

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

September 5, 2023

5:30 P.M.

IN ATTENDANCE:

BOARD MEMBERS:

Board Chair – Martha Burke, Vice Chair – Muffy Davis, Secretary – Angenie McCleary, Board Members - John Strauss, Sam Linnet, Jacob Greenberg, Lindsay Mollineaux, Treasurer – Ron Fairfax

FRIEDMAN MEMORIAL AIRPORT STAFF:

Airport Director – Chris Pomeroy, Deputy Director, Finance & Administration – Jenna Elliott, Deputy Director, Operations & Maintenance – Tim Burke, Security Manager – Steve Guthrie, Business Operations Coordinator – Becca Lynn, Administrative Coordinator II – Janice Hicks

AIRPORT LEGAL COUNSEL:

Lawson Laski Clark PLLC – Jim Laski, Kaplan Kirsch Rockwell – Peter Kirsch

CALL TO ORDER: The meeting was called to order at 5:30 p.m. by Board Chair Burke

I. APPROVE AGENDA (0:35)

A motion to approve the agenda as presented.

MOTION: *Made by Secretary McCleary to approve the agenda as presented.
Seconded by Board Member Greenberg.*

PASSED UNANIMOUSLY

II. PUBLIC COMMENT (1:16)

None

III. APPROVE FMAA MEETING MINUTES (1:45)

A. August 1, 2023, Regular Meeting – Motion to Approve – **Attachment #1 ACTION ITEM**

MOTION: *Made by Secretary McCleary to approve the minutes as amended to correct Larry Schoen as a Blaine County resident. Seconded by Vice Chair Davis.*

PASSED UNANIMOUSLY

IV. REPORTS (2:38)

A. Chair Report

No report given.

B. Blaine County Report

No report given.

C. City of Hailey Report

No report given.

D. Fly Sun Valley Report

No report given.

E. Airport Team Reports (see PowerPoint Presentation) (03:20)

Airport Director Pomeroy reported August passenger enplanements were up 4% from August 2022. Year-to-date enplanements were up 15% versus 2022.

Operations for August were down 19% from August 2022. Overall operations were down 4% year-to-date from 2022.

Airport Director Pomeroy stated a year has passed in his role as the chapter President of the NWAAAE. He will be attending the national conference in a couple of weeks to pass the responsibilities over to the incoming President. He will remain on the Board for the NW chapter for one more year.

He attended a meeting a couple weeks ago with other Idaho Commercial Airport Managers, the Idaho Division of Aeronautics Administrator, and senior level representatives from the Idaho Transportation Department. Earlier this year, the Governor announced about \$30 million is for Idaho First Funds for Idaho airports. He is happy to report it appears commercial service airports for the next fiscal year will be getting a grant from the Idaho First Funds in the amount of about \$1 million each. The Idaho Transportation Board will determine how the funds get allocated in their September meeting.

Deputy Director, Operations and Maintenance Burke gave a reminder that on September 26th, 2023, in partnership with all of our mutual aid partners, we will be hosting our FAA mandated full scale emergency exercise. This will be a simulated mass casualty incident, regulated by the FAA for all commercial service airports. He is still looking for volunteers. The event will start at 5pm and there will be staging ahead of time. There will be simulated smoke and flames.

On September 30th, 2023, from 11am-3pm, the airport will be holding the "Meet the Fleet" event, which was canceled last year due to the wildfires. The airport will be teaming up with the Hailey Fire Department and Chamber of Commerce for a chili cook off.

He is pleased to announce the vacancy in the airport operations team has been filled and the new employee will be starting at the beginning of October.

V. AIRPORT STAFF BRIEF

A. Noise Complaints in July.

B. Profit & Loss, ATCT Traffic Operations Count and Enplanement Data (**See Attachment #4-#6**)

C. Airport Commercial Flight Interruptions (unofficial)

D. Review Correspondence

VI. ACTION ITEMS

A. NEW BUSINESS

(10:20)

1. SUN Accounting Policies and Procedures Manual – Consideration of Acceptance – **Attachment #6 ACTION ITEM**

Deputy Director, Finance & Administration Elliott stated last year the auditors recommended the airport create an Accounting Policies and Procedures Manual. She drafted a rough draft last year for the auditors and has made refinements. The airport is seeking acceptance and approval of the document by the Board. It has been reviewed by airport attorney, Jim Laski, as well as the finance committee.

Board Member Greenberg reiterated the importance of ensuring there is acknowledgement that the reviewer of various documents have indeed reviewed the documents (for example a signature on the documents), which show the policies and procedures and have been followed.

