

COOS COUNTY AIRPORT DISTRICT
REGULAR BOARD MEETING
Thursday, August 16, 2018.

Minutes of the regular monthly meeting of the Board of Commissioners of the Coos County Airport District held on Thursday, August 16, 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;
Helen Mineau, Commissioner;
John Briggs, Commissioner;
Mike Lehman, Commissioner;
James Martin, 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; Tara Pierce, Finance Assistant.

MEDIA AND GUESTS PRESENT: Gerry Boldt, CH 14.

PLEDGE OF ALLEGIANCE: Led by Commissioner Lehman.

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

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

Section II. Review of Invoices:

The Board reviewed new invoices through August 15, 2018, in the amount of \$161,523.01. Commissioner Mineau mentioned that she had spoken with the Finance Assistant for clarification regarding some of the Coos County Airport District (CCAD) vendor payables. Upon a motion by Commissioner Mineau

(Second Commissioner Briggs), the invoices through August 15, 2018, in the amount of \$161,523.01 were approved.

Section III. Finance Report:

The Finance Assistant approached the board to discuss the finance report. The Finance Assistant summarized the Coos County Airport District's (CCAD) fund resources and requirements throughout the month of July. Chair Barton asked and was answered by the Executive Director that the Accounts Receivable balance related to the Department of Human Services (DHS) Office Facility would be discussed during Executive Session after the regular board meeting. Commissioner Lehman questioned and was answered by the Finance Assistant that the large increase in Airport Use Fees receipts was most likely due to a lag in receiving payment, as summer activity had increased quite a bit earlier in the season, but receipts had yet to reflect that increase.

The Executive Director spoke with the board about enplanement data for the month of July. Bookings for the Denver route have increased significantly with updated information indicating a 70% load factor for the month of July, in comparison to a 50% load factor this time last year. The Executive Director explained that these percentages are very attractive to United Airlines when contemplating different options for commercial air service to the area. The Executive Director explained the different possibilities that increased load factors could present and mentioned that Bandon Dunes would be taking responsibility for the revenue guarantee for the Denver route this year. Commissioner Benetti stated that if it was feasible, a morning and evening flight to San Francisco would be ideal in order to avoid some of the inclement weather that settles in the area in the afternoon.

Section IV. Discussion Items:

The Operations Manager addressed the board to give the Operations Report. The Operations Manager spoke with the board about some ongoing and upcoming projects including finishing up painting the exterior of the Business Enterprise Center (BEC), replacing two of the CCAD's airfield fire hydrants, and the results of the maintenance inspection of the boom lift. The Operations Manager explained that the proposal received from the Coos Bay-North Bend water board to purchase and install the replacement fire hydrants was \$6,200 per unit. Vice-Chair Benetti asked and was told that the water board technically owns the fire hydrants, but the CCAD is required to purchase them because they are on our property. Chair Barton asked and was answered by the Operations Manger that due to the age of the hydrants, replacement parts were not available and rust and constant water

pressure eventually caused the units to fail, despite annual preventative maintenance. Commissioner Mineau asked and was told by the Operations Manager that regardless of the other hydrants still operating on the airfield this replacement is in the CCAD's best interest. If an incident were to occur and these hydrants were unusable, it would mean approximately 2,000 feet of additional water lines needing to be run. Chair Barton inquired if there was an estimate on how many would need to be replaced annually, and was told by the Operations Manager that it would most likely be an infrequent occurrence. Commissioner Lehman mentioned that it would be prudent to budget for this expenditure in the future. The board discussed the possibility of obtaining quotes from other vendors to compare at the next regular board meeting.

The Public Information Officer (PIO) approached the board to give the Public Information Report. In community activities, the CCAD hosted a grant award celebration in the terminal, joined Bay Area Chamber Day at the Coos County Fair, and attended the CCD Business Development Corporation's Comprehensive Economic Development Strategy five-year update to ensure that the airport was properly represented. Commissioner Lehman was also in attendance for this meeting.

For promotional activities, the CCAD was chosen as one of the organizations to be profiled during Rick Dancer's recent trip to the South Coast, courtesy of the Coos Bay-North Bend Visitors Convention Bureau (VCB) who contracted with Mr. Dancer to do a piece about the region. Staff was interviewed in different areas throughout the airport and the videos were posted on the Facebook page, ThatOregonLife. The videos, which put a positive spin on the area and demonstrated how friendly the region is, have been well received with roughly 250,000 views so far.

The PIO, Executive Director and Chair Barton recently arranged a conference call with Representative Ruschke and the Executive Director of the Klamath-Regional Airport, John Barsalou, to discuss the ongoing issue of raising awareness about the difficulties commercial air service is facing and ways to alleviate some of those struggles. Some suggestions included increasing the Aviation Fuel tax by another \$0.02 to be used towards revenue guarantee grants or starting a program similar to the Passenger Rail Subsidy that is setup for passenger-rail lines.

The PIO briefly mentioned that staff would be participating in an Informational Hearing through the Joint Transportation Committee during Legislative Days at the end of September. Information will be presented about the challenges of

maintaining commercial air service in rural areas and the aviation industry as a whole. The PIO also spoke with Amy Amerhein from Senator Merkley's office, who has been closely involved with Klamath-Regional Airport's efforts to be labeled as an Essential Air Service (EAS) Airport. She advised that the CCAD notify congressional staff about any public discussions pertaining to air service so that they are kept informed.

