

Regional Airport Board
Meeting Minutes

3:00 pm

FBO Office – Kelso/Aviation

September 15, 2016

Call to order

David Futcher called to order the regular meeting of the Southwest Washington Regional Airport Operating Board at 3:03 pm on September 15, 2016 at the Kelso Airport Fixed Base Operator (FBO) meeting room.

Pledge of Allegiance and Roll Call

The Board and attendees said the Pledge of Allegiance. The following were present: David Futcher, Joseph Phillips, Jeff Wilson, Chet Makinster, Steve Taylor, Brian Butterfield, Christopher Paolini, and Karyn Anderson. Dennis Weber provided notification at the August Board meeting that he would not be in attendance and alternate Joe Gardner attended in his place.

Approval of meeting minutes

The Operating Board approved the August 2016 Board Meeting minutes. Jeff Wilson motioned to approve the minutes. Chet Makinster seconded the motion. All were in favor of approving the minutes as presented.

Treasurer's Report

Brian Butterfield (City of Kelso Finance) reviewed the treasurer's report handout of the budgeted revenue and expenditures for August 2016. Brian reported that we had \$573,000 in total revenue and \$472,000 in expenditures. He explained that there were 207,000 in operations, 244,000 in capital projects, and 20,000 in debt service. At the end of August there were 299,000 in unrestricted cash and 351,000 in restricted cash. He added that there wasn't anything out of the ordinary and that everything was in line with budget. David Futcher asked if there were any questions. Jeff Wilson asked about the dollar amounts for the contributions. Brian replied there were 3-4 county grants over the past few years, that three of the grants were for the Stopway and one for environmental, approximately \$400,000 dollars total. Additionally, there was the Port contribution of 25,000 which is currently being used as the local match for the current grants. Steve explained that the funding in the restricted funds was for the Stopway. Additionally, approval was received for the remainder of the Port's contribution (for the design portion of the FAA projects) and Underground Storage Tank funding. Steve wants to be sure that those funds are restricted for capital projects. Steve added that the funding for the Stopway project is local county rural funds. Group discussion. David asked if there were any further questions for Brian. There were no additional questions.

Agenda Items

a. General Claims– (attached in the packet)

Karyn Anderson pointed out that she met with Steve Taylor and David Futcher to review this month's general claims. She explained that the total amount processed was for \$49,300.76. *David Futcher asked the Board if there was a motion to approve the General Claims. Chet Makinster motioned to approve. Jeff Wilson seconded the motion. Steve pointed out that there was approximately a \$13,000 expense for the Stopway project, which was a catch up on past environmental and design work that had been completed. All were in favor of approving the General Claims as presented without changes.*

b. Public Comment

David Futcher asked if there was any public comment. There were no public comments. David Futcher took that time to introduce Chris Paolini.

c. Interlocal Agreement (ILA), Port of Longview Letter, and Budget

Steve Taylor provided an update on the current Interlocal Agreement. He explained that we were working on extending and amending the current agreement, which expires in February of next year allowing time for negotiations. He shared that recently the Port of Longview sent a letter with terms they had proposed for the amendment. The Board received the existing ILA amendment extending it for 2 years, with 2 initial extensions. The Port of Longview has rejected that ILA amendment, and has developed alternatives. Steve shared that the Port will not participate on the Board after November 2016 and until the new Interlocal agreement goes into effect in 2017. Steve reminded the Board that this agreement terminates first part of 2017.

The Port of Longview Letter includes recommendation that the Board only be comprised of one representative from each of the member entities, and to eliminate the current at large position. The Port of Longview also recommends that their base contribution be 65,000 and be approved by no less than a three to 1 vote of the four municipal corporations participating in the ILA. And, that a strategic plan commences and completes in 2017. Group discussion on how to proceed. Steve suggested that the Board members discuss with each of their member entities and that he had already provided an update to the City of Kelso Council. Steve added that from a budgetary standpoint, if the Port of Longview reduces their contribution to 65,000, he recommends that the other remaining entities continue to contribute 76,000.

Jeff Wilson asked that the Port of Longview letter be entered into record, and added that the 65,000 is a base, and that the Port will continue to take other funding requests for Capital projects on a case by case basis. He explained that the Port is required to

have their budgets in by August, and that they did receive the SWRA budget on time. Chet Makinster replied that the City of Longview did as well.

David Futcher explained that the 65,000 is the base contribution and that the additional 11,000 was identified for capital and other small maintenance projects. Group discussion regarding increasing contribution levels. David Futcher reminded the group that the 11,000 was for identified planned maintenance and projects. Jeff added that this letter drafted by the Port has nothing to do with the other entities contribution levels. David added that he is fine with the terms of the drafted ILA, and welcomes the Port of Longview at their proposed 65,000 base contribution level. Group discussion.

