

Regional Airport Board

Meeting Minutes

3:00 pm

FBO Office – Kelso/Aviation

February 18, 2016

Call to order

David Futcher called to order the regular meeting of the Southwest Washington Regional Airport Operating Board at 3:00 pm on February 18, 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, Norm Krehbiel, Chet Makinster, Jeff Wilson, Mike Karnofski, Steve Taylor, and Karyn Anderson. Dennis Weber provided notification that he was unable to attend this month's Airport Operating Board meeting and that Mike Karnofski would be attending in his place.

Approval of meeting minutes

The Operating Board approved the January 2016 Operating Board meeting minutes. *Chet Makinster motioned to approve the minutes and Jeff Wilson seconded the motion. All were in favor of approving the meeting minutes as presented with no corrections.*

Treasurer's Report

Brian Butterfield (City of Kelso Finance) shared the treasurer's report handout of the budgeted revenue and expenditures for January 2016. Brian pointed out that he hadn't removed the year to date revenues and expenses from the report provided in December, but that the report does include the January numbers. Brian explained that they had \$22,000 in operations revenue and that the City of Kelso had billed out the member entity contributions, and had received contributions back from two of the member entities. He added that there was approximately \$1,948 dollars in operations expenses. In regards to the cash balance there is approximately \$108,791 (unrestricted cash), and \$341,734 (restricted cash) which is left over from the County grants.

David Futcher asked if the January numbers were correct and if they should ignore the year to date column. Brian replied, correct. Steve Taylor asked Brian if the \$304,000 reported in the Intergovernmental Subsidies line included the additional funds from the Port of Longview. Brian explained that the additional Port funding was recognized last year when it was committed, and said yes, the City of Kelso has now received the \$25,000 in funding from the Port of Longview and included it in the unrestricted cash balance. Mike Karnofski asked about the \$341,734 restricted cash balance. Brian replied that it is residual from rural county grants that they have received since 2012 and reflects unspent proceeds. Group discussion. The question was asked if the recent

grant for County Public Facility funds was submitted and that amount. Steve replied yes it was submitted. Karyn replied that the amount was \$35,150. Steve added that the Grant has not been formally approved yet and that it was submitted this past Friday. Steve explained that this grant money would be spent probably June timeframe at the earliest.

David asked if there was any further information or questions. Steve replied that he also wanted to share that the bill for the fuel tank repair is outstanding and that the monies have all been collected for the fuel tank repair. Brian confirmed this was correct. Steve explained that we were waiting on the final. Karyn explained that Steve was correct, and that in the latest correspondence with Petroleum Compliance Services (PCS) they said they are updating and sending in a final invoice. Karyn said that once she receives it she will process the General Claim.

Steve further explained that PCS has been working through obtaining regulatory information. Karyn added that it was in regards to prevailing wage. Chet Makinster asked if all of the funds were to be used on the repair and if not, what would occur with the remaining funding. Steve replied that there will be a final accounting of that to determine how much will be left and they will bring that information back to the board.

Jeff Wilson asked when the Board would have that information back on the costs and the amount of any extra funds. Karyn replied that she can provide that information as soon as she receives the final invoice from PCS. Steve reiterated that we have been waiting on PCS and wants to ascertain that there aren't any additional invoices associated with the repairs, and that all costs that went into that repair are calculated in that final invoice. Brian confirmed that the City of Kelso hasn't received any invoices on their end. Steve explained that estimate came in around \$16,000-\$17,000. Karyn added that PCS informed her that their *final* invoice will be higher and include costs associated with the prevailing wage process. Jeff Wilson added that he will be providing a report to the Port of Longview on the 23rd, and that he can ask about the credit amount at that time, if we have that information back. Steve explained that this final amount would then come out of the \$108,791 in the cash balance that is provided within the treasurer's report.

Agenda Items

a. General Claims– (attached in the packet)

Karyn Anderson pointed to the table on page 2 of the Airport Board member's packets. She provided the Board with the total General Claims processed of \$55, 964.22. She explained that she had met with the Board Chair today to review these General Claims, and obtain his signature on each of the billings. She also pointed out that she had received three bills from Reid Middleton for the Beacon, Fencing and Sullivan projects and that these bill totals are reflected within the table.

