

Regional Airport Board
Meeting Minutes

3:00 pm

FBO Office – Kelso/Aviation

November 20, 2014

Call to order

Chair Darold Dietz called to order the regular meeting of the Southwest Washington Regional Airport Operating Board at 3:02 pm on November 20, 2014 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, Chair Darold Dietz reminded the body that there were comment cards available for written Public comment, and then roll call was read. The following members were present: Darold Dietz (DD), Chet Makinster (CM), David Futcher (DF), Norm Krehbiel (NK), Sharon Zimmerman (SZ), Janean Parker (JP), Rosemary Siipola (RS) and Karyn Anderson (KA). Dennis Weber (DW) was not present.

Approval of minutes from last meeting

The Operating Board approved the October meeting minutes. David Futcher motioned to approve. Chet Makinster seconded the motion. All were in favor to approve the meeting minutes with no corrections.

Agenda Items

- a. 2014 General Claims – Sharon Zimmerman. (attached in packet)

The Operating Board reviewed the general claims. The Board was provided a fold out General Claim's summary (with larger font size). The Board thanked Karyn for providing the larger font size and summary. Chet Makinster asked Sharon if there was anything out of the ordinary in this month's general claims. Sharon said no, that there hadn't been anything unusual.

Rosemary pointed out that in the Airport Program's CIP expenses there are invoices from Reid Middleton, which is different than our typical monthly bills. She added that those invoices are reimbursable. Sharon added that they are reimbursable at 95%.

Darold Dietz asked if there were any questions and if the general claims were available to the public. Staff replied yes, they are available to the public, and Karyn replied that she had extra copies.

Rosemary shared that the Airport continues to increase business accounts, for example the Airport now has an account with Bob's. Chet Makinster commented that he liked that it was in town, and a local account. Darold Dietz hearing no questions moved for a motion to approve the general claims. Chet Makinster motioned to accept the general claims as presented. Norm Krehbiel seconded the motion. All were in favor of approving the general claim vouchers with no changes.

b. Proposed Budget Revision for 2015:

Sharon described that she had provided the Board with a proposed 2015 Budget that would assist in addressing the State Auditor's Office cost of \$6,600, the Burlington Northern (BNSF) Easement cost of \$700, the Washington State Business License fee of \$750, and the City of Kelso Business License fee of \$50 dollars. These were not previously included within the Airport's Operating Budget.

Sharon explained that she had taken the current 2014 Budget, made some assumptions regarding the various contracts and expenditures that she'd been observing over the last couple of years. She added that her goal is to be sustainable so that we are accurate with what is being brought in at the beginning of the year and with actual Airport expenditures.

She highlighted that it was unclear when discussing the 2015 Budget if the Airport was a Regional Board or if one of the entities was going to take over operations of the Airport. So the assumptions she made within the proposed 2015 budget is that the Maintenance contract (which is Dan) is held steady at the full FTE amount, instead of trying to figure out what it might look like in 6 months. She added that she also made assumptions regarding the City Finance contract. She reminded the Board that this isn't something that had been negotiated but was anticipating that there may be some adjustments based on who's doing what.

She then pointed out that she increased the Zimmerman Engineering Services contract by 10,000, based on everything that is going on this year and the increase in workload for next year. Some of those items include the Capital Improvement Projects that will hopefully be underway, the State Auditor's Office Audit, and the Transition services that may impact the various work efforts at the Airport.

Sharon added that she was trying to account for most things but wanted to make sure it wasn't too unruly. Her concern during this effort was in trying to make adjustments and actually stay within what's actually coming in every year. She had to make changes in the cost to rebuild buildings, landing fields, and hangars. Her assumptions were that Dan will be responsible for these activities versus having others' conducting the maintenance activities.