Joe Gardner asked about the reasoning behind the elimination of the at large position. Jeff replied that the Port of Longview Board voted for this, 3 to 0, that they discussed the size of the Airport Board, and that at one time it was also discussed that a tenant or audience member could become a board member. The Port of Longview suggests that Board members should only have one vote, only one vote to one paycheck.

Steve asked if there was a recommended, agreed upon direction from the Board, so that he could draft one Interlocal Agreement. David Futcher suggested working directly with the four CEO's. Jeff was hoping that he could take direction back to the Port of Longview today and would like to understand who is drafting the proposed ILA, if it were to be SWRA staff or the Port of Longview staff. Steve replied that SWRA would be drafting the ILA, and he was looking for recommendations of what that draft should look like, so that he could get it out to the four entities. Group discussion regarding the flexibility of the language in the Port of Longview's letter and the member at large position. The board suggested using the current ILA draft and revising it with the Port of Longview's language. David Futcher reminded Steve that they've already approved the budget with the 76,000 contribution level.

Steve confirmed that he would be moving forward with the Port at the 65,000 contribution level for the next 2 years, that the budget would take the 11,000 reduction, and that the county and both cities would remain at the 76,000 contribution level. Jeff added that the existing agreement terminates for the Port of Longview in November and that he plans to attend as a citizen after that timeframe. Steve will have the new agreement with a start date of January 1st, 2017, and will need to have the ILA intact for budget purposes (before the Port terminates). Karyn confirmed Board direction to move forward with January 1st 2017 date for the Interlocal Agreement, the Port of Longview contribution level at 65,000, that the budget would be reduced by 11,000, that the ILA would need to be intact prior to the Port of Longview terminating (for budgetary purposes), have the budget approved before November, and to resubmit the budget to all entities.

Steve shared that the money identified in the runway/landing line items will not be spent down, and according to the ILA language it recommends Board direction if funds are shifted from a particular line item. Steve said there will be approximately 9,000 in expenses for the work with Life Flight. He will be proposing the budgeted amount, from the remaining runway and landing field line item, be shifted to cover the life flight expenses. Steve asked if there were any objections to moving those funds from those line items (line items 480 and 481). There were no objections.

d. SWRA Construction Update: Talley Way Perimeter Fence and Beacon Tower Replacement Project, Sullivan Hangar Demolition Project.

Melanie Haagsma (Reid Middleton) provided a project update. Melanie pointed the Board to the project photos that were included within their packets. She explained that the Airport projects were moving along, ahead of schedule, and that the Perimeter Fence and Beacon projects were close to wrapping up. She explained that they had recently connected the gate operators on the electric gate and that it includes a new paved driveway and fence. Additionally, she shared that the hangar demolition is moving along, and Anderson Environmental Contracting (AEC) is in the process of removing the last hangars and asphalt. Karyn explained that they just began the demolition work on Friday. Steve added that there were two change orders included within the project. One was for 5,000 related to the hydro seeding. Melanie added that the fence project took a little more hydro seed than what was originally estimated. Steve explained that the Airport's cost would only be 250 dollars. The second change order was for a large vapor barrier (plastic) that was located under one of the Sullivan hangars that hadn't been expected or estimated.

e. Airport Management Updates

Reid Middleton update: Construction and Engineering:

Steve shared that we are in the WSDOT SCIP update period (September-October), that this is an annual update. He explained that there are a list of projects, some that will be moved around, and some projects that we can remove from the list this year that have been completed. Steve shared that we met with Reid Middleton and have a good sense now what we plan to do. He explained that the project list is ambitious, that there is 150,000 which doesn't go far with FAA, and once we finalize the list we will bring it forward to the Board. He highlighted that there is the AGIS study and the Wildlife Hazard Management study which will be funded by FAA and WSDOT. Then there will be a gap in 2018, and then in 2019 there will be an assessment to remove obstructions that were identified in the AGIS study. Steve added that it is likely that the timeline could change depending on the results. If additional funding becomes available, they could move forward in 2018. As it stands, currently there are not a lot of projects on the list as a result of funding.

Life Flight Services:

Karyn provided an update to the Board, explaining that she had been working with Life Flight, that there will be a 2-week turnaround on the modular according to Life Flight, and that recently they completed an onsite inspection with the City of Kelso. In addition, she added that once the modular arrives, Cowlitz Fence will be contacted to install a pedestrian access gate. Steve is hopeful that by the next Board meeting the modular unit will have arrived, we will have a new facility, and the aircraft will be on site. Jeff asked if they were installing signs. Steve replied no, perhaps on the modular itself. Karyn shared that there hasn't been any additional signing discussion. Chet Makinster asked about Airport signing status. Karyn replied, that they had decided to table that. Steve added, that was something he was going to have Chris follow up on once on board.

