

**COOS COUNTY AIRPORT DISTRICT**  
**REGULAR BOARD MEETING**  
Thursday, February 15, 2018

Minutes of the regular monthly meeting of the Board of Commissioners of the Coos County Airport District held on Thursday, February 15, 2018 at 7:30 a.m., in the District Boardroom.

**CALL TO ORDER:** Chair Barton called the meeting to order.

**COMMISSIONERS PRESENT:**

Jon Barton, Chair;  
Joe Benetti, Vice-Chair;  
John Briggs, Commissioner;  
Helen Mineau, Commissioner;  
Mike Lehman, Commissioner;  
Amy Muenchrath, District Legal Counsel.

**ABSENT:** None

**STAFF PRESENT:** Theresa Cook, Executive Director; Robert Brittsan, Executive Assistant; Bob Hood, Operations Manager; Jennifer Groth, Public Information Officer (PIO); Rick Skinner, Project Manager; Cynthia Henson, District Accountant.

**MEDIA AND GUESTS PRESENT:** Jim Innes, CH 14; John Hanson, Local Resident.

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

**Section I. Review of Minutes: January 18, 2018 Board Meeting:**

Upon a motion by Commissioner Lehman (Second Commissioner Briggs), the minutes of the January 18, 2018 regular Board meeting were approved.

**Section II. Review of Invoices:**

The Board reviewed new invoices through February 14, 2018 in the amount of \$220,033.89. Upon a motion by Commissioner Mineau (Second Commissioner Lehman), the invoices through February 14, 2018 in the amount of \$220,033.89 were approved.

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

The District Accountant approached the Board to discuss the finance report, quickly mentioning that there had been a slight decrease in the aging accounts receivables in comparison to last month.

The District Accountant provided the Board with an update on the Coos County Airport District's (CCAD) 2017/18 fiscal year budget, mentioning that the \$50,000 loan from the General Fund to the Construction Fund made earlier in the year is expected to be paid back before the end of this fiscal year. The District Accountant also discussed where the different funds resources and requirements were year to date, versus the estimation of where they would be at this point in the year. The Business Enterprise Center (BEC) requirements are particularly high, 90% of budget, due to the late receipt of the carpet installation invoice and the Coos County Corrections tenant improvements. Chair Barton inquired and was told by the District Accountant that routine maintenance of the BEC should be the only remaining costs for the facility.

### **Section IV. Discussion Items:**

The Operations Manager addressed the Board to give the Operations Report, discussing some of the repairs that maintenance staff has been performing around the facilities recently, which included; repairs to the main traffic gate at the Bureau of Land Management (BLM) facility, installing a weather resistant rubber boot on the bottom of the Oregon State Police (OSP) garage door and replacing the malfunctioning locking mechanism on the front door at the BEC. Chair Barton inquired, and was informed by the Operations Manager that Coos County Corrections is happy in their new location inside the BEC, and that they have only asked for minor adjustments since moving in.

Recently, Maintenance staff has been hard at work at the Department of Human Services (DHS) build to suit site; installing the new monument sign, that was fabricated utilizing a preexisting base that was no longer needed, completing the landscaping with the help of the Project Manager and an inmate crew, and rebuilding a cover for the exposed backflow preventer, after the previous one was destroyed.

The Project Manager approached the Board to update them on the status of the Department of Human Services (DHS) build to suit project. The Project Manager discussed the current status of the roof and explained to the Board that the roofing contractor, Northwestern Roofing and Sheet Metal (NWRSM) and the roofing system manufacturer, Genflex, had recently been on site to perform the final

inspection of the roof and to assess its warrantability. Genflex has agreed that the roof is warrantable and will be issuing the warranty directly to NWRSM. The Executive Director commented that once the General Contractor pays NWRSM any owed balances, the warranty will be given to the CCAD. Additionally, the Executive Director mentioned that staff is compiling a list of all the warranties for the building and highlighting specifications that could potentially void those warranties, for further discussion with the General Contractor. Vice-Chair Benetti asked and was told by the Executive Director that the warranties take effect when the final closeout for the building is complete.