Rosemary shared with the Board that staff went back through and reviewed everything year to date, adjusting some things up and down. For example, she shared that the Airport's fuel expenses went up a little bit and electricity had stayed the same. She added that this reflects what is really going on based on what is known to date. Additionally, the Airport has absorbed an additional \$1150 dollars because of the lapse (over 2 years) in the Underground Storage Tank business license for the Airport. Sharon added that the business license lapse was specific to the Underground Storage Tanks, that there were gaps in databases, addresses were incorrect and what was being sent to the Airport was going to the old City Hall address. Sharon said that she appreciated that they were proactive by contacting the Airport over the phone in order for the Airport to get everything aligned. Rosemary added that the same was true regarding the BNSF easement, that it also hadn't been paid for 2 years, and that Airport staff had worked to resolve this as well. Sharon shared that she believed it to be approximately around \$20,000 that they were working to align, that it takes a while, and that it is all part of a process.

David Futcher said that it would be helpful to him if he could get a comparison to what the Board had already adopted versus the proposed budget. This way we can see exactly what's changed. Chet Makinster agreed that would be helpful.

Rosemary reminded the Board that they have notebooks that staff provided and that they should have copies within their notebook of the 2015 Budget that they had adopted. Sharon replied that she had written on hers, and other Board members either couldn't locate within theirs and/or didn't have their notebook with them at the meeting. Sharon went on to add that what had been assumed within the 2013/2014 budget was adopted as the 2015 budget. Group discussion regarding the various Budgets that were amended and adopted over the years. David Futcher reminded the Board members that there was an adopted budget in place, that there wasn't an urgency for the Board to develop one, but he agreed the Board needed to tweak the current Budget. He added that he's not sure what all the tweaks are at this point. David also said that he'd like to see a comparison of the adopted 2015 budget and the proposed 2015 budget. Sharon said she appreciated his comments and that she was a details person herself. Sharon offered to bring back this agenda item for the next Board meeting. Group

discussion regarding a few of the budget line items and level of detail. Sharon replied that she hadn't had an opportunity to get into too much detail regarding the Accounting services with Brian and Steve. Group discussion regarding if they needed to motion to table this agenda item. Janean Parker replied no, they did not need a motion to table this item until the next Board meeting. This item was tabled until the next Board meeting.

- c. Personal Services Contract: Zimmerman Engineering Services (ZES) and Law Offices of Janean Parker.

Sharon shared with the Board that they might want to bring this item back to the next Board meeting as well. She went on to explain that this agenda item had to do with extending the contracts for ZES and Janean Parker's legal services. She added that she had made some changes to both contracts, added in a "not to exceed" clause, changed dollar amounts based on experiences over the last year, as well as some of the major projects that are coming up.

David Futcher said that he agreed with Sharon's recommendation to look at these when they revisit the budget at the next Board meeting. Sharon added that she could also hold a budget contract workshop between now and the next Board meeting if the Board members wanted her to and if they wanted more time to discuss in depth.

David Futcher said that there is currently enough Budget in place and that we have enough time. He added that if the Board hadn't adopted anything than he would agree they need to figure something out. Sharon added that both Janean and her contract are up at the end of the year. David Futcher said that he doesn't have any questions about Sharon's or Janean's contract and that he just wants to make sure it lines up with the Board's budget. He added that he wants to be sure the Board doesn't approve a contract that says one number and technically the Board is sitting on a budget that says something else. Sharon said absolutely, and agreed with David. Sharon asked if the Board thought it was something that could be addressed in the next Board meeting. Group agreed. Rosemary added that Sharon will get the Board a copy prior to the meeting, so they have time to look at it. Karyn added that the information will be sent in an email to the Board members.

- d. Capital Improvement Projects; Personal Services Agreement with Reid Middleton, Stopway Project.

Sharon explained that this agenda item covers the Airport's stopway project runway extension project. That several things have started to move forward and align, that the City of Kelso has moved forward with their wetland banking

concept and perhaps with an approval process this summer. Sharon added that she has been working with Don Barclay, recognizing that there may be an opportunity to minimize the construction boundaries, and also recognizing that the County has extended the period for the grant until August of 2016. This was encouraging as she believes that this allows the Airport to move forward, and that funding could move the project forward. For formality, she believes the Board should accept the Reid Middleton contract, as well as amend the contract so that it focuses on the Stopway project instead of the runway project (which is anticipated to be a lesser consultant fee).

