

Regional Airport Board
Meeting Minutes

3:00 pm

FBO Office – Kelso/Aviation

March 19, 2015

Call to order

Chair Darold Dietz called to order the regular meeting of the Southwest Washington Regional Airport Operating Board at 3:04 pm on March 19, 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 asked Karyn Anderson if she had roll call, she replied yes, at this time, the following were present: Darold Dietz (DD), Chet Makinster (CM), Paul Roesch (PR), Sharon Zimmerman, Norm Krehbiel, Rosemary Siipola, and Karyn Anderson (KA). David Futcher had notified SWRA staff shortly before the meeting that he would not be attending and Dennis Weber had notified the Board that he would be out of town on the day of the Board meeting.

Group discussion regarding if the Airport Board had an actual official “Quorum”. Sharon Zimmerman (Airport Manager) believed in the policies and procedures that the Board needed three separate *entities* present in order to have a quorum. Darold Dietz said that he thought it was three *members* present. Group discussion regarding what items can be discussed at the meeting if there isn’t a quorum.

The Board members that were present asked if the missing Board members had notified Airport staff of their attendance. Karyn Anderson replied yes, that both Board members had notified the Airport. David Futcher notified the Airport shortly before the meeting, and Dennis Weber had notified earlier in the week. Group discussion regarding what can be discussed with 3 *members* present.

Brian Butterfield than arrived at the meeting to provide a Treasurer’s report (a new agenda item that will be reoccurring each month). Sharon shared with the Board that she had asked Brian Butterfield to start attending the Board meetings to provide a treasurer’s report. Brian replied that this had been done differently over the years, that currently the Board approves all of the General Claims after they have been paid, Brian recommended changing that, having the Board members approve the claims prior to

being paid. He added that the City of Kelso doesn't have their entire board review their claims, they only have two City Councilors review their claims. Brian suggested that the Chair continues to review the Airport claims on behalf of the Airport Board. Paul Roesch added that they have a subcommittee review the claims. Group discussion regarding how and when the General claims should be reported.

Rosemary Siipola explained the general claims process. She shared that currently the general claims are reviewed and signed by Sharon Zimmerman, that Rosemary then completes a spreadsheet and reviews the claims, then Darold Dietz reviews the general claims with Sharon, then Rosemary does a hand-off to Brian Butterfield (City of Kelso) who pays the general claims after the Board has met and acknowledged the general claims. Sharon added that the process Rosemary outlined is consistent with Board policies and procedures.

Rosemary added that the Airport would be more than a month behind on general claims if the Board tabled the general claims due to a lack of having a quorum. Brian Butterfield added that it is legal to approve the general claims without a quorum. Paul Roesch added that he isn't saying that the Board can't pay the claims (go ahead and pay the bills), he is saying that they can't have a motion and "action" on them.

The Board discussed the meeting agenda and decided that rather than discussing an item that they can't take action on, only to revisit it next month, that the agenda item should be tabled. Darold Dietz added that with his experience as a Board member over the years, some Board members simply don't show to a meeting. Group discussion regarding the requirement to afford the opportunity for the meeting to continue, regardless of a quorum, and allow for public comment.

Dennis Weber then arrived to the meeting which provided the Airport Operating Board with a quorum. There were now 3 entities and 4 Board members present. The Board meeting moved forward with no agenda item changes now that there was a quorum.

Approval of minutes from last meeting

Darold Dietz started the meeting minute's discussion, asked for a motion to approve the February meeting minutes. Chet Makinster motioned to approve the meeting minutes, Norm Krehbiel seconded the motion. All were in favor of approving the February meeting minutes without changes.

Treasurer's Report

Brian Butterfield provided a quick update regarding the treasurers report, that it is approximately at \$32,600 (for Capital expenditures), end of year cash was low, bills for contributions (\$65,000) are due on January 31st of every year, that the City of Kelso is the only entity that has paid as of to date. Brian Butterfield asked the Board members

to follow up with their entities to request they issue a check for their contribution to the Airport. Brian offered to answer any questions at this time.

