

MINUTES 8-25-20 Special Meeting
Lewiston- Nez Perce County Regional Airport Authority
Conference Room
3632 Stearman Street
Lewiston ID 83501



Board Members in attendance: Chairman Peters, Commissioner Miles, Commissioner Seekins, Commissioner Hayes (Remotely)

SPECIAL MEETING
August 25, 2020 - Noon

- A. **CALL TO ORDER** - Chairman Peters called the meeting to order at 5:30pm.
- B. **PLEDGE OF ALLEGIANCE**– Led by Chairman Peters
- C. **ROLL CALL** – 3 commissioners present (1 remotely and 3 in person); Attorney Thad O-Sullivan (remotely), Airport Director, Airport Associate Director, 7 other attendees in the audience and 3 remotely
- D. **OLD BUSINESS**
- ACTION ITEM: Review and Acceptance of Resolution 2020-26 for Air Service Development and Marketing Consultant
 - Sixel has been in the business the longest
 - Volaire has 4 of their founders were from Sixel
 - ArkStar is the new up and coming
 - Marketing Rating: ArkStar 24, Volaire 22, Sixel 16 (Outsourced)
 - Staff: Volaire:9, ArkStar:8 , Sixel:1
 - Airport Director Mike Isaacs has worked with Reed & Hunt (Currently working with a neighboring airport that is similar in size and their structure similar to Volaire), Sixel, and ArkStar.
 - He recommends ArkStar, not only are they the lowest, they have 100% success rate. They also work hard on the ground, fundraising, communicating, follow-up, and they have extra contact with United and able to work directly with them. Advertising is award winning.
 - Commissioner Seekins asked why Volaire has achieved so many routes over ArkStar. Airport Director Mike Isaacs let us know that Volaire had 4 leading founders that are running the business that came from Sixel. They brought business with them that has helped them be successful. ArkStar has been 100% successful getting the routes they went after. Commissioner Miles asked if Airport Director Mike Isaacs has worked with Volaire, he has not. Commissioner Seekins asked if this is being funded by the \$80,000 from Capital. Airport Director Mike Isaacs let us know yes, and we also still have \$50,000 for this year that we haven't

used that we could develop some adds right now with that. That is why we requested a special meeting so we could get that done. Commissioner Miles agreed with Commissioner Seekins, looking at statistics, Volaire has 104 routes in 3 years, that is a tremendous number compared to ArkStar. Airport Director Mike Isaacs informed us that the difference between ArkStar and other larger groups is that the larger groups get your foot in the door, get your route added, then don't do any other reaching out into the community. As far as ArkStar, all the routes they went for, they received. ArkStar works on quality and depth. They are also working with SkyWest. ArkStar's level of follow-up and detail after the route was established was far beyond Reed & Hunt, typical of larger groups. Commissioner Hayes mentioned the RFP was written at 25%, 25%, 25%, 25% comparative but it's hard to actually tell where they actually rank. Did the air service development group make a recommendation? Chairman Peters reached out and discussed the strengths and weaknesses, committee felt most comfortable with ArkStar. It's about relationships, Airport Director Mike Isaacs's had good experiences with ArkStar at a similar sized Airport. Chairman Peters has worked with Mark Sixel for a long time, but there's no comparing when you look at the marketing. We are trying to out market the competitor, so it comes down to marketing and the tools they provide to do that. Chairman Peters is very impressed with Gary Foss at ArkStar. Mr. Foss has helped with the committee in Boise and his quick response has been valuable! Because of Mr. Foss' relationships with Airport Director Mike Isaacs and SkyWest Chairman Peters would also recommend ArkStar. Commissioner Hayes asked how this affects this other group Chairman Peters is on. Chairman Peters let us know it may put him out of the running for the Consultant position with the other group but we need to do what is best for us. Commissioner Hayes is concerned that he may get the State Contract and then turn us down, then we would have burned bridges with the other contractors. Chairman Peters believes that Lewiston is more long-term, so it would be a priority for him rather than the State position which would be more short term. During Covid-19 at the peak of low air traffic, ArkStar was able to secure the route he was working on. For so many reasons, Chairman Peters has been very impressed when working with Mr. Foss and ArkStar on the state level. Commissioner Hayes doesn't disagree it takes relationships to build things, but he wishes it was more data driven. Commissioner Seekins is still thinking about how successful Volaire has been and also that Airport Director Mike Isaacs has had success with ArkStar. In her opinion, Sixel isn't really in the running at this point. Commissioner Hayes understands we are in a hurry at this point, he believes we need longevity in whoever we pick. It's hard to get past Volaire's success. He would feel better if there was an interview with the top two. He would like to make a good independent decision besides just relying on Chairman Peters and Airport Director Mike Isaacs's opinion. Chairman Peters let us know that

