

**COOS COUNTY AIRPORT DISTRICT**  
**REGULAR BOARD MEETING**  
Thursday July 23, 2015

Minutes of the regular monthly meeting of the Board of Commissioners of the Coos County Airport District held on Thursday, July 23, 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; Stephanie Kilmer, K-Dock Radio.

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

**SWEARING-IN OF NEWLY ELECTED COMMISSIONERS:** District Legal Counsel swore in Commissioner Briggs, Commissioner Mineau and Commissioner Lehman for a 4 year term.

**ELECTION OF OFFICERS:** Commissioner Barton moved to reelect Commissioner Briggs as Board Chairman (second Commissioner Lehman), motion passed. Chairman Briggs moved to elect Commissioner Mineau as Board Vice Chairman (second Commissioner Barton), motion passed.

**Section I. Review of Minutes: June 18, 2015 Board Meeting:**

Upon a motion by Commissioner Mineau (second - Commissioner Benetti), the minutes of the June 18, 2015 regular Board meeting were approved.

## **Section II. Review of Invoices:**

The Board reviewed new invoices, through July 22nd, in the amount of \$184,690.04. A motion to accept the invoices in the amount of \$184,690.04 by Commissioner Mineau (second – Commissioner Barton) was approved by the Board.

## **Section III. Finance Report:**

The Board reviewed the Financial Summary page. The Business Manager reported that, year to date, this year's core operating revenue was \$1.625M compared to \$1.587M last year, which is an increase of about 3%.

The Business Manager reviewed the General Aviation (GA) Aircraft Visits Graph. GA visits were 151 for the month of June compared to 223 last year, which directly translated into \$12,000 less in revenue for the month. Year to date, however, the Airport showed an increase of 20 aircraft over the previous year. In the 2013/14 fiscal year, there were 18 GA visits from aircraft in the top tier category, compared to 30 this fiscal year. The Airport Use Fees invoiced for June were slightly less than for June of the previous year but revenue collected for the month increased substantially due to more aircraft overnighing on the ramp. The 2014/15 fiscal year showed \$295,000 in total revenue, up from the \$277,000 posted in the prior year.

The Business Manager reviewed the Commercial Enplanements Graph and unveiled a new chart comparing annual enplanements, over the past six (6) years. The new graph showed that, overall, this year's enplanements were up 13% over the previous year. The Executive Director noted that SeaPort Airlines, operating North Bend to Portland, had more enplanements for the year then did SkyWest when they were operating the route, back in 2010.

The Board discussed the logistics of having the Airport's FBO process Airport Use Fees.

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

The Board reviewed operational and maintenance issues at the Airport. The 30 year old airfield regulators that control the runway lighting on Runway 13/31 will eventually need to be replaced, at an approximate cost of around \$28,000. Due to the Runway 4/22 overlay upgrades back in 2003/2004, the District does have a spare old style regulator which could be used for parts. Upgrading the existing unit to meet current standards would be approximately \$5,000 and would buy a couple more years of service, however it would still need to be replaced within

the next five (5) years. The Board discussed future planning and AIP funding for maintenance issues pertaining to aging of the Airport's infrastructure. Commissioner Lehman requested that the District look at planned obsolescence in future budgets. Chairman Briggs offered that monies be set aside each year to fund upgrades and maintenance.

The Operations Manager updated the Board on the current state of the Baggage Belt System. As reported at the prior Board meeting, the issue appears to be a problem with the computer control system. Several warning alarms were not functioning or worked intermittently. A better more cost effective solution to the repair may have been located, compared to having to do a complete system overhaul. Commissioner Barton inquired and was informed that the baggage system is functioning, just the computer oversight control is non-operational.

The FAA part 139 certification inspection went well, with only a couple of minor discrepancies. The inspector did note that the Runway 13/31 threshold lights would need to be relocated by December 31, 2016.

