

## LEMHI COUNTY AIRPORT BOARD MINUTES

February 8, 2021

Meeting was called to order at 18:00 by Board Chairman, Robert Schick. Other Board members in attendance were James Crawford, Vice Chairman, David Weston, Treasurer, Richard Natelson, Secretary, Ben Armstrong and Bob Deurloo. Bob was 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, Twyla from Allen Accounting, Nathan Cuvala and Charlie Smith from T O Engineers.

**January special meeting minutes:** Rich made the motion to approve the January minutes. It was seconded by Jim. The Board voted unanimously to approve the minutes.

**Fuel and facilities report:** Gary stated that there were 2700 gallons in pump 1, 4720 gallons in pump 2, and 6014 gallons of jet A. He stated that all fuel testing was okay. He stated that his job is going well.

Gary stated that the runway lights are all working. He inspected the gate and there was some damage done in the past. The gate was jumping out of its track. Rob, Jim and Gary pulled it all part and it was repaired. It is working well now.

### **Financial report**

This was presented Dave Weston. The bills to be paid were enumerated. A motion was made by Rich to pay the bills. This was seconded by Jim. The Board voted unanimously to approve payment of the bills.

Total income for the month was \$23,925.75. There was noted a gross profit of \$16,684.21. Net ordinary income for the month was \$ 12,377.50. Total assets of \$ 1,431,915.73. Dave went through all Airport expenses and was able to bill \$16,286.02 to the Cares Act. We still can bill approximately \$14,000 more to the Cares Act for reimbursement.

Dave tried to add Rob to the account so he can sign checks. He found past Board members who were still on the accounts. He then sent back the paper work to get the past members removed. He will then move forward with getting Rob added to the account.

**Public input:** There was no Public input

### **Old business**

**Operator's agreement:** Rob stated that he and Jim sat down with the FAA attorneys as well as with input from Gem Air, and modifications were made to the agreement. This was then discussed with the county attorney, Bruce Withers. All Board members reviewed the agreement. Feedback from the public and Board members was discussed. It was felt that a \$5 million limit on liability was too high.

Jim made a motion to reduce the liability from \$5,000,000 to \$1,000,000. This was seconded by Rich. It past the Board unanimously.

Further discussion ensued. Rob felt that if there was no further discussion, a vote should be held. Rich made a motion to approve the operator's agreement with the aforementioned changes. The motion was seconded by Jim. The motion passed unanimously.

New Airport emails: Rob asked if everybody's emails were set up and they were.

McCall Air fuel tank:

The fuel tank has finally been removed. No further action is needed.

### **New business**

Update on Airport project:

Nathan from TO engineers talked about the fuel farm project that had been delayed last summer. He stated that H&K, the construction company that received the bid, wants to start March 15. The project will take approximately 80 days. The plan is to finish the project just before Memorial Day.

The project is split into 3 phases: In the first phase the concrete is poured and then it must cure for 28 days. It can be up to 60 days. In the second phase the new fuel system is made operational and then the old fuel system is removed. This is approximately 18 days. It is done in this way so that there will always be fuel available. Nathan recommended that the fuel should be run down as much as possible so that there is less to transfer to the new system.

Nathan stated that Dahle construction is being utilized to help with concrete work. H & K wants to start the project as soon as possible because they have another project afterwards. There is concern if they start too early there may be problems due to the cold temperatures and rain.

As part of each project TO engineers puts together a project safety plan. This plan gets submitted to the FAA. It shows the areas that are going to be closed and in what time frame. The final schedule won't be available until the project actually starts. The issuance of Notams for the Airport project will be the responsibility of the Board. The Board will need to appoint a safety officer to oversee the project. Jim did it with the last project. He volunteered to do it again this time. Nathan introduced Charlie Smith he will be the "RPR" (resident project representative) he will be coordinating with the FAA and contractors and processing payment applications so that everybody can be reimbursed. He will be here full time.

Rich asked whether the new card reader was obtained. Nathan stated that it has been purchased and is now sitting in Vancouver Washington. Nathan said he would talk to H and K so that it can be moved here.

