

Regional Airport Board Meeting Minutes

3:00 pm

FBO Office – Kelso/Aviation

April 16, 2015

Call to order

Chair Darold Dietz called to order the regular meeting of the Southwest Washington Regional Airport Operating Board at 3:03 pm on April 16, 2015 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. Darold Dietz took roll call, at this time, the following were present: Darold Dietz (DD), David Futcher (DF), Chet Makinster (CM), Paul Roesch (PR), Sharon Zimmerman (SZ), Rosemary Siipola (RS), Patty Murray (PM) and Karyn Anderson (KA).

Approval of minutes from last meeting

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

Treasurer's Report

Darold Dietz asked if the audience members were provided a copy of the Treasurer's Report that Patty Murray (City of Kelso, Assistant Finance Director/HR) had prepared and provided at the beginning of the Board meeting. Karyn replied yes, that the board members should have a copy within their meeting packet. Patty Murray provided the Treasurer's Report update for the Operating Board. As of March 2015 the revenues are \$292,448 dollars and that this includes the \$260,000 dollar subsidy (Board member entity contributions). Patty also shared that the expenses were approximately \$61,888 dollars and that the net income was approximately \$230,559 dollars. The unrestricted cash as of March 31, 2015 was \$47,265 dollars. Patty also shared that the City of Kelso has received subsidies (Board member entity contributions) from each entity except for the Port of Longview. Patty also offered to answer any questions at this time.

David Futcher said that everything looked in order. Darold Dietz asked if there were any questions regarding Patty's treasurer's report, and there were no questions or comments. All acknowledged the treasurer's report with no questions or changes.

Agenda Items

a. General Claims– (attached in the packet)

Rosemary Siipola reviewed the General Claims spreadsheet with Board members. Rosemary pointed out the total Airport general claims is \$27,960.59 for March expenses, and that this was the end of the 1st quarter. She directed the Board members attention to the percentages column.

Rosemary said that she and Sharon had prepared the report, and could walk through it with the Board members. She described a variety of expenditures that had occurred during the first quarter: broom sweeping, gutter repairs, some electrical, and underground storage tank inspections. She also highlighted the additional \$1,200 expense for the two new underground storage tank probes and the \$200 increase for the compliance inspection.

Overall, Rosemary said they are less than 1% in the changes that were made. She added that overall there is 81% of the budget remaining after the 1st quarter.

Sharon than shared with the Board that within the Policies and Procedures document that was adopted by the SWRA Board it talks about the Manager approving expenditures as long as the funds have been appropriated. Sharon believes this could mean “per line item.” Sharon went on to explain that she had Rosemary identify areas where the budget needed adjusting to account for recent Board action.

For example, Sharon reminded the Board that last February they approved Management’s request to obtain a second opinion from another company regarding the underground storage tank inspection, and that this task was unexpected and not in the current budget. Sharon thought she should highlight this for the Board at today’s meeting, and then followed up with the Airport Board’s attorney to see if these adjustments needed to be approved via vote or resolution.

Sharon added that she thinks it is good practice to keep the Board updated and at a minimum she would like the Board to agree to meet for a Budget workshop to review these budget adjustments. Paul Roesch added that if the Board has an approved policy in place and this adjustment is within that policy, than any work orders and the signing off on that work, is within Sharon’s role to do as the Airport Manager.

Sharon explained that she had met with Darold Dietz to review the general claims, but they have not signed off on them yet. She wanted to wait until the Board was informed prior to signing.

Chet Makinster commented that the Budget is a working document and that he understands there are going to be adjustments, ups and downs, and appreciates Sharon pointing these out to the Board.

Sharon said that perhaps there is some modifications that could be made to the Policies and Procedures document to address this type of situation. She pointed out that it is her goal to keep the Board informed and up to date on what is occurring. Darold Dietz asked the Board if there were any questions of Sharon or Rosemary. No questions from the Board members. Karyn reminded the Chair (Darold Dietz) that there needed to be a motion to approve the General Claims.

Chet Makinster motioned to approve the general claims. David Futcher seconded that motion. Darold Dietz asked if there was any further discussion. No further discussion. All were in favor of approving the General Claims as presented without changes.

- b. 2015 Airport Capital Improvement Projects and Maintenance Program. Project Information Sheets.

Sharon shared that next week she will be attending the Washington State Transportation Commission meeting. Sharon added that David Futcher was on the agenda to represent the City of Kelso and had been asked to give a 5 minute presentation.

Sharon said that she asked Karyn to develop project information sheets for the FAA priority projects that could be provided as handouts and eventually posted on the Airport's website. Karyn explained that the project information sheets she had created included information on the Beacon Tower, Talley Way fencing security gate project, and the Sullivan Hangar Demolition projects. She added that she is developing the Stopway project information sheet.

