

COOS COUNTY AIRPORT DISTRICT
REGULAR BOARD MEETING
Thursday October 20, 2016

Minutes of the regular monthly meeting of the Board of Commissioners of the Coos County Airport District held on Thursday, October 20, 2016, at 7:30 a.m., in the District Boardroom.

CALL TO ORDER: Vice-Chair Briggs called the meeting to order.

COMMISSIONERS PRESENT:

Helen Mineau, Chair; attended via conference call;
John Briggs, Vice-Chair;
Joe Benetti, Commissioner;
Mike Lehman, Commissioner;
Amy Muenchrath, District Legal Counsel.

ABSENT: Jon Barton, Commissioner.

STAFF PRESENT: Theresa Cook, Executive Director; Bob Hood, Operations Manager; Gordon Gates, Business Manager; Jennifer Groth, Public Information Officer; Robert Brittsan, Executive Assistant.

MEDIA AND GUESTS PRESENT: Jim Innes, CH 14.

PLEDGE OF ALLEGIANCE: Led by Commissioner Lehman.

Section I. Review of Minutes: September 22, 2016 Board Meeting:

Upon a motion by Commissioner Benetti (second - Commissioner Lehman), the minutes of the September 22, 2016 regular Board meeting were approved.

Section II. Review of Invoices:

The Board reviewed new invoices, through October 19th, in the amount of \$366,864.31. Chair Mineau inquired and was informed that a staff member was taking an Oregon real estate licensing class, in order to gain knowledge, but wouldn't be obtaining the certification. Chair Mineau recognized the personal donations made by Douglas and Coos County Commissioners, for replacement of dive equipment lost during the recent rescue efforts in Winchester Bay. A motion

to accept the invoices in the amount of \$355,864.31 by Commissioner Lehman (second – Commissioner Benetti) was approved by the Board.

Section III. Finance Report:

The Board reviewed the Financial Summary report. The month of September showed a slight increase in General Aviation (GA) visits. The final \$27,293 was received from the FAA for the closeout of the last open Airport Improvement Program (AIP) grant, in regards to the new terminal construction project. Commissioner Benetti asked about the current balance on the terminal loan, which is approximately \$900,000 in principal and \$1,126,000 in differed interest. The Business Manager offered that there was no interest on the interest, but 4.56% on the principle. The first payment on the differed interest, of approximately \$130,000, is due on December 1st. The Board discussed funding options, including contacting local banks and the Oregon Infrastructure Finance Authority (IFA). Commissioner Lehman mentioned the Small Nonprofit Accelerated Payment (SNAP) program, for nonprofits and government entities, which is based on issuance of tax free municipal bonds. The Board discussed the SNAP program and the logistics of District utilization.

The United flight from North Bend to Denver ended on October 5th. Commissioner Benetti inquired if United showed any interest in bringing the route back again next year. Conversations with Bandon Dunes Golf Resort revealed that, due to rising costs, United would require more subsidy money. It is unclear if either Bandon Dunes or United desired to partner again for next year. Commissioner Lehman stated that county citizens are more concerned with obtaining better daily Portland flights, instead of funding a twice weekly to Denver. There would still be some money left over from the Small Community Air Service Development (SCASD) grant, but it could only be used for an East-West route. The District has no control over the decision to return to Denver, other than to contribute what was left of the SCASD grant. Even though passenger counts were up over last year, the current 65% load factor would need to be 80% to avoid having to subsidize United. The Board discussed PenAir and expanding its service to Portland. Currently, PenAir won't commit to any additional flights or change in flight times.

Section IV. Discussion Items:

The Operations Manager updated the Board on operational and maintenance issues at the Airport.

The Department of Human Services (DHS) Adult and People with Disabilities (APD) remodel project is nearing completion. Contractors were roughing in the fire

suppression system and the HVAC system has been installed. Walls have been erected and the conduits for the electrical outlets have been inserted. The remodel project is a week to ten days (10) days out from installation of sheetrock. Commissioner Benetti asked and was informed that the project was on time.

The Operations Manager displayed photos showing the current condition of the electrical runway lighting system, which showed signs of corrosion and fatigue. The newest fixtures were about ten (10) years old with the bulk of the lighting and signs on Runway 13-31 being in excess of 25 years. Half of the old electrical lines are not in conduits, they are simply wrapped and buried and sit within the water table. The District was attempting to place the project in the Capital Improvement Project (CIP) list, in order to receive FAA funding. Commissioner Benetti asked and was informed that complete replacement of all lighting and signs would cost approximately \$2.2M. Once the project was recognized on the District's five (5) year CIP plan, it would be eligible for FAA AIP funding at 95%. The Executive Director explained that the current CIP plan calls for a new Aircraft Rescue and Fire Fighting (ARFF) facility. The District had an aviation engineer firm come out and look at the lighting, to help with convincing the FAA to approve the project.