Darold Dietz asked if there were any questions regarding Brian's treasurer's report, and there were no questions or comments. Norm Krehbiel motioned to approve the treasurer's report as presented. Chet Makinster seconded the motion. All were in favor.

Agenda Items

- a. General Claims and Year to Date Summary – (attached in the packet)

Rosemary Siipola reviewed the General Claims spreadsheet, explained that the Board members are paying February bills. Rosemary pointed out the total Airport general claims is \$21,887.96 and pointed out that there were no invoices received for the CIP/FAA/CC dollar amount section.

Rosemary shared that as of today, adding together January, February and what's been received to date in CIP/FAA/CC the Airport's expenditures are approximately \$61,293.54. Dennis Weber asked if any outstanding bills need to be paid. Rosemary referenced that the legal bill hadn't been received. Rosemary added that next month she will pull together the 1st quarter General Claims for the Board members to review and that overall it was a pretty light month.

Group discussion regarding the general claims process of acknowledging the general claims. Paul Roesch said that it seemed appropriate if the Board is spending money that they have a motion regarding the general claims and that they take action.

Chet Makinster motioned to approve the payment of the general claims. Norm Krehbiel seconded the motion of the general claims. All were in favor of approving the payment of the general claims without changes.

- b. FAA Grants (Agenda Items 7, 8, and 9 three FAA grants: Beacon Tower Replacement, Talley Way Fencing and Security Gate, and the Sullivan Hangar demolition projects)

Sharon Zimmerman said that she was bringing the FAA grants forward that she and Don Barclay have been working on with FAA. That these are 3 of the 4 FAA grants that are the top priority projects for the Airport. Due to the fact that there is a complex process in moving these grants forward, Sharon said she felt it was important to bring these forward today, in order to expedite the process of moving the grant offers forward.

She explained that traditionally FAA responds with a final grant offer to the *sponsor* and then the sponsor approves that grant offer. In this case the Operating Board is the Regional Board, and in the Interlocal agreement is an extra step that the Board is to approve the grant offer and move it forward to the sponsor. The City of Kelso is the sponsor of record with the FAA.

In an effort to keep the projects moving, Sharon proposed an expedited process for the Board. The Board could consider and approve each project grant as long as the grant is within the scope and cost estimate, that was provided to the members in advance of today's meeting. Sharon would then take each formal FAA grant offer to the City of Kelso for their part in the grant approval process.

Dennis Weber asked Sharon if this is the first in a long series of FAA grants moving forward in response to the Master Plan, and as long as the City of Kelso is the land owner, the Board is to make recommendations to the Council. Sharon replied yes. She added that it is her understanding, after reviewing the Interlocal agreement, that the Board make the decision if it moves forward.

Paul Roesch added that he was currently looking at the Interlocal agreement and it does say what Sharon had just outlined, that it is a requirement of the Board to take action first, and to make a decision subject to the ratification of the City of Kelso Council.

Technically, Paul adds, it says you will consider and make a decision subject to the ratification of Kelso before it is final, and then it will go to Kelso for them to do what they need to do. Paul explained to the Board that it is appropriate for this group to take action to make a decision based on Sharon's recommendation and/or whatever the Board decides it wants to do. Paul Roesch said that there should be an individual action on each FAA Grant. Sharon reiterated to the SWRA Attorney that what she had laid out for the Board is a reasonable approach. Paul replied yes.

Sharon pointed out each of the summary sheets provided in the Board member packets. She described that the first FAA grant summary sheet describes the Beacon Tower Replacement project, which is for the engineering and permitting phase only, that the construction wouldn't be until 2016.

Beacon Tower Replacement Project: Chet Makinster motioned to direct the Airport manager to expedite the FAA grant with the City of Kelso for the Beacon Tower Replacement Project. Dennis Weber seconded the motion. Paul Roesch added that each action (related to the FAA Grants) would be subject to the ratification of the City of Kelso Council. Darold Dietz asked if all were in favor

of directing the Airport manager to expedite the Beacon Tower Replacement Project FAA grant with the City of Kelso. All were in favor.