The PIO approached the Board to give the Public Relations Report. The PIO provided the Board with an update regarding the Oregon Airport Managers Association (OAMA) and Oregon Department of Aviation (ODA) board meeting that she recently attended. The PIO mentioned that the CCAD was awarded both of the grants that were requested to cover half of the required 6% match for the Federal Aviation Administration (FAA) Airport Improvement Program (AIP) project costs. A grant in the amount of \$16,667 was approved for the Runway 22 Safety Area Expansion Environmental Assessment project, and \$107,557 was approved for the Airfield Lighting, Signage and Marking project. Vice-Chair Benetti asked and was told by the PIO that while these grants can be applied for every year, her past experience as a reviewer is that there is usually a preference for smaller airports. The PIO explained that the funding for these grants is derived from the \$0.02 increase in the fuel tax and that the money is split between the Core Program, which is generally used for AIP matches and projects concerned with the Oregon Resilience Plan, and the Rural Oregon Aviation Relief (ROAR) program that is meant to assist with commercial air service. The latter being a much smaller pool of money that is more applicable to marketing commercial air service than it is to subsidizing it.

The PIO spoke with the Board about other topics that were discussed during the OAMA board meeting. One of the major conversation points was the effect that House Bill 2017 had on the Transportation Package, allocating all of the Connect Oregon funding to specific projects thus eliminating the competitive application process. Previously, it was thought that the Connect Oregon funding would become available for airports to apply for again starting in the year 2021, but recent discussions have indicated that it may be pushed out farther. OAMA is now considering hiring a lobbyist for the first time, which the PIO stated benefits the CCAD as well considering the items that the board has been thinking of approaching legislation about with regards to commercial air service. Additionally, OAMA is requesting that legislative concepts related to commercial air service be

introduced by April 15, 2018, for the 2019 session. Chair Barton asked and was told by Commissioner Lehman that it would be very difficult to turn around a legislative concept draft that quickly, considering all of the factors that need to be in place before hand.

The PIO explained some of the ideas that were talked about during the OAMA board meeting to help support air service in the state of Oregon, including creating a program for Oregon that is similar to the Federal Essential Air Service program to help subsidize air service. The general aviation advocacy group, Oregon Aviation Industries (ORAVI), suggested utilizing a pool of Part 135 aircraft throughout the state to supplement commercial air service.

As a result of the CCAD work session held earlier this year, the PIO has been looking into commissioning ECONorthwest, a well-respected economic consulting firm out of Portland, to provide an economic analysis of the impact that the CCAD has on our regional economy. The purpose of the study would be to help the District in approaching members of the community to request financial assistance for the Small Community Air Service Development (SCASD) grant's required match, and to aid in future discussions with legislation.

The PIO briefly mentioned that a seat will soon be opening up on the ODA board and possibly the Oregon Department of Transportation Commission, stating that it would be a good idea to start thinking of candidates to put forward that could better represent this region and our type of airport. The CCAD still currently holds a seat on the Southwest Area Committee on Transportation (SWACT), which feeds into the Oregon Transportation Commission and has been very helpful in terms of finding out about different grants as they become available.

The Executive Director addressed the Board to give the Executive Directors report. The Executive Director recently reached out to a roofing inspection company based out of Washington, Building Envelope Technology and Research (BET&R), asking for a proposal to inspect the roofing system on the DHS build to suit facility. The Executive Director stated that the quote was higher than expected, and that she would make a formal request to BET&R asking them to agree to a not to exceed amount of \$15,000. Chair Barton asked and was told by the Executive Director that the CCAD's attorney, Perkins Coie, recommended this firm and mentioned that they are willing to work directly with the District and the attorney. The Executive Director mentioned that hiring BET&R through Perkins Coie is an option, but that it would cost the District more money versus hiring them directly. Vice-Chair Benetti inquired if there was any way to get the General Contractor and

the Architect to buy in on BET&R's inspection report up front. The Executive Director replied, stating that the attorney has already suggested acquiring a buy in from the General Contractor, and mentioning that the CCAD will be asking the General Contractor to pay for at least half of the inspection costs.