The range for the project is \$200,000 to \$250,000 to get the Airport 100% construction-ready (plan set as well as the permitting). She added that she also believed it to be a plan set for the Wetland project. Don Barclay agreed. Chet Makinster motioned to accept the current Reid Middleton contract, as per the Interlocal agreement, and direct the consultant to amend the current scope of work to address the FAA determination letter. The Balance remaining on the current contract is \$343,943. It is estimated that to complete the stopway project it will cost between \$210,000 to \$250,000 dollars.

David Futcher enthusiastically seconded the motion. Rosemary added for clarity that the \$210,000 to \$250,000 dollar figures will get the project through design on the stopway and wetlands. That this does not include construction of the project.

Darold Dietz asked if there were any additional questions. There were no further questions. All were in favor. Don Barclay added that next steps for him will be to provide an amended scope of work.

e. Capital Improvement Projects: FAA project delivery & Line of Credit.

Sharon described to the Board that the FAA funding reimbursement process requires the Airport to have money in the bank. For example, in regards to the Tower Replacement Beacon project there will need to be funds in place for that reimbursement process. The Airport will have to spend the money first and then FAA pays the Airport back. She added the Airport has been pursuing funding options, and that the Airport had received a potential commitment from an entity that might be able to advance us the money. Sharon asked the Board if they had any questions. The Board members said that they appreciated the work effort and were pleased to hear this news.

f. Financial: Procurement Policy Draft.

Sharon described to the Board that she and Janean had been working on developing a draft procurement policy regarding the contracting and transaction approval processes and believe the draft still needs additional work.

Janean then shared with the group that Sharon was being nice, that Janean thought it was going to be easier than it turned out to be, but when she began working on the draft she realized that there is additional work that needs to be worked out. She added that it isn't ready for this Board meeting but it will be ready by the next meeting. The policy will be modeled after the City of Kelso's policy and believes that they will have a good product to bring back to the Board soon.

Norm Krehbiel asked if she had identified something unique to this organization, and if Janean was going to bring that forward to the Board for clarification. Janean responded that they probably will have some options and will ask for the Board's recommendation regarding what they would like to see in final form.

g. Property Management: Long-term lease requests for Corporate Hangar.

Sharon explained that Warren Longden shared with the Board at the last meeting that people are interested in building corporate hangars at the airport. She wanted to share with the Board the two letters that the Airport received from Warren Longden. Chet Makinster said that he was glad to see this discussion moving along. David Futcher asked if there was anything that they needed to do right now. Sharon replied no and that she will coordinate with FAA when more information is available.

Darold Dietz asked Warren Longden if the two attached letters that were drafted by Warren meant that the projects were his, personally. Warren said that one was Long Air's and that he is the Aviation Manager for JH Kelly and Clary Air. He added that as part of their contract with them, the tank would be under Clary/Blue Herron. Rosemary asked Warren if he was the agent for this group. Warren replied yes, that they do all of the Aviation for them.

Darold Dietz asked Janean since they are getting a letter of intent from Clary, will they then be the bottom-line on the lease. Warren responded that the letter of intent is to request a long term lease on the property. They are building in Great Falls Montana right now so the construction person will not be back until after the first of the year.

Janean added that she thinks that this gives the Airport (legal) something to work with, allowing them to continue to move forward, will let the Board know what the proposal looks like, and hopes to bring back a successfully negotiated lease.

Dwight Irby (audience) added that it will be a great asset to this Airport. Warren added that in the past they did not have a manager that was based here. Additionally they did not have a good relationship with the Airport in the past. Warren was asked to do all of the leg work in regards to building here. Warren added that he spoke with the Vice President of JHKelly and that he had gotten the go ahead to move forward with this type of letter of intent.

Janean added that she was comfortable in moving forward. Darold Dietz added that this was excellent news and is exactly what the Airport needs. Chet Makinster added that he appreciates Warren trying to make this happen and getting this here at the Airport.

- h. Sharon asked Karyn to cover the next agenda items.

Hangar Occupancy Report agenda item.