Talley Way Security Fencing Project: Dennis Weber motioned to direct the Airport manager to expedite the FAA grant for the Talley Way Security Fencing project with the City of Kelso. Chet Makinster seconded the motion. Darold Dietz asked if all were in favor of directing the Airport manager to expedite the FAA Grant for the Talley Way Securing fencing project. All were in favor.

Sullivan Hangar Demolition: Norm Krehbiel than motioned to direct the Airport manager to expedite the FAA grant for the Sullivan Hangar demolition project with the City of Kelso Council. Dennis Weber seconded the motion. Darold Dietz asked if all were in favor of directing the Airport manager to expedite the FAA grant for the Sullivan Hangar demolition project. All were in favor. Sharon reminded everyone that it was for the engineering and permitting only.

- c. Port of Longview - \$25,000 Contribution towards FAA projects.

The Board members reviewed their summary sheet provided in their meeting packets.

Dennis Weber motioned to approve the \$25,000 FAA eligible local match distribution memorandum (and thank you). Group discussion thanking the Port of Longview. Chet Makinster seconded the motion. All were in favor of approving with no changes.

- d. Prime Development: City of Kelso and SWRA request Board to approve refund concept.

Sharon Zimmerman referenced the history regarding Prime Development's agreement with the City of Kelso and highlighted the events as they had been relayed to her about the Hangar (Row G) billing history. Sharon added that there was some confusion regarding the interpretation of Prime Development's agreement and contract, during July 2009 to July 2012, Prime Development was billed and paid \$6,674.91 for Row G. In April 2014 Row D had completed the development Phase and therefore the amount due the Airport fund was \$2,932.47.

In working closely with the City and Prime Development, a refund is the recommended approach, deducting what was owed from 2014, and then starting from January 1, 2015 on a regular billing process and aligning Prime's payments. By doing this, the Board would reimburse Prime the partial amount which is the \$3,742.44, which is the overpayment minus the amount due for Row D (2014).

Dennis Weber motioned to approve the attached letter and approve the refund to Prime Development in the amount of \$3,742.44. Chet Makinster seconded the motion. Darold Dietz asked if there was any further questions or discussion. All were in favor.

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

Hangar Occupancy Report.

Darold Dietz asked Karyn Anderson to provide an update.

Karyn described that the Airport has currently leased a total of 54 hangars out of 70, which puts the Airport at 77% occupied. She pointed out that the Airport had shown hangars to potential tenants in Hangar Row's A, B, and C. And, as of last week the Airport had also shown the Sullivan Airport Hangars. Karyn said that the Airport is hoping to get two more tenants. If we do, than we will have reached the 80% goal.

Karyn added that we've also learned through Sharon's conversation with Prime Development that Prime Development's hangars are at full occupancy. Karyn explained that Prime Development represents another approximately 25 hangars at our Airport. She explained that if you add Prime Development hangars, the Airport has 95 total hangars (25 plus 70), which than puts the Airport at 79 hangars occupied at this Airport, which would put the overall Hangar lease occupancy rate at 83%. Overall she added that the Airport is doing good, and with the weather getting better, she thinks the Airport will see an increase in activity.

Darold Dietz responded that this was good news. Dennis Weber asked in regards to the Sullivan Hangars if tenants were aware of the planned Sullivan Hangar demolition. Sharon responded that the demolition wouldn't occur until 2016, and as the Airport moves forward in design and permitting we will work closely with the tenants, most likely three group meetings and provide one x one's that are necessary.

Karyn added that additionally, the Airport staff is going to draft a letter that would go out to the tenants that informs them about the FAA grant projects and stopway project. Sharon added that the website will be updated as well. Dennis Weber asked where the "Sullivan" name came from, group discussion regarding the Airport's history.