Sharon shared that these sheets will be updated and include information when it becomes available. Chet Makinster asked if he could obtain 6 copies of the project information sheets for his Council. Karyn replied yes, that she would be happy to provide 6-7 copies of each. Sharon asked Chet when his next City Council meeting was being held. Chet replied that it was next Thursday. Karyn offered to drop them off on Monday.

Sharon shared that they are at the final stages of obtaining the final FAA grant offer. Darold Dietz said that the Port was concerned if there would be funding generated this year. Sharon replied yes it is for the design and permitting phase and that the construction phase would not occur until next year. Sharon added that Don Barclay (Reid Middleton) was on schedule for early spring in regards to the bid documents. Don Barclay (in audience) replied yes, and that it is

anticipated these projects are receiving 90 % of the FAA funding. Darold Dietz asked if there were any questions. No further questions.

c. The 2015 Airport Budget Amendment Workshop and Underground Storage Tanks Update.

Sharon explained that the testing was completed on the Underground Storage Tanks. She has learned that additional cathodic protection needs to be installed. It appears it would cost approximately \$20,000 to \$25,000 dollars. She said that it is unclear how that cost will be funded. She is continuing to coordinate with the Department of Ecology to determine project scope.

Sharon will have additional information before the next board meeting, she would like to have a budget workshop before the next board meeting in order to identify where the \$25,000 may come from, and is hopeful that the Board members may have other strategies that they can offer that will assist in funding this unanticipated need.

Chet Makinster asked Sharon if the Board agrees to the Underground Storage Tank work being proposed, would that extend the protection of the tanks. Sharon replied the provider has estimated 25 years. Sharon said it was described to her as having a rectangle that needs the 4th side added. David Futcher asked if it was there originally. Sharon said it was not in the original design. Dan Johnson added that at one point the system had enough power to provide the cathodic protection it needed, but with age and time, now it is not. Group discussion.

Sharon asked if she needed a motion to move the Board meeting date. Paul Roesch the Airport's attorney, said yes. He explained to the Board that in order to comply with notice there needs to be a Board action to move the regularly scheduled meeting date to May 28th, 2015.

David Futcher motioned to move the regularly scheduled Board meeting to May 28th. Chet Makinster seconded the motion.

Sharon than asked Paul about the workshop. Paul Roesch said no voting action was needed for the Budget workshop. All were in favor of moving the regularly scheduled Board meeting to May 28th.

d. FAA Grant Priority Projects and Stopway Letter

Sharon Zimmerman explained that the team is working to keep the Airport's tenants updated in regards to the project activities at the Airport. The most recent mailing was to the Airport's tenants describing the projects themselves.

Sharon said staff has received some great responses, some tenants have said thank you very much, and some have expressed concerns that they were going to need to move out of their hangars right away.

Sharon added that Karyn had been helping to field some of these questions at the Airport Office, and that the team is working with Reid Middleton to brain storm ideas regarding options for the Sullivan Hangar tenants. She described one option could include the building of additional T-Hangars at the Airport. Sharon explained that she has had some developers contact her regarding the building of new hangars at the Airport over the past months. These inquiries have not resulted in firm commitments so Sharon would like to bring a request for proposal (RFP) to identify a developer for consideration at the next Board meeting.

Sharon asked Karyn if she had anything additional that she'd like to share with the Board. Karyn replied sure. Karyn explained the coordination that has been occurring, that several tenants have asked about the Airport projects, and that she's been encouraging the Airport tenants to call or come into the office anytime they hear information that they are unsure of.

Karyn said that Airport staff created the tenant letter to provide accurate information as staff learns it and as the Airport continues to work with Reid Middleton (Project Consultant) and FAA. Sharon added that staff is gathering information that captures the outreach that we are doing at the Airport. Darold Dietz commented that he felt it was a good letter to the tenants.

e. Natural Recovery Business Proposal Update:

Sharon provided an update to the Board to let them know that she connected with the owner of Natural Recovery. She has a meeting scheduled for next week and she will continue to keep the Board updated as this concept moves forward.

f. Department of Emergency Management MOU update:

Sharon shared with the Board that the attached is the Memorandum of Understanding (MOU) from the Department of Emergency Management (DEM). The MOU describes that in the event of an emergency there would be steps and processes that DEM could go through to use the Southwest Washington Regional Airport.

The exact details of what is needed would be addressed in greater detail at the time of an Emergency. Paul Roesch, Airport Attorney, added that within the document is a covenant that would allow the Board to refuse the request if needed. Group discussion regarding the type of emergency that might trigger the

MOU. Sharon pointed out that the signature block included the Board Chair and that this was a last minute change.

