

COOS COUNTY AIRPORT DISTRICT
REGULAR BOARD MEETING
Thursday, July 25, 2019

Minutes of the regular monthly meeting of the Board of Commissioners of the Coos County Airport District held Thursday, July 25, 2019 at 7:30 a.m., in the District Boardroom.

CALL TO ORDER: Vice-Chair Benetti called the meeting to order.

COMMISSIONERS PRESENT:

Jon Barton, Chair;
Joe Benetti, Vice-Chair;
Helen Mineau, Commissioner;
Jason Bell, Commissioner;
Michael Collins, 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; Crystal Lyon, Property Agent.

MEDIA AND GUESTS PRESENT: Dan Salyers, CH14; Renea Collins, County Citizen.

PLEDGE OF ALLEGIANCE: led by Commissioner Mineau.

Section I. Swearing in of Newly Elected Commissioners:

District Legal Counsel swore in Commissioner Bell, Commissioner Collins, and Commissioner Mineau.

Section II. Election of New Officers:

Vice-Chair Benetti (Second Commissioner Collins) moved to elect Commissioner Mineau for the position of Chair, motion passed.

Chair Mineau appointed Commissioner Collins as Vice-Chair.

Section III. Review of Minutes: June 20, 2019 Board Meeting:

Upon a motion by Commissioner Benetti (Second Commissioner Bell), the minutes of the June 20, 2019, regular Board Meeting were approved.

Section IV. Review of Invoices:

The Board reviewed new invoices through July 25, 2019 in the total amount of \$387,769.71. Upon a motion by Commissioner Bell (Second Commissioner Benetti), the invoices through July 25, 2019 in the amount of \$387,769.71 were approved.

Section V. Finance Report:

Due to a recent change in staff, there was no presentation of the Finance Report summarizing the Coos County Airport District fund resources and requirements throughout the month of June.

Chair Mineau explained that the Finance Report lists the Airport Use Fees, as well as the aged receivables. Vice-Chair Collins asked what procedure was in place for unpaid landing fees. The Executive Director stated although rare, the tail number would be flagged, and District staff would attempt to contact the owner. Vice-Chair Collins questioned if the District would be receiving a regular payment on a particular aged receivable. District Legal Counsel stated that it was an ongoing issue with a District project, and would appear as an aged receivable until the issues with the project were resolved. The Executive Director stated if the Board would like to discuss further, it would need to take place in the Executive Session.

Section VI. Discussion Items:

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

The Operations Manager updated the Board on the Runway Safety Area project. The corner of Runway 22 needed to be extended to comply with FAA regulation. The eelgrass planted by the District in that area was thriving, and had not grown into the projected impact area. The Operations Manager shared plans to continue monitoring the beds growth.

The Operations Manager informed the Board that six (6) of the Districts backflow preventers failed their annual test; after performing a second test, only two (2) needed repairs. The Operations Manager stated the replacement of a backflow preventer could potentially cost ten thousand (\$10,000.00) dollars, but was confident this could be avoided by replacing the valve. Commissioner Barton questioned and the Operations Manager answered the plumber believes there was something in the line that was

preventing the valve from closing. Commissioner Benetti questioned and the Operations Manager clarified an annual test by a certified plumber was a requirement. The Board discussed the importance and accuracy of the backflow preventer tests. Commissioner Benetti questioned and the Operations Manager answered the District had approximately thirty-one (31) backflow preventers with annual testing costs between twenty-five (\$25) dollars to sixty-five (\$65) dollars per unit, depending on the size. The Executive Director asked and the Operations Manager stated several local companies were qualified to perform the tests.

Commissioner Benetti questioned the number of District fire hydrants still in need of replacement. The Operations Manager stated that only one (1) more needed to be replaced, and was budgeted for this year.

