

**MINUTES OF A REGULAR MEETING  
OF THE  
FRIEDMAN MEMORIAL AIRPORT AUTHORITY\***

**March 6, 2012  
5:30 P.M.**

**IN ATTENDANCE:**

**BOARD MEMBERS:** Chairman –Tom Bowman, Vice-Chairman – Martha Burke, Secretary – Susan McBryant, Board – Don Keirn, Angenie McCleary, Ron Fairfax  
**FRIEDMAN MEMORIAL AIRPORT STAFF:** Airport Manager – Rick Baird; Contracts/Finance Administrator – Lisa Emerick, ASC/Special Projects Coordinator/Executive Assistant – Steve Guthrie, Administrative Assistant/Assistant Airport Security Coordinator – Roberta Christensen, Administrative Assistant/IT Systems Maintenance Coordinator - April Dieter  
**AIRPORT LEGAL COUNSEL:** Luboviski, Wygle, Fallowfield & Ritzau – Barry Luboviski;  
**CONSULTANTS:** Interim Communication Director – Candice Pate, TO Engineer – Dave Mitchell  
**AIRPORT TENANTS/PUBLIC:** Avis Rent-A-Car – Peter Scheurmier; Enterprise Rent-A-Car – Scott Reese; Hertz Car Rental – Andy Miles, Steve Jones, Barbara Lam-Hales; Len Harlig, Evan Stelma, FSVA – Erick Seder; Julie Lawson, Bob Crosby, Felicity Roberts, ATCT – George White, Nils Ribi, BCPA – Jim Perkins; Atlantic Aviation – Mike Rasch; Darsi Cordingley, John Strauss; Blaine County – Derek Voss; Dick Fenton  
**PRESS:** Idaho Mountain Express – Kate Wutz

**CALL TO ORDER:**

The meeting was called to order at 5:34 p.m. by Chairman Bowman.

**I. APPROVE AGENDA**

The agenda was approved with the following changes:

**III. AIRPORT STAFF BRIEF**

~~A. G.~~ Employee of the Quarter – Attachment #10

**VI. V. AIRPORT STAFF BRIEF (CONT.)**

~~B.~~ A. Noise Complaints

~~C.~~ ~~B.~~ Parking Lot Update

~~D.~~ ~~C.~~ Profit & Loss, ATCT Traffic Operations Count and Enplanement Data – Attachments #3 - #6

~~E.~~ ~~D.~~ Review Correspondence – Attachment #7

~~F.~~ ~~E.~~ Fly Sun Valley Alliance Update – Attachments #8, #9

~~G.~~ ~~F.~~ Airport Weather Interruptions

~~G.~~ ~~Employee of the Quarter – Attachment #10~~

H. Administrative Brief

a. AIP Project Update

b. PFC 11-07-C-00-SUN Project Update

c. PFC 12-08-C-00-SUN Application

d. State Grant Status – Attachment #11

**MOTION:**

***Made by Board Member McBryant to approve the agenda as amended. Seconded by Board Member McCleary.***

**PASSED UNANIMOUSLY**

**II. PUBLIC COMMENT**

No public comment was made.

**III. AIRPORT STAFF BRIEF**

**A. G. Employee of the 4<sup>th</sup> Quarter (See Brief)**

Airport Manager Baird announced that Andy Miles of Overland West Inc. dba Hertz has been selected for Employee of the 4<sup>th</sup> Quarter for the calendar year 2011. He congratulated Mr. Miles and thanked him for his efforts on behalf of the Board.

Mr. Miles thanked the Board for the Award and commented that Hertz Car Rental has been a great company to work for.

**IV. ~~III.~~ UNFINISHED BUSINESS**

**A. Replacement Airport**

**1. Blaine County Report**

Board Member McCleary reported that in the last month the County has been working on drafting the Airport Strategic Plan. She reported that earlier today the County briefly discussed the City and County Airport Strategic Plans as well as the possible necessity to delineate Board and Staff roles and responsibilities.