Chet Makinster motioned to authorize the Airport Board Chair to sign the Department of Emergency Management Memorandum of Understanding. David Futcher seconded the motion. All were in favor of approving the Department of Emergency Management Memorandum of Understanding.

- g. Long Air (Warren Longden) Request: for a fuel tank placement on the Airport next to Clary Aviation.

Sharon reminded the Board that they had received a letter from Long Air (Warren Longden, Pilot and Tenant) requesting to locate a fuel tank next to Clary Hangar. That she and Warren met to discuss the relocation proposal, the necessary FAA and Fire Department coordination, and Department of Ecology (DOE) permit coordination that is required. Sharon added that this effort would be the responsibility of the proponent (e.g. tank owner). There may need to be some additional Airport work regarding the lease if the tank is located outside of the existing lease description.

The applicant would be responsible to provide a survey for the board's consideration. Warren shared that they do carry insurance on the tanks. Darold Dietz asked if it is the same size tank. Warren replied it's the same tank. Karyn added that the Board had photos within their packets that Warren had provided. Warren then described several photos, the tank dimensions, and that he understands that the area north of Clary is undevelopable. Warren is also cautious and doesn't want to extend onto Airport property. Group discussion regarding requirements.

Warren further described the fueling process with the Board. Paul Roesch asked Warren Longden how the tank gets filled. Warren replied that the trailer has a pump on it, that it gets filtered into the big tank, the trailer, and into the aircraft. Paul asked what the source of the fuel is. Warren replied it is delivered by truck, that the trucks are from a Fuel Company, and that the trucks have high flotation tires that can be used at the Airport and on the Taxiway. Additionally, Warren shared that he had a client that is interested in a large hangar to accommodate a larger airplane.

The Board was pleased to hear this news and thanked Warren Longden.

- h. FAA Contract Support request to decommission the non-directional Beacon.

Sharon explained to the Board that the Airport was contacted by FAA (contractor) regarding the non-directional Beacon. She explained that FAA is exploring the idea of decommissioning a non-directional beacon that is located in the City of Kelso. She added that she has spoken to some of the Airport's pilots and recognizes there are military training and private pilot activities associated with this Beacon. Upon the initial contact with FAA they implied they would want to decommission the beacon as soon as possible. However, in the most recent conversation she had, because the Military is involved as well as other pilots that use it for training, FAA is extending the comment period date to mid-June versus May timeframe. Sharon plans to bring a draft letter to the next Board meeting. She is also researching existing records for a copy of the letter that was provided from the City of Kelso to FAA back in 2006 on this topic.

Darold Dietz asked if there were any questions. David Futcher asked where the non-directional Beacon was located and asked if it was located by the old water treatment plant. Warren Longden (Pilot and tenant) replied yes, and said that he had installed it back in 1969. Warren explained that he was against the removal, and while there is use of it for the Military and private pilot training, there are other issues to consider. Warren explained that the issue is that training activities place other users in a holding pattern. Group discussion regarding the type of approach (GPS vs. Non Directional Beacon) and whether the non-directional beacon should remain or not.

David Futcher asked if it should be kept or not. Group discussion. Jerry Sorrell (EAA Pilot in audience) said that the Airport should encourage more business at the Airport and obtain the input of business aircraft that comes to the Airport frequently (e.g. like Foster Farms and Weyerhaeuser). Jerry added that it costs thousands of dollars a minute to keep jets in a holding pattern and that there is a financial impact on decisions for those using the Airport.

David Futcher asked if Jerry Sorrell (Pilot) thought that the impact would favor removal of the Non-Directional Beacon. Jerry replied that it would depend on the holding pattern duration, that it would require further input from the transient aircraft, and that it is an important practice tool for some pilots. Paul Roesch asked why some pilots may only practice with it and not actually use it. The group discussed non precision approaches and Warren provided an example.

Overall the group thinks this should be researched further and that there should be follow up with the Military.

- i. Other Business: Hangar Occupancy, Emergency Services meeting/inspection, Airport Underground Storage Tanks retest, Airport facility updates, Airport ownership transition update, and Kelso to Martins Bluff improvement project.

Hangar Occupancy Report.

Darold Dietz asked Karyn Anderson to provide an update.

Karyn shared with the Board that she had some good news, that within the Board packet they were provided information that showed that the Airport was at 79% occupancy rate (total of 55 hangars leased) and that the information had changed. Karyn explained that as she was setting up for the Board meeting, she assisted another tenant that was interested in leasing a Hangar at the Airport. Karyn added that Patty had spoken to this tenant earlier in the week and that this is a returning tenant that frequents the Airport every year. Karyn summarized that the Airport will have leased 56 hangars out of 70 hangars, which puts the Airport at 80% occupancy rate. She added that 80% was the goal and that the new goal is 90%.

Additionally Karyn highlighted that Airport staff plans to have a Tenant Appreciation Day and plan to send out a Tenant letter inviting tenants to the Airport for a staff hosted BBQ. She added that the Board is also invited, and that they will let them know when they decide to hold the event.

Airport Facility: Safety and Maintenance, Development and CIP.

Sharon provided an update in regards to the paving and edging work that Dan Johnson (Maintenance and Operations Superintendent) has been able to finish at the Airport. She explained that Dan continues to work on the edging and mowing at the Airport as it is an ongoing effort.

Airport ownership transition update. (update opportunity)

Darold Dietz said that they met yesterday and that there was nothing new to report.

Kelso to Martin's Bluff Improvement Project. (update opportunity)

Sharon received some information yesterday and understands that FAA has an interest as well. She will continue to coordinate with the Diking District. She reminded the Board members that they had provided public comment regarding Airport concerns and that she had asked for more information regarding the proposed stormwater drainage changes and the potential impacts the BNSF project would have on the Airport.

j. Action Items: Karyn Anderson was asked to read back the meeting action items to the Board members. Karyn read the following back to the Board members:

1. The Board has approved the meeting minutes.
2. The Board has approved the general claims.
3. The Board has approved to move the regularly scheduled Board meeting to May 28th.
4. The Board has approved the Board Chair to sign the Department of Emergency Management (DEM) Memorandum of Understanding (MOU).

k. Public Comment and Other General Business:

a. Public Comment:

Warren Longden

Warren Longden reminded the group of the House Bill 1526. He encouraged everyone to write a letter that supports the excise tax House Bill. Rosemary Siipola shared that the Airport wrote a letter and that they recently heard from Representative Ed Orcutt that the House Bill is still moving forward.

Darold Dietz asked if anything else needs to be done. Rosemary replied that she attends the Chamber of Commerce meetings every Monday and that it doesn't hurt to have the City and County support. Warren Longden shared that Clary, Long Air, and JH Kelley have written letters. Darold Dietz asked if there were any other comments. No further comments.

b. Other Business:

Karyn Anderson

Karyn shared with the Operating Board that yesterday Cowlitz 2 Fire and Rescue was at the Airport conducting fire extinguisher training for City of Kelso employees. She explained that they started out at the City of Kelso shop with a video and then conducted hands on training in their "flam pan" (flammable liquids pan) which is located at the Airport. Karyn shared photos of the training. She added that Dan Johnson, a City of Kelso employee, participated in the training.

Sharon Zimmerman

Sharon wanted to share with the Board that Karyn attended the State Auditor's Office (SAO) Open Government & Transparency Training that was held in Olympia. She added that Karyn had done this on her own company's time and that Sharon wanted to let the Board know that the team is continuing

to take advantage of training opportunities. Chet Makinster asked Karyn if she passed. Karyn replied that she received a certificate for the training and that a copy was located in their packets.

Sharon went on to explain that she had recently attended the Northwest FAA Conference. She described the conference, that there were over 400 participants in attendance, and that FAA was there providing updates on their grant processes and recent changes. She added that it was a great opportunity to meet other Airport managers and learn how they were funding their Airport projects. She also met with Mary Vargas (FAA) and Don Barclay (Reid Middleton) during this conference.

Rosemary Siipola

Rosemary shared that on August 11, 2015 she had invited the Chamber of Commerce to the Airport for the Chamber's "after hours" meeting. The location is undecided and might be held at the Experimental Aircraft Association meeting room. Rosemary has also heard about another local campaign for kids called "Touch it Truck", that this is put on by Longview Parks and Recreation. As Rosemary learns more about the details of Longview Parks and Recreation's campaign she will keep the Board updated.

Office Hours (e.g. for the Holidays, etc.)

No update at this time.

1. Meeting Adjourn and Next Meeting Date

Darold Dietz adjourned the Meeting. Meeting adjourned at 4:07 p.m. Next Board meeting and Budget meeting date is May 28, 2015.

Sign in Sheet/Attendees: Bill Fashing (CWCOG), Scot Walstra (EDC), Jerry Sorrell (EAA1111), Warren Longden (Pilot/Tenant), Don Barclay (Consultant), Patty Murray (City of Kelso/Treasurer's report), and Dan Johnson (City of Kelso/SWRA).

Minutes respectfully submitted by: Karyn Anderson