

COOS COUNTY AIRPORT DISTRICT
REGULAR BOARD MEETING
Thursday February 19, 2015

Minutes of the regular monthly meeting of the Board of Commissioners of the Coos County Airport District held on Thursday, February 19, 2015, at 7:30 a.m., in the District Boardroom.

CALL TO ORDER: Chairman Briggs, called the meeting to order.

COMMISSIONERS PRESENT:

John Briggs, Chairman;
Jon Barton, Vice Chairman;
Joe Benetti, Commissioner;
Mike Lehman, Commissioner;
Helen Mineau, Commissioner;
Andy Combs, District Legal Counsel.

ABSENT: None.

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

MEDIA AND GUESTS PRESENT: Jim Innes, CH 14; Kathy Erickson, Congressman Defazio's Office; Dr. Douglas Crane, County Citizen; Mary Colton, Coos Aviation.

PLEDGE OF ALLEGIANCE: Led by Commissioner Barton.

Section I. Review of Minutes: January 15, 2015 Board Meeting:

Upon a motion by Commissioner Mineau (second - Commissioner Benetti), the minutes of the January 15, 2015 regular Board meeting were approved.

Section II. Review of Invoices:

The Board reviewed new invoices, through February 18th, in the amount of \$98,635.09. Commissioner Mineau declared a potential conflict of interest in making the airfare arrangements for District employee training. Commissioner Mineau declined the standard service fee and the tickets were obtained at cost. Commissioner Barton noted that the electric bill was higher than usual, which was due to the addition of the new hangar. A motion to accept the invoices in the

amount of \$98,635.09 by Commissioner Lehman (second – Commissioner Barton) was approved by the Board.

Section III. Finance Report:

The Board reviewed the Financial Summary page. The Business Manager reported that the revenue from the Airport Use Fees had increased over last year, due in part to transient aircraft overnighting in the new hangar. Fuel Flowage Fees were down, caused by the change of ownership of the fuel farm. Commissioner Lehman inquired and was informed that the fiscal year budget would not need to be adjusted for the decline in fuel sales. No revenue from the parking system was generated last month. Income from PFCs were close to last year, even with a lag in payment from SeaPort Airlines. The Board discussed the Accounts Receivable over 90 days past due line item, the bulk of which was from two sources. The District was currently in negotiations to recover the amounts owed.

The Business Manager reviewed the BEC Fund. The Budget to Actual columns were showing a positive balance, resulting from all but one bay being rented.

The Business Manager discussed the General Aviation (GA) Aircraft Visits Graph. GA visits were 31 for the month of January compared to 48 last year. The revenue generated from the top four tiers, however, increased by 43%. The Airport Use Fees invoiced for January were the most since the Airport implemented the use fees. As a whole, the Airport Use Fees collected were comparable to the past years.

January's enplanements showed an increase of 5% over December. It's the first January, since stats were kept, to show an increase over December.

The Business Manager and Executive Assistant are attending the one day local budget law training class at Southwestern Oregon Community College. The preliminary audit for the 2014/2015 fiscal year is scheduled for May 6th and 7th.

Section IV. Information Items:

The Executive Director updated the Board on operational and maintenance issues at the Airport.

The Reach Air Medical grand opening was held in the new hangar at the end of January. The event was attended by the public, along with local fire departments, county commissioners and other dignitaries.

The Transportation Security Administration (TSA) held an insider threat meeting at the Airport. The District reassessed security at the Airport and made several changes, including removal of all privately owned vehicles (POV) from parking inside the secure area on the airfield.

The parking lot system has been inoperative for several months and is in need of repair. A technician would have to be brought in from out of state at the cost to the District of all travel expenses, parts and labor. The Board discussed the parking system and agreed to make any repairs contingent upon obtaining new air service.

