

COOS COUNTY AIRPORT DISTRICT
REGULAR BOARD MEETING
Thursday, December 19, 2019

Minutes of the regular monthly meeting of the Board of Commissioners of the Coos County Airport District held on Thursday, December 19, 2019, at 7:30 a.m., in the District Boardroom.

CALL TO ORDER: Chair Mineau called the meeting to order.

COMMISSIONERS PRESENT:

Helen Mineau, Chair;
Michael Collins, Vice-Chair;
Joe Benetti, Commissioner;
Jason Bell, Commissioner;
Brent Pahls, Commissioner.

ABSENT: None.

COUNSEL PRESENT: James Martin, District Legal Counsel.

STAFF PRESENT: Theresa Cook, Executive Director; Robert Brittsan, Executive Assistant; Bob Hood, Operations Manager; Rick Skinner, Project Manager; Carole Randall, Finance Manager; Crystal Lyon, Property Agent.

MEDIA AND GUEST PRESENT: Dan Slayers, CH14; Clint Ostler, Embark Aviation.

PLEDGE OF ALLEGIANCE: Led by Commissioner Pahls.

Section I. Review of Minutes: November 14, 2019:

Upon a motion by Commissioner Benetti, (Second Commissioner Pahls), the minutes of the November 14, 2019, regular Board meeting were approved.

Section II. Review of Invoices:

The Board reviewed new invoices through December 18, 2019, in the amount of \$319,554.88. Upon a motion by Vice-Chair Collins (Second Commissioner Pahls), the invoices through December 18, 2019, in the amount of \$319,554.88 were approved.

Section III. Finance Report:

The Board was offered a written presentation of the Finance Report summarizing the Coos County Airport District fund resources and requirements throughout the month of November.

Section IV. Staff Reports:

The Operations Manager approached the Board to give the Operations Report.

The FAA's annual Part 139 certification inspection was early this year, taking place December 16-18. This is a very comprehensive inspection with the certification inspector examining all facets of airfield operations. The inspection is required for the District to continue air service. The Operations Manager stated the inspection went well, with few minor suggestions from the inspectors.

The Board was given an update on the tide gate leak at the Mangan Dike property. After a thorough investigation, it was discovered two (2) of the three (3)—the north and east—tide gate pipes were severely bowed near the center. Commissioner Pahls asked and was informed the pipes were approximately sixty feet (60') long. The Board asked, and the Executive Director stated the tide gates were approximately ten (10) years old, the west tide gate was repaired several years ago. Chair Mineau asked and was informed little to no traffic traveled over the pipes. Vice-Chair Collins asked, and the Operations Manager replied the top of the pipes were buried about six feet (6').

The annual Knights of Columbus food drive that occurred in the Corporate Hangar over the previous weekend was a success. Commissioner Benetti asked and was informed the Rotary Club's Bus Jam event did not take place in the Hangar.

The Executive Director addressed the Board to give the Executive Directors report.

The Executive Director stated an air service workshop would occur later in the day. Mr. Ostler, from Embark Aviation, addressed the Board to discuss different approaches the District could take regarding future air service. Mr. Ostler reviewed five (5) potential airline candidates to provide air service to Portland. The Executive Director asked for clarification on the difference between Interline and Codeshare. Mr. Ostler explained Interline is a partnership between two (2) airlines, using behind-the-scenes technology to help transfer luggage between the airlines; Codeshare is when a regional airline carries a major airline code, this transfers luggage automatically and has joint fare ticketing. Commissioner Benetti asked if the District would have input on the departure times and ticket prices for the potential airline. Mr. Ostler stated depending on the airline, this could be part of the term negotiations.

The Board reviewed the ten (10) year history of the Districts commercial aircraft, and discussed past providers of the Portland air service.

Bandon Dunes requested the District increase the advertising for winter air service. The Executive Director expressed interest in changing the advertisement to state the winter service was not provided on Tuesdays or Saturdays.

The seasonal Denver air service was slated to begin May 31, 2020 and was scheduled one (1) hour later than the previous year. The Board discussed whether the schedule change would affect the success of the flight. Commissioner Benetti asked, and Chair Mineau stated the previous year's scheduled departure and arrival times.