The Executive Director updated the Board on the status of the new air service to Denver. Passenger load factors so far were around 50%, which was good for a new route that has had limited promotion. The San Francisco route was maintaining a load factor of 80% and has also been remarkably better at being on time. Commissioner Lehman suggested that we forward that information on to the traveling public. Discussions with Bandon Dunes Golf Resort revealed that SkyWest was looking at the possibility of suspending operations through the winter. That would not be optimal for the Airport because it would be much harder to come back after taking a couple of months off. The Airport cannot directly subsidize an airline but there may be other viable alternatives to keep them here for the winter.

The Executive Director presented the Board with Oregon House Bill 2075. HB2075 authorizes the Oregon Department of Aviation to set aside two (2) cents of every gallon of aviation fuel sold to cover Airport Improvement Program (AIP) matching fund obligations.

The last Board meeting discussed the relocation of the perimeter security fence and installation of new electric gates. The estimates came back higher than anticipated, due to the cost of having to trench and run electrical lines to the gates. District staff is researching the possibility of breaking the project into two parts, separating the electrical from the mechanical.

Chairman Briggs and Commissioner Mineau attended a SDAO sponsored board training event, in order to save the Airport 2% on general liability insurance costs as part of the SDAO best practices program.

The Oregon Department of Administrative Services (DAS) issued their RFPs for leasing of 18,000 sq. ft. and 40,000 sq. ft. of office space. The Airport responded by the July deadline and has already been contacted by the DAS in regards to the submittal.

UPS submitted a request to renew their lease for five (5) years at 95% of fair market value (FMV). The Airport's property management committee would need to be convened to address the land lease rates and in determining FMV.

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

Stephanie Kilmer presented the Board with the new, nearly finished, mobile friendly, FlyOTH website. The new site is now linked directly to social media outlets, such as Facebook. The Board discussed targeted social networking placement within the Denver area and expanding into the San Francisco and Portland markets. The Board authorized the new FlyOTH site be launched and to apply the same Denver campaign to the Portland and San Francisco markets.

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

Commissioner Mineau moved to approve resolution 2015-07-01 to accept the FAA grant offer for AIP Project No. 3-41-0041-040-2015 in the amount of \$272,930 (second – Commissioner Benetti). Motion passed. The Board discussed future payment options on the terminal construction loan, now that the FAA's obligation to the terminal debt was complete.

Commissioner Mineau moved to approve the renewal of the PEG Broadcasting Services Agreement in the amount of \$3,492 (second – Commissioner Barton). Motion passed.

Approval of the Aircraft Rescue and Fire Fighting (ARFF) training agreement with the City of Salt Lake City was discussed by the Board. District Legal Counsel reviewed the contract document and couldn't recommend execution of the agreement. District ARFF personnel sent for training at the Salt Lake City Airport would be held liable and the District would be responsible for all costs incurred from any incident or accident. The Board recommended that other ARFF training facilities be researched and that the Salt Lake City Airport be informed that the contract was unreasonable and wouldn't be executed. Motion was tabled.

## **Section VII. Commissioner Comments:**

Last month, Chairman Briggs received a contract extension request from the Executive Director. The Board discussed the issue and agreed to extend the Executive Director's contract to December 31, 2018. Items of note, salary increases annually at a rate based on Cost-of-Living Adjustment (COLA). Termination of the Executive Director without cause would garner a six (6) months' severance package and not a three (3) year. The Board discussed changing the Executive Director's annual performance review to every other year. After discussions, the Board agreed to retain the annual review. Commissioner Barton moved to approve the Executive Director's contract extension for three (3) years (second – Commissioner Lehman). Motion passed. Commission Lehman offered that the renewal reflects the Board's commitment to the Executive Director.

The next Regular Board meeting was scheduled for August 20<sup>th</sup>, 2015.

## **Public Comments:**

None

## **Adjourn at 8:50 a.m. to Executive Session.**

The Board reconvened after the Executive Session and made a public announcement. A motion to authorize the Executive Director to enter into a reimbursement agreement with Jordan Cove, in an amount not to exceed \$100,000, by Commissioner Barton (second – Commissioner Mineau) was approved by the Board.