The Executive Director approached the board to give the Executive Director's Report. The Executive Director briefly mentioned that there would be a Disadvantaged Business Enterprise (DBE) meeting held in the board room to provide disadvantaged businesses with the opportunity to submit proposals for the District's upcoming Airport Improvement Program construction projects. This is a Federal Aviation Administration (FAA) stipulation when receiving grant funding for construction projects. Information about this meeting was posted on the CCAD's website and advertised locally. Chair Barton asked and was told by the Executive Director that this does include Sub-Contractors that would like the chance to bid.

The Executive Director spoke with the board about putting a policy in place that addresses long-term parking in the terminal parking lot and airport tenants use of commercial property for storage. Since the Department of Human Service (DHS) facilities have been occupied there has been a large influx of traffic through the area, which may create long-term parking issues in the future. Having the boards consensus on enforcing a policy that addresses these issues would be a proactive way of lessening the probability that they will occur. Commissioner Lehman asked and was told by the Executive Director that allowing tenants to park personal property that is unrelated to their line of business on airport property would create a precedence that could easily get out of hand. The Executive Director can create exceptions to the policy should the need arise.

The Executive Director conversed with the board about the pros and cons of having food and coffee truck vendors operate on airport property to serve the many people that now work in nearby offices and the foot traffic that frequents the area. The board discussed different locations that could be used for the trucks that would allow drive up traffic, obtaining formal bids from local food truck vendors, and setting up some kind of written agreement. The Executive Director reminded the board that there was unused airport property that had been evaluated and determined to be a good fit for a small coffee shop. Commissioner Mineau recommended that the board review those plans to decide if there was a more fitting location. The Executive Director mentioned that they could have the vendors

operate for a day, provided that they supply the CCAD with their insurance documents, in order to assess the demand for these services.

Section V. Action Item:

Commissioner Briggs (Second Commissioner Lehman) Moved to approve the selection of James R. Martin, P.C., as the Coos County Airport District's Legal Counsel. Vice-Chair Benetti asked and was answered by the Executive Director that the District put out a Request for Proposals (RFP) and interviewed the responders; the contracts and fee structures that were submitted in response to the RFP were very similar. Commissioner Lehman asked that Mr. Martin provide the board with a brief summary of his professional background. Mr. Martin explained that a significant portion of his professional career has been spent working with public entities and serving on boards like the Coos Bay School Board. Through his previous works, Mr. Martin has been able to gain a deep understanding of the many unique challenges that public entities face. Motion passed.

Commissioner Mineau (Second Vice-Chair Benetti) Moved to approve Resolution 2018-08-01 to accept the Federal Aviation Administration Grant offer for the Airport Improvement Project No. 3-41-0041-41-2018, in the amount of \$757,629. Vice-Chair Benetti asked and was told by the Finance Assistant that the 6.25% match for the project, in the amount of \$50,509, has already been budgeted within the 2018/19 fiscal year. Motion passed.

Commissioner Mineau (Second Commissioner Briggs) Moved to approve Resolution 2018-08-02 to accept the Federal Aviation Administration Grant offer for the Airport Improvement Project No. 3-41-0041-42-2018, in the amount of \$262,447. Motion passed.

Commissioner Mineau (Second Commissioner Briggs) Moved to approve Resolution 2018-08-03, rescinding Resolution 2018-07-02 and authorizing the allocation of dividends, interest and fees from two Local Government Investment Pool (LGIP) Accounts and all Umpqua Bank Accounts. The Executive Director commented that the board had approved a resolution during the July board meeting that the District's Accountant thought needed to be rescinded and the verbiage revised. Chair Barton asked and was explained to by Commissioner Mineau that the interest from the Municipal Pool Account and the General Checking Account would all be allocated to the Umpqua General Checking Account in order to eliminate transferring small amounts between funds and

reducing the likelihood of errors. Chair Barton asked and was told by the PIO that the forms to setup the LGIP Accounts had been successfully submitted and the accounts will be effective September 4, 2018, along with changing the Umpqua General Checking Account and Payroll Account to interest-bearing. Motion passed.

Section VI. Commissioner Comments:

The next regular board meeting is scheduled for September 20, 2018. The Executive Director mentioned that this would be the final meeting that the PIO would be attending and requested that she explain to the board where she would be going. The PIO stated that she had taken a position for Rural Development Initiatives (RDI) to help them diversify their sources of revenue and to assist with public policy work. The PIO thanked the board for the opportunity and expressed how much she has enjoyed her employment here and all of the staff.

Commissioner Mineau mentioned the upcoming Blackberry Festival and asked that everyone try to attend and purchase a piece of blackberry pie.

Commissioner Lehman thanked Commissioner Briggs for his financial projections summary and mentioned that it was apparent when going through the document that there has been a large increase in commercial rental property that the CCAD is now managing. Commissioner Lehman mentioned that the District may want to look into hiring or training someone internally for commercial property management.

Vice-Chair Benetti quickly welcomed the District's new Legal Counsel and thanked the PIO for her efforts and accomplishments during her employment.

Public Comments:

None.

Adjourned to Executive Session at 8:32 a.m.