Examination of the District's Polycom teleconferencing system revealed issues when adding more than one incoming attendee. The Airport's conferencing system uses an outdated analog signal within the phone's digital network, connected via a converter board. A software update can be applied to allow the board to handle more than one incoming call, but at the expense of using an external line. The Board decided to abandon the Polycom system and investigate using a web-hosted service to allow the commissioners to attend remotely via the Internet. Commissioner Barton suggested that the District purchase a new conferencing unit that has adequate mics and able to handle multiple user input.

The Board revisited the issue of whether the Airport apartments should be demolished or refurbished. Reviewing the potential increase in income and comparing that to the expense of remodeling each unit, the Board decided that more information was required and to maintain the current course of action.

New aerials were taken of airport property, which the Executive Director used to educate the Board on some of the current tenants, including Reach Air Medical, Peterson Cat and other light industrial sites. The Board requested a detailed statistical breakdown of all Airport property, showing each individual sites location, dimension and lease amount.

The fluorescent light bulbs for the terminal lobby fixtures have been discontinued by the manufacturer. Because no compatible bulbs are available, Staff have been researching other options. District staff managed to locate an adaptor which can be plugged into the existing connector that would allow for a different type bulb to be used.

The Executive Director discussed marketing avenues, with the top priority this year geared toward the new hangar. Last year the District listed select Airport

facilities with a real estate agent. This year the District produced postcards and brochures to help advertise and market all available property, especially the new hangar. The Board discussed possible distribution methods, such as direct mail, Internet, using real estate brokers, and using the local newspaper. The Executive Director would like to create another newspaper insert to distribute in the World newspaper and community shopper. The Board also discussed using social media to disseminate information.

The Executive Director discussed removal of the asbestos siding from the old Coos Aviation building and maintenance building, in preparation of their demolition. The Board deliberated on the reasons to remove the buildings and the configuration of the fence line once the buildings had been removed.

Section V. Committee Reports/Presentations:

None

Section VI. Action Item:

Commissioner Lehman moved to approve the 2015/16 FY budget calendar (second – Commissioner Benetti). Motion passed.

Commissioner Barton moved to approve the Executive Director to be the 2015/2016FY budget officer (second – Commissioner Lehman). Motion passed.

Commissioner Mineau moved to approve the U.S. Contract Tower Association Renewal in the amount of \$2,500 (second – Commissioner Barton). Motion passed.

Commissioner Barton moved to approve utilizing the Small Community Air Service Development Grant (SCASDG) to compensate an unnamed Airline for scheduled non-stop air service between Denver International Airport (“DEN”) and OTH, subject to review by both legal counsels and execution of the revenue guarantee agreement with Bandon Dunes (second – Commissioner Benetti). Motion passed. Commissioner Lehman clarified that there is no financial risk to the Airport, other than the SCASDG.

Commissioner Barton moved to approve the Airline revenue guarantee agreement between Bandon Dunes Golf Resort and the Coos County Airport District, subject to review by both legal counsels (second – Commissioner Benetti). Motion passed.

Commissioner Benetti moved to approve Koos Environmental to mitigate asbestos from the Coos Aviation maintenance and office buildings, in the amount of \$27,882.09 (second – Commissioner Mineau). Motion passed.

Section VII. Commissioner Comments:

Commissioner Briggs announced that the next Board meeting is March 19th, 2015.

Public Comments:

Dr. Douglas Crane addressed the Board and provided them with background information on the costs of building a hangar. Dr. Crane is currently working with the State to build a hangar in Bandon, but would rather build a hangar at the Southwest Oregon Regional Airport, as long as a reasonable rent could be negotiated. The Board should do what they can to bolster General Aviation (GA) traffic and consider a 20 year land lease at \$0.21 to \$0.25 a square foot, after which time it should be allowed to be renewed, transferred or bequeathed. The Board considered the information presented and agreed to assemble a property management committee to review the proposal, in regards to FAA rules and regulations and Airport policy.

Adjourn to Executive Session at 9:10 a.m.