

COOS COUNTY AIRPORT DISTRICT
REGULAR BOARD MEETING
Thursday April 16, 2015

Minutes of the regular monthly meeting of the Board of Commissioners of the Coos County Airport District held on Thursday, April 16, 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 (attended via conference call);
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: Gordon Young, CH 14; Brent Pahls, County Citizen; Mary Colton, Coos Aviation.

PLEDGE OF ALLEGIANCE: Led by Chairman Briggs.

Section I. Review of Minutes: March 19, 2015 Board Meeting:

Upon a motion by Commissioner Lehman (second - Commissioner Mineau), the minutes of the March 19, 2015 regular Board meeting were approved.

Section II. Review of Invoices:

The Board reviewed new invoices, through April 15th, in the amount of \$88,558.52. A motion to accept the invoices in the amount of \$88,558.52 by Commissioner Mineau (second – Commissioner Benetti) was approved by the Board.

Section III. Finance Report:

The Board reviewed the Financial Summary page. The Business Manager reported that revenue from taxes was on schedule and better than last year.

March was a good month for collecting transient aircraft use fees, with about \$3,300 coming from over six months past due. Passenger Facility Charge (PFC) revenue showed a substantial increase, due to SeaPort Airlines paying three months worth of fees.

The Statement of Long Term Debt page depicted that the loan for the fuel farm had been paid off and that Smith&Smith and the commercial hangar loan had been added.

The Business Manager reviewed the General Aviation (GA) Aircraft Visits Graph. GA visits were 71 for the month of March compared to 65 last year. Overall, the makeup of GA aircraft was better this year, with several planes in the top two tiers. Due to ongoing efforts in locating delinquent payments, the Airport Use Fees collected showed a drastic increase. Both the Airport Use Fees Collected and Airport Use Fees Invoiced increased over last year.

March's commercial aircraft enplanements graph showed an increase of 44% over February, signaling the start of the summer season.

Last week, staff was kept busy with the preliminary audit and with preparing documents for the first budget meeting.

Section IV. Information Items:

The Operations Manager updated the Board on operational and maintenance issues at the Airport. Emergency Medical Responder (EMR) training was attended by District staff, 12 hour of continuing education every two years is required. Another sinkhole had developed on the south ramp, just south of the original sinkhole that had occurred last summer. The City of North Bend was informed and would be responsible for funding the repair, which was related to the damage caused by an old city pipe that had deteriorated. Johnson Rock was retained and would perform the repair. The airport perimeter fence would be removed and a temporary one erected to allow access to the site. The Repair should take approximately two weeks.

The Operations Manager discussed the effects of ship traffic, in the Coos Bay channel, on the Airport's runway safety zones. The maximum allowable obstruction height for a moving obstruction within the airport safety zone was 144'. Obstructions above the 144' limit may cause problems with the Instrument Landing System (ILS). Working with the three (3) local ship terminals, the airport has started to compile a database of ships and their air drafts, which is the height of the vessel above the water line. Using a ship tracker program the airport is able to track incoming ships to determine the exact moment that they would be in

the area. Knowing the ship's schedule, its' current location and size, the Airport would be able to mitigate any potential obstruction problems, for those ships that are above the 144' limit.

The Executive Director informed the Board of plans to attend an air service conference in California, next week. Approximately 20 airlines will be in attendance. Meetings were scheduled with SkyWest, United, PenAir, and SeaPort Airlines. The Airport recently signed a contract with United for service to Denver, Sundays and Wednesdays through the summer, from July to October. The Board discussed advertising options in order to assist in filling the CRJ-700, which is a 70 passenger jet. If the North Bend to Denver route is successful this season then additional service could be added for next year.

PenAir is the second largest regional airline in Alaska and has a codeshare with Alaska Airlines. PenAir recently obtained an Essential Air Service (EAS) grant to provide non-stop air service from Crescent City, California to Portland, Oregon and may add North Bend to their route. PenAir was looking for a maintenance hangar for their fleet of 37 passenger, Saab 340s. Overnighting in North Bend would also provide additional air service to Portland.

The Board discussed marketing plans and advertising campaign options, including direct mail, radio, and social media, such as Facebook and Twitter. Optimally, any advertising would target only those people who use air service. Hiring an expert may be the best option in locating that target audience. The Board directed the Executive Director contact other airports, talk to Sixel (our air service consultant) and Bandon Dunes, in order to formulate a long term plan. In the short term, the Airport would proceed with distribution of a newspaper insert and use of a portable billboard to advertise the Denver route. The moveable billboard would be positioned in key areas and relocated up and down the coast.

The old Coos Aviation buildings, that were damaged by the hangar fire back in December 2012, were slated to be removed. A burn-to-learn was scheduled with the North Bend Fire Department, which has since been postponed, due to safety concerns. Initial estimates for demolition of the larger of the two buildings were around \$50,000. The Board discussed options, including the possibilities of staff doing some of the work.

A draft of the Airport's leasing policy was to be presented to the Board at this meeting, but unforeseen events altered the timeline. Several meetings were held by the Airport Real Estate Committee, consisting of the Executive Director, two

Board members and select airport tenants. Through those meetings, the Real Estate Committee determined that the Master Plan would ultimately dictate the final Airport policy on leasing. The Executive Director would bring a formal report to the Board at the next meeting.

The Executive Director announced that the budget report would be available by next week's Budget meeting.

Section V. Committee Reports/Presentations:

None

Section VI. Action Item:

Commissioner Lehman moved to approve the Coos Aviation Lease Agreement (second – Commissioner Benetti). Motion passed.

Commissioner Mineau moved to approve the appointment of Michael Collins to the Coos County Airport District's Budget Committee, for a three (3) year term (second – Commissioner Lehman). Motion passed.

Approval to add curbing along the new hangar road was tabled until the next Board meeting.

Commissioner Barton moved to ratify the agreement between Bandon Dunes Golf Resort and the Coos County Airport District for Airline revenue guarantee (second – Commissioner Mineau). Motion passed. Commissioner Lehman reaffirmed that there was no financial liability to the Airport.

Commissioner Mineau moved to approve Marineau & Associates to appraise BLM property, in the amount not to exceed \$7,850.00 (second – Commissioner Benetti). Motion passed.

Section VII. Commissioner Comments:

The first budget meeting will be held on Monday April 20th, and the next Board meeting was May 21st, 2015.

Commissioner Lehman thanked the Executive Director and staff for all their hard work in obtaining air service.

Public Comments:

Brent Pahls introduced himself to the Board and expressed an interest in being on the Board. He was running for an Airport District Board position in the May election. Mr. Pahls is a local business owner, airport tenant and GA pilot. The budget committee was short one (1) citizen member, for which Mr. Pahls volunteered to serve.

Commissioner Lehman moved to approve the appointment of Brent Pahls to the Coos County Airport District's Budget Committee, for a three (3) year term (second – Commissioner Barton). Motion passed.

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