

COOS COUNTY AIRPORT DISTRICT
REGULAR BOARD MEETING
Thursday, May 17, 2018

Minutes of the regular monthly meeting of the Board of Commissioners of the Coos County Airport District held on Thursday, May 17, 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;
Mike Lehman, Commissioner;
Helen Mineau, Commissioner;
Amy Muenchrath, District Legal Counsel.

ABSENT: John Briggs, Commissioner.

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

MEDIA AND GUESTS PRESENT: Jim Innes, CH 14.

PLEDGE OF ALLEGIANCE: Led by Vice-Chair Benetti.

Section I. Review of Minutes: April 19, 2018 Board Meeting:

Upon a motion by Vice-Chair Benetti (Second Commissioner Mineau), the minutes of the April 19, 2018 regular Board meeting were approved.

Section II. Review of Invoices:

The Board reviewed new invoices through May 16, 2018 in the amount of \$260,577.60. The Board discussed the advantages of creating a periodic summary of each facilities costs, revenues, and reimbursable expenditures, noting the difficulty in sorting out these costs with fund-based accounting. The Executive Director stated that staff could supply the Board with a quarterly report that would provide greater detail of how these costs were allocated between the facilities, which expenses would be reimbursable and the status of those reimbursements.

Upon a motion by Commissioner Lehman (Second Commissioner Mineau), the invoices through May 16, 2018 in the amount of \$260,577.60 were approved.

Section III. Finance Report:

The Board discussed the finance report. The Executive Director provided the Board with an update of the Coos County Airport District's (CCAD) 2017/18 fiscal year budget and where the funds current resources and requirements were in comparison to the budgeted expectations at this point in the year. The Executive Director mentioned that the Business Enterprise Center (BEC) materials and services object classification was currently at 93% of budget, which is roughly 10% higher than expected at this point in the year; a resolution will be presented for Board approval to increase appropriations to this line item. The Executive Director stated that the Airfield Lighting and Signage project would be postponed another year, as there was some difficulty with the grant process when trying to split the project between a planning and design phase and a construction phase in order to avoid a significant financial burden on the CCAD. Commissioner Lehman inquired and was answered by Commissioner Mineau that the negative balances on the Aging Receivables Report was caused by customer prepayments of invoices. The Executive Director replied, stating that staff could modify the report to exclude prepayments to present a more accurate total balance.

Section IV. Discussion Items:

The Operations Manager addressed the Board to give the Operations Report. The sewer pump at the Air Traffic Control (ATC) Tower recently failed and subsequently will not pump out the sewer catch basin, resulting in the need for the catch basin to be manually pumped out. The Operations Manager explained that it has been difficult to determine the cause of the issue, which has extended the repair time longer than would usually be required and resulted in costly maintenance to avoid an overflow.

The Operations Manager spoke with the Board about the progress of the terminal roof repair and provided details of some unanticipated moisture damage to the fiber glass underlayment that was discovered. The Project Manager approached the Board to describe the new roofing system and its suitability for our unique climate. Vice-Chair Benetti asked and was told by the Project Manager that the Polyvinyl Chloride roofing membrane is mechanically fastened directly to the roof, then the membrane is overlapped and sealed. The Operations Manager mentioned that another advantage to this system was that replacement could be budgeted out and completed in sections versus an entire replacement.

The Public Information Officer (PIO) updated the Board on some of the community activities the CCAD has been involved with, including the PIO's recent tourism presentations to the Bandon Rotary Club and during the Wednesday Business Connection. Additionally, District staff represented the airport at the U.S. Coast Guards open house and North Bend High School's senior prom was again hosted by the CCAD, inside the terminal.

At the Board's request, the PIO reached out to the local social media marketing business, Yak Social, as well as the District's current social media marketing provider to request a detailed breakdown regarding their targeted audience, promotional reach, and costs for various services. The PIO provided the Board with the information received from each business and discussed the differences between what Yak Social offered and what the CCAD is currently receiving from K-DOCK, stating she would pursue adding services to the current advertising approach, if the Board requested it. Chair Barton asked and was answered by the PIO that Yak Social's fees were based on a flat monthly rate and not by customer traffic. Commissioner Lehman asked how much funding was allocated in the current budget for print and television ads, stating that these traditional methods of marketing may be becoming obsolete. The PIO discussed costs and benefits of maintaining a presence on both traditional marketing avenues as well as social media marketing, given the varied demographics in our local community. Commissioner Lehman introduced the idea of hiring an advertising specialist to create and implement a multi-faceted, effective advertising campaign. Vice-Chair Benetti responded, mentioning that the Coos Bay-North Bend Visitors Convention Bureau (VCB) would be a good resource for information regarding advertising campaign professionals, as they use them quite frequently. The Board discussed the possibility of partnering with other entities, such as the VCB, Portland chapter of Travel Oregon or the Eugene Airport, to help defray the cost for these services. The PIO briefly talked with the Board about the CCAD's target market, reminding them of the informal arrangement that Bandon Dunes would focus its advertising dollars towards bringing people into the area, essentially advertising in much pricier markets, and the District would promote out-bound flights to the local region.