Nathan gave her an educational session on how grants and their reimbursements work. (See Airport improvement program sheet). He stated that when the Airport gets a grant, the money is not here in Salmon. Invoices must be presented to the FAA and then the money is reimbursed. Money saved on a project does not come back to the Airport. Right now the program we are operating under, 90% of the funds, come from the FAA. The state of Idaho tries to pay 5% of the expenses however it may only be 2-1/2%. The Airport itself is responsible for the rest. The amount of reimbursement can vary year to year.

Nathan stated that entitlement funds are \$150,000 a year. This means that this money is ear marked for the Airport. These findings can be used in any one year or can be rolled up into 3 years. As with other grants, the money is reimbursed once it is spent.

Nathan also discussed discretionary grants. He stated that you must use entitlement funds before receiving discretionary funding. Once the FAA gives you a grant it is specific and cannot be changed. The grant is written off actual costs, not estimates.

Rules and regulations update:

It was recommended by the FAA attorneys that the Airport rules and regulations should be modified so that there is concordance with the new operator's agreement. The modification of the rules and regulations should occur in section 7, paragraph 8. The modifications will need to be approved by the county commissioners and it was felt that there may need to be a public comment period. Jo from Gem Air asked what was to be added. Rob stated that it is about all fuel sold to the general public must come from the airports fuel farm directly or from a tanker truck that is used only for approved Airport fuel.

Dave made a motion to make this change to the rules and regulations. Bob seconded the motion. It passed unanimously.

Next meeting: It was discussed whether another meeting needed to occur before the next regular Board meeting. It was felt that a special meeting was not warranted.

The meeting was adjourned at 1907.

## Airport Improvement Program (AIP)

Grant reimbursement program for Airports in the National Plan of Integrated Airport Systems (NPIAS)

Airports receive grants where eligible expenses are submitted to FAA for reimbursement as they occur

FAA grants typically provide 90% of funding for eligible projects

Three types of funding, Entitlement, State Apportionment, and Discretionary

### Entitlement

- Airports receive Entitlement funds (set aside) based on size
  - Primary (Commercial Service) – Minimum of \$1,000,000
  - General Aviation (GA) - \$150,000
- Can be saved for up to three (3) years and then expires (converts to discretionary for use by other airports)

### State Apportionment

- State Apportionment is allocated to each state and used for high priority projects at GA airports in the state
- Idaho gets \$3.2 million per year to use on projects between the 29 GA airports
- Must use all your Entitlement funds before receiving State Apportionment funding

### Discretionary

- Discretionary is allocated by region (Idaho, Washington, Oregon, Utah, Colorado and Wyoming) for highest priority projects
- Projects compete against each other throughout the region. Lemhi County competes with Denver, Salt Lake, Boise, Coeur d'Alene etc.
- Must use Entitlement funds before receiving Discretionary funding

Every project receives a National Priority Rating (NPR) based on FAA Order 5090-5.

- $NPR = ((4A)+(2C)+(.7P)+(.7T))/4.2$
- Airport, Purpose, Component, Type
  - Airport (A) – Larger airports have higher priority
  - Purpose (P) – Safety has highest rating followed by Rehabilitate/Reconstruct
  - Component (C) – Area of airfield. Runway is highest priority and descends as you move away from the runway. Revenue generating is lowest priority (Hangar/ New Fuel Systems)
  - Type (T) – Identifies specific area of focus or effort

### ITD Aeronautics Grant

- ITD typically tries to match sponsor share (5%) but plan for as low as 2.5%
- Can vary from year to year based on available budget and other projects in the state
- ITD grants are typically issued in July. Reimbursements are the same as FAA, airport is reimbursed as expenses occur

### Capital Improvement Program (CIP)

- Submitted annually to FAA and ITD Aeronautics
- Shows projects and anticipated funding needs for the next 5 years
- Important to plan for projects that require more than NPI (\$150,000)
- Need to ask for State Apportionment or Discretionary at least 2 years in advance
- To use grants funds for a revenue generating project (Hangar/Fuel System), must waive future requests for State Apportionment or Discretionary for a period of 3 years