some airports near us go after a different consultant for what route they are going after. Longevity for marketing but when thinking about the route we are needing, we need to go with someone who has relationships for that route. Commissioner Hayes asked what if we break it into 2 contracts, Marketing and Route. Airport Director Mike Isaacs let us know that these are 1 year contracts with option to extend another. Chairman Peters reminded us that Covid-19 has put a wrinkle in all of this. We don't want to put this off any longer. We have a lot going on and we need to get this plugged in quickly. We need to get in front of the airlines and get moving. He would like to try ArkStar for a year and if we want to do something different after that, then we can look into that next year. Associate Director Polly Knelsen has read all 3 of the proposals, the marketing with ArkStar isn't anything like LWS has had in the past or anyone in our region. ArkStar's team is able to offer so much with technology and their willingness to work with our small team. Their consistency in reaching out quickly to answer any questions is also beneficial. Airport Director Mike Isaacs reminded us that Volaire had left Sixel, bringing business with them, that helped them get more routes and ArkStar has been 100% successful at every route they went after. Commissioner Seekins knows a year will pass quickly but would like to have an interview the next go around. Realizing that she is not sure if the interview would actually provide what she is looking for anyway, but it would still be nice. She is hoping we can start this process earlier next year to provide that option. She is supportive of ArkStar at this time so we can get moving forward. Commissioner Miles said that every time Chairman Peters had questions, ArkStar was quick to come back with answers. ArkStar has already been helpful. He is prepared to make a motion.

- MOTION to go with Airport Director Mike Isaacs's recommendation of ArkStar
 - Commissioner Miles 1st/Commissioner Seekins 2nd
 - Commissioner Seekins reminded us that she would like more time next year to review candidates
 - Unanimously passed

E. NEW BUSINESS

- ACTION ITEM: Extension of Stout Flying Service Lease Termination Effective Date to Accommodate Mediation
 - Chairman Peters informed us at the July Board Meeting Stout planned to pursue legal action. This action item would extend the lease out to November 3rd. This does not stop the termination of the lease, it would only postpone effective date
 - Commissioner Seekins 1st/Commissioner Miles 2nd

