

**Lewiston-Nez Perce County Regional Airport Authority
Board of Commissioners Meeting
Minutes of October 19, 2011**

The Lewiston-Nez Perce County Regional Airport Authority Board of Commissioners met in Regular Session on Wednesday, October 19, 2011 in the Airport Conference Room, 406 Burrell Avenue, Lewiston, Idaho.

I. CALL TO ORDER AND ROLL CALL

Chairman McCann called the meeting to order at 5:00 p.m. Commissioners present: William Vern McCann, Jr., Pat Nuxoll, Chris Hayes, Mike Martin, and Verl Long.

II. CITIZEN AND COMMISSIONER COMMENTS

Chairman McCann welcomed those in the audience and asked if there were any comments from those present.

DeAnn Scrabeck announced the Friends' newest display featuring FedEx. She then introduced Clinton Daniel who is running for City Council.

Doug Black reported on the Valley Vision presentation by Todd Woodard of Spokane International. The presentation reinforced his view that the Friends need to continue their efforts to show the economic development importance and potential of the regional airport.

County Commission Chair Mike Grow reported that the City and County would team up to do repairs to O'Connor Road in the spring. They will grind up the surface, then re-level and re-compact it.

Gary DeJong introduced himself as Lewiston's new fire chief. Chairman McCann welcomed him and provided a very brief summary of the relationship between the Authority and the Fire Department, noting that Station #4 is located on and owned by the airport.

III. APPROVAL OF MINUTES

Chairman McCann asked if there were any changes to the Wednesday, October 5, 2011 regular meeting minutes. Commissioner Martin moved to approve the minutes as distributed. Commissioner Nuxoll seconded the motion and it passed unanimously.

IV. FINANCE

A. APPROVING VENDOR PAYMENTS

Commissioner Nuxoll reviewed the list of vendors to be paid, summarizing the purpose of each. Commissioner Martin moved to approve the vendor payment list. Commissioner Long seconded the motion and it passed unanimously.

B. FINANCIAL REPORT

Commissioner Nuxoll distributed the latest financial reports. He reviewed the expense and revenue analysis, accounts receivable, and the PFC reconciliation, noting that the City and County had been billed for 25% of their annual contribution. The City has also been billed the new amount for use of airport land for parks. Commissioner Nuxoll then reviewed a draft balance sheet along with the profit/loss statement. The auditor will be on site Thursday, October 20th. The goal is to complete the audit and have the report ready for distribution to the City, County, and other interested agencies by year end. Commissioner Hayes moved to approve the financial report. Commissioner Long seconded the motion and it passed unanimously.

V. OLD BUSINESS

A. MINIMUM STANDARDS FOR COMMERCIAL AERONAUTICAL ACTIVITIES

Commissioner Martin announced that the document in each commissioners' package is a final draft representing subcommittee consensus. The comprehensive matrix Mr. Turner provided during the previous meeting summarizes the evolution of standards up to and including the subcommittee's draft. Commissioner Hayes asked if the document is applicable to new as well as old businesses, to which Commissioner Martin responded that the draft is intended to be forward-looking. It will be applicable, however, at the time existing leases expire. Commissioner Hayes consequently expressed concern that the document may not be consistent with grant assurances. Commissioner Martin suggested a review by FAA to resolve that question. Commissioner Hayes then noted the FAA's position is that this document should not be changed frequently. Chairman McCann agreed, stating that it was important to avoid getting cross-wise with the FAA, after which Commissioner Hayes asked how the Authority would deal with independent operators. Chairman McCann then asked Mr. Turner to forward the document to the FAA for their review and opinion, asking in particular whether or not the document must apply retroactively to existing businesses. The consensus of the Board was to delay action on the standards pending FAA's review.

B. RON LAMB, CAFÉ AMERICA

Chairman McCann asked the airport manager for his staff report. Mr. Turner reported that the Commissioners' agenda package included a response from the City of Lewiston Police Department and Business Licensing Division with respect to barriers related to the sale of wine and beer. Something more than a "roped-off" section but less than a "sight obscuring" barrier will be required. The State will require Mr. Lamb to have exclusive rights to that area of it is used for the sale of alcoholic beverages. The package also includes information on the use of the affected pay phones and a new proposal from Mr. Lamb which was provided immediately prior to the meeting. Commissioner Nuxoll stated he felt the lease length Mr. Lamb proposed was too long. He also disagreed with the concept of granting an exclusive right to the sale of alcohol, then suggested a subcommittee develop a proposal back to Mr. Lamb. Commissioner Martin concurred, but expressed that the proposal needs to clearly state that the lessee should bear all the costs of the rearrangement. He also feels that any barriers used needed to be free standing so there is nothing that cannot be undone should the need arise. Chairman McCann asked Commissioners Nuxoll and Hayes to serve as the subcommittee. Commissioner Hayes

suggested "roping" off the area to obtain feedback from tenants and customers on the impact of the rearrangement.

C. DEVELOPMENT POLICY

Chairman McCann asked Mr. Turner for the staff report. Airport Manager Turner reminded the Board he'd been asked to create a draft as a starting place for policy discussion. The Commissioners' package contains a full draft for consideration. Chairman McCann asked the board to review the document and come prepared to discuss it at the next meeting.

D. CAPITAL IMPROVEMENT PROGRAM (CIP)

Chairman McCann asked the airport manager for the staff report. Airport Manager Turner reminded the Board he'd been asked to create a draft program for consideration. The agenda package contains a partial document showing a Federal project schedule, a synopsis of the entire program including non-Federal projects, and a project work sheet for each item. Commissioner Nuxoll asked if this document forms the basis for PFC Application #4, to which Mr. Turner responded affirmatively. Commissioner Hayes stated he liked the individual project work sheets. Chairman McCann asked the Commissioners to provide Mr. Turner feedback via email before the next meeting.

