maintaining two privately operated FBO's at the CDA airport is by far the best for me as an Owner/Operator.

Have a great day!

Jim Chamberlain



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**MAY - 2 2018**

**COEUR D'ALENE  
AIRPORT**

May 1, 2018

Joan Genter  
Airport Advisory Board

Dear Joan,

This letter is in regard to the recent Press article and meeting next week referencing the possibility of the county owning the airport's only FBO. I will unfortunately be out of town on the 9<sup>th</sup> and wanted to get my opinion heard on the subject.

Having the county own and operate the sole FBO at our public airport seems to be in total disregard as to why people choose to live, work, open and run businesses in Idaho. It also seems to be in complete conflict with the voted in officials, all of whom ran on republican, business friendly, and limited government platforms.

It is my opinion that the job of the county government is to provide services to the community where private enterprise cannot or will not. It is not the job of the county government to provide competition to an already healthy market and eliminate healthy operating businesses for the sake of a monopoly in any given industry.

It is my understanding that there are up to seven, including our own, private sector groups interested in providing a new FBO facility and services at the airport. If an RFP for a new FBO would get issued the advisory board and commissioners could get a look at what is being offered, what approximate costs will be, and business ideas associated with an FBO at no risk to the county. The airport and its community are large enough for multiple FBO's providing different levels of service and facilities. The airport community is now made up of over 80% single engine piston aircraft, who for many reasons will require and desire very different services and facilities than those flying in with larger turbine jet aircraft. Trying to "one-stop-shop" the entire community from one facility would be difficult at best. The goal for the airport should be to lease out the entire north side of the airport and gain low risk revenue from the property leases. Entering into a high-risk market with zero guaranteed revenue unless commercial contracts can be obtained does not seem conducive to spending the public's money.

The comparison to the Jackson Hole Airport situation doesn't seem to be a very good one. They had a massive issue with egregious fees being charged by the sole FBO provider and were in a bad situation. They have very tight land restrictions which make adding a 2<sup>nd</sup> FBO difficult, whereas Coeur d'Alene does not have that issue. Also, while legal, the revenue bonding method of paying for the \$26M FBO was a simple way of circumnavigating the issue with the public. Not a good way to build public trust when in a voted position. I'd

————— Juliette Corporation —————

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also guess with the average home price in Kootenai County at just under \$300k, \$7.50 back in taxes isn't going to excite the public.

There's actually been a recent movement in privatization of some major airport services. Everett's Paine Field is an example of this with the new privately funded terminal. See the attached article; <http://www.spokesman.com/stories/2018/apr/20/propeller-airports-of-everett-sells-50m-in-bonds-f/>

There are some very interesting pro-business thoughts and quotes in this article coming from Snohomish County chair; Dave Somers.

Whether or not any group associated with myself does any business at the airport, I feel the FBO situation should be guided by the advisory board and commissioners but not owned by the county. There are plenty of excellent businesses willing and able to take the risks associated with FBO ownership. I think focusing more time, on an RFP and getting to the job of promoting businesses to engage at the airport makes more sense. I think the opportunities for our business community to invest in the airport and its support enterprises are huge. Our community as a whole is growing both in permanent residence as well as our tourism dollars. Filling in the north side of the airport with businesses whose main goals are to bring more aircraft and people to the area should be the focus. To that end; for businesses to invest large amounts of capital at the airport an opportunistic, trusting, and symbiotic environment should be created, not one where businesses are getting shuttered and closed down. This should be an exciting time for the airport leasing land by promoting businesses and stimulating economic growth.

Respectfully,

*Robert Bloem*

Robb Bloem  
President/CEO  
208.818.2772 - cell