

**COOS COUNTY AIRPORT DISTRICT**  
**REGULAR BOARD MEETING**  
Thursday June 18, 2015

Minutes of the regular monthly meeting of the Board of Commissioners of the Coos County Airport District held on Thursday, June 18, 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; Bob Hood, Operations Manager; Gordon Gates, Business Manager; Robert Brittsan, Executive Assistant.

**MEDIA AND GUESTS PRESENT:** Gordon Young, CH 14; Mary Colton, Coos Aviation; MJ Koreiva, Budget Committee Chairman.

**PLEDGE OF ALLEGIANCE:** Led by Commissioner Barton.

**Section I. Review of Minutes: May 21, 2015 Board Meeting:**

Upon a motion by Commissioner Lehman (second - Commissioner Barton), the minutes of the May 21, 2015 regular Board meeting were approved.

**Section II. Review of Invoices:**

The Board reviewed new invoices, through June 17th, in the amount of \$117,310.49. Commissioner Mineau announced the addition of a last minute invoice, in the amount of \$28,400 for the building demolition project, bringing the total to 145,710.49. A motion to accept the invoices in the amount of \$145,710.49 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, year to date, the Airport Use and Transient Fees revenue had already surpassed the budgeted amount for the fiscal year and was almost \$40,000 ahead of this time last year. Revenue from terminal concessions and Passenger Facility Charges (PFC) will be close to last year but well short of the budgeted amount.

The Business Manager reviewed the General Aviation (GA) Aircraft Visits Graph. GA visits were 155 for the month of May compared to 145 last year. Year to date GA visits were 1,186 last year versus 1,278 this year, which is an 8% increase. The Airport Use Fees invoiced for May were up 32% over May of last year and had surpassed the best year (2011/12) by \$6,000.

The Fuel Flowage graph showed that fuel sales for the month of May were down roughly 20,000 gallons from 63,000 to 43,000, as compared to May of last year. Commissioner Mineau offered that the decline may be due to the purchase of Ocean Air by Reach Air Medical which resulted in no flowage fees being charged for the existing 60,000 gallon inventory of fuel in their tank.

The Business Manager reviewed the Commercial Enplanements graph and noted that SkyWest enplanements were 1,345 this month, which was similar to the previous month. SeaPort enplanements, however, were 1,083 for the month which was a substantial increase over last month, due to the addition of another flight for the summer. Commissioner Lehman requested that the enplanement information be displayed in a different graph format to better highlight the significant data.

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

The Board reviewed operational and maintenance issues at the Airport. The old Coos Aviation office and maintenance buildings have been demolished, freeing up space for future apron expansion. Both of the Coos Aviation buildings were down within hours, with complete site cleanup taking about two (2) days.

The Mangan Dike protective log boom assembly and cement anchor blocks were removed. Those cement blocks that were embedded in the dike itself were left to provide support. It took four (4) days to complete the project with several areas around the embedded concrete support blocks displaying small amounts of erosion, for which Messerle & Sons is currently preparing a repair quote.

The current Baggage Belt System was installed new in 2007 by The Horsley Company, during the construction of the terminal building and is now experiencing numerous problems. The issue at this time appears to be either a software or hard drive problem with the computer control system. Several warning alarms are not functioning or are working intermittently. The electrical drive motor on the exterior baggage belt section had also failed and was replaced, which is probably unrelated to the computer issue as several motors have been replaced over the past few years, due to wear. Staff has contacted Horsley and obtained an estimate of the costs associated with repairing or upgrading the computer system.

A second option was being explored involving a local company, Kyle Electric, who had expressed their desire to maintain and repair the baggage system. At this time Kyle Electric's staff is conducting research on the issue to ensure they would be able to provide the service necessary to meet the needs of the District. Kyle Electric has not confirmed that they are fully capable of maintaining the entire system, even though they have experience with electrical and mechanical components.

Commissioner Barton inquired about the function of the computer control system. The computer manages the alarm system, performs diagnostics, and monitors baggage flow. Commissioner Lehman was concerned with relying on a local company to be able to operate and maintain the system. Kyle Electric has already been involved in the maintenance of the system, and would just need to learn the computer component or provide an alternative. It was noted that the system is outdated and is no longer supported by Horsley, who may also have a proprietary license on the computer system. The Board discussed options, including researching the cost of replacing the entire baggage system, including the computer control. The baggage system is currently up and running but has two separate reoccurring problems, the computer monitoring issue and the mechanical baggage belt and drive motor failures. The Board agreed that the baggage system is an integral part of air service and a long term permanent solution should be implemented.