**2. City of Hailey Report**

Board Member Keirn reported that the Hailey City Council has also completed and approved an Airport Strategic Plan for Board review.

**3. Airport Manager Report**

**a. FAA Modernization and Reform Act of 2012**

The Board asked clarifying questions regarding the FAA Modernization and Reform Act of 2012 portion of the Power Point Presentation.

**b. Meeting with QED & AFCO**

Chairman Bowman commented that he has authorized QED (Airport & Aviation Consultants) and Aviation Facilities Company, Inc. (AFCO) representatives to contact Financial Consultant Geoff Wheeler to inquire about Ricondo & Associate's findings for the replacement airport project.

Board Member Keirn asked if QED & AFCO have a particular site in mind that would like to further analyze for a potential replacement airport.

Airport Manager Baird answered that QED & AFCO are studying the analysis that have been completed thus far in the replacement airport process. He briefed the Board that Staff and Chairman Bowman were asked questions particular to site 10A and 12 however, the companies do not have a particular site in mind and no proposal was presented.

**B. Roadmap Toward The Future (High Priority Items)**

**1. Blaine County and City of Hailey Airport Strategic Plans (See Brief)**

Board Member McCleary commented that the City Resolution No. 2012-7 and County Airport Strategic Plans are both good documents for the Board to reference from and will be useful tools for educating the public on what the frameworks are for City and County representatives. She suggested that the Board formally acknowledge both documents but not endeavor to merge the documents into one strategic plan specifically for the FMAA as it would not be beneficial for the sponsors to do so.

Vice-Chairman Burke commented that both documents have established the principles both entities have agreed with and appropriately delineates future challenges each sponsor will have.

Board Member Keirn agreed with Board Member McCleary and Vice-Chairman Burke's comments and added that merging the City Resolution and County Airport Strategic Plan would be a timely and unnecessary process. He commented that each plan appropriately represents the separate perspectives and purposes of both entities.

Board Member McBryant agreed with Board Member McCleary and suggested that the Board formally acknowledge both documents. She commented that the City Resolution and County Airport Strategic Plan are instructive at the points where perspectives appropriately follow different directions as well as highly consistent.

Board Member Fairfax agreed that the Board should not try to merge the documents.

Board Member McCleary commented that both documents will be useful in providing clarity regarding the differences in goals and directions for the County and City. She commented that as the Board moves forward to actual decision making, she would hope that the County and City would feel comfortable referencing each document in order to explain how a particular decision fits into each entity's Airport Strategic Plan.

Chairman Bowman commented that the City Resolution and County Airport Strategic Plan will also give Staff the ability to refer to the documents as guidance rather than having to consult with the Board on every issue.

Board Member McCleary commented that it is important that the public understand the thought process behind the City and County's decision making and the plan will help the Board's communications consultant to better communicate that to the public.

Chairman Bowman requested that the Board provide a motion to adopt or accept the City Resolution no. 2012-7 and Blaine County Airport Strategic Plan.

**MOTION:** *Made by Board Member McCleary to acknowledge and accept the City of Hailey Resolution No. 2012-7/Airport Guiding Principles and Blaine County Airport Strategic Plan. Seconded by Vice-Chairman Burke.*

**PASSED UNANIMOUSLY**

## **2. Existing Site**

Chairman Bowman asked Airport Manager Baird to inquire of the FAA if it would be helpful for a Board Member to attend the meetings in Seattle, WA.

Airport Manager Baird answered that FAA Northwest Mountain Regional Manager Carol Suomi suggested that initially, having a smaller group to meet and discuss technical guidance and next steps would be appropriate. She also mentioned that she will be planning a visit to the community after the smaller meetings are conducted.

Board Member McBryant asked Airport Manager Baird to clarify the purpose of the meetings with the FAA and asked why having a smaller group to discuss next steps would be more appropriate.

Airport Manager Baird commented that the community has decided that a replacement airport is the optimal solution for the future and air service is critical to the Wood River economy. The community also anticipates that necessary steps may need to be taken at the existing site related to design standards and reliability in order to ensure air service in the community's future. He commented that as Airport Manager, his goal is to report the community's decisions to the FAA, suggest that the EIS be restarted and an Airport Layout Planning process be implemented to look at design standards or design deficiencies as well as study reliability, and then report the FAA's reaction back to the Board. Airport Manager Baird answered that he presented the question regarding Board attendance at the meetings to the FAA and received a response from Ms. Suomi that it would be more productive at this point to initially meet in small groups.

Board Member McBryant asked if the Board can anticipate that Staff will begin working with the FAA on the EIS and ALP process at these meetings.

Airport Manager Baird answered that no work with the FAA will be initiated at these meetings. He answered that following the meetings, Staff will report back to the Board, the FAA's reaction to the community's proposal.

Board Member Keirn asked if the FAA will be giving the community guidelines to review or if they will simply announce their response to the community's proposal.

Airport Manager Baird answered that he cannot interpret or try to predict the outcome of the meetings with the FAA at this point.

Chairman Bowman commented that the Board has a lot of good information within the City and County Airport Strategic Plans that should be provided to the FAA with explanation.

Board Member McBryant requested that she be notified by email once Staff has confirmed a date for the meetings with the FAA.

Board Member McCleary asked Airport Manager Baird to clarify what type of reaction Staff is expecting from the FAA.

Airport Manager Baird answered that the type of reaction the FAA will give in response to the community's proposal depends on what their comments may be.

Attorney Luboviski commented that the meetings with the FAA will consist of very technical discussions rather than political, therefore it would make sense for Staff to include the Airport Engineer and replacement airport project consultants in the meetings.

### **3. Replacement Airport**

### **4. Safety Management System Update**

Fly Sun Valley Alliance Representative Eric Seder commented that the FMAA February Agenda included the high priority item of maintaining and developing improvements to air service and the community feels very strongly that that is still the highest priority.

**A. Auto Rental Concession Possible Bid Process**

Airport Manager Baird requested that the Board discuss the options to regarding the Auto Rental Concession Bid Process.

Attorney Luboviski advised that now would not be a good time for the Board to conduct an Auto Rental Concession Bid Process. He commented that his advice is not based on a legal conclusion, rather, on years of experience with the Auto Rental concession bid process and commented that if the Board chooses to rebid, they would receive a lesser amount of Minimum Annual Guarantees (MAGs) than they currently receive from concessionaires.

Board Member McBryant suggested the Board allow the auto rental concessionaire representatives to comment on the subject. The Board agreed with Board Member McBryant's suggestion.

Enterprise representative, Scott Reese, commented that Enterprise would like to be granted the opportunity to once again become an on-airport concessionaire. He commented that the terms for the current on-airport concessionaires have already been extended twice and it is unusual for airports to allow agreements to be extended that long. In October, Enterprise made a specific request to be allowed back on-airport and competitors argued that Enterprise should not be allowed to operate on-airport until current contracts expired in April 2012 and also supported a new competitive bid process. Mr. Reese respectfully asked the Board to initiate a competitive bid process.

Hertz representative, Steven Jones, thanked the Board for recognizing their local manager, Andy Miles, as Employee of the 4<sup>th</sup> Quarter for 2011. He commented that while he understands Enterprise's desire to be an on-airport concessionaire, it was their choice to reject the Board's extension offer in 2009. He commented that there is a principle of fairness and loyalty the Board has to address and from an economic standpoint adding three more brands to the Airport would make business in the terminal that much more challenging. Mr. Jones commented that Hertz would support renewing their contract with the Airport.

Avis representative, Peter Schuermier agreed with Mr. Jones's comments and added that increasing competition will be detrimental to the Airport at this point in time. He commented that concessionaires need to be able to provide good service and adding more brands in the terminal will not help that cause.

Chairman Bowman asked Airport Manager Baird to give the Board the history of Enterprise operations at the Airport.

Airport Manager Baird briefed the Board that in 2009 all three auto rental vendors in the terminal were offered a 24 month extension to continue operation in the terminal. While the other two agencies immediately accepted the offer, Enterprise did not and opted to move off-airport. He commented that Enterprise has had the opportunity to operate on the airport since they decided to operate off-airport and to try and blame the fact that they can't serve their customers because of the Board is inappropriate.

Board Member Fairfax commented that the Board can either offer a 12-month extension to the on-airport concessionaires or begin the rebidding process and draft a two year contract for the concessionaires with the highest bids.

Board Member Keirn commented that with the state of the economy, now would not be a good time for the Board to conduct an auto rental concession bid process.

Board Member McBryant commented that the Board did not create this problem and were not the ones that opted out of an agreement before its completion. She commented that Board should not begin a bidding process in such an unstable economy.

Vice-Chairman Burke commented that now is not an appropriate time to rebid. She asked if a 12-month extension would allow the on-airport concessionaires enough time to develop a successful business plan and asked if an 18-24 month extension would allow the existing concessionaires a better opportunity to guarantee a level of success in such a hard economy.

Board Member McCleary agreed with Board comments and suggested that the Board formally direct Staff to initiate discussion with the existing rental car concessionaires in regard to extending their current contracts for 12 months. She commented that if the existing concessionaires are willing to extend their contracts for 12 months, the Board should not open the auto rental concession for rebid.

Vice-Chairman Burke commented that she would support giving the existing concessionaires an opportunity to develop contract extensions with Staff.

Board Member Fairfax commented that he would support extending the existing contracts for no more than one year as the Airport is due for a bid process however, logistically, now is not the right time to conduct one.

Attorney Lubovski commented that he foresees no legal difficulty in extending the existing auto rental concessionaire contracts and recommended that the Board extend the existing contracts for at least a year.

Airport Manager Baird commented that he would be comfortable developing a 12-month lease extension for the existing tenants.

Chairman Bowman directed Staff to contact the existing auto rental concessionaires and offer a 12-month lease extension and report Staff's progress to the Board in April.

Scott Reese clarified that Enterprise did fulfill the 2006 Agreement in its entirety and therefore did not opt to leave the Airport before the Contract expired in April 2009. He commented that Enterprise would respectfully request the opportunity to come on-airport at what the original MAGs were at the end of the 2009 contract.

Chairman Bowman commented that he is sure Enterprise will utilize this year to show the Board that Enterprise can be a responsible off-airport operator. Chairman Bowman gave a 10 minutes recess.

## **B. Interim Communications Director Report**

### **1. Project Title**

Interim Communications Director Candice Pate requested that the Board discuss the recommendation to implement Airport Improvement Project as the new title for the Airport Replacement Project.

Board Member Fairfax commented that Airport Improvement Project has the same acronym as Airport Improvement Program (AIP) which might cause confusion.

Vice-Chairman Burke commented that her only concern is that the recommended title leaves the impression that the improvements will be directed towards the current site.

Airport Engineer Dave Mitchell suggested a project title of Airport Solutions rather

than Airport Improvements.

The Board agreed that the recommended title of Airport Solutions was an appropriate replacement for the previous reference name of Airport Replacement Project.

## **2. Airport Improvement Updates**

Board Member McBryant commented that the Board should not be writing the Airport Improvement Updates and should only be suggesting grammatical or formatting edits.

Board Member McCleary commented that implementing the asterisk beside updates that have not yet been discussed by the Board is a good idea. She commented that Airport Manager Baird would be an appropriate person to approve the updates and review Board comments to decide whether or not to implement them. She suggested that Ms. Pate send the Board any significant edits that are made to the first draft.

Vice-Chairman Burke suggested that the entire City Council have the opportunity to review the draft Airport Improvement Updates before distribution as well. She commented that Mayor Haemmerle doesn't feel he is always aware of Airport activities and would feel more included if the draft updates were shared with the City Council at the same time they are sent to the FMAA for review.

Board Member Fairfax commented that he would like to see the updates include a historical perspective to remind people that there are several things to consider when the Board makes decisions. He commented that he would not be comfortable with an in-depth subject going out to the public before the Board has had the opportunity to discuss it.

Board Member McCleary commented that adding three more people that Ms. Pate needs to integrate in the review process and discuss with Airport Manager Baird in such a short amount of time will make the review process even more difficult.

Board Member McBryant commented she does not think that sending the draft update to the City Council members before public distribution would be a painful issue.

Chairman Bowman commented that he strongly disagrees that the Hailey City Council should be recipients of the draft update. He commented that it is appropriate to get input from the Board but at some point it has to stop. He commented that it is not the Board's job to micro-manage day to day operations at the Airport.

Attorney Luboviski commented that it is appropriate for the FMAA City representatives to ask their other council members how they should comment, but it would not be appropriate to email the draft updates to every member of the City Council. He commented that the Board operates the Airport, not the City or County separately.

Vice-Chairman Burke commented that she understands the Board's comments and will report them to the Hailey City Council.

Ms. Pate commented that Board Members and Staff need to have confidence that everyone will be dedicated to following the process of her sending out the draft update, the Board reviewing the draft, and herself and Airport Manager Baird discussing the draft update and Board comments.

Board Member McBryant commented that as policy Ms. Pate should not allow the Board to rewrite her composition.

Board Member Keirn commented that this is essentially a newsletter letting people know what's going on at the Airport. He commented that he does not foresee a lot of Board comment going back to Ms. Pate.

Ms. Pate requested that the Board send feedback by replying only to her and not forward the information with their comments.

Airport Manager Baird requested that the Board reply to only Ms. Pate and himself. He commented that he will review emails and ensure that the Board is not trying to rewrite Ms. Pate's composition or make a decision on subjects or issues.

### **3. flyfma.com and flysvra.com**

Ms. Pate suggested that the Board discuss whether or not to combine the flyfma.com website and the flysvra.com website into one website.

The Board agreed that combining the two websites would be an appropriate action to take and gave Staff permission to explore how best to combine the two sites and bring the findings back to the Board.

Dick Fenton commended the Board, Airport Manager and Ms. Pate for integrating the newsletters to help keep the public informed on Airport activities. The newsletters have brought a level of comfort to the replacement airport process and having this available is a huge help for what the Board is trying to accomplish.

Mr. Schuermier commented that the Airport Updates are helping terminal concessionaires inform customers easily and comfortably about Airport activities.

## **C. Law Enforcement Officer (LEO) Reimbursement Program**

## **VI. ~~V.~~ AIRPORT STAFF BRIEF**

### **~~B.~~ A. Noise Complaints**

### **~~C.~~ B. Parking Lot Update**

### **~~D.~~ ~~C.~~ Profit & Loss, ATCT Traffic Operations Count and Enplanement Data (See Brief)**

Board Member Fairfax asked that Staff continue to include ATCT Traffic Operations Records from 2000 thru current records in the Board Packets.

### **~~E.~~ ~~D.~~ Review Correspondence (See Brief)**

### **~~F.~~ ~~E.~~ Fly Sun Valley Alliance Update (See Brief)**

### **~~G.~~ ~~F.~~ Airport Weather Interruptions**

### **~~G.~~ ~~Employee of the Quarter (See Brief)~~**

### **H. Administrative Brief**

#### **a. AIP Project Update**

#### **b. PFC 11-07-C-00-SUN Project Update**



c. PFC 12-08-C-00-SUN Application

d. State Grant Status (See Brief)

**VII. VI. PUBLIC COMMENT**

No public comment was made.

**VIII. VII. ADJOURNMENT**

The March 6, 2012 Regular Meeting of the Friedman Memorial Airport Authority was adjourned at approximately 7:50 p.m.

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Susan McBryant, Secretary

\* *Additional resources/materials that should be reviewed with these meeting minutes include but are not limited to the Friedman Memorial Airport Authority Board Packet briefing, the PowerPoint presentation prepared for this meeting and any referenced attachments.*