TRRWA Bypass

Karyn shared that there was a lot of work that was occurring at the Airport. She added that in addition to the work that was described earlier in the meeting, we have a bypass sewer pipe (above grade) that was installed this week. Karyn showed the board members on the map, the entrance point of the pipe on the eastside of the Airport, pointed out that it ran north approximately 540 ft north of runway 12, which was one of the angle points of the pipe, and then pointed out the other exit point on the Westside of the Airport property onto Pacific Avenue. Karyn explained the sewer bypass pipe cleaning and video project that is currently underway, the coordination efforts with Gibbs & Olson, Rain for Rent, and that they will most likely be working on the project for approximately 2 weeks. The project began on the 13th of September and is estimated to complete around the 30th. David Fatcher asked if they installed the temporary above grade pipe so they could clean out the other one and video it. Karyn replied yes.

Karyn also shared that in addition to this activity, there has been the coordination with several contractors and subcontractors. She has been working with AEC on the Sullivan Demolition and PCR on the Beacon Tower, Perimeter Fencing, and the Electric Gate projects. Additionally, she has been working with Farwest, who has been working on the taxiway crack sealing, and coordinating with Reid Middleton, Gibbs & Olson, and Rain for Rent. She added the coordination has also included work with Life Flight and Raptor Excavating who has done some of the preparation of the modular unit for Life Flight crews.

FBO Safety and runway inspections (contract as of 6-1-16), and Airport Maintenance (e.g. vegetation, mowing, herbicide, UST, well-monitoring, and hangar repairs).

Karyn explained that Maintenance charges were lower than anticipated. She typically can expect approximately \$6,000 in total maintenance expenses; this includes labor charges, materials, maintenance and other related charges. She added that this month, it was only around 2,100 dollar in total maintenance expenses. Steve added that there has been a lot of good work done by public works, vegetation management, maintenance, and Cowlitz County spraying.

Steve asked Chris to say a few things. Chris thanked the Board and said there was a lot of potential here at the Airport. He said that he has been doing research, reading board meeting notes, watching city council meetings, and communicating with Steve and Karyn via email. He said that he is hoping to come on board a lot farther ahead than someone just starting on their first day. He doesn't have the full picture, but he would like to start by increasing communication, quarterly attendance, providing construction updates, and working on a strategic plan. Chris said that he has ideas, wants to better understand the barriers, and hopes to have something over the next few months in place. Chris would like to increase revenue at the Airport, thinks there are ways to service the community, wants to share ideas, increase volunteers that can help support different events, wants to increase airport operations, increase transient aircraft, look at strategies to bring in people, and lay out these ideas in a strategic plan. He would also like to meet with all of the tenants, and would like to continue moving forward.

Airport Board Updates

Jeff asked if Chris was aware of the potential Museum location and if he had thoughts that he would like to share. Chris replied that he had heard about the project, that he doesn't have all of the details, understands that Jeff has been involved in the restoration, which he thinks is fantastic. Jeff replied that he has been working on the Beacon restoration, and that he is available to Chris. Jeff provided an update on the Beacon tower restoration, that the Airport Beacon is in his private possession, that it is over 50% restored and that the end result will be when he returns it back to the Airport. Additionally there will be history documented and he is working on scribing the story. He was working with PCR the day the Beacon tower was removed, and Karyn to record the event, taking several photos.

Chet Makinster shared other projects that Jeff has worked on in the community such as the locomotive. Chris thinks sharing that story through media and the history of the first flying car is important. Joe thanked everyone for his 6-7 months on the Board, that he will also be available to Chris since he is the economic developer for the City of Longview. He believes the Airport is important community wide.

Steve added that there is an open RFQ for the AGIS study and for a 5-year engineering consultant to work on project management. Reid Middleton has served in that

capacity and that process will be wrapped up in the next two weeks. We will be providing tours to consultants during this time period. Additionally, in July we mentioned the FAA grant award letter, and in August we received the WSDOT grant letter of approval for their 5% match in grant funding for the Airport projects.

f. Review of Action Items

Review of Action Items, Good of the Order, Board Chairman wrap up and next Meeting date. David Futcher asked Karyn to read back the action items. Karyn read the following back to the Board members:

1. The Board approved the meeting minutes.
2. The Board approved the general claims.
3. The Interlocal Agreement and Budget follow up items include:
 - a. the ILA January 1st 2017,
 - b. the Port of Longview contribution reduced to 65,000,
 - c. the ILA will need to be intact prior to the Port of Longview terminating (for budgetary purposes),
 - d. the budget to be approved prior to November,
 - e. and resubmitting the budget to all entities.
4. The remaining funds currently in the runway and landing field line items will be moved to cover the life flight expenses.
5. Follow up on the written agreement (care, custody and control) for Jeff Wilson.

Meeting Adjourn and Next Meeting Date

David Futcher adjourned the meeting at approximately 4:05 p.m. Next Board meeting is October 20, 2016 at 3:00 p.m.

Sign in Sheet/Attendees: Don Barclay (Reid Middleton), Melanie Haagsma (Reid Middleton), Renee Dowlin (Jviation), Teresa Wilson (Audience member), Scot Walstra (EDC), and Bill Smith (Tenant).

Minutes respectfully submitted by: Karyn Anderson