

COOS COUNTY AIRPORT DISTRICT
REGULAR BOARD MEETING
Thursday, February 21, 2019.

Minutes of the regular monthly meeting of the Board of Commissioners of the Coos County Airport District held on Thursday, February 21, 2019 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;
James Martin, District Legal Counsel.

ABSENT: None.

STAFF PRESENT: Theresa Cook, Executive Director; Bob Hood, Operations Manager; Robert Brittsan, Executive Assistant; Rick Skinner, Project Manager; Tara Pierce, Account Manager.

MEDIA AND GUESTS PRESENT: Gerry Boldt, CH 14; Kevin Mulcaster, Mead & Hunt; Jason Bell, County Citizen.

PLEDGE OF ALLEGIANCE: Led by Commissioner Mineau.

Section I. Review of Minutes: January 17, 2019 Board Meeting:

Upon a motion by Commissioner Mineau (Second Vice-Chair Benetti), the minutes of the January 17, 2019, regular Board meeting were approved.

Section II. Review of Invoices:

The Board reviewed new invoices through February 20, 2019, in the total amount of \$355,072.23. Commissioner Briggs questioned if the Oregon State Police (OSP) water damage was covered by insurance. The Account Manager answered that the District received an insurance reimbursement of approximately \$35,000, with a deductible of about \$5,000. There was a small amount, about \$1,000, that wasn't covered. Chair Barton questioned the cell phone coverage, the Executive Director informed the Board that the

Coos County Airport District had switched providers and wouldn't see the full effect of the switch just yet. Upon a motion by Commissioner Mineau (Second Commissioner Briggs), the invoices through February 20, 2019, in the amount of \$335,072.23 were approved.

Section III. Finance Report:

The Account Manager approached the Board to discuss the finance report by summarizing the Coos County Airport District fund resources and requirements throughout the month of January. The Account Manager informed the Board that the District is currently 50% through the fiscal year at this point. The Account Receivable is down by roughly \$10,000, as collections continue and General Aviation activity decreased, due to the stormy weather. Local Government Investment Pool (LGIP) Accounts received \$9,363.31 in interest earning since opening the accounts in September 2018. The General Fund cash balance carryover, excluding transfers, was approximately \$45,000 more than budgeted in the month of January. The income, excluding transfers, is at 84% of the budget, and the Operations are at 48%. Vice-Chair Benetti questioned as to why the operations expenses were below the budget projection. The Account Manager offered that the Material and Services and Personnel Service line items were both below expectations. Vice-Chair Benetti asked if the Personnel Services expense savings was due to the District being under staffed. The Executive Director responded that there were open positions in maintenance, mainly caused by difficulties in finding qualified employees.

The PFC Fund was right on target at 58% of the budget, with the total received to date being \$28,995. The Construction Fund received a reimbursement in the amount of \$415,600 for owner related Change Orders during construction of the DHS-CW&SSP facility. The District received a \$33,000 loan from the General Fund prior to receipt of reimbursement, the loan is expected to be paid back before the fiscal year ends. Vice-Chair Benetti questioned what was going to become of that \$415,600. The Account Manager answered that it was going to be left in the Constructions Fund to cover expenses and to shore up that account.

The BEC Fund operational income is at 57% of budget, and the Operations are at 45% of the budget. The DHS Funds Operations income is at 58% of income. The Operations are at 98% of the budget due to the allocation of legal fees related to construction of the DHS facility. Appropriation transfers from contingency will be needed to cover expenses through the fiscal year end. The BLM Funds operational income is at 59% of the budget while the Operations are at 58% of the budget.

The total net income from all funds was \$453,082.

Section IV. Discussion Items:

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

The annual FAA Part 139 Certification Inspection took place this month, the Operations Manager informed the Board that the inspection went well, with the exception of the forested area just near the Waste Water Treatment Plant that was encroaching on the safety zone. Because it is a designated wetland and the current rainy winter weather would make it difficult to mitigate, the FAA gave the District a deadline in December to rectify this issue. The Operations Manager informed the Board that the District already had a plan in place, which will be implemented when weather permits.