The amounts of the bills received were \$9,157.67 (Beacon), \$11,872.60 (Fencing) and \$6,733 (Sullivan).

David Futcher asked if there were any other questions. Jeff Wilson moved to approve the general claims. Chet Makinster seconded the motion. All were in favor of approving the general claims.

b. Public Comment

David Futcher asked if there was any public comment from the audience members. There was no public comment.

c. SWRA Board update regarding Port of Longview Special Meeting held on 2-5-16

Steve Taylor directed the Board members to their summary sheet which provided an overview of the Port of Longview Board Commissioners special meeting that they hosted on February 5, 2016 and the Port Commission meeting that was held on February 9, 2016 that resulted in a 2-1 vote to give nine-month notice of termination of participation in the Airport Board Interlocal agreement.

Steve explained that the Board met, discussed the Board's earlier resolution that was adopted which asked the Port of Longview to take over the Airport, and then on February 9th the Port Commission met and voted 2-1 to give their notice of termination. Steve acknowledged that they did receive the letter dated February 12, 2016, so the withdrawal from the Interlocal agreement presents a \$76,000 shortfall for the 2017 budget, and that the 2016 budget is intact.

Steve explained that this effects their ability to enter into a services agreement with a new manager and the City of Kelso which was effective in January 2016 when the City Council approved the agreement and it was approved by this Board in December 2015.

Steve directed everyone to the talking points that he had included within the summary sheet to help with discussions. These included: should the Airport operations manager position be filled, what response should be provided to the Port Commission, and what amendments to the Interlocal agreement should be considered, how the 2017 funding gap for operations and maintenance is filled, are there other potential partners or funding sources SWRA should pursue, and are there existing service contracts that should be refined or renegotiated.

Steve and Jerry Sorrell (audience/volunteer/tenant) shared that there are approximately 25 candidates that have applied for the Airport Manger position, turned in applications, and that the City has received a good response at this point. However, now that the City has received the Port of Longview notification of withdrawal letter, Steve asked if he or the Board should respond to the Port with some type of

correspondence outlining the impacts, history regarding the Interlocal, direction on how to respond, and perhaps there needs to be additional discussion with the Port Commission. Steve also asked how they will fill the gap in 2017, adjusting maintenance, increase contributions, other partners for funding, existing service contracts that are refined or renegotiated.

David suggested that they have an open discussion and asked Jeff if he would like to respond. Jeff replied that he is in favor of an open discussion. David asked for thoughts on any of the items that Steve mentioned, the funding, and if the board rethink the direction of looking for a full time manager. David explained that it was intended that they would make an offer that would be sustainable for two years and is the Board in a situation where they are comfortable doing that now or not.

Jeff replied that the posting of the City of Kelso's Airport Manager was for 24 months and asked for clarity about the salary amount. Steve shared that it was a total of approximately \$110,000 not to exceed amount which includes salary benefits for the year. Karyn added that the salary posting was \$5,448 to \$6,628 per month base salary. Steve said that within the Interlocal agreement that it did specify it would be within the M14 range on their classification. David said, which is what Karyn described.

Jeff said that he thinks in the absence of a clear, decisive, fulltime Airport manager the Airport hasn't progressed forward as they should. He hopes the right person is hired and that is critical to the operations of managing the Airport. He thinks that Airport Management should be for growth and to lead the Airport. Jeff added that the Port doesn't feel that just having a manager to manage the operations here is sufficient and that the charging of their responsibilities should be so much more, like economic development.

Jeff added that next year the Board could be \$65,000 dollars less in their budget. He then asked how soon the operating board could get back with a Proforma Budget for 2017 based on projections that could help paint the picture economically of where we will be during the first quarter in 2017.

Chet Makinster expressed frustration that this Airport Board finally has themselves in a position to move forward on an Airport Manager, has a contract signed, and are doing what everyone wants. Now the Board doesn't quite have the Manager hired, and the Port of Longview decides to provide notice.

Mike Karnofski added that it can be difficult to get a qualified person on board for a 9-month basis with the Port of Longview pulling their contribution, which is disappointing. Mike added that this has an effect on the future Airport operations and therefore he has difficulty supporting getting someone on. He added that there has always been an opportunity to look at how the Airport is managed and economic

development, rather than just status quo, and that's why these organizations have all had the vision to contribute and continue contributing, and it seems to him that the Port of Longview has lost that vision.

Mike added that he has difficulty saying to move forward with the job description because the situation has changed, and we need to relook at the job description, but first we need to understand the finances for 2017. Mike then offered, in response to Steve's question of how to reply to the Port of Longview, if a response is provided to the Port it could include the history of how we got here, with a different set of Commissioners, and how we see the ramification of the Port's decision to discontinue its support in the Airport.

Chet explained to the Board that he is concerned that the City of Longview Council may also provide notice. Steve replied that he is fully aware of and anticipating that this may happen and is very concerned about the domino effect. And speaking as a manager for the City of Kelso and the Airport, he can't suggest that they hire someone and offer a position that isn't permanent.

Steve then asked Jeff Wilson if the Port of Longview was out completely or if they are looking for changes to the Interlocal agreement. David replied that it would be better to have their current partner come back and join the Board, and the approach is just to all sit down as partners to figure out how to address concerns, and thinks there is still an opportunity to have a partnership.

David added that as far as the budget for 2017 is concerned we don't have a formal one as of yet, but it would be very close to 2016 budget, we can identify expenditure reductions and opportunities to grow revenue. He agrees that it isn't the best time to continue moving forward on the hiring process, until they nail down the partnership, what that will look like, and is optimistic that they can develop a plan that might interest the Port of Longview.

Jeff said that he appreciated the Chair's comments and that it would be nice to get an estimate and look into the future, with and without a manager. He added that this should be something that is done publically and that this will help set in motion a tone for what it will look like fiscally next year. Jeff thinks this picture needs to be painted sooner rather than later so that all of the Board members have the information. Jeff replied to the question regarding if the Port was in or out, and Jeff said that the Port of Longview made it very clear that they have voted to terminate the existing agreement but they also said at the February meeting they would be open to revisiting the Interlocal agreement.

Jeff explained that he has some issues with the Interlocal agreement and they are not acutely withdrawing, the Port of Longview is chronically withdrawing with a 9-month

termination notice. He referenced their concern with reimbursement, that the existing Commission at the Port doesn't support this, perhaps a mechanism or a certain amount of dollars are identified for each entity to share in this cost, and that they are provided time to discuss. Jeff said that the Port of Longview isn't ready to take over this Airport.

Steve replied that he thought the outcome of the meeting at the Port of Longview on February 5, 2016 was that we weren't asking the Port of Longview to take over, that there is a new mechanism set up, there is a transition occurring, and perhaps revisiting this down the road, while still having the Port of Longview supporting the masterplan and having the opportunity to operate under this alternative by maintain the partnership of the 4 entities. Steve shared his recollection of receiving notice of the fuel tank repair at approximately \$25,000 to be divided (\$6,250) between each entity and that each entity was notified, he brought the information to Council and approved it. Steve finds it hard to believe that the Port Commission at that time was not made aware that this was occurring, given the notice, and the discussion.

Mike added that Commissioner Weber had reported back to the other Commission and it was very clear that the decision was made to change the management structure and recognize that the Port of Longview may take over, and that the four entities would continue to work together under that management structure.

Steve added that they had decided to not put any pressure on the Port of Longview to take over the Airport and so it was surprising that the following week they received the termination notice. He added that there was no indication at the February 5, 2016 Port of Longview meeting that the Port of Longview had issues with the Interlocal agreement that would result in a termination notice.

David asked the Board how do they move forward. Steve agreed. David asked if there are changes that need to occur for the Port Commission, we can certainly negotiate those changes and go from there. Chet said that he agrees with Jeff, that he would like more information to take to his Council. Additionally, Chet said that he updates his Council, like on the underground storage tanks.