The District's PIO updated the Board on changes recommended to the draft copy of the personnel policy manual. The District formed a committee back in 2012 to revamp the District's personnel policies, which started with a customization of a Special District's Association of Oregon (SDAO) template file. The SDAO reviewed the draft document and provided feedback, which was presented to the Board. Recommendations included, adding the term "At-Will" and changing the phrase "probationary period" to "introductory period". The Oregon Sick Leave Act, ADCA, FMLA, and OFLA definitions were also enhanced. FMLA typically only applies to entities with over 50 employees, however the Airport District must comply because it's a public agency, which doesn't have that stipulation. The nondiscrimination and harassment section was moved forward in the document and the Board discussed the issue with marijuana use, as it is legal in the state of Oregon. Commissioner Benetti inquired and was informed that the District does not do random drug testing, but reserves the right to request testing if an employee is in a security or safety sensitive position or involved in an accident. A reinstatement, rehire and credit for prior service policy was added. Public access to employee files was discussed and would be governed by ORS statutes. A cap on maximum accrued sick leave was set to 480 hours, going forward. A crime victims leave and leave to donate bone marrow policy was added. Sections of the personnel policy manual would be reviewed over the next several Board meetings, after which time the entire personnel policy manual would be presented for Board approval.

The Operations Manager ran through a condensed version of the Bandon Dive Team presentation, which had been previously delivered to the Coos County Commissioners. The slides depicted the history behind the dive team, along with their achievements, training and funding. Commissioner Lehman wondered why the District was financially responsible and speculated that it was due to the Operations Manager, who is also part of the dive team, being employed by the Airport. The Board was concerned by the lack of support from the community and recommended attempting to elicit more engagement from other organizations, such as the Sheriff's Department. The dive team has had two (2) high profile rescues recently, which should go a long way to generate funding support.

The Executive Director updated the Board on the DHS projects. The DHS Remodel will be completed in November with the ribbon cutting set for February. The District was currently waiting on a revised Guaranteed Maximum Price (GMP) number for the DHS build to suit facility. Additions were made by DHS that required the architects to redesign some elements, which resulted in changes having to be made to the GMP. Commissioner Briggs asked and was informed that DHS would be responsible for funding the changes. The build to suite site prep involved relocation of fill material, foundation excavation and removal, and redirection of the water main. At the prior Boarding meeting, the Executive Director estimated the cost to move the water main to be approximately \$15,000. The Coos Bay-North Bend Water Board's initial offer was for \$90,000, which was negotiated down to the Airport's share being around \$30,000. The Executive Director stated that the DHS site had two concrete slabs buried under the fill material that would need to be removed. When the buildings were originally demolished the foundations were left to save time and money. Commissioner Benetti asked and was informed that the District must remove the foundations before building could begin on the site.

Section V. Action Item:

Commissioner Lehman moved to approve a five (5) year master service contract with Mead & Hunt, Inc (second – Commissioner Benetti). Motion passed.

The Executive Director explained that change order #1 modified the existing contract to allow for the addition of fill relocation to subgrade and clearing and grubbing along the southeast boundary of the DHS build to suit site. The clearing and grubbing at the new location would allow for the relocation of the remaining fill material, which couldn't be moved due to lack of available space. Commissioner Benetti asked and was informed that the District was still within budget for site prep. Commissioner Lehman stated that if an opportunity presented itself, the District should move the remainder of the fill now, inexpensively, verses pushing it off to a future date. Commissioner Lehman moved to ratify change order #1, to the

fill relocation contract, in the amount of \$44,000 (second – Commissioner Benetti). Motion passed.

Commissioner Benetti moved to approve Johnson Rock Products, to excavate and remove foundations located at 1431 Airport Lane, in the amount of \$31,780 (second – Commissioner Lehman). Motion passed.

Commissioner Lehman moved to approve relocation of the water main, for the Coos Bay-North Bend Water Board, in the amount of \$31,250 (second – Commissioner Benetti). Motion passed.

Section VI. Commissioner Comments:

The next Board meeting is scheduled for November 17, 2016. The Executive Director informed the Board that, due to her absence, the November Board meeting would only be approval of Board minutes and invoices.

Public Comments:

None

Adjourned to Executive Session at 8:45 a.m.