- Commissioner Hayes asked if this needs to be a resolution, or will meeting minutes be enough. Attorney Thad O-Sullivan said that minutes will be enough.
 - Commissioner Miles let us know they have discussed this at length and this is an attempt for an exit strategy, because the lease is done. Courts are not operating in a quick manner these days, so the time will give a chance for both parties to resolve this dispute and come to an agreement on the exit strategy, hopefully through mediation.
- Unanimously passed
- ACTION ITEM: Acceptance of Resolution 2020-27 Approving Lease Agreement with I-Wash, Inc.
 - Airport Director Mike Isaacs received an email from Cory at IWash informing him that he is having to leave his lease area from Stout's area immediately. Airport Director Mike Isaacs would like to offer the old shop Cory had initially because he has contracts waiting and if he doesn't have a place inside the fence, he would lose them. That area isn't being used for anything else at this time. It would be a month to month lease to allow him to continue operating. It doesn't have a taxi way to it, so it's just a temporary solution, but it gives him an office to work out of. Commissioner Seekins asked if there is another option that would give planes more access. Airport Director Mike Isaacs thought maybe a temporary building on South Apron. He reminded us that this lease really is just temporary, month to month, we want to keep him here. Attorney Thad O-Sullivan helped draft it. It has a review after 3 months, either party can terminate if needed. It keeps Cory on the airport for now.
 - Motion to approve the temporary Lease Agreement with I-Wash, Inc
 - Commissioner Miles/Commissioner Seekins
 - Commissioner Hayes asked where he will do his work from. Airport Director Mike Isaacs said this is just for office lease, he will have to clean aircrafts/vehicle by going to people's hangers. Commissioner Hayes asked if we could put him next to Hertz since it is only for an office space? That way we wouldn't have to heat the shop. Chairman Peters let us know there are more questions that will be coming up, this is just something to help him keep his business and knowing that it will probably change over time. Commissioner Hayes thinks it should end by December 2020, that way it puts pressure on him and us to make sure it doesn't become long term.
 - Motion as written, Failed unanimously
 - Motion to approve Lease Agreement with I-Wash with corrected date of no option past December 2020
 - Commissioner Hayes 1st/Commissioner Seekins 2nd

- Commissioner Hayes wanted to let Cory know that if December 2020 was close and he still hadn't found a better place, we could discuss this some more.
 - Unanimously passed
 - Action Item: Fill the Board Secretary Vacancy:
 - Chairman Peters informed us that Deb Smith has submitted her resignation letter. He thanked Deb Smith for all the time she has spent on the board. It's not easy, you do more than just show up at meetings. Commissioner Hayes and Commissioner Miles echoed Chairman Peters sentiments.
 - Motion for Commissioner Seekins to be the new Secretary
 - Commissioner Miles 1st/Commissioner Hayes 2nd
 - Chairman Peters thanked the city for appointing Commissioner Seekins, she has been here a short time but already has been a huge help. We can't thank Commissioner Seekins enough and the city enough. He has been very impressed and gladly support this.
 - Unanimously passed

F. EXECUTIVE SESSION 1:04

In accordance with Idaho Code Section 74-206(b) "To consider the evaluation, dismissal or disciplining of, or to hear complaints or charges brought against, a public officer, employee, staff member or individual agent, or public school student;"

G. RETURN TO OPEN SESSION - 1:19pm

H. ACTION ITEM: -- None

I. CITIZEN COMMENTS

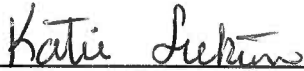
- Doug Black shared about his excitement for the airports viewing area.
- Mayor Collins also thanked Deb Smith for her service, we appreciate the effort she put forth. We are now taking applications who would like to serve the community on behalf of the airport and community, send them to City Clerk, hopefully we can have someone in the near future.

J. COMMISSIONER COMMENTS

- Commissioner Hayes: no comments
- Commissioner Seekins: no comments
- Commissioner Miles: there are lot of things behind the scenes we are working on, we are going in the right direction. It's a strange time, but we are hoping for more activity soon.
- Chairman Peters: thanked Deb again for her time on the board and wished her the best in her future endeavors. And thank you to the City and County. This was the first time for budget for Chairman Peters as chair, Airport Director Mike

Isaacs, Polly, and Commissioner Seekins. He was pleased with how well it sent and how hard everyone worked to make it happen. We have some good opportunities ahead of us. We are working with the City for 2nd floor in the terminal upgrading that will be great. Excited to be working with Gary Foss at ArkStar, very impressed with him so far. Thankfully we don't have to go through the getting familiar process, we will be able to hit the ground running since Airport Director Mike Isaacs already worked with him. Thanks to the commissioners for being open to that and taking that relationship into consideration. He will keep us posted with all that is happening on the state committee.

K. ADJOURNMENT at 1:27



Attest: Katie Seekins, Board Secretary