The Executive Director briefly told the Board that the Mead & Hunt proposal for their services relating to the FAA AIP projects, was removed from the agenda as it was received later than expected. The proposal was in the amount of \$267,000 for both projects, and a copy has been provided to the District's Legal Counsel for review.

#### **Section V. Action Item:**

Commissioner Lehman (Second Vice-Chair Benetti) Moved to approve the 2018/19 fiscal year budget calendar contingent upon scheduling a long-range planning discussion. Commissioner Lehman questioned if the CCAD was confident enough in its long-term vision to adopt the 2018/19 fiscal year budget at this point in time. The Executive Director stated that staff has been working on the 5-year projection that was previously requested by the Board and communicated that it would be helpful if the Board provided feedback about where they would like to be in the next three (3), five (5), and seven (7) years. Commissioner Lehman suggested reviewing previous projections to assess if any progress has been made towards prior goals. Vice-Chair Benetti commented that it would be prudent to set up a strategic planning meeting to discuss the 5-year projections before the budget meeting, which would provide the Board with some direction of where to go. Commissioner Lehman replied, stating that the Airport Master Plan should be included in the discussion to help identify goals. The Board conferred about other items that they would like to see on the agenda during the planning discussion including a program costs assessment, staffing requirements, and what may be needed in the future given the District's new operational layout. Motion Passed.

Commissioner Mineau (Second Commissioner Briggs) Moved to approve the Executive Director as the Budget Officer for the 2018/19 fiscal year budget process. Motion Passed.

Commissioner Mineau (Second Vice-Chair Benetti) Moved to approve Resolution 2018-02-01 the Inter-Fund Transfer from the BEC Facility Fund Contingency line item to BEC Materials and Services line item, in the amount of \$10,000. Motion Passed.

Vice-Chair Benetti (Second Commissioner Mineau) Moved to approve the Special Districts Insurance Services Property/Casualty Liability Policy to be paid quarterly in the amount of \$40,452.25. Chair Barton asked and was told by the Executive Assistant that the policy decreased by roughly \$2,000 this year in comparison to last year, due to discounts provided for attending training sessions and utilizing Best Practices. The Executive Assistant also mentioned that there was an additional 4% discount available if the Commissioners would be willing to undergo online training and an in-person class. The Executive Assistant agreed to send the Commissioners a list of available classes and locations. Motion Passed.

The motion to approve hiring Building Envelope Technology & Research to inspect the roof at the DHS Building at 1431 Airport Lane was tabled, until a future meeting.

#### **Section VI. Commissioner Comments:**

Vice-Chair Benetti provided the Board with an update of his recent meeting with United Airlines Executives in Chicago. The District's Aviation Consultant, Jack Penning of Volaire Aviation and Bandon Dunes Director of Projects, James Turner, were also in attendance. United Airlines indicated that they would be starting daily flights from North Bend to San Francisco on March 8, 2018 and would like to continue that schedule year-round. The Denver route bookings are up in comparison to last year, with flights roughly 70% full. There were discussions of adding another day to the Denver route, but Mr. Turner stated that an additional day would not fit with the current schedule and that adding a second flight per day would be more agreeable. Additional topics that were discussed include changing the flight time for the San Francisco route to an hour earlier, the potential cost savings for United Airlines if they were to add another flight per day and alternative methods that the CCAD could use to help subsidize flights. Vice-Chair Benetti stated that the meeting was very positive and productive overall.

The next regular board meeting is scheduled for March 15, 2018.

#### **Public Comments:**

Mr. Hanson approached the Board to revisit a topic that was discussed during the November regular board meeting regarding acquiring vacated tax lot 103 from the airport, by way of disclaimer, monetary compensation or long-term lease. Tax lot 103 was recently awarded to the CCAD as part of an adjacent piece of property that the District currently owns. The Executive Director stated that the District would need to have its Legal Counsel review the legal aspects of this situation, then the

information could be forwarded to the FAA for review and input on our Legal Counsel's determination. The Executive Director explained that the turnaround time for the FAA could be lengthy, but that she would give Mr. Hanson a status update about every two weeks.

**Adjourned to Executive Session at 8:30 a.m.**