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

The Executive Director informed the Board that United SkyWest had considered discontinuing service during the winter months. United reached out to Bandon Dunes for revenue guarantee for winter air service in the amount of three-hundred and sixty thousand (\$360,000.00) dollars. Bandon Dunes requested the District cover a percentage of the cost. The Executive Director informed the Board the District would apply for a grant in spring to participate in the revenue guarantee. The Executive Director asked the Board to discuss an appropriate amount to contribute. Commissioner Benetti asked and the Executive Director answered that it was only a percentage of the revenue guarantee Bandon Dunes had requested. The Board discussed occupancy criteria for the revenue guarantee of different airlines, as well as the importance of the Districts partnership with Bandon Dunes.

Commissioner Benetti questioned the progress of air service to Portland. The Executive Director stated the District had received verbal confirmation that Alaskan Airlines would not support air service from North Bend to Portland at this time. Commissioner Benetti requested the Executive Director receive the statement in writing. The Board discussed Alaskan Airlines reasoning for the statement, and the next step for the District. The Board discussed the Districts offer to Alaskan Airlines, and concluded there was nothing more that could be offered. The Executive Director informed the Board the District had been in contact with Embark Aviation—a company that helps airlines find airports requesting air service—to discuss possible airlines that could fill the Districts request for air service to Portland. Commissioner Benetti asked and the Executive Director answered that the District received the five-hundred-thousand (\$500,000.00) dollar ROAR (Rural Oregon Airport Relief) grant for revenue guarantee, and the District planned to apply for next year's ROAR grant to subsidize the revenue guarantee percentage requested from Bandon Dunes. Commissioner Benetti questioned and the Executive Director answered, the only letter of support the District had not received was from an airline.

Commissioner Benetti questioned the success of the Denver flight. The Executive Director stated that the route does better every year. The Executive Director informed the Board the District was considering requesting an additional day for the flight in the coming years, depending on revenue guarantee requirements.

The Executive Director updated the Board on the Airfield Lighting project. The District would receive the grant for the project soon, though the project would not start until next spring. Commissioner Benetti questioned if the District would rebid the project due to the later start date. The Executive Director stated that rebidding the project would start the grant process over, ultimately delaying the project further.

The Executive Director updated the Board on the Runway Safety Area project. Commissioner Bell questioned what changes would be made. The Operations Manager stated that all of the existing lighting would be changed, although work on Runway 31 would be delayed due to the flight paths tree obstructions.

The Executive Director stated that the District had received the six point five million (\$6,500,000.00) dollar grant for the construction of the new Aircraft Rescue and Fire Fighting (ARFF) Station. The District had confirmed the new facilities location. The new facility was designed with four (4) bays to house the three (3) fire trucks and one (1) water craft. The Executive Director informed the Board that Congressman DeFazio would be visiting in late August for a tour of the new ARFF station location.

The Executive Director updated the Board on the Tree Obstruction project. After visiting a small number of private land owners where the Tree Obstructions were located, the District had decided the scope of the project was too large and had asked Mead & Hunt to have the FAA step in; with the FAA involved, the project could take up to five (5) years to complete. Because the obstructions were in the flight path of Runway 31, it would be unsafe for a flight check to take place for the Airfield Lighting project. The installation of new lighting on Runway 31 would be on hold until the obstructions were removed. Commissioner Benetti asked if the project would go out to bid. The Executive Director stated the Aeronautical Engineer firm Mead & Hunt was currently involved in the project. Vice-Chair Collins asked and the Executive Director answered that thirteen (13) obstructions were identified, one (1) located on city property.

The District closed on the loan from Banner Bank at the beginning of the month for the BLM Tenant Improvement, ABAAS and Seismic Upgrade project. The bid for the project was scheduled to go out in October, and was estimated to take up to eight (8) months to complete. The tenant had agreed to move out of one floor at a time, making the phasing of the project much simpler.

The DHS-Child Welfare built-to-suit roof replacement project was going well, and the District was pleased with the work so far. Although the roofers put the project on hold due

to a time sensitive job, the project was scheduled to continue late in August. The Project Manager stated the contractors were shipping the roofing material to a storage area to prevent any weather damage, which would increase the cost of the project. Commissioner Barton asked and the Project Manager answered there was minimal pitch to the roof.

The Executive Director stated that several of the Districts tenants had requested to enter into long-term leases, but most of the facilities were in need of work, and some slated for demolition. Building number fifty-three (53) received a bid for a new roof in the amount of approximately seventy thousand (\$70,000.00). After discussing the rise in rent to reflect the cost of the new roof, the tenant opted to stay in the month-to-month lease for the time being. The District Maintenance Team would perform repairs to the roof to insure there were no leaks during the winter months. The Board questioned the size of the building, who the bid was from, and what type of roof was currently on the building. District staff answered the building was seven thousand two-hundred (7,200) square feet, the bid was from North West Building Specialists, and the roof was made of corrugated metal. Commissioner Benetti questioned the Districts plan to build a new FedEx facility. The Executive Director stated the current lease was not directly with the District, and discussions of a new facility would take place before entering into a new lease.

The Executive Director informed the Board that the annual financial year audit would take place this August. The District was struggling in the financial department, due to a recent change in staff. The Executive Director requested the Board consider canceling the August Board Meeting for District staff to focus on the upcoming audit.

The Executive Director updated the Board on the status of the grants. The District has entered into the SCASD (Small Community Air Service Development) grant program. The COAR (Critical Oregon Airport Relief) grant was used for capital projects, like the Airfield Electrical project. The ROAR grant would cover half of the ARFF Station project.

The Executive Director updated the Board on the aviation fuel tax. The proposed fuel tax would help fund the ROAR grant and COAR grant. Commissioner Benetti asked and the Executive Director answered that the fuel tax was tabled for the moment, leaving time open for discussion. A meeting in Salem would take place in September to discuss the direction of the fuel tax. Commissioner Barton asked and the Executive Director answered, the fuel tax was proposed to rise two (\$0.02) cents.

The Executive Director informed the Board there was a break-in at the DHS- Aging and People with Disabilities (DHS-APD) facility over the previous weekend. The perpetrators were caught on camera, and the District had asked police to press charges if found. The Board discussed options to prevent future break-ins, and if current security was sufficient. Commissioner Benetti asked and the Project Manager answered that the facility alarm system was wired to Gold Coast Security, although the entire incident took under two (2) minutes. Vice-Chair Collins asked and the Executive Director answered, that to the

Districts knowledge, this was the only facility broken into. Commissioner Benetti asked and the Project Manager answered that a latch plate cover was installed to prevent lock picking, the cost for the plate and installation was minimal.

The Executive Director stated that the Banner Bank financing agreement, dated July 1, 2019, was executed and funds have been transferred.

Section VII. Action Items Requests:

Commissioner Benetti (Second Vice-Chair Collins) moved to approve the elevator/escalator service agreement contingent upon acceptance and execution by Schindler Elevator and review by District Legal Counsel. Motion passed.

Section VIII. Commissioner Comments:

The Board welcomed the newly elected Commissioners, and congratulated the newly elected Chair Mineau for taking on the role.

The District Legal Counsel informed the Board that the Traditional Cultural Property Historical Districts nominations application had been declined by the state. The Board discussed future possibilities of a new nomination. The District Legal Counsel stated if the nomination begins again, the objections made by the private property owners would remain in place.

Commissioner Benetti invited the Board to RSVP for the Witty Event taking place in the Airport Terminal on Friday, August 23, 2019 at 5:30 p.m.

Chair Mineau asked the District Legal Counsel the appropriate way to approve the invoices if the August Board Meeting were canceled. The District Legal Counsel stated the Board was required to hold the meeting in a public space, a conference call held in the District Board room would suffice.

The next regular Board Meeting was scheduled for Thursday, August 15, 2019.

Section VIII. Public Comments:

There were no public comments at this time.

Adjourn to Executive Session 8:49 a.m.