E. TSA TRAINING FACILITY

Chairman McCann reminded the Board that TSA had proposed making a portion of the restaurant facility into a training/break area. He and Mr. Turner had participated in a conference call with GSA officials which raised some concerns, including how to divide up the restaurant facility without leaving unusable space. He also expressed concerns that the proposal needs to have a cost ceiling in light of the high shell costs. He would like to see all of TSA relocated to the second floor, thus freeing up valuable space on the first floor. Commissioner Nuxoll expressed a desire to determine the highest and best use of the second floor before proceeding. He is definitely not interested in any operation that required the Authority to subsidize operations, especially in the case of a restaurant/lounge facility. Commissioner Martin suggested seeking professional assistance in determining the highest and best use. A brief discussion followed concerning how to seek the services of an architect, after which consensus was reached to allow Chairman McCann to ask Don Bott for advice.

VI. NEW BUSINESS

A. AIRPORT CODE

Chairman McCann asked for the staff report. Mr. Turner reminded the Commissioners he'd been asked to prepare a report on the airport section of the City Code. He'd done so and provided a color-coded and marked up version for Board review. Some sections of the City Code may be totally deleted, some may need to be adopted into an Authority policy document, while some are should be retained in the City Code to provide law enforcement capability. Chairman McCann asked if there were any objections to allowing him to forward the airport manager's version to the City attorney for review and advice. There were no objections, so he will send it to Don Roberts.

B. PARKING POLICY

Chairman McCann asked for the staff report. Mr. Turner pointed out there were two parking policies in the Commissioners' agenda package, one dealing with landside parking, the other dealing with parking of equipment and vehicles inside the fence. Both documents predated the Authority. Without such a policy document approved by the Authority, enforcement is difficult. Commissioner Martin stated that the Authority should have its own parking policy document. Chairman McCann asked Mr. Turner to draft a parking policy for the Authority.

C. JOINT POWERS AGREEMENT

After asking for the staff report, Mr. Turner reminded the Board they'd asked him to remind them of their desire to revisit the Joint Powers Agreement a year after independence to determine if there were any major changes desired. Commissioner Nuxoll reminded Commissioners he'd had concerns initially, but that they had been adequately addressed with the changes made during the first couple months of the Authority's operation. The consensus was there were no changes needed at this time.

D. PASSENGER FACILITY CHARGE (PFC) PROGRAM

Chairman McCann asked Mr. Turner for his report. Mr. Turner gave a brief summary of the PFC program, noting that he and Commissioner Nuxoll had spent a lot of time recently updating Application #3, amending it to insure the program took into account actual project costs and finance charges. This will insure the City has adequate cash flow to address the final loan payment. Commissioner Nuxoll added that he'd developed a spreadsheet to show the FAA how the finance charges were allocated to the various projects. There needs to be a public notice and an air carrier consultation before FAA will respond. The time line allows the public 30 days to respond, air carriers 45 days, and then the FAA is allowed 30 days for approval. Commissioner Nuxoll suggested a meeting with the City to make sure that after the loan is paid off, the Authority will be allowed to manage the PFC program for the airport's benefit. A written agreement to that effect would be appropriate.

VII. RECURRING BUSINESS

A. AIRPORT MANAGER'S REPORT

Chairman McCann asked Mr. Turner for his report. Mr. Turner reviewed the Commissioners' package, including his recurring report sent by email. Topics included the status of the south side construction. The lead has been removed but the final lead testing which is contracted to Terragraphics has not been accomplished. Chairman McCann will check with the City Manager to see if the testing can be finished. Mr. Turner then pointed out the draft south side development strategy options from Recondo and asked the Board for direction. A brief discussion took place concerning what the Authority was looking for. Commissioner Martin recommended Board members review the Master Plan drawings to see if there is any value to them. Airport Manager Turner asked if the Board would like to schedule a visit with Recondo, to which Commissioner Hayes suggested a conference call instead. The consensus supported this option, so Mr. Turner will try to arrange a call for the next meeting.

B. COMMISSIONER COMMENTS

Commissioner Hayes stated he'd met with Leading Edge Aviation representatives and it appears they would like a temporary place to conduct operations until the South Side is available. There appears to be only three options: East of the eastern most hangars near the corner of 5th Street and Cedar Avenue; the public apron in the midfield, north of the Hillcrest Aircraft Company complex; or adjacent to the Gustin Aviation area. Leading Edge representatives favored the eastern location; both parties agreed that the midfield location presented some public relations challenges. Chairman McCann asked Commissioner Hayes to ask Leading Edge Aviation to make a proposal operate from the area adjacent to Gustin.

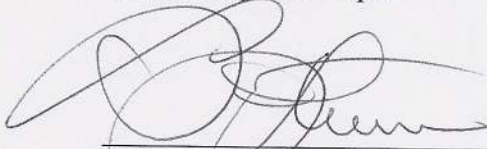
VIII. EXECUTIVE SESSION

Chairman McCann called to order the executive session in accordance with Idaho Code Personnel Section 67-2345(1)(b) at 7:30 pm.

IX. ADJOURNMENT

Chairman McCann called the Board back into regular session at 8:05 pm. The next Board meeting will be November 2, 2011 at 5:00 pm.

There being no further business to come before the Board, Chairman McCann adjourned the meeting at 8:10 pm.



Robin L. Turner, AAE
Airport Manager/Recording Secretary