MOTION: *Made by Board Member Greenberg to accept the SUN Accounting Policies and Procedures document as presented. Seconded by Board Member Mollineaux.*

PASSED UNANIMOUSLY

2. Consideration of Notice of Award to Oshkosh Procurement of new Striker 6x6 ARFF vehicle – **Attachment #7-#8 ACTION ITEM**

Airport Director Pomeroy presented the consideration of notice of award for the procurement of an ARFF Oshkosh Striker 6x6 vehicle. The purpose is for redundancy in the operations fleet. This was in the approved budget for 2024. There is a 14-month lead time. The cost locally is \$1,217,310 from airport funds while utilizing the Cooperative Purchasing Venture (CPV) of Sourcewell.

MOTION: *Made by Board Member Linnet to approve Notice of Award to Oshkosh Airport Products in the amount of \$1,217,310 and execution of the Procurement Agreement for the order and acquisition of a new Striker 6x6 ARFF vehicle. Seconded by Board Member Strauss.*

PASSED UNANIMOUSLY

B. CONTINUING BUSINESS

(17:28)

1. Future Aeronautical Development RFP – Discussion and Consideration of Acceptance – **Attachment #9 ACTION ITEM**

Airport Director Pomeroy gave an overview of the timeline of the RFP. The RFP development committee commenced in December 2022. The first draft was made available for Board review and public comment in June of 2023. There has been additional discussion in July and August of 2023. Last month's meeting included discussions regarding Atlantic Aviation's participation, which was discussed in this meeting. There was also to be discussion about the selection committee.

Peter Kirsch addressed the topic from last month's meeting regarding Atlantic Aviation's participation. He reiterated the FMAA must act in a not unjustly discriminatory manner. When an airport has an opportunity to do so, they must prevent perpetuation of an exclusive right. If the public expresses interest, the airport must offer the opportunity of

competition. He stated having one FBO is not a violation of the prohibition of exclusive rights but the authority must not take action that would have an effect of continuing an exclusive right when it has an opportunity do so. Definition of "exclusive rights" and obligations for a sponsor are further explained in the Power Point presentation on slides 25 and 26. The Board has expressed one of their objectives is to have competition and they are indeed required to comply to federal obligations and requirements by denying the incumbent to participate.

Board Member Strauss asked if the Board "must" exclude the incumbent, or if they "can" exclude them.

Peter Kirsch explained when you only have one incumbent the chance of an exclusive rights problem is very great, if you don't exclude them. If you allow the incumbent to participate, you have to treat the incumbent fairly, not unjustly or discriminatorily, with respect to all the others. But they cannot be selected, because if selected you are foreclosing any other competition. He stated this airport is in a unique situation with one current FBO and limited property and there is not an option in any circumstance to award an RFP contract to the incumbent. It is a matter of law and a waste of the incumbent's time and money.

Board Member Strauss stated he understood if the whole 10+ acres was awarded to the incumbent. He inquired as to whether or not there was something less drastic.

Peter Kirsch stated the way the committee drafted the RFP, it is an either/or or both situation; meaning that you may propose an FBO, a hangar development, or both. There are limited circumstances in which Atlantic could propose something that would not pose an exclusive rights problem. The only way to avoid that is to exclude them from proposing.

Board Member Greenberg stated when the process started, he recommended that a member of the county commission be on the draft committee. He stated it was the duty and responsibility to do the due diligence and come to the Board with the best possible scenario. He believes that was achieved. He is in full support of the document "as is". He believes there has been good argument about rationale for excluding Atlantic Aviation. He pointed out there has been public comment about increased air traffic, however he believes the airport lost a lot of the space with construction and changes and even with the RFP, are not gaining back what was lost.

Board Member Linnet stated we are actually doubling the landings and the amount of fuel that's being used because of current limitations to aircraft parking spaces. He stated having more parking area for aircraft ultimately could decrease some of the traffic of planes needing to come and drop off their passengers, only to fly back in again to pick them up.

Board Chair Burke asked if she is correct in assuming that the Board is in support and favor of competition. She stated she can't see why they wouldn't choose not to have a competitive process.

Secretary McCleary stated Peter Kirsch's comments were very helpful during this meeting, and that she is in favor of competition and excluding Atlantic Aviation.

Peter Kirsch described the process going forward. The RFP drafting committee selected a process wanting to ensure that Board members were on the selection committee to make the selection. The selection committee will come back to the Board with their findings. Once the RFP is released, there is a "cone of silence", meaning nobody is permitted to talk about the RFP except in a very formal way. This means prospective bidders may submit questions/comments to a designated email address and then the committee decides which ones will be responded to. No one is allowed to contact members of the committee outside of that process. It would also be inappropriate for committee members to read any public comment.

Board Chair Burke felt it important because of joint sponsorship to have representatives from the city/county and the team/staff on the committee. There also needed to be a financial advisor as well as other outside consultants and specialists.

Peter Kirsch stated confidential financial information regarding proposers will not be made public to the Board and only to the selection committee.

Secretary McCleary commented regarding the selection committee, in the past it hasn't always been the responsibility of the Board Chair to choose the members. She stated she was disappointed and displeased that she wasn't chosen or given an opportunity to express she wanted to be on it. She wanted this noted in a public setting.

Jim Laski stated this would be a good time to take public comment, which would be limited to comments directly related to the RFP consideration. There will not be a response from the Board.

Public Comment regarding the RFP:

Reed Sanborn, local pilot, thanked staff, Board members and the Chair for their work on the RFP. First, in Section 4 of the financial information bullet point 7, there is a minimum FBO requirement of anyone submitting a proposal. He asked that the Board consider removing or reducing that requirement. Secondly, he stated there was still some highlighted areas in the RFP with regards to the timing and how it progresses. He was curious to know how and when those will get posted.

Carlton Green, local pilot, provided an anecdote regarding competition. He referred to the price of gas and gave the example if he gets into his plane and flies to another city to get gas at an FBO or self-serve, the price will be different. At this airport, it's \$8.21/gallon if you go the FBO or \$5.98/gallon for self-serve. The point is you make the decision by looking at the sign and here there is no sign or no price. He hopes there will be competition in order to be informed on what the prices are.

Kyle Schultz, Regional Vice President of Atlantic Aviation, stated that Atlantic would like to be able to submit as a proposer in the RFP. He pointed out they 100% support competition. In the majority of their bases, they have competition. Their ask is to participate and they will limit their response to approximately 2.5 acres for hangar development to support the local GA community. Atlantic currently occupies 3.2 acres and the RFP is written that a proposer could be awarded space 3 times larger than what Atlantic currently has. He reiterated they believe in competition but this doesn't seem fair. He asked they be allowed to participate in a limited basis and that if another FBO were chosen, they be confined to the same amount of space as what Atlantic is currently operating on for a level playing field.

Blaine County resident Larry Schoen wondered if it's not possible for Atlantic's lease to be extended to encompass more acreage and the RFP modified so they could lease a portion of the 10 acres in which each operator would have similar amount of land to operate.

Board Chair Burke closed public comment and brought it back to the Authority. (52:20)

Board Member Strauss added the necessity in not allowing Atlantic to remain "the exclusive" is acknowledged. He stated the counter argument to that is if you say you're in favor of competition, that excludes Atlantic from doing anything and he is looking for the balance between the two extremes. He stands by the proposition that says there might be an opportunity for Atlantic to be involved at some level. He stated the committee drafted the RFP open ended to get all available proposals. Without knowing the limit of what Atlantic can do, he can foresee a concern being another FBO comes in and they want all 10 acres so as to drive out Atlantic from their existing business. That is why he is

concerned about the unfairness. He states there should be fair consideration to competition.

Board Member Linnet believes excluding Atlantic Aviation is the best way to proceed. He understands Atlantic's position in feeling they should have an opportunity to propose, but with all of the information and rationale Peter Kirsch provided, he agrees they should be excluded.

Vice Chair Davis echoes Board Member Linnet's comments.

Board Member Mollineaux thanked the Board and the Chair for allowing additional time for due diligence and research. She also believes that the best practices laid out by Peter Kirsch in regard to excluding Atlantic Aviation is the best way forward.

Board Member Strauss asked if the Board would consider an amendment so that the acreage available to another FBO would not exceed Atlantic's current acreage.

Board Chair Burke stated she does not support any changes to the RFP and asked Peter Kirsch if that should be a consideration.

Peter Kirsch responded when the drafting committee was considering how to write the RFP, they looked at 2 approaches. The first was an objective, by the book approach, but the committee decided they wanted a much more qualitative process. He referenced Board Member Strauss' comment and as an example, if an FBO proposer comes in and proposes to use the full 10 acres, the committee will have to decide whether that is fair. This is why some members of the Board have been appointed to the selection committee.

Airport Director Pomeroy stated that if the Board was ready to approve the release of the RFP in this meeting, he would work with Peter Kirsch to get all of the dates and specifics that were still outstanding in the RFP, laid out and defined, therefore being transparent for proposers.

MOTION: Made by Board Member Greenberg to approve the RFP for future aeronautical development as presented with the exclusion of Atlantic Aviation as a proposer and direct staff to fill in the remaining dates and information required. Seconded by Vice Chair Davis.

Roll Call Vote:	
Board Member Davis	Yes
Board Member Mollineaux	Yes
Board Member Greenberg	Yes
Board Member McCleary	Yes
Board Member Linnet	Yes
Board Chair Burke	Yes
Board Member Strauss	No

PASSED

Board Member Strauss stated with reference to the sterilization of communication, that it isn't limited to committee members but also inclusive of Board members and all staff so that there is no direct communication other than through the committee comprehensively.

Airport Director Pomeroy stated the exception to that would be a designated staff individual who will be responsible for managing the process and questions as they come in and this will be Becca Lynn, who will be identified in the proposal.

Board Chair Burke restated that the concern of the public is well received and acknowledged. She stated she would not sit on the Authority if she did not consider the basic necessity of transportation in and out of our valley. It is her hope that there will be a solution for local pilots where they can get a tie down or a hangar and visitors to the airport will not have to drop and go or purchase fuel elsewhere. She hopes with a successful process the airport can regain what was lost in the runway/taxiway separation. The goal for her and the Board is to provide for the future of the airport, be sensitive to the community, and make it as friendly as an airport can be.

Board Member Strauss asked if there would be discussion regarding the selection committee.

Board Chair Burke stated the members would be; Muffy Davis from Blaine County, Jacob Greenberg from the City of Hailey, Brent Davis for financial guidance, Airport Director Pomeroy and additional advisors including TO, Peter Kirsch, Jim Laski, Ron Fairfax and others as needed.

Board Member Strauss clarified this meant he was not chosen to be on the committee to which Board Chair Burke confirmed. He inquired as to the reasoning and stated publicly that he was disappointed in the decision.

VII. UPDATES AND DISCUSSION

A. NEW BUSINESS

(01:13:20)

1. Ranch Management RFP – Discussion – **Attachment #10**

Airport Director Pomeroy supplied the Board with a copy of the Ranch Management draft RFP the previous month. He stated this was an opportunity for more discussion and to bring up any additional questions. Also, he mentioned that next month's meeting (October) would be the preferred deadline for RFP approval in order to get the proposals in and ready to make a selection for the next ranching season starting in March 2024.

B. CONTINUING BUSINESS

1. Miscellaneous

- i. None

2. Construction and Capital Projects

- i. None

3. Airport Planning Projects

- i. None

VIII. PUBLIC COMMENT

(01:14:30)

Board Member Greenberg mentioned there had been some public comment that the ranch be transferred to a local nonprofit. It was reiterated by members of the Board and Airport Director Pomeroy that the airport is unable to transfer ownership. It was purchased through an Airport Improvement Program (AIP) grant from the FAA and therefore it was granted to FMAA and it must remain so.

Larry Schoen, a Blaine County resident, stated he would like to hear the Board's discussion of the RFP before making public comment. He was assured it would be presented again.

IX. ADJOURNMENT

The August 1, 2023, Regular Meeting of the Friedman Memorial Airport Authority was adjourned at 6:48 p.m.

DocuSigned by:



E759543F3D014D4..Angenie McCleary, 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.*

Public Comment Session FMAA Regular Board Meeting

August 1, 2023

Comments by Richard Paris MD

I am a local resident and airport user since 1979, a hangar owner since 1983, and currently Vice President of Hangars West Condominium Association. Since 1999 I have flown to and from Hailey on a nearly weekly basis for work in two rural health clinics in Challis and Stanley Idaho.

On behalf of my fellow local pilots, hangar owners, and visiting general aviation pilots, I would like to make the following suggestions and requests regarding the Future Aeronautical Development RFP.

While it seems there is a great deal of interest for the board to find proposals that bring in the most financial return to the airport authority, I feel it is important to not forget about the local pilots that have supported the airport for many years. While we have a great airport, FMAA has the opportunity to provide much better customer service to the small general aviation pilots who have been significantly affected by the reductions in hangar space and ramp space over the past few years. In addition, with significant population growth comes the need for more hangars.

In your proposal review, I would ask that you give significant attention to these considerations and not just focus on recruiting a large Jet Service type FBO.

In this spirit I would like to request that you make sure that any approved proposal would include:

- 1) Bathroom and Shower Facility
- 2) A small pilot lounge with Wi-Fi capability for flight planning
- 3) A transient pilot gate capability
- 4) An aircraft wash rack facility (local pilots currently have no access to running water)

I feel that these items are essential additions to be included in the development of the new 10-acre addition to airport facilities.

My next consideration may not be essential but would be highly desired by visiting pilots. There is no doubt that the entire 10 acres will be covered in concrete with permanent structures but there is considerable neighboring land next to this space that could be put to very good use with no additional cost or development. This would involve moving the west side fence there back forty feet and mowing the grass every two weeks during the summer to create a transient airplane camping area. Pilots would camp under the wing and bring their own tiedowns. Since Idaho is more and more becoming a favored destination for backcountry pilots from other states, Friedman Airport could become a very favorable staging area where pilots could buy fuel and food supplies before embarking on their wilderness adventures. Other airports with significant commercial airport operations (ie. Bozeman MT and Fairbanks AK) have found this to be a very nice addition to their usual airport services.

Thank you for your consideration.

Rich Paris