Jeff said that he was not speaking for Commissioner Bagaason, but that a statement was made from a Commissioner that they didn't fully understand the repair to the tank. Jeff added that doesn't mean that is representative of the Port of Longview's position on the repairs. The other commissioners do have disparity on part of the Interlocal agreement and funding unannounced repairs. The Airport should be doing assessments on maintenance more frequently in order to be proactive and avoid those surprises.

Jeff explained that the Port of Longview has inherited a Park from Cowlitz County so their budget has changed because they are now in the Park business. Additionally, their budget planning is based on a limited forecast and they are unable to budget extensively out. Jeff has additional specific ideas on how to move forward regardless of if the Port is part of the Airport Board or not. Mike Karnofski replied that the Port of Longview did not inherit the Park and that the Port of Longview made the decision to take over the Park. Mike added that it was his understanding that there is a long term concern with the Port, that there would be a management change to the City of Kelso, and the four partners would continue to move forward looking jointly at the best way to run the Airport.

David believes that there is a solid management plan in place, that the Airport be under one of the entities management, and thinks they have something sustainable in place in terms of an operational structure. Steve clarified it is sustainable if we can get a permanent Airport Manager. David added what is needed is to follow the Capital Improvement Plan and to be wise with maintenance at the Airport. He acknowledges that there can still be unavoidable surprises and we can try to minimize those.

David would like to better understand if there is a demand on behalf of the Port of Longview to engage in discussions on a new agreement. Jeff replied that a new agreement would have to be put together with some new information that he thinks all of the Board members need, such as information on services at the Airport. He added that the information in the Masterplan seems to be very old and he thinks they need a current “snap shot” of where we are at. David asked how much it costs to update a Masterplan. Steve replied that the Masterplan was a huge endeavor. Jerry Sorrell replied that it was well done and approximately \$300,000, that plan was put together when times were better, that there is an economic problem since that plan was completed, and not everything identified within the plan can now be done. Jerry added that the basics of the Masterplan still hold true. Group discussion regarding the Masterplan.

Steve asked for clarity regarding the type of data that is needed, maintenance costs, major capital improvements, runway repairs, building repairs need to be looked at and updated, and then put into a plan. Steve asked the question of who would pull this together, he thinks it should be the Airport Manager, which we don't have.

Jeff suggested that the Operating Board create a workshop and go over the strategic plan and the masterplan. Jeff suggests that this is a public workshop, that he feels the masterplan did cost too much money, and understands the Airport doesn't have those type of funds. Jeff is saying that we have Karyn and Brian, a gifted following that comes to these meetings, and he suggests that we do the work. Jeff doesn't suggest

we pay others to do it or wait for the Manager, but we as a Board do the work to create a vision together. Chet Makinster asked Jeff if this would satisfy his Commission. Jeff replied that he thinks it would be a very big step towards the opportunity to create a new Interlocal agreement with the Port of Longview. Discussion regarding resources.

Steve believes it should have been brought forward at the regularly scheduled Board meeting, that the Port Commission had a problem with the Interlocal, so that the problems could be addressed, prior to receiving a termination letter. If the Port could withdraw the termination letter, then the Interlocal agreement expires in February and we wouldn't have the stigma that is out in the Public that the Port is withdrawing from this Partnership. Steve added that this could hamper the ability to bring in an Operations Airport Manager. Steve explained how Interlocal agreements work and how the Airport Interlocal agreement works with a supermajority vote.

Jeff said that he is suggesting that the Airport Board create their own maintenance matrix to help lessen the risk factor. Mike added that Interlocal agreements are made, entered into, and one member cannot pick and choose when they are going to pay and when they are not. Jeff said that he does understand Interlocal agreements and that he is being misrepresented for the record. He added that he is not saying that the Port would like the right to pay or not to pay. Jeff said that he is saying that is part of the mechanism that we would want to be re discussed and one of those ways would be by identifying the needs. Chet added that it makes sense and he would like to see the Port of Longview come back to the Board. And if in fact these are things that could get done, he would like to make sure that Bagaason and Averett agree this is what they would like to see. He doesn't want to work on this and then have Bagaason and Averett say that isn't what they wanted to see. Chet explained that he went to the meeting on February 5, 2016 and he came out of the meeting thinking that they would be working on the Interlocal agreement, and then have the Airport Manager on board, and be provided information by August.

David said that perhaps this would help address concerns, a big picture of where they are headed with the Airport, a strategic plan of opportunities, and a look at the Financial side. Chet said that he needs it for his meeting in August with Council. Steve Taylor reminded the Board members that we are operating on such small reserves that when a surprise arises, there isn't the capacity to pick it up out of the fund balance. David agreed, that they aren't building any reserves so when the need arises, where else would the money come from if not from the entities at this table. Steve added that this is what led to the additional \$11,000 for maintenance in order to help cover those contingencies and look forward.

Mike Karnofski said that no one wants surprises, but they do come up and the Airport will need some contingency to handle these and a plan in place to cover those issues. David asked Jeff Wilson if the Port of Longview was provided a list regarding the \$220,000 in terms of maintenance. Jeff did not recall. Jeff did ask the City of Longview and County what their Councils want. Chet replied that Council wants same information, a snap shot, so that Council can better understand what is happening at the Airport.

Group discussion regarding the hiring of the Airport Manager and if this activity is something the Board was envisioning the Airport Manager doing. David Futcher asked if the Board is comfortable in moving forward in trying to get a manager or are we saying that we should not commit to that right now. Chet replied that if it is only going to be the three entities, than the Board can't afford to do it, however it would be helpful to have something that he can share with council.

Steve explained that there were a lot of parts that were moved around, the Airport can support one full time employee, and we had spent additional funding because in the past they hired a full time maintenance person and a full time manager. And now Steve believes they are on the right path, bringing in a full time Airport Manager who will have certain maintenance and manager responsibilities, and then contract out the remaining. Additionally, if we do not move forward with the Airport Manager than we are taxing the Public Works staff because they thought they were going down a particular road.

Steve explained that Karyn is working in a quasi-manager role and administrative role and she is on board until the end of May, and if Karyn were to stay on, it would not cost as much as the Manager, but it would cost more than \$4,000/month that is budgeted right now. Steve Taylor explained that there are real impacts regarding the Port of Longview's decision to terminate their partnership with the Airport Board.

David asked the Board if there are other potential partners that they should pursue and what they could do to keep the Port of Longview on Board.

Jeff Wilson replied that he is asking for a general masterplan that answers questions that the other entities may have. Jeff believes without this information they cannot make good decisions. Jeff also reminded the Board that other entities have been considered for the Board, such as the Port of Kalama has been solicited to be a member of this Board. Jeff added that the Port of Longview's financial picture has changed and they are not ready to take over this Airport. Chet would like to focus on working with the Port and Jeff to keep them on the Board. David said the first step is to provide them with information and then the question is do we hire someone to pull everything together.

Steve replied that he doesn't see why there is any reason why the Board can't sit down with Brian, Karyn and himself, that the information is there but he needs to know specifically what is needed. The Airport is operating on about a \$450,000 budget, it is not complex, and we can get the information. And in regards to the buildings that there will be a certain amount of money that is going to need to be invested each year.

Jeff added that over the next 9 months the Port of Longview is a Board member and his intention is to utilize these 9 months as aggressively as he possibly can to get some work done so that he can go back and communicate from an educated commissioner's opinion to his commission who is not. Jeff suggested that Chet Makinster and he are two Board members that would like the information and to go through this exercise, and not wait for a Manager to answer all of their questions. He would like the Board to do the work, not himself meeting with Karyn, but the Board as a group. Group discussion regarding experts available for the exercise.

Steve asked for clarity regarding the outcome of the exercise. Mike said you are dealing with two things: the Interlocal versus the plan. Mike believes that the data is there and the questions that the Port has asked can be answered. He is unclear though on if it is just reviewing the masterplan, is it getting more data, real time data, or is it all three and that he is unclear regarding the deliverable. Jeff said this is not about what the Port wants and each entity can decide upon their own. The Port is not in the position to take over the Airport, the Interlocal agreement they have terminated, and in 9 months it will cease to exist.

Steve asked Jeff if the Port is interested in a future Interlocal agreement and what amendments would need to be made because before we know it August is going to be here and we have a reduction of \$76,000 in our budget.

David recapped that he is understanding that the Board would like information that explains where we are at now and near future. Jeff replied absolutely, that he is looking for a snapshot of 2016. Jeff would like a team effort so that the information is the same. Jeff added that he is not an expert and sees this as a refresher course. David replied, it could be characterized as a state of the Airport. Group discussion. David offered that perhaps the Board put together a list of the types of information to help provide guidance to staff for a workshop. Jeff replied yes, that is exactly what he needs in order to provide reports to his Commission, to understand the Airport strategic vision.

Steve replied that if they move forward with a strategic vision, they would need a person (AM) on board to work out the strategic vision, have that manager involved, to

help formulate and help implement it. If the Board would like a snap shot of what is going on based on the reports that we have, we can give you occupancy, snap shot on operations, finances and have prepared for the next meeting but my concern is this the right information or are we going to be asked for additional information. Group discussion regarding current lease negotiations with the FBO, Life flight, business leases, grants, FAA projects, and stopway. Steve shared that he is involved in 90% of the activities and is also managing the City of Kelso, so his time is limited to put together a strategic planning process. Jeff restated that he is not asking for a formal strategic plan and spoke against that because of the inconvenience and cost. He is proposing a snap shot from the top down, that there is a new Chair, new Commissioner, new guests, and this is needed because of Board seat changes. He thinks the Board can work on this, time is valuable, and he wants the information to be the same to all of the Board members.

Steve suggested that they move forward with a workshop in March. David replied what is put together can be used as a sales tool. Jeff agrees that the information is there and he is asking for a snap shot. Group discussion regarding when to hold the workshop. Chet asked Dave Campbell (City of Longview Manager/audience member) his thoughts. Dave replied that he thinks the last hour has been useful to the Board and it sounds like a necessary conversation that has taken place.

Dennis Wise (audience member/FBO) agrees that it is good for the Airport to go to Councils to update them. He thinks Steve is doing a good job trying to get up to speed, and part of what he hears is business information regarding jets at the Airport, there is history and expertise, and could help to answer questions, and should have plans to move forward to conduct regular briefings. George Ford (EAA President/audience member) said that he was excited to hear all of this great conversation, and that Board members need to make informed decisions, and the plan can help dispel the mystery. George offered that a monthly newsletter be developed and sent monthly or quarterly regarding what is going on at the Airport. George gave some examples, that he thinks this is an exciting time, that this makes him happy, and that this is a true beginning and opportunity. He shared that this weekend there is the Northwest Aviation Expo in Puyallup, WA. He can provide an application for the Airport Manager, George said that he recalls over 300 people standing in line to get a job. George said that Karyn could vouch for this. Karyn replied that the Airport had a booth at the Northwest Aviation Expo. George suggested asking the Port to provide 2 years instead of 9 months so that the Airport can get the right person in for the job. George also offered to put together a promotional video that it could include Board members and Commissioners. Group discussion regarding the video, newsletter, and promoting the Airport. Warren Longden added that he represents the AOPA and can get information to the Board by next week.

David Futcher suggested that they have the Board workshop sometime between now and the next Board meeting. Group discussion. The Board decided to hold the workshop on March 2, 2016 at 1:30.

Jeff suggested the workshop include that the masterplan, strategic plan, and any documents the City of Kelso can offer. David suggested the information that is pulled together help as a sales pitch. Mike Karnofski asked if the outcome of the workshop is the snap shot and does it focus on the long term, the day to day data, or both. David suggested a good snap shot of information. Mike said that the outcome of the workshop is that the Board will be provided with the best existing data and if given the opportunity, to look at the long term planning document. Jeff added that it is the short term, social input, and air shows and the outcome is yet to be determined. Steve said that the outcome is important to know, and what Jeff needs to hear in order to ascertain what the Port needs to come back on board. David added that is not the only outcome, each Board member can benefit from the workshop. Mike asked after spending 2-4 hours reviewing the data, are we than making a decision, are we following up with constituents, he is not clear. David said that the outcome would be to have information that will show what happens here and so they can convince others there is value here. Dennis Wise added that he thinks it would be important to have the 2017 budget available. Steve again asked what information is needed for the Port to be able to decide if they are returning to the Board or not. Jeff said current data, a snap shot, which will give us a picture of where we are at and will help us discuss how we can move forward. He also would like the stakeholders and users involved.

Jerry Sorrell asked about the call for an Airport Manager because after the Board meeting he will be meeting with others to discuss how to move forward. Jerry asked if they should move ahead or not. Steve Taylor said that at this point they should freeze. David Futcher agreed and Mike Karnofski agreed. Jerry brought the board up to speed, that they had received 31 applications. Group discussion. Jeff asked if the Board should vote. David Futcher replied no, but there is a general consensus, that they all agree to freeze and he asked if there were any objections to having the workshop on March 2nd at 1:30 p.m. No objections.

Karyn asked to recap the purpose of the Board workshop which will be held on March 2, 2016 at 1:30 p.m. The purpose of the workshop is to discuss and develop a snap shot of 2016 at the Airport. Information to be brought to the meeting will include current data, masterplan/strategic plan, and data that will assist as a sales pitch and help to develop a mini strategic plan.

d. SWRA Operating Board positions – At large Position and Vice Chair.

The Summary sheet provided discussed the Board chair and appointments, information that was provided in January and Interlocal Cooperation Agreement, October 2010. Additionally, that they were provided notice that Norm Krehbiel, the ‘at large’ Board member and Vice Chair was resigning his appointment from the board due to other conflicting obligations.

David Fatcher asked the Board members if they had anyone in mind and if there was someone that they thought would be a good fit that they would like to nominate. Group discussion. Mike Karnofski nominated Commissioner Weber as Vice Chair. Jeff Wilson replied that the Port of Longview did not have a nomination. Group agreed to have Commissioner Weber as Vice Chair.

David then asked about the ‘at large’ position. Group discussion. Jeff replied that the Port of Longview did not have a nomination and offered that Norm Krehbiel (Port of Longview CEO) could not make the Airport Board time commitment and will be busy running the Port. David asked if there were other suggestions. Group discussion. Jeff suggested the City of Longview may have a council member. Steve explained that it needs to be a staff member in a managing or supervisory role or designated employee. Steve added that he would suggest it not be someone from the City of Kelso since he is the Manager and David is the Chair and it could appear top heavy for the City of Kelso. Chet asked Dave Campbell (City of Longview manager in audience) discussed consideration of the new Economic Development Director. Group discussion. Steve added that he didn’t believe there was a timeframe but they should fill this as quickly as possible. Steve also said if an employee is also a pilot, that might be a good fit. Jeff Wilson suggested a Cowlitz Tourism employee.

Board to follow up with Steve Taylor (email) regarding nominations for the ‘at large’ appointment for consideration.

e. SWRA Airport Management Services announcement update

The summary sheet provided in the board packet explains the interim job announcement, and information that the board was provided in January regarding the hiring, staffing, and transition update. Steve said that he thinks they should keep the announcement open, get together with the candidates that are not qualified and let them know they are no longer considering their applications, and then notify the other remaining candidates that are still in the running. David agreed that was a good plan to notify the 80% to have that resolved, and to then inform the 20% that this is still open until an extended unknown timeframe.

f. Rural County Funds Grant Application update

Steve directed the board to the summary sheet provided in their packet and explained that due to project refinement in cost estimates received from Reid Middleton they needed to increase the 5% local match. That Claire Haugen had asked the Airport to put together a Grant application for Rural County funds. Steve added that Claire and Katrina had commented that the application received by Karyn was thorough. Group thanked Karyn. Steve shared these additional grant funds of (\$35,150) will allow the Airport to move forward with the construction projects: 95% FAA funds, 5% WSDOT, and 5% local match.

g. Airport Management Updates and Airport Board Updates.

Capital Improvement Plan (CIP): Steve received a letter dated Feb. 2, 2016, from the Seattle Airports District Office, WSDOT Aviation Division regarding the SWRA FY2017-2021 CIP. Steve explained that the projects are moving forward (Beacon, Fencing, Sullivan Hangar demolition) and the final estimates are being submitted for construction engineering costs, once the final estimates are in we go to bid, and then can get the grants from FAA and WSDOT. Steve explained that Reid Middleton is taking care of this for the Airport and construction will take place in July-August nearing completion August-September timeframe.

Chamber of Commerce Membership: SWRA received the Kelso Longview Chamber of Commerce Basic Yearly Membership renewal invoice for 2016. Steve explained that his recommendation at this time is to not renew the membership. All Board members agreed.

Three Rivers Regional Waste Water: SWRA received the final limited license agreement between SWRA and TRRWA signed by Steve Taylor and the TRRWA Plant Superintendent. Steve explained that they will begin in July-August timeframe and that all paperwork has been completed.

WCIA Insurance and Hangar Roof Repairs: Steve provided the board with an update regarding the Hangar roof damage that occurred in December/January and that the roof repair work was scheduled to begin on March 1, 2016 and is anticipated to last approximately 3 days. Additionally, there was a \$5,000 insurance deductible.

Hangar Occupancy Updates: Karyn provided a Hangar Occupancy Update that captures the current hangar occupancy at the Airport. She explained that it is a “snap shot” of the current hangars and provides the board with some numbers so that they can see rates and number of units. She also explained that at the top of the report she has shaded in grey the Sullivan hangars that are to be demolished this year in order to give the Board an idea of the total number of units (less Sullivan Hangars). Karyn explained that there are a total of 50 units (A, B, C, #35-59) and that 46 of those are occupied,

then highlighted that there are 4 units left, 3 units in the A row and 1 unit on the Westside that is in need of repair. She added after the necessary repairs are complete this hangar would be available to lease. This gives the Airport a 92% occupancy rate. Karyn added that if Prime Development is still at 100%, this puts the Airport at a total of 95% occupancy rate. Jeff asked the Chair to provide compliment, he thought this was good information, easy to read, and thanked Karyn for putting this together and noted for the record. Board members agreed.

Board Updates: David asked the Board members if they had any comments or updates to provide. There were no additional Board comments or updates at this time.

- h. Review of Action Items, Good of the Order, Board Chairman wrap up and next meeting date.

Review of Action Items

David Fatcher asked Karyn to provide the action items. Karyn read the following back to the Board members:

1. The Board has approved the meeting minutes for January 2016.
2. The Board has approved the General Claims.
3. The Board had decided to hold a workshop on March 2, 2016 at 1:30 to discuss and develop a snap shot of 2016 here at the Airport and included in the workshop: current Airport data, masterplan, and information that helps board members with sales pitch, and perhaps develop a mini-strategic plan.
4. The Board voted Commissioner Weber to be the Vice Chair in 2016.
5. The Board members will email Steve Taylor ideas regarding the 'at large' position.

David adjourned the meeting at approximately 5:00 p.m., announced that the Board Workshop will be held on March 2, 2016 at 1:30 p.m., and the next regularly scheduled Board meeting will be held on March 16, 2016 at 3:00 p.m. Jeff asked to add one comment for the good of the order. Jeff would like to suggest that the word approval is removed from the agenda and replaced with the word action item. Discussion. Steve suggested that the word approval will be removed from the agenda (with no replacement language).

Meeting is adjourned. Sign in Sheet/Attendees: Jerry Sorrell (Pilot/audience member), Scot Walstra (EDC), Brian Butterfield (City of Kelso Finance), Denny Wise (FBO), Dave Campbell (City of Longview Manager).

Minutes respectfully submitted by: Karyn Anderson