The Executive Director recapped the Mangan Dike log boom removal process and had authorized that fill material be placed around the concrete block to repair the erosion. Commissioner Lehman inquired and was informed that, according to the contract, the Mangan Dike would require maintenance be provided by the Airport for the length of the agreement. Commissioner Barton, asked who was responsible for requesting that the log booms be removed. The Army Corp of Engineers gave temporary authority to install the log boom, but ultimately the

land owner and the weather determined the removal timeline. The Army Corp of Engineers did not give authority for the booms to be a permanent fixture. Commissioner Lehman stated that the Airport should be resolved to minimize liability and make attempts to buy the agreement from the landowner. The Board discussed options and agreed to research things further.

The Executive Director reminded the Board of the July 1 inaugural event for nonstop air service to Denver. The Executive Director discussed the best case scenario for future air service at North Bend. SeaPort and PenAir, would provide air service to Portland. SkyWest would fly to San Francisco and also the possibility of flying to Seattle. On a seasonal basis, United would provide air service to Denver. Commissioner Mineau mentioned that SkyWest is again flying every day of the week. The Board discussed renting of the new commercial hangar and looking into providing incentives to encourage companies to move here.

The old Coos Aviation buildings that were recently demolished, provided a security barrier that now no longer exists. A temporary security fence has been installed while the permanent fence line is determined. The Board discussed how best to secure the Airport and where to place the fencing and access gates. The Master Plan recognized the site of the Coos Aviation buildings as future ramp, but currently there are no funds available to proceed. The demolition site, although clear of debris, is still a ruff empty slab and unsuitable for aircraft parking at this time.

Currently the realigned road that goes by the Airport apartments, maintenance building, the backside of the hangar and ends up at the terminal, is unsecure. Recently a car, with a serious flat tire and proceeding on just the rim, drove off the road and got stuck in the soft soil to the north of the new hangar. The driver could have easily done major damage to the hangar office area, if he had gone off the road just a little further up. Vandalism has also been occurring around the Airport. The vulnerability of the hangar, fuel farm, and the recent vandalism dictated that the Airport look at access points that were open to the public. The Board reviewed existing roads, fence lines, gates, and access points. The Executive Director proposed: moving the fence, topped with 3 strand barbed wire, back up the hill; installing two (2) electric gates, one at the fire station and one cutting off the road heading to the terminal from the hangar; and installing one (1) manual gate next to the maintenance building. Changes would also include limiting access at the FBO and creation of a cargo loading area. Access would also be restricted to the area by requiring ID badges to get through the

gate, registration of all vehicles, and use of a parking pass or sticker. Commissioner Lehman inquired about funding of the changes. Although not directly slated for this project, the budget could be adjusted to cover the costs associated with the security adjustments. The Airport would also put any reimbursement received from an insurance claim, for the electric gate that was destroyed in the hangar fire, towards a new gate. Mary Colton inquired about receiving U.S. Postal service for those businesses located within the secure area. A mailbox could be installed outside of the gated area.

The Executive Director reminded the Board of the Special District Association of Oregon's best practices training that was being held in Florence.

The Board discussed available leasable space, including the ACS, BEC, the ConnectOregon IV hangar and office, and vacant property to be developed. The Airport has had interest in warehouse space from marijuana growers, classroom space from the Carpenters Institute to hold training for the LNG project and warehouse/office space to expand an existing tenant. Because the Airport is federally funded, marijuana is not an option. The Airport plans on issuing a Request For Proposal (RFP) for development of warehouse/office space of approximately 10,000 sq. ft. on vacant Airport property.

The District received a request from a local little league baseball organization to build a field by BLM. Land is at a premium and a baseball field may not be the best use of Airport property. At this time the Airport is not willing to contribute any time or funds to the project. The league should contact the City of North Bend.

The Oregon Department of Administrative Services issued their RFPs for leasing of 18,000 sq. ft. and 40,000 sq. ft. of office space. The Airport will respond by the July deadline.

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

None

#### **Section VI. Action Item:**

The Budget Committee Chairman recommended the Board approve the proposed budget. The Board accepted and reviewed the presented budget. Commissioner Benetti moved to adopt resolution 2015-06-01 approving the FY 2015/2016 Annual Budget in the amount of \$7,792,181 and certification of the tax rate at \$0.24 per \$1,000 (second – Commissioner Lehman). Motion passed.

**Section VII. Commissioner Comments:**

The next Board meeting was moved from July 16 to July 23rd, 2015.

**Public Comments:**

None

**Adjourn at 9:05 a.m.**