Karyn described to the Board that every month she has been pulling together information for the monthly occupancy report to help her track the occupancy percentages. She reminded the Board that last month the occupancy rate was at 74%, and that since that timeframe the Airport has leased another Hangar and it is up to 76% occupancy rate. She described some of the tenant activity, and tenant information that she's recently handed out, and that she's hoping to have additional tenants by next month.

Internal Work Order Process.

Karyn described to the Board that she had been working on an internal work order process. That it's a management tracking system that the Airport is putting in place to better manage the maintenance activities, development of a work order to track some of the contractual activities that we have with our Airport FBO/mechanic.

Wildlife Management Update.

Karyn updated the Board regarding a recent meeting that took place with Laurence Schafer, USDA. She explained that the purpose of the meeting was to review some of the wildlife management practices and requirements, to conduct a site visit at the Airport, and to review the current Airport wildlife management plan. Additionally to review what was in the plan and to determine what we can do to continue to track and capture some of the wildlife data. As an example, what type of wildlife and what the Airport is doing to mitigate that wildlife.

Sharon added that Laurence Schafer is going to provide the Airport with an onsite visit letter and during the visit agreed that the Airport had standing water (a wildlife attractant). Chet Makinster asked what Laurence's take was on the issue. Sharon replied that it was a no-brainer regarding the wildlife issue. Dan Johnson (audience) added that he has a permit to mitigate wildlife if needed. He added that he tries to be mindful that the Airport is near neighborhoods and businesses, when he needs to mitigate wildlife. Sharon added that there was also a lengthy discussion regarding moles, that it is a complex issue for Airports in Washington State. There was group discussion regarding the issues that arise from moles. Sharon added that the Airport even attempted to get a permit, but they were informed that they could not get a permit for moles.

Airport Fence Accident.

Sharon shared with the Board that there had been a traffic accident that occurred on October 25, 2014, that this resulted in damage to the Airport fence, and that Dan had responded to the call, and spent several hours at the Airport to take care of the issue and secure the Airport.

Karyn shared with the Board that what she thought was great about this event was when she arrived at the Airport the following Monday morning, listened to the Airport messages, and heard a message from the 911 Police (non-emergency) dispatcher. The dispatcher had called the Airport to notify the Airport of the situation, and that the fence had been damaged in an accident. The police dispatcher then continued to make phone calls, calling the next contact information for the Airport, got a hold of Dan, who then came down to the Airport to secure the Airport property. Darold Dietz replied that it is great that the call back system worked. Group agreed.

Sharon added that she has since followed up with the individual involved in the accident and is waiting to see what happens next. Darold Dietz asked if that meant the Airport would be reimbursed for the damages. Janean replied no, that doesn't necessarily mean that they will be reimbursed. Group discussion regarding individual experience in working with accident claims. Rosemary added that the original estimate that Cowlitz County provided Dan was higher than the final repair cost of approximately \$918 dollars.

Legislative Updates:

Sharon asked Rosemary to provide the Legislative Update to the Board members. Rosemary shared with the Board that she had sent a couple of drafts on the Legislative Updates and agreements from Steve Taylor, Bob Gregory, the EDC, the Port, and the County regarding two issues. One is the excise tax through WAMA, and hopes to get in front of their subcommittee. Rosemary said that she also learned that Dean Takko is on the Aviation Caucus in the House. Currently 90% of the excise tax goes to the general fund and the remainder goes to General Aviation grants. The total amount for the biennium is \$700,000 and we did get a nice write-up from the WAMA group. She has also learned that the State that supports Airports the most with excise tax, is Colorado.

The second issue is the change for the diking district assessment and recognizing the restricted land use property on Airports. Rosemary has heard from an Airport that is private (so they do not use FAA grants) so it doesn't affect them. She is still trying to recognize the link between the FAA Restricted funds and the diking assessment. The county assessor has to go by the law and our properties are all being assessed as if they were all industrial. She is going to continue the discussion regarding obtaining an assessment "floor". Scot Walstra (EDC/ audience member) said this would be with the Chairman of the Finance committee, Representative Reuven Carlyle. Rosemary wrapped up by saying that the Airport will be working in partnership.