Chet Makinster asked what the options would be for the current tenants. Sharon replied yes there will be options. She said that there will be several different opportunities, possibly tenants will move into vacant hangars and some may relocate. Others may move into Prime Development and/or a tie down area. Sharon added that she has had conversations with potential developers for new hangars and possibly a transition program could be offered to the tenants, determining how best to retain them and accommodate our current tenants.

Emergency Services meeting/inspection.

Sharon Zimmerman explained that the Airport had met with the Emergency Services (C2FR), that they have been discussing the potential for regularly scheduled annual inspections, clearly communicating this with folks is a priority, with the understanding that it is for guidance and to assist with compliance, not for any citation related enforcement.

Airport Underground Storage Tanks (UST) retest:

Sharon Zimmerman explained that the Underground Storage Tanks did get retested this week. She added that it was encouraging, in the way of protection. There will be improvements recommended, and that the Airport will be receiving those within the next 3-4 weeks. Sharon will bring those results back to the next Board meeting. Also, the Airport is working with Department of Ecology (DOE) who issues permits for the tanks, they are appreciative that we contacted them, anything noteworthy she will continue to notify DOE. They were pleased that we contacted them. Sharon said she was relying on the expert testers and hadn't heard that she needed to contact DOE, but felt it was a good time to contact DOE. DOE said that they are here to help the owners of the Underground Storage Tanks and not necessarily take punitive actions at first contact. Chet Makinster added that these agencies have all made a change and he feels they are trying to be helpful.

Darold than asked about the tank testing. Sharon replied that there is two tests one is annual and one is every three years. The annual testing has to do with the lines, and the three year testing is the cathodic protection testing. The monitoring is with probes in the tanks and we've learned that one of the probes isn't functioning properly, so manual testing is to occur at the Airport (not uncommon). Sharon will keep in close communication with DOE, and is waiting for the official results of the cathodic testing. A question was asked regarding if DOE had concerns. Sharon said no, if there were, DOE would be taking different action such as shutting down the tanks at the Airport.

Airport Facility: Safety and Maintenance, Development and CIP.

Sharon provided an update in regards to wildlife hazing and that the Airport had seen an increase in sea gulls the past weekend. She added that apparently when smelt is running in the Cowlitz River the sea gulls don't want to move from the Airfield. She shared that there are hazing practices that occur at the Airport, which is effective to a point, and that staff is continuing to coordinate with USDA to identify additional techniques.

Dan Johnson (Maintenance and Operations Superintendent) added that there is a kit that the Airport put together for the FBO. Dan added that he was told there were over 1,000 sea gulls at the Airport last weekend. In addition, the City of Kelso provided a gutter broom to assist in the cleanup of waste left behind.

Sharon added that there has previously been interest in development and that for one potential party that interest has slowed down because of the fuel prices. In regards to the Capital Improvement program, Don Barclay has contacted Sharon regarding the draft application for the permit to be submitted to the Corps for the Stopway project itself. After submittal we anticipate 6 months of review and permit coordination. Don Barclay believes it will be next week that Sharon will have a copy of the draft.

Airport ownership transition update. (update opportunity)

No update from the Board members or City of Kelso at this time. Dennis Weber asked if there was a series of meetings occurring, and if the Board is waiting for the Port to accept the concept. Sharon replied that she believes the estimated timeframe to be in September, that the port staff will have done enough research, at which time they will make a recommendation to their Port Commission whether to consider it or not. Darold added that in the meantime, he, Norm, Geir and Steve Taylor should be meeting on a regular basis.

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

Sharon reminded the Board that the Airport Board has provided public comment regarding the Airport's concerns and that she had asked for more information regarding the proposed stormwater drainage changes and the potential impacts the BNSF would have on the airport. Other areas of interest for the Airport include: access to the Airport so that our tenants were still able to use that road, and any repairs and/or improvements that will need to be completed after construction in regards to the condition of the pavement. Overall Sharon said that FAA has been very helpful. She is interested in seeing the BNSF analysis.

Group discussion regarding the design, current design with culverts, possible mitigation and meetings that have taken place. