

LEMHI COUNTY AIRPORT BOARD MINUTES

March 8, 2021

Meeting was called to order at 18:03 by Board Chairman, Robert Schick. Other Board members in attendance were James Crawford, Vice Chairman, David Weston, Treasurer, Richard Natelson, Secretary, Ben Armstrong, Bob Deurloo and Dean Shiner. Both Bob and Dean were present by telephone.

Other people in attendance were Gary Connelly, superintendent, Lenny and Lona Skunberg from Lenny's Airmotive, Dave Shallow, Jo and David Schroeder from Gem Air, Nathan Cuvala and Charlie Smith from T O Engineers, Jim Mateski, Dick Williams and Farrell Steiner from Searle Hart and Associates, PLLC.

Rob stated that he would like to amend the agenda. In the original agenda, there is listed Lemhi airport and this should have read Leadore airport. Jim made the motion to amend the agenda. Rich seconded the motion. Motion passed unanimously.

Rob asked for a motion to approve the February minutes from the regularly- scheduled February meeting. The motion was made by Rich and seconded by Jim. The motion passed unanimously. Rob then asked for a motion to approve the minutes of the special meeting. Rich made the motion to approve the minutes. Bob seconded the motion. The motion passed unanimously.

Fuel and facilities report

Gary stated that there are 5232 gallons in pump 1, 1389 gallons in pump 2, and 4374 gallons of jet A. Gary stated that he will monitor the fuel very carefully. It has been mentioned previously that we needed to keep the fuel level low so that there will be less to transfer when the new fuel farm is installed.

Financial report

Checks to be signed were listed by Dave. Rich made the motion to sign the checks. The motion was seconded by Jim. The board voted unanimously to sign the checks.

Total income for the month was \$ 30,161.89. There was noted a gross profit of \$ 19,866.93. Net ordinary income for the month was \$ 16,631.96. Taking into account other expenses and depreciation, net income was -\$ 13,806.59.

Dave stated that a number of people are behind in payment for greater than 30 days. Rob asked when the county needs to have the budget in for the next fiscal year. David believed it was in the June or July time frame. Rob mentioned this, so that it might be possible to have a full-time employee at the airport.

Dave gave notice that due to medical reasons he will be leaving the Board. He thanked everybody. The Board in turn thanked Dave for his service. Rob stated that he spoke with Twyla, of Allen Accounting, and that she will be willing to fill in until a new treasurer can be found.

Public input:

Nathan Cuvala from T O Engineers provided information on the construction project for the new fuel farm. There was a preconstruction conference for the apron project. They are going to start next Monday on the 15th. The contractor has 90 days to complete. They are going to start from the South to North. They are going to put a fence south of the fuel island so that the pumps will still remain available. You will only be able to access the aviation fuel from the North. In approximately 3 weeks, they will move to the North side. They will be working at that time in front of Gem Air's new hangar. The new fuel system will then be installed. They will then come back and work the center section. Approximately mid-May the new fuel system will be operational. There will be 18,000 gallon tanks with 2 AVgas pumps and one jet A. Charlie will be staying in Salmon starting on Monday, March 15th.

Jo from Gem Air asked when the Board plans on executing exclusive rights to fuel sales. Robert stated that he would answer that question even though this was only for public input and no Board response. He stated that if the board agrees to this tonight the next step is that the operator's agreement will go to the County Commissioners. That would be approximately at the end of March. Dave from Gem Air asked why the board wants to execute this right. Rob stated that this should be discussed at a different time. He stated that the Board would talk more about the operator's agreement. It will be dealing with the revisions to the agreement. If the Board approves the revisions from the Board's attorney, it will then go forward to the County Commissioner's for approval. Whether the Board passes the changes and whether the County Commissioners approve of the changes, then Gem Air is more than welcome to get on the agenda and asked those questions of us. The Board will respond to them the best that it can.

Old business

Operator's agreement

Rob stated that prior to the special meeting in February, things were not lined up right in the agreement. In other words, there was some material in there that should not have been there. Therefore, a special meeting was held. There was some confusion between the Board and the law firm. At the special meeting the revisions were approved. A key element of paragraph 12 was removed. This dealt with truck to truck fueling. Then in paragraph 13 some revisions were carried out after discussion with Bruce Withers and Gem Air. As of today, the Board's lawyers changed the language again. Since the last meeting, one paragraph has been changed. Rob stated that he would like to finalize the agreement so that it can be sent on to the County Commissioners.

Richard asked that the paragraph be read out loud:

"Owner is exercising its proprietary exclusive rights to provide wholesale fuel sales and bulk storage at the airport. Accordingly, all fuel sold or distributed by the operator pumped into aircraft not owned or leased by operator (i.e. any transaction that does not qualify as self fueling) must originate from the airport fuel farm. Any fuel trucks used by operator to: A:take fuel from the airport fuel farm, and /or B: Pump fuel into an aircraft not owned or released by the operator, must at all times comply with the applicable safety standards including the National Fire Protection Association and the international fire code. Upon reasonable request from owner, operator shall produce records to owner, demonstrating compliance with this paragraph."

Rob stated that this document is for all the FBO's. It applies to all the commercial operators conducting business on the airport. There may be a need to modify based upon their business. Rob asked if there were any questions. Bob commented that he likes the language better than the earlier version. Bob made the motion to approve the agreement as amended. Ben seconded the motion. The motion passed unanimously. This document will now go to the County Commissioners.

Rules and Regulations revisions

Rob said that the board needs to look at the rules and regulations and see what may need to be modified so that the operator's agreement and rules and regulations are in agreement. Rob stated that he would like everybody's input by the next meeting.

New business

Board Audit

Farrell Steiner from Searle Hart and Associates presented the Board audit. He stated that it was a pretty "quiet year." The accounting firm went over all of the board's financials and they concluded that the Board's records were very clean. David stated that it would be a good idea to put an electronic copy of the findings on the airports website.

Farrell stated that he will share the audit with the county commissioners on March 22.

Update on proposed equipment shed and pilots' lounge

Jim stated that right now between the present equipment shed and the pilots' lounge rentals, the Board is paying \$8400 a year. He stated that we do have FAA funds available to start building the equipment shed and pilots' lounge. We have approximately \$150,000 this year and possibly an additional \$150,000. He stated that Nathan explained that we could possibly borrow money from another airport if necessary. Jim stated that there is room to put this project in between the new fuel farm and the new hangar that is being constructed. If everybody agrees, he stated, he would like to get going with this project. Rich asked if we get the \$150,000, can we really get another \$150,000 from other airports. Jim felt that we could.

Jim stated that it will cost between \$300,000 and \$350,000 for a 45 x 45 feet equipment

storage and then a 45 x 20 feet pilots' lounge. Jim stated that the estimate was a very rough one. Bob stated that the lounge seems to be a little large. Jim stated that it needed to be to be ADA compliant and also to have a bathroom. Jim stated also that there would be room for parking.

Jim stated he would like approval from the board to pursue the project further. Rich stated that the project will also need to be put out for bids. Rich made the motion to have Jim further explore the possibility of putting up the equipment shed and pilots' lounge. Ben seconded the motion. The motion passed unanimously

Leadore Airport

Rob stated that Rick Snyder has been taking care of the Leadore airport. He also stated that the county purchased new lights for the runway. Rob stated that he would like somebody to oversee the Leadore airport and asked if Dean was interested. Dean stated that he would gladly take over for Rick Snyder and oversee the airport improvements.

Dean was asked what he needed and he stated that he would need names of people with whom he could speak to try and obtain grants to redo the runway.

Dick Williams stated that the Idaho Aviation Association would be willing to help. Dick Williams suggested that he and Dean get together to discuss the airport further.

Rob stated that the next meeting will be the second Monday of April.

The meeting was adjourned at 19:05.