Sharon asked Rosemary if this was the excise tax that pilots are paying. Rosemary replied yes it is for general aviation airplane owners and that 90% of it is going to the general fund, not the DOT grant matching funding program. Jerry Sorrell (Pilot/EAA/audience member) added that the pilots pay it every year and it is an annual registration fee.

Norm Krehbiel pointed out that Sharon had skipped over the Underground Storage Tanks update. Sharon thanked Norm for bringing to her attention.

Underground Storage Tanks:

Sharon shared with the Board that over the last week the Airport had an inspection by the Department of Ecology. That there were a couple of things that needed to be addressed to bring the Airport into compliance. As a result, Dan is getting required training and Karyn is working on getting required signs posted. Sharon added that the team is learning a lot about the Airport's Fuel tanks (more

than they ever thought they would know). Norm asked a question regarding the type of tanks. Karyn replied that they are steel and single wall. Norm asked if they were inspected. Karyn replied that today they had scheduled the annual line testing and that the company will come back in December for the three year test.

Rosemary reminded the Board that if they charge for the testing than that will need to be budgeted for as well. Karyn shared that the license for the Underground Storage Tanks is also up again this December. Chet Makinster added that he thought it was great that we were updating and keeping things compliant.

Rosemary added that there are 10 Airport electric bills and that they used to come to two or three different address locations. After some leg work on Rosemary's part, she explained that the Airport now gets all 10 bills combined into one bill, and that they all come to the Airport Office mailbox.

- i. Action Items: Karyn Anderson was asked to read back the meeting action items to the Board members.
 - a. The Airport Board has requested a copy of the adopted 2015 Budget and would like Sharon to email that to the Board before the next Board meeting. Additionally, then at the next Board meeting Airport staff will bring back the Budget and Contracts discussion.
 - b. Sharon is to follow up with FAA on long-term lease requests for hangars and report back to the board next month.
 - c. Don Barclay is to provide an amended scope of work to the Airport.
- j. Public Comment and Other General Business:
 - a. Cycling of Airport Operating Board Chairs.

David Futcher asked to discuss the rules and procedures regarding cycling of Board chairs. David added that he doesn't feel that this is an opportune time to cycle the chairs and would like to propose to extend the term of the chair for another year. Chet Makinster seconded the motion to extend the term of the chair for another year.

Sharon responded that she thought the bylaws stipulated that the next chair would be the City of Kelso. David Futcher said that he thought it was discussed in the rules and procedures that the Board had adopted.

Janean Parker added that the Board can suspend their rules and do whatever they would like to do in regards to cycling of Board chairs. Norm Krehbiel abstained from the vote on the floor.

Darold Dietz asked for clarification from David Futcher regarding if there were other reasons why the City of Kelso would not want to cycle the Board chairs, and he pointed out that both the City of Kelso and the Port are in the middle of the potential change in Airport ownership.

David Futcher responded that he believes it is an inopportune time to change horses in mid-stream. He added that he thought Darold Dietz was doing well. There was group discussion regarding how long the transition (change over) could take. Darold Dietz added that it could be September of next year (2015). Norm Krehbiel added that the actual take over date could be January 1, 2016.

Chet Makinster added that he would also like to see Darold Dietz stay in the Chair position. David Futcher explained to the group that there will be no assurance that the same person will hold the City of Kelso Board position next year and that he sees less chance of Darold Dietz's assignment changing than the City of Kelso's.

Darold Dietz reminded the Board that there are good reasons for cycling positions. David Futcher explained that he isn't saying that the rules and procedures go away, he is only proposing to suspend them. Group discussion regarding the cycling of the chair. Norm Krehbiel asked if they could motion to table it. Karyn replied that there was a motion on the floor from David Futcher, and that Chet Makinster seconded the motion. Janean added that they could make a motion to suspend their rules and it can also be tabled as well. David Futcher added that he meant this as a compliment to Chair Darold Dietz.

Norm Krehbiel moved to table the motion, Chet Makinster seconded the motion. Darold Dietz added that the motion would be tabled until next month. All were in favor of tabling the recycling of Board chairs discussion until the next Board meeting.

b. Executive Session.

Janean Parker added that she wanted the meeting record to state that the Executive Session that is listed at the end of this meetings' agenda, is to discuss Real Property and Potential litigation, and will last for approximately 15 minutes (with no action to follow).

c. Other Comment:

Airport ownership and timeframe for transition discussion.

Steve Taylor (City of Kelso) asked the Airport Operating Board if they knew the timeframe for a decision by the Port of Longview regarding the transfer of ownership and what the critical path would be for the vote to occur.

Norm Krehbiel explained that the Port of Longview Commission had agreed to reconsider this question in September. Steve Taylor said that he didn't realize this process was going to last that long. He added that if there are items that the Port of Longview is looking for answers to, such as certain financial items and property assessment information, the City of Kelso would like to know what those items are.

Darold Dietz replied and said that the Port Board was concerned that the transfer of ownership was moving too fast, that there were still unknowns, and that without the audit the Port of Longview would not know what it would be taking over. The Port Board asked if the process couldn't be taken slower so everybody felt more comfortable. Steve Taylor asked what information and studies needed to occur in order for that to happen. Steve doesn't want to table this, wait for September, and then bring this up again.

Janean added that the question should be what the Airport Board staff and City of Kelso staff should be doing to help with the transition. She added that additionally knowing what meetings need to occur are important. Janean suggested that perhaps for next time they schedule a strategy discussion for the transition of the Airport.

Chet Makinster thanked Steve for bringing up the question that the scheduling is in a grey area with an unknown timeline. Darold Dietz replied and said that he'd like to answer Chet and Steve. Darold Dietz said that one of the primary concerns of the Port of Longview Board was the audit and when it would take place. Darold Dietz added that the Port of Longview requested for it to be earlier instead of in September, and that the State Auditor's Office responded with the March timeframe.

Darold Dietz added that the Port is only doing their due diligence, just like the City of Kelso would do. Steve Taylor said that he wasn't aware of the timeframe and that he has been offering whatever the City of Kelso needs to do to provide financial information to help the Port of Longview do their due diligence, and that the City of Kelso is more than willing to do that. Steve then said he's not sure if the transition should require an independent audit. Darold Dietz replied that it isn't an independent audit, it is the scheduled State Audit and that the Port of Longview requested that they push that forward. Darold Dietz added that he thinks the transition process is moving forward, that they are trying to get a handle on many things that they have to do in order for their due diligence.

Janean Parker suggested that there be a regularly scheduled meeting with the Executive Director, the Manager, and one Board member. This group will meet to line out strategies, a timeline, how to address legal, and how to address transition documents. This then prepares the group to report the status in September. Janean reminded the group that she understands that she is volunteering other people's time, but does feel that a meeting, with some periodic regularity, will be helpful.

Darold Dietz asked Steve Taylor (City of Kelso) if he was meeting occasionally with Geir-Eilif Kalhagen (Port of Longview CEO). Steve Taylor replied yes, that they had met with Geir-Eilif Kalhagen to discuss the timeline for this transition of Airport ownership. Steve Taylor added that if the group is going to wait until September what about other interested entities.

Sharon replied that these were all great questions and that these are not the responsibility of the Airport Operating Board, this is a discussion for the City of Kelso and the Port of Longview. Sharon added that Airport management has been as helpful as possible trying to lay out what we have learned over the past few months, providing information on management perspective and operation needs, grant funding, and how to pay for capital improvement projects as well as maintenance and operations. This is not straight forward and there are a lot of entities involved in this discussion.

She added that one of the concerns she has, is that she has seen all of the things that have been accomplished this last year and see's the need for someone to spear head the transition. That this transition will require a lot of time and effort, and the question remains of who leads that effort. Sharon said that could be something that the Airport Board wants the

Airport Manager to do or is that something just between the Port of Longview and the City of Kelso.

Steve Taylor added that if the decision is based upon the financial statements, than the City of Kelso can get together to see what is needed for a financial statement audit. Steve Taylor asked Brian Butterfield (City of Kelso-audience) how many years of clean financial statement audits the City of Kelso had. David Futcher replied that it isn't a financial statement audit that the State Auditor's Office is going to want to do, that it's called an accountability audit. Sharon added that she understands it to be an audit of the Airport, which is a standalone entity, and is not part of the City of Kelso. She added that the audit of the City of Kelso has not included the Airport for 2013 and 2014.

Janean Parker replied that we are getting ready for the accountability audit and need to have all of our policies and procedures in place. She added that this is some of the work she's been doing. She shared that this work is being performed to pass the audit and if they pass the audit, then it's all irrelevant and can go away because now the Airport will be under the umbrella of the Port's procurement policies and travel polices. Janean also added that she believes that there is value in going through this process and getting ready for an audit. Even if the transfer doesn't go through, than as a standalone entity the Airport is well positioned to keep going.

Darold Dietz added that he and the Port of Longview CEO were ready to move forward, however others wanted to make sure that the right decision was being made. Janean added that regularly scheduled meetings will help with this decision making process. Darold said that they put the target date of September but if it was up to him it would be done this January (2015).

Chet Makinster added that as a representative of the Longview City Council he should know what the status is at the Airport. David Futcher replied that it takes two to tango and that if the Port of Longview hasn't decided that they want to move forward, than that's their decision. Darold Dietz quickly responded that no one said the Port of Longview Board of Commission and staff didn't want to move forward. Darold added that the Port's staff also researched the Airport and the Port of Longview realizes it is a viable Airport.

Norm Krehbiel added that Janean had a great viewpoint, and that Geir-Eilif Kalhagen (Port of Longview CEO), someone from the Port Commission, Kelso Council and Steve Taylor (City of Kelso) need to have regular meetings to talk about these items that Janean pointed out earlier.

Group discussion regarding getting the information together, the work done behind the scene, and setting up regular meetings. Janean shared with the Board that when they were working to form the Airport Operating Board, they had to bring together the executive staff, council, a legislative person and the attorneys to have a kick off meeting.

Steve Taylor said that the purpose of his question earlier was to discuss what the critical path is for this to transition. Dwight Irby (Pilot-audience) replied that you have investors that want to put a million dollars into the Airport, they probably want to know what you are doing too. David Futcher suggested that perhaps it isn't Darold Dietz that is on this committee, rather it is one of the other Port of Longview Board Commissioners that aren't as well versed as Chair Darold Dietz.

Rosemary Siipola added that nothing stops in regards to what they've agreed to do and shared that Yakima had developed a transfer of ownership resolution and then gave the Airport to the County, and then they worked through everything after the fact.

Rosemary shared that Airport staff has worked extensively with Port staff. Port Staff has come to the Airport and that Airport staff has met at the Port. She feels that we can outline the operations, finance and maintenance within the budget and have an understanding of what's available. She shared that she thinks it is a fabulous idea for the Executive group to meet on a regular basis.

Sharon responded that this transition is an additional service, trying to manage the Airport, and to have staff work on something that the Operating Board hasn't directed staff to do. She thinks it is a great idea though and has been trying to absorb everything so far.

Janean added that a schedule needs to be developed for each of those decision points. Perhaps it is a letter of intent that frames the basic concepts. Sharon asked the Board if she wanted to direct her to do that, and offered to come back with a budget of what I think it's going to take for the transition process. Darold Dietz replied that he thinks Steve Taylor, Geir-Eilif Kalhagen and someone from the Port of Longview Board Commission needs to meet on a regular basis.

Group discussion regarding how the City of Kelso can get involved to provide information. Steve Taylor added that they are available to be involved.

Sharon asked to reiterate that she expected that Janean would be involved in the transition discussions on behalf of the City of Kelso, so she wouldn't expect to see any invoices from Janean to the Airport (unless the Board approves that). Janean added that there will be no surprises in regards to which hat she is wearing during the process.