The Board was informed Bandon Dunes requested the District manage the existing air service minimum revenue guarantee funds. The Board discussed whether the funds would become public funds if managed by the District.

Starting October 2020, TSA will require that passengers provide the Oregon REAL ID to fly. A passport would also be accepted.

The Airfield Electrical project contract had been approved by the Board, and the District negotiated the contract deduct to three hundred thirty-five thousand dollars (\$335,000). The FAA did not agree with the contract deduct and offered to participate in funding the materials price difference if the District could justify the change. The project was projected to begin in April 2020.

The Executive Director explained the design layout of the new Aircraft Rescue and Firefighting (ARFF) facility. Commissioner Benetti asked and was informed the truck bays were designed as drive-through bays. Due to limited funding, the District decided to align the building to better connect with the existing access road. Chair Mineau asked, and was informed the FAA would not require personnel to stay overnight regardless of the facilities new sleeping quarters.

The Executive Director announced the BLM Seismic, Tenant Improvement and ABAAS Upgrade project bids were due January 16, 2020. The District would not go for the increased loan proceeds until the bids were received. The Executive Director wanted to clarify what portion of the project the District was responsible for funding.

The District's financial audit would be finalized by the end of the month. The District was interested in finding a new auditor for the next fiscal year.

The Executive Director was contacted by the FAA to enter into a possible Letter of Agreement (LOA) with Jordan Cove regarding ship movement. The District had entered into LOAs in the past and has spent several thousand dollars annually on labor,

monitoring ship movement in the Runway 13/31 approach zone. The District would like to negotiate compensation in future LOAs.

The DHS Child Welfare roof replacement project needed a five (5) day dry weather window to complete the repairs. Commissioner Benetti asked if waiting would affect the completed repairs. The Project Manager was unsure, and stated there were several punch-list items still needing to be completed. This included several patches to the TPO material and ponding that required an overlay.

Section V. Action Items Requests:

Commissioner Benetti (Second Commissioner Bell) moved to approve the addendum to the Executive Directors Employment Agreement. Motion passed.

Commissioner Benetti (Second Vice-Chair Collins) moved to approve the Western Exterminator Company contract for \$701.25 quarterly, \$2,805 annually. The Board was informed only one company responded to the Districts bid. Motion passed.

Commissioner Benetti (Second Commissioner Bell) moved to ratify the service agreement with Pilot Strategies Limited LLC. The Executive Director stated the Lobbyist requested the updates be sent to the District Legal Counsel for attorney/client confidentiality privileges, the Board agreed. Commissioner Benetti asked and was informed the agreement was on a month-to-month basis. Motion passed.

Commissioner Bell (Second Vice-Chair Collins) moved to approve the AIA contract document B221-Service Order #2 for the Aircraft Rescue and Firefighting (ARFF) building. The Executive Director explained the design phase of the ARFF Facility project was required prior to the FAA's approval. Commissioner Benetti asked and was informed the District would be reimbursed for Mead & Hunts services. Motion passed.

Section VI. Public Comments:

There were no public comments at this time.

Section VII. Commissioner Comments:

The Executive Director stated the Oregon Department of Aviation (ODA) requested the District withdraw the Rural Oregon Aviation Relief (ROAR) Grant application and reapply under an accepted use. Commissioner Benetti asked and was informed the ROAR Grant was not eligible for a revenue guarantee, or to be used to offset costs for non-airside projects. Accepted uses included capital purchases, reimbursement of consultant fees, and marketing. Due to a new interpretation of the ROAR Grant, which states the ROAR Grant cannot be used to market a specific airline, the District would not receive the

remaining retainage of the previously awarded Grant. Commissioner Benetti asked, and the Executive Director answered the ROAR Grant was not a reliable annual income for the District. Commissioner Benetti asked if the ROAR Grant would be changed to allow the funds to be used for a revenue guarantee. The Executive Director replied the issue would be brought to the Lobbyist. The Board was informed the ROAR Grant was going to be combined with the Critical Oregon Airport Relief (COAR) Grant, which would prioritize capital projects and eliminate the rural air service portion of the Grant.

The next regular Board Meeting was to take place January 16, 2020.

Adjourn to Executive Session 8:43 a.m.