

**COOS COUNTY AIRPORT DISTRICT**  
**REGULAR BOARD MEETING**  
Thursday August 20, 2015

Minutes of the regular monthly meeting of the Board of Commissioners of the Coos County Airport District held on Thursday, August 20, 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;  
Helen Mineau, Vice Chairman;  
Joe Benetti, Commissioner;  
Mike Lehman, Commissioner;  
Jon Barton, 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.

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

**Section I. Review of Minutes: July 23, 2015 Board Meeting:**

Upon a motion by Commissioner Barton (second - Commissioner Mineau), the minutes of the July 23, 2015 regular Board meeting were approved.

**Section II. Review of Invoices:**

The Board reviewed new invoices, through August 19th, in the amount of \$111,738.86. A motion to accept the invoices in the amount of \$111.738.86 by Commissioner Lehman (second – Commissioner Barton) was approved by the Board.

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

The Board reviewed the Financial Summary page. The Business Manager reported that the revenue generated from taxes for July were up \$1,400 over July of last year, with the year to date ahead by roughly \$6,000.

The District hadn't been receiving monthly revenue from the flowage of aviation fuel, but the issue has since been resolved with the supplier and payments should start arriving next week.

Passenger Facility Charge (PFC) fees were down over last year, due to SkyWest only having one flight to San Francisco (SFO) this summer compared to two (2) flights last summer.

The Aged Receivable report showed a substantial drop due to reimbursement for the obstruction height survey work that the District had had commissioned. Commissioner Barton inquired and was informed that the outstanding debt from Frontier Communications was over a dispute in regards to equipment storage at the ACS/Xerox building.

Review of the Long Term Debt schedule revealed that the DB Western loan was down to the last three (3) payments, while the Smith & Smith lawsuit liability had thirteen (13) payments left. The final annual entitlement reimbursement request to the FAA, that can be applied to payment on the terminal debt, had been submitted and was awaiting approval. The Board discussed the remaining principal on the terminal debt and meeting with the Infrastructure Finance Authority (IFA) to attempt to have the loan's interest forgiven.

Commissioner Lehman inquired about the state of the paid parking system. The parking system is currently not functioning, as the cost to repair it would exceed the revenue generated. Commissioner Lehman asked and was informed that the price for a total overhaul would cost approximately \$200,000. The Executive Director offered that the Airport doesn't have the volume to justify the expense. Commissioner Lehman suggested that a costs analysis be done to see whether a new \$200,000 system, spread over a 3-5 year period, would be profitable. Commissioner Benetti voiced concern over whether it was worth even having a paid parking system. The Board discussed options, including repairing or replacing the system, hiring a dedicated parking attendant or having a self pay system.

The Business Manager reviewed the Commercial Carrier Tonnage Graph and unveiled a new chart comparing annual freight traffic, over the past four (4) years. This years' freight tonnage was down 6% over the previous year.

The Business Manager reviewed the Commercial Enplanements Graph. Enplanements for July were 4,055 compared to last July at 4,335, which is a decline of 7%, even with the Denver flight which had 626 enplanements. Chairman Briggs requested that a new bar chart be added to show all enplanements by month.

The Business Manager reviewed the General Aviation (GA) Aircraft Visits Graph. GA visits were 134 for the month of June compared to 140 last year, which was down slightly, but the revenue was the same due to the mixture of aircraft. The Business Manager pointed out that the ramp fees were up \$6,000 over last year. The Business Manager unveiled a new chart comparing the revenue generated from the Airport Use Fees, over the past six (6) years. The graph depicted that last year was a record year with almost \$300,000 being collected. Commissioner Lehman requested that the year to date for FY2014/15 be added to the graph.

The 2014/2015 fiscal year audit is scheduled for the third week in September.

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

The Board reviewed operational and maintenance issues at the Airport.

District Staff provided annual maintenance at the Mangan dike, which involved brush removal and cleanup. The willow trees, located on the dike, were cut back. They were planted to shore up the dike and help with erosion, but grew very fast and the height of the trees were starting to have a negative impact. Work on the dike had concluded for this year.

Due to the increasing number of large aircraft and the cumulative effects of the coastal environment on the ageing concrete (70+ years), an area on the north end of the main apron has experienced cracking. District staff has identified ten (10) potential locations and is researching repair costs and options, including the possibility of merging the repair into future FAA funded projects.

In preparation of rental of Bay 8, at the Business Enterprise Center (BEC), the new tenant requested an interior office door and exterior roll up door be installed, along with an access road added. The road behind the building has been widened and graveled. Both the interior and exterior doors have been ordered and should be installed within the next couple of weeks.

The Executive Director updated the Board on the status of the new air service to Denver. Passenger load factors increased from 51% in July to 65% in August, which was great for a new route that has had limited promotion. The San

Francisco route was maintaining a load factor of 86% and has also been remarkably better at being on time. Discussions with Bandon Dunes Golf Resort revealed that SkyWest was looking at the possibility of suspending operations through the winter. The Executive Director spoke with SkyWest and was informed that flights may be discontinued for January and February unless they were paid \$25,000 a month. The Airport cannot directly subsidize an airline but local businesses could choose to contribute in order to keep air service. Bandon Dunes hasn't committed to retain the winter flights. The Board questioned what \$25,000 would buy. Probably limited service, three (3) or four (4) days a week. Commissioner Barton asked about whether Klamath Falls was subsidizing their air service. The Klamath Falls business community was paying, but they were having difficulties with getting air service from PenAir, due to having problems with the Transportation Security Administration (TSA) being able to provide for the security checkpoint. PenAir is tentatively scheduled to start service from North Bend to Portland in March or April.

Recapping the Operation Managers report on the Mangan Dike, the Executive Director was confident that the District was in year four (4) of the five (5) year monitoring process imposed by the Army Corp. of Engineers. Next year the District would be done with monitoring obligations with the regulatory agencies but would still have a perpetual agreement with the Mangans to maintain the site. Eelgrass monitoring was also in year four (4). The transplant site was thriving but the donor site was covered by sand during an Army Corp. of Engineers dredging operation. The District should still be in compliance, even though the donor site was destroyed, and should therefore only have one (1) more year of monitoring left.

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 DAS has reviewed the District's RFP and made a counter offer along with a request for additional information be provided by next Friday. The District will reach out to local architects and District Board members to research options for use of both the existing ACS/Xerox building and for new construction. Commissioner Barton inquired and was informed that DAS was still contemplating the possibility of having the 18,000 sq. ft. and 40,000 sq. ft. offices being located in separate areas.

The Executive Director restated that the BEC was now full and that the District was proceeding with looking at cost saving options to make it profitable.

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

None

**Section VI. Action Item:**

None

**Section VII. Commissioner Comments:**

The next regular Board meeting was scheduled for September 17<sup>th</sup>, 2015.

Commissioner Mineau announced that the Blackberry Arts Festival was this coming weekend and encouraged everyone to attend.

The Board acknowledged the thank you email received from the Mangans in regards to the maintenance work done by the District at the dike.

**Public Comments:**

None

**Adjourn at 8:15 a.m. to Executive Session.**