

COOS COUNTY AIRPORT DISTRICT
REGULAR BOARD MEETING
Thursday March 31, 2016

Minutes of the regular monthly meeting of the Board of Commissioners of the Coos County Airport District held on Thursday, March 31, 2016, at 7:30 a.m., in the District Boardroom.

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

COMMISSIONERS PRESENT:

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

ABSENT: None

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

MEDIA AND GUESTS PRESENT: Gordon Young, CH 14; Kortney Johnson, Johnson Rock Products.

PLEDGE OF ALLEGIANCE: Led by Commissioner Benetti.

Section I. Review of Minutes: February 18, 2016 Board Meeting:

Upon a motion by Commissioner Benetti (second - Commissioner Mineau), the minutes of the February 18, 2016 regular Board meeting were approved.

Section II. Review of Invoices:

The Board reviewed new invoices, through March 30th, in the amount of \$153,605.10. Chairman Briggs inquired about what appeared to be duplicate invoices. Because it had been five (5) weeks between Board meetings, some of the line items reflect two months' worth of billings. A motion to accept the invoices in the amount of \$153,605.10 by Commissioner Lehman (second – Commissioner Benetti) was approved by the Board.

Section III. Finance Report:

The Board reviewed the Financial Summary page. The Business Manager reported that the District's financial position through February looked strong and in accordance with the budget and was forecasted to remain so through the end of the fiscal year.

The Business Manager provided background information on one of the action items to be approved at this Board meeting. The action item would authorize an additional \$65,000 inter-fund loan from the General Fund to the BLM Fund. Commissioner Benetti inquired and was informed that \$65,000 more was needed in the BLM Fund in order to pay Ash Creek on April 1. It was anticipated that repayment from the BLM fund to the General Fund would occur prior to the end of the fiscal year.

Commissioner Benetti asked about the Oregon Infrastructure Finance Authority (IFA) refinancing timeline for payment to HomeStreet Bank. The Executive Director offered that the contract should be available next week and anticipates having it at the April Board meeting for approval. A lump sum payment to HomeStreet Bank for the BLM facility was also due on April 1, 2016. The Business Manager contacted HomeStreet and obtained a ninety (90) day extension. Commissioner Benetti inquired and was informed that the fee for the extension was \$5,000.

The Business Manager reported that a supplemental budget may need to be approved at the April Board meeting.

The Business Manager announced that all of the T-Hangars have been rented, that he and the Executive Assistant attended the local budget law training class at SOCC, and that the preliminary audit was scheduled for April 13-14.

Section IV. Information Items:

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

Due to the unusual heavy rain fall and high tides, large sections of the north perimeter bank succumbed to erosion. Working in conjunction with City of North Bend personnel, Airport Staff was able to conduct the repair.

The Oregon State Police (OSP) and Bureau of Land Management (BLM) HVAC systems have not been receiving any scheduled preventative maintenance service. Two (2) maintenance agreements were on the agenda for Board approval.

The Executive Director updated the Board on the status of air service at North Bend. The PenAir inaugural event, held on March 21st, was well attended. PenAir now flies the Portland route, using a 30 passenger Saab 340. PenAir has also picked up routes in the Midwest and has applied for six (6) Essential Air Service (EAS) grants. United has confirmed their Denver flight for Sundays and Wednesdays from June 12th through October 5th at 2pm. The first week is already booked, which is great for the community.

The District's Operations Manager was recognized by the USCG and presented with the Certificate of Valor, by a three star admiral, for his part in the rescue of three individuals trapped in an overturned boat.

Section V. Committee Reports/Presentations:

None

Section VI. Action Item:

Commissioner Mineau moved to approve the agreement between Bandon Dunes Golf Resort and the Coos County Airport District for Airline revenue guarantee. Bandon Dunes Golf Resort provided the District with an agreement for funding of the Denver flight, at the negotiated rate of 76.9% of the Small Community Air Service Development Grant's (SCASDG) invoiced amount. Commissioner Barton asked and was informed by the District's Legal Counsel, that the District was not obligated to pay Bandon Dunes if the grant money reimbursement was denied. (second – Commissioner Barton). Motion passed.