The Operations Manager informed the Board that there were at least thirteen (13) trees that the FAA has designated as potentially obstructing the flight path near the end of Runway 31, though the District is expecting that there may be more. To allow more time before this is an issue again, the Operations Manager plans to top the trees that are close to the obstruction height limit of one hundred and sixty-seven (167) feet. The Board was informed that there is an easement with the city that allows the District to remove any obstructions, and also an ordinance with the city that allows the District to top the trees as needed. The Executive Director stated that letters were sent out last month to the property owners that are believed to be affected by this, along with a copy of the city ordinance. The Operations Manager stated that the estimate for the work that needs to be done is around \$25,000, although the price will vary from tree to tree depending on its location. Chair Barton was concerned with the trees growing back quickly, the Operations Manager stated that the plan was to take approximately 40 feet off the top to allow more time before this is an issue again. Chair Barton suggested that the District offers to remove the trees, and in response the Executive Director stated that it was an option but the responsibility of tree removal was worrisome. The Executive Director mentioned the purchase and training for an unmanned aerial vehicle (UAV) to better help with this issue in the future. The Executive Director also stated that the District was going to ask to include, the budget of about \$50,000 for the tree removal project, into the airfield lighting Airport Improvement Program (AIP) project, bringing the total budget for the two projects close to \$450,000.

The Board was informed that the backup generator for the Air Traffic Control Tower had failed. The Operations Manager believes that the problem is with the magnets in the generator, although the full extent of the damage is unknown. It was stated that there were two quotes, the first being to remove the generator for repair at \$9,685, and the second to repair on site for \$2,849. Although the second bid could not be passed up, the

cost may rise if the generator needs to be removed for further repairs. The Operations Manager had a plan if the District does have a power failure before the backup generator is fixed: to bring in portable generators to power the radios and necessary instruments.

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

The Executive Director updated the Board on air service efforts, in particular in obtaining a route from North Bend to Portland. The Executive Director stated that Alaska Airlines has been contacted and plans for a meeting are in place, although there is no set date for the meeting yet. The local commitments for the Air Service Revenue Grant is just over \$1,000,000, with commitments from The Mill Casino, the Port of Coos Bay, Bandon Dunes, Sause Brothers, and the City of Coos Bay. The Board was informed that the Department of Transportation has been contacted for an update on the Small Community Air Service Development Grant. It was stated that because of the government shut down, the grant announcement has been delayed from May, and is to be expected in July. Chair Barton asked, if the District was fortunate enough to be awarded the grant, when could the District be expecting return service to Portland? The Executive Director answered that it was projected that the District would ask for service to begin in the spring of 2020.

The Executive Director informed the Board that the Rural Oregon Airport Relief (ROAR) Grant was being awarded the following day via conference call. The District submitted a grant for the Rural Air Service Initiative for revenue guarantee in the amount of \$500,000. Chair Barton believes that the intent of that grant is to be parceled out to several rural airports. The Executive Director responded that the raise in jet fuel tax may go to increasing those funds and make this an avenue for sustained funding. Commissioner Lehman stated that the grant could not be used for revenue guarantees. The Executive Director stated that that is why it hasn't been approached previously, but after communicating with the Oregon Department of Aviation (ODA), the District decided to submit something for review.

The Executive Director updated the Board on the BLM lease agreement, which was executed on February 15th, and the District is expecting to schedule the design day within the following 30 days. BLM would be responsible for providing a draft of facility requirements to the architect at HGE Inc. where it would be used to complete the technical drawings for the project. The Executive Director informed the Board that an interim limited scope agreement with the HGE Architect has been made, in order to complete the schematic designs that would allow the project to proceed.

The Executive Director mentioned the drone training that would take place in Tigard, Oregon and the purchase of an UAV. The Executive Director stated that the intent was

for the Executive Assistant to attend the training. The training takes place over three days; two indoors, and one outdoors, weather permitting. Chair Barton asked if there has been an issue with drone usage around the airport, the Executive Director answered not to the Districts knowledge.

Section V. Presentations:

Mr. Mulcaster approached the Board with an update on the two Airport Improvement Program (AIP) projects currently being worked on.

Mr. Mulcaster informed the Board that the Airfield Electrical Design Project consists of replacing all the light fixtures and signage, replacement of the conduit for runway 4/22 and Taxiway A, and reusing the conduit for runway 13/31 and Taxiway C. Mr. Mulcaster informed the Board that 90% of the plan has been submitted, with the goal of the April bid date approaching. The engineers estimate, including design services, is \$3,900,000. Chair Barton asked what the timing would be, Mr. Mulcaster informed the Board that the bid order would be in April, but depending on how fast the discretionary grant is issued it could be as early as June, but realistically July-August.