Sharon asked to propose that on the Airport Agenda there is a standing line item regarding the Transition. Group discussion regarding the decision date and timeline. Additionally the group discussed other Port of Longview Board decisions of Willow Grove, the three person Board, and decision making process. Norm Krehbiel stressed the decision needs to be made no later than September for them to get it into the Port of Longview's Budget (2016).

Scot Walstra pointed out that the last Airport Board meeting minutes reflected that the Port Board would likely make the decision if they are going to move forward in September. Norm Krehbiel added that it doesn't mean that the Port of Longview Board can't consider it at some other date, prior to September.

Rosemary added that once they get back the Audit report requirement, than it could move forward sooner rather than later. Brian Butterfield (City of Kelso-audience) added that if the Airport audit is scheduled in March than the City of Kelso (Finance) has a conflict with that timeframe because the City of Kelso's audit is scheduled for April. Sharon said that she did place a call recently into the State Auditor's Office. Brian went on to add that perhaps she could ask them if the Airport audit could be included with the City of Kelso's audit. Discussion regarding past audits and scheduling.

Jerry Sorrel asked to add information regarding the Clary Hangar location and that there may be some FAA difficulty and extra effort to get it through. That on the plan it is in the no build area. Jerry said that in his opinion it can be rectified by relocating the anemometer, and that Sharon will need to work with FAA to get buy off for any structure to be built south of that taxiway by the adjacent hangars.

David Futcher asked Jerry how many buildings were in the no build zone. Jerry replied that there are six. Sharon added that she shared at the last

Board meeting that until there is resolution that this is not easy and is not a slam dunk. There is a lot of coordination still to be done with the FAA.

Scot Walstra added that he has had observation of this Airport that Molt Taylor started in 1942, and a lot has happened here at the Airport. Scot described to the Airport Operating Board that transferring ownership of the Airport is a complicated process, that they've never bought an Airport before, and never operated an Airport before. Your tax base is larger than the other partners combined.

Scot added that at this stage of the discussion regarding Airport ownership, an extra month or two to get it right, makes more sense to him versus pushing a timeline as fast I can down the road just to make a process be ended.

Scot added that if everything goes very smoothly and the process is all very good, and everyone feels good about the transition, and we took a little bit of extra time doing that, than the public would be more satisfied with the outcome. Rather than if it seemed like an abbreviated process. The public could come back, and rightly so, and ask why something wasn't clearly examined. Darold Dietz replied, that Scot was almost paraphrasing what one of the Port of Longview Commissioners had said about the worry of pushing something through.

Warren Longden (Pilot-audience) shared a positive observation of his with the Board members. He said that Rosemary and Karyn had been helping with the education process that is taking place here at the Airport, which is very important to the Airport, and to what the Board is trying to do. That Karyn and Rosemary are trying to help educate the public, and that he is working to help educate the public from a corporate end.

Additionally, Warren added that there are a lot of corporations that want to see this Airport be successful, but a lot of them want it to be built before they will come to the Airport. He said that the Airport needs to get the public involved and that's what he sees Rosemary, Karyn and Sharon doing. He added that the education process is really taking shape, people are asking questions about the Airport, and it is a continuing process that the Board is really starting to act on too.

Bill Fashing introduced himself to the Board, that he is the new Executive Director of the Council of Governments (CWCOG) and that he just wanted to offer himself as a partner, and with whatever else they can do in the big picture process.

Dwight Irby (Pilot-audience member) added that he thinks the Airport management/staff is doing a good job, our due diligence, and what the public wants to see at the Airport.

k. Meeting Adjourn and Next Meeting Date

Meeting adjourned at 4:50 p.m. Next meeting date is on December 18, 2014.

Sign in Sheet/Attendees: Dan Johnson (SWRA/City of Kelso), Don Barclay (Reid Middleton), Scot Walstra (EDC), Jerry Sorrell (EAA1111), Warren Longden (Long Air), Bill Fashing (CWCOG), Dwight Irby (Pilot), Mike Houchens (FBO/Mechanic), Brian Butterfield (City of Kelso) and Steve Taylor (City of Kelso).

Minutes respectfully submitted by: Karyn Anderson