The PIO offered that the seasonal flight to Denver on United Airlines starts on June 10th, and that advanced bookings were up over last year.

The PIO recently sat for an interview with Greg Henderson, the publisher of the Southern Oregon Business Journal which has roughly 17,000 subscribers, to provide information for a piece relating to the economic impact of air service in Oregon.

In Legislative Activities, the PIO attended the Oregon Transportation Commission meeting that was recently held in Bandon, as a member of the Southwest Area Committee on Transportation (SWACT). During the SWACT session, the PIO was able to discuss some of the issues facing this part of the state and the importance of rural air infrastructure, along with providing insight into the difficulties smaller airports face when trying to raise funding for Airport Improvement Projects now that ConnectOregon funding is no longer a competitive process.

The PIO recently approached Caddy McKeown and her staff for input on the most effective way to raise awareness among the Legislature regarding rural aviation concerns. The PIO was advised to get involved with the Legislative Days to obtain relevant information with regards to transportation and was provided with a schedule of the committee meetings she would be permitted to attend; these efforts will be coordinated in association with the Oregon Department of Aviation (ODA). The PIO spoke with the Board about the Oregon Airport Managers Association (OAMA) potentially getting involved with legislative advocacy as a result of the ConnectOregon funding issues and asked if the Board would like staff more heavily involved. The Executive Director recommended that the CCAD not take a lead role in this endeavor and should instead provide support to OAMA as they are well suited to bringing the rural area perspective to the table, but the ODA should retain the majority of control. Chair Barton stated that it is in the CCAD's best interest to maintain a certain degree of involvement to keep up to date on current events and decisions.

The Executive Director approached the Board to give the Executive Director's Report. The Executive Director told the Board that the 8th Annual Veteran's Stand Down will be hosted by the CCAD in the commercial hangar on August 17, 2018. The current tenants have agreed to move their aircraft out of the hangar for the duration of the event.

Section V. Action Item:

Commissioner Mineau (Second Commissioner Lehman) Moved to approve Resolution 2018-05-01, the Intra-Fund transfer from the BEC facility fund transfers out line item to the BEC materials and services line item, in the amount of \$5,000. Motion passed.

Commissioner Lehman (Second Vice-Chair Benetti) Moved ratify approval of replacement of the terminal building's parapet roof, in the amount of \$17,886. Vice-

Chair Benetti asked and was explained to by the Executive Director that the additional \$5,400 value that was added to the quote was due to the unknown condition of the underlayment and was not included in the original \$17,886. The Executive Assistant clarified for the Board which amounts the total encompassed. Motion passed.

Commissioner Mineau (Second Commissioner Lehman) Moved to approve the emergency repair to the terminal building's parapet roof, in the amount of \$6,581.25. Motion passed.

Commissioner Lehman (Second Vice-Chair Benetti) Moved to approve repair to the BLM fire suppression system at the BLM complex, in the amount of \$3,233.50. The Operations Manager explained to the Board that during the required annual fire inspection, six sprinkler heads and one accelerator were identified as inoperable due to being painted over and confirmed that the replacement was the CCAD's responsibility. Motion passed.

Vice-Chair Benetti (Second Commissioner Mineau) Moved to approve installation of electrical service to a general aviation hangar, in the amount of \$3,670. The Executive Director informed the Board that the CCAD will be able to recoup its investment in the hangar as the current tenant is willing to pay for the upgrades through a slight increase in rent over a five-year period. Chair Barton expressed concern that the quotes to perform the installation were not comparable as one included pricing for a 200amp panel, and the other did not. The Operations Manager explained that the installation of a panel was determined to be unnecessary, as the electrical can be run off of an existing panel. Motion passed.

Vice-Chair Benetti (Second Commissioner Mineau) Moved to approve Merit Financial Services as the District's payroll processor for \$6,000 annually, effective July 1, 2018. The Board deliberated the possibility, and associated difficulties, with bringing payroll in-house instead of utilizing a third-party payroll processor as costs continually increase for these services. The PIO replied that this idea had already been a part of the discussion, but staff would need more time before taking on the task, as it would require not only learning the full payroll process, but also submitting Public Employee Retirement System reports. Motion passed.

Section VI. Commissioner Comments:

The next regular board meeting is scheduled for June 21, 2018. A budget meeting will be held in addition to the regular board meeting at that time. Vice-Chair Benetti

commented that the PIO has an excellent grasp on the vast array of tourism promotion activities in the area and has done a great job presenting the information to the community.

Public Comments:

None.

Adjourned to Executive Session at 8:35 a.m.