Mr. Mulcaster updated the Board on the Environmental Assessment (EA) project. Mr. Mulcaster reminded the Board that this was part of the Runway Safety Area AIP project, which was to correct the small deficiency in the Safety Area. Mr. Mulcaster stated that the project is ahead of schedule at this point. With the completion of the first phase, which consisted of information inventory that's going to be used to generate the analyses. Mr. Mulcaster stated that the FAA has approved the first two chapters of the EA, the Introduction and the Purpose and Need. There are still three of the five chapters left in the process, with the third being submitted next month. Mr. Mulcaster stated that the last chapter, being the agency coordination phase, is what might push the project to the estimated finish date of two years, putting it right on schedule.

Section VI. Special Discussion Item:

District Legal Counsel addressed the Board with information on the Confederated Tribe nomination to create a Cultural Property Historic District, which is a characterization within the National Parks service.

District Legal Counsel informed the Board that it was approximately 20 square miles surrounding the Coos Bay Estuary, including a large portion of the Airport property. The nomination covers about 150 sites of significances to contribute to the Historic District, from viewsheds, to myth locations, to sights of spiritual significances. District Legal

Counsel stated that the nomination is not at all clear of what levels of protections are going to be imposed. The effects on future Airport projects are unknown, it may mean a new layer of regulations that might be set in place, which would mean that delays of future projects would be expected. Even if the nomination passes, most of the regulations flow down from the National Parks service to the State, and then to the local government. Much discussion was made by the Board about what could be done, with the conclusion that not much can be done from a Public Land stance, but public comments can be submitted. With so many unknowns about the nomination submitted, District Legal Counsel recommended that the Chairman and the Executive Director submit a letter of opposition, Vice-Chair Benetti added that the letter should be submitted by May. A motion was made by Commissioner Lehman (Second Commissioner Mineau) to submit the letter written by the Chairman and the Executive Director in opposition of the nomination because of the lack of certainty that this nomination involves, the motion carries.

Section VII. Action Items:

Commissioner Briggs (Second Commissioner Mineau) moved to approve the 2019/2020 fiscal year budget calendar. Motion passed.

Vice-Chair Benetti (Second Commissioner Briggs) moved to approve the Executive Director as the Budget Officer for the 2019/2020 fiscal year Budget Process. Commissioner Lehman made a suggestion to make a definitive plan for incentive to keep employees in the future. Motion passed.

Commissioner Briggs (Second Commissioner Mineau) Moved to approve the resolution 2019-02-01: Intra-Fund transfer from DHS facility fund contingency line item to the DHS Materials and Services line item in the amount of \$100,000. Motion passed.

Commissioner Mineau (Second Commissioner Briggs) moved to approve the SDIS Property/Casualty Liability Policy to be paid quarterly, in the amount of \$48,157.25. Commissioner Mineau mentioned that the discounts from the Best Practices Program on the insurance came from the classes that were taken. Motion passed.

Commissioner Lehman (Second Vice-Chair Benetti) moved to approve the HGE, Inc. Limited Scope Agreement for Professional Architectural Services for the BLM Seismic Upgrades and Tenant Improvements Project. Motion passed.

Commissioner Mineau (Second Vice-Chair Benetti) moved to approve the Owners Representative Service Agreement with SCCS for the Structural and ADA Upgraded and Tenant Improvements at the BLM Facility. Commissioner Lehman questioned why this

needed to be done, Vice-Chair Benetti answered that at the time of the agreement renewal, the District was unaware of what BLM wanted in the seismic upgrades. Commissioner Lehman was concerned that there is not someone staffed that has the skill set to handle this sort of project, and a discussion took place on how this is a special project that would have had to hire on special help regardless. With four votes of yay from Commissioner Briggs, Commissioner Mineau, Vice-Chair Benetti, Chair Barton, and one vote for nay from Commissioner Lehman, Motion passed.

Section VIII. Commissioner Comments:

Commissioner Mineau, Commissioner Briggs, and Commissioner Lemman announced the intent of filing for the coming election in May.

The next regular board meeting is to take place on Thursday, March 21, 2019.

Public Comments:

Jason Bell, on the behalf of himself and Brent Pahls (who was unable to attend), showed interest in running for a Board Commissioner seat in May.

Adjourned to Executive Session at 8:39 a.m.