

Minutes of Meeting
Airport
June 30, 2023
2:00 p.m.

The Kootenai County Board of Commissioners: Chair Leslie Duncan, Commissioner Bruce Mattare and Commissioner Bill Brooks met to discuss the following agenda items. Also present were Interim Airport Director Phil Cummings, Operations Supervisor/Duty Manager Gaston Patterson, Administrative Secretary Kim Stevenson, Civil Deputy Prosecuting Attorney R. David Ferguson and Deputy Clerk Tina Ginorio. Also present were StanCraft Companies President Rob Bloem, StanCraft Jet Center Representative Keaton Browns and Attorney Scott Hislop.

- A. Call to Order:** Chair Leslie Duncan called the meeting to order at 2:08 p.m.
- B. Changes to the Agenda (Action):** There were no changes to the agenda.
- C. Business:**

StanCraft Leases (Action)

StanCraft Attorney Scott Hislop called attention to the updated packet of information he provided to the Commissioners. He said he would be discussing the proposal of adding an estoppel to the StanCraft leases. He reviewed StanCraft's history at the Airport and indicated the leases which would be affected. He explained that they wanted to consolidate and re-capitalize their business.

Mr. Hislop said they wanted to extend certain leases, which he listed by identification number, or offer some options if the Commissioners were unwilling to allow the extensions. He said they also wanted all of their leases amended to remove the financing restriction language.

Mr. Hislop reported that he had spoken with Civil Deputy Prosecuting Attorney R. David Ferguson regarding the estoppel request. He remarked that it had been heavily modified from the one previously presented to the Board.

There followed substantial discussion of the technical aspects of StanCraft's proposals, including length of leases, rules regarding termination of leases and the impact on the return on their investment.

Mr. Hislop explained the arrangements they would like to make with their bank, if the Board approved the requested changes.

Chair Duncan indicated some concerns she had about the proposal, which she said she would like to discuss further in Executive Session.

Ms. Hislop said they would like to include a financing and restriction amendment to all their leases and explained what that would entail. He specified the removal of the

language that stated “financing cannot be in excess of the cap amount.” He stated that the County should not be concerned with “whether or not StanCraft was under-financing, over-financing or financing with their bank at the appraised value.” He reviewed his view of the FAA’s (Federal Aviation Administration) rules and their impact on the proposal. He also discussed the court case “County vs Resort Aviation” and its implications in this situation.

Mr. Hislop concluded by restating their requests for the County:

- Sign the estoppel; confirm the validity of the lease and each parties’ rights and responsibilities.
- Extend the duration of leases AAL-2019-340, AAL-2022-600 and AAL-2022-700, or grant options.
- Amend all StanCraft and Triple Flight leases by removing the finance restriction language.

Commissioner Bruce Mattare pointed out some potential issues with the proposal.

Commissioner Mattare moved that the Board enter into Executive Session pursuant to Idaho Code §74-206(1)(d). Commissioner Bill Brooks seconded the motion. There being no further discussion, Deputy Clerk Ginorio called the roll:

Commissioner Brooks: Aye

Commissioner Mattare: Aye

Chair Duncan: Aye

The motion carried.

Chair Duncan invited Mr. Ferguson to remain for the Executive Session.

The Board entered into Executive Session at 2:45

BOCC

Executive Session pursuant to Idaho Code §74-206(1)(d) to consider records that are exempt from disclosure as provided in Chapter 1, Title 74, Idaho Code. – BOCC Division (Closed Session – Discussion)

Decisions/Direction (Open Meeting – Action)

The Board exited Executive Session at 3:14 p.m.

Commissioner Mattare moved that the Board exit Executive Session. Commissioner Bill Brooks seconded the motion. There being no further discussion, Deputy Clerk Ginorio called the roll:

Commissioner Brooks: Aye

Commissioner Mattare: Aye

Chair Duncan: Aye

The motion carried.

Chair Duncan explained that the conclusion they had arrived upon was that additional information was needed from outside legal counsel. She said there were extenuating circumstances that could affect the Board's decision.

D. Public Comment: This section is reserved for citizens wishing to address the Board regarding a County related issue. Idaho Law prohibits Board action on items brought under this section except in an emergency circumstance. Comments related to future public hearings should be held for that public hearing. There were no public comments.

E. Adjournment (Action): Chair Duncan adjourned the meeting at 3:18 p.m.

Respectfully submitted,

JENNIFER LOCKE, CLERK

BOCC SIGNATURE

BY: _____
Tina Ginorio, Deputy Clerk