

**COOS COUNTY AIRPORT DISTRICT**  
**REGULAR BOARD MEETING**  
Thursday April 21, 2016

Minutes of the regular monthly meeting of the Board of Commissioners of the Coos County Airport District held on Thursday, April 21, 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; Gordon Gates, Business Manager; Robert Brittsan, Executive Assistant.

**MEDIA AND GUESTS PRESENT:** Gordon Young, CH 14.

**PLEDGE OF ALLEGIANCE:** Led by the Executive Assistant.

**Section I. Review of Minutes: March 31, 2016 Board Meeting:**

Upon a motion by Commissioner Benetti (second - Commissioner Mineau), the minutes of the March 31, 2016 regular Board meeting were approved.

**Section II. Review of Invoices:**

The Board reviewed new invoices, through April 20th, in the amount of \$451,539.23. A motion to accept the invoices in the amount of \$451,539.23 by Commissioner Lehman (second – Commissioner Mineau) 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 March was down slightly from the previous month, but year to date still looked good. March showed a

decrease in revenue of approximately \$52,000 over last month, but was comparable to March of last year. The District was still waiting on payment of approximately \$298,000 in reimbursements from the combination of the District's three (3) open federal grants.

The Business Manager reviewed the General Aviation (GA) Aircraft Visits Graph. GA visits were 51 for the month of March, compared to 71 last year. Due to the mixture of aircraft, there was only a \$685 reduction in billable Airport Use Fees. Comparing the average year-to-date revenue generated from the Airport Use Fees over the past four (4) years versus the current year, showed an increase of 12%. The graph also depicted that March was slightly ahead of the average in both invoiced and collected fees than March of 2015.

The Business Manager reviewed the Commercial Enplanements Graph and noted that PenAir had been added, with 220 enplanements for the month of March. Commissioner Benetti asked and was informed that PenAir started air service from North Bend to Portland, on March 21<sup>st</sup>.

The Business Manager created a new chart detailing the history of rental car revenue over the last 6 years. Annually, Hertz and Enterprise account for an average of \$90,000 in commission revenue. Hertz accounts for roughly 70% of that amount. Commissioner Lehman liked the graphs as they were concise and informative. Commissioner Benetti inquired about the new contract with Enterprise. The Enterprise contract was adjusted to allow for the minimum guaranteed amount to be calculated and applied annually instead of monthly, thus alleviating the need of the District to have to reimburse Enterprise at the end of the year.

The District was still waiting on the Oregon Infrastructure Finance Authority (IFA) loan refinance of the BLM facility. The Executive Director stated that the title company had the documents and it should close within the next three (3) weeks. Commissioner Benetti verified that the IFA loan was for a 25 year period.

The Business Manager announced that the Smith and Smith settlement note was now down to the last four (4) payments and that the preliminary audit occurred April 13-14, with no issues reported.

Commissioner Lehman reminded the Business Manager of the District's Budget Committees' request to assemble historical data on the parking lot revenue, in relation to flight schedules and load factors.

Chairman Briggs was concerned with \$16,000 of the aged receivables being over 90 days past due. The Business Manager was instructed to investigate how many of those were over six (6) months in arrears.

#### **Section IV. Information Items:**

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

District staff have been preparing the airfield for the FAA's annual Part 139 certification inspection, scheduled to begin on May 2, 2016.

The first step in preparation of the Department of Human Services (DHS) build to suit site was the removal of a forested area. With DEQ approval, the contractor had started taking down trees and burning brush. Commissioner Benetti inquired about the contracts for excavation of the DHS site. The Executive Director responded that the DHS excavation contracts were on hold until the site prep work had been completed. There would have to be an engineered plan in order to move the fill material. The original scope of work had changed, as fill dirt would be spread out over the site area and not hauled away, as previously determined.

At some point during the past night, the terminal awning overhang had been damaged. Airport staff will look at video surveillance focused on the entryway, in order to determine the cause. The damage isn't severe and doesn't pose a safety issue. Repair estimates would be obtained and an insurance claim filed.

The Executive Director updated the Board on the upcoming stakeholders meeting being held in Salem, on both the DHS build to suit and remodel projects. It will be the first meeting between the Airport District, DHS, LRS Architects and HGE Architects. Initial plans are to hold a meeting at least once a month. LRS is working on the preliminary design of the build to suit building, while HGE was on their third submittal and has received design approval for the remodel. LRS indicated that they needed six (6) months for the design phase of the build to suit site. The Board discussed the project timeline and being able to meet the contract deadline. There should be plenty of time because LRS has worked closely with DHS in the past.

The District's budget meeting occurred at the beginning of the week, and went well. The Budget Committee approved the budget in one meeting and will be presenting it to the Board at the regularly scheduled June meeting. Commissioner Lehman complimented the Executive Director and Business Manager on a nice clean Budget.

The District has made past efforts to lease the 30,000 sq. ft. hangar, by mailing out postcards, sending booklets to trade shows, and posting ads online. Since no activity was generated, the District reached out to enlist the help of a hangar broker. The District received a proposal from CBRE Group, Inc. who have an aviation division that deal with clients from Washington, Oregon and California. The Executive Director also contacted Cushman & Wakefield for their insight and recommendation. The first proposal from CBRE was geared towards the sale of the hangar, which was not an option. Sale of the hangar has since been removed from subsequent revisions. The CBRE proposal was for a yearlong listing at a 6% commission rate to be paid upon execution of a lease. Commissioner Benetti asked and was informed that there was a meeting scheduled between the District and CBRE, for next week. The Board discussed lease terms and commission percentages and that the District's Legal counsel would be consulted before anything was executed. Commissioner Lehman stated that what the District had been doing to try and lease the hangar wasn't working and that at the end of one year with CBRE, the District would still be better off. Commissioner Barton had concerns over the 12% interest rate listed in the proposal. The District's Legal Counsel agreed that 9% was typical. The Executive Director polled the Board and all members were comfortable with a year contract for marketing the hangar with CBRE.

**Section V. Committee Reports/Presentations:**

None

**Section VI. Action Item:**

Chairman Briggs announced a change to the action Items. The District's Legal Counsel merged Resolution 2016-04-02, a transfer of appropriations, with Resolution 2016-04-01, a loan from one fund to another. Chairman Briggs noted that there was still two minor changes that needed to be addressed, to change the resolution title and to add a "WhereAs" clause, in order to create the appropriation. Commissioner Barton moved to approved Commissioner Mineau and Chairman Briggs to execute Resolution 2016-04-01 after the adjustments had been made in accordance with Oregon Revised Statutes (second – Commissioner Lehman). Motion passed.

**Section VII. Commissioner Comments:**

The Executive Director, Business Manager and several Commissioners will be unable to attend the regularly scheduled meeting on May 19th. The next Board meeting was rescheduled for May 26th, 2016.

**Public Comments:**

None

**Adjourned to Executive Session at 8:25 a.m.**