Commissioner Mineau moved to approve the DAS/DHS Senior Services Agreement. The Board discussed the fiscal impact to the District. Commissioner Benetti inquired and was informed that the remodel costs to the former ACS call center should be approximately \$800,000, depending on the Architect's design. The District would pursue a loan for \$1M. The Board would be able to make more informed decisions, once the design had been completed. Commissioner Lehman asked about the remodel, that had already occurred when the Lighthouse Charter School was interested in the building. The Executive Director responded that the prior demolition work created a blank slate, which would help save money on the current project. Commissioner Lehman inquired and was

informed that the Lighthouse School remodel was funded from the General Fund. Commissioner Lehman wondered if the District should borrow enough to reimburse the General Fund. (second – Commissioner Benetti). Motion passed.

Commissioner Barton moved to approve the DAS/DHS Build to Suit Agreement. The Board discussed the fiscal impact to the District. District Legal Counsel informed the Board that both DHS lease agreements have an exit clause, whereby DHS can walk away from the agreement if funds aren't available. Commissioner Lehman offered that it is a standard clause and is in all agreements with the state (second – Commissioner Mineau). Motion passed.

Commissioner Mineau moved to approve the HGE, Inc. architects contract, subject to the recommended insurance language changes. (second – Commissioner Benetti). Motion passed.

Commissioner Lehman moved to approve LRS Architects contract, contingent upon changes recommended by Perkins Coie LLP. District Legal Counsel forwarded the LRS Architects contract to Perkins Coie LLP, who reviewed and recommended changes to the AIA document. Commissioner Benetti asked how LRS was selected. On February 29, 2016, the District requested Statements of Qualifications (SOQs) from interested and qualified firms for Architectural, Engineering and Design Services for a 44,000 sq. ft. Oregon Department of Human Services (DHS), Child Welfare (CW) and Self Sufficiency Programs (SSP) build to suit facility. Qualifications were received from four (4) architecture firms. The District's selection committee reviewed all submittals and chose LRS Architects due in part to their experience in working with DHS. (second – Commissioner Lehman). Motion passed.

Commissioner Mineau moved to approve the Messerle and Sons DHS site prep plan, not to exceed \$15,000 (second – Commissioner Benetti). Motion passed.

The motion to approve the Executive Director to Negotiate the Fill Removal and Site improvement project based on the lowest bid, was tabled due to a change in the scope of the project.

Commissioner Mineau moved to approve the Owner's Representative Independent Contractor Agreement. The Board discussed liability insurance and the requirements of the job. Commissioner Lehman voiced concerns with hiring an owner's representative from outside the county, as a local person may be better suited for the position. (second – Commissioner Benetti) Chairman Briggs, Commissioner Barton, Commissioner Benetti and Commissioner Mineau voted Yea, Commissioner Lehman voted Nay, Motion passed.

Commissioner Mineau moved to approve the Oregon Infrastructure Finance Authority (IFA) loan contract, subject to review by District Legal Counsel. The loan would be \$2,216,766 at 3.30% for a term of 25 years. (second – Commissioner Barton). Motion passed.

Commissioner Barton moved to ratify Oregon Infrastructure Finance Authority (IFA) amendment number 2 for Loan L06005 (second – Commissioner Mineau). Motion passed.

Commissioner Barton moved to approve Resolution 2016-03-01, an Inter-fund loan from the General Fund to the BLM Facility Fund, in the amount of \$65,000 (second – Commissioner Mineau). Motion passed.

Commissioner Benetti moved to approve the HVAC service contract upgrade for the BLM facility (second – Commissioner Mineau). Motion passed.

Commissioner Lehman moved to approve Comfort Flow Heating to provide HVAC maintenance service to the Oregon State Police facility. (second – Commissioner Benetti). Motion passed.

Commissioner Mineau moved to approve the purchase and installation of a security camera system from Oregon Satellite, in the amount of \$7,825. (second – Commissioner Benetti). Motion passed.

The motion to approve the Executive Director to retain Oregon Fence Co. to provide labor and materials to install fencing and security gates at the BLM facility, in the amount of \$66,927 was tabled.

Section VII. Commissioner Comments:

The first Budget Committee meeting was scheduled for April 4th. The Executive Director informed the Board that there may not be enough committee members for a quorum and therefore no action could be taken. The Board discussed options, including canceling the first budget meeting, since the second Budget Committee meeting was scheduled for April 18th. Commissioner Barton requested that if the first budget meeting was canceled, that the Budget documents be made available before the April 18th Meeting. The next Board meeting was scheduled for April 21st, 2016.

Public Comments:

None

Adjourned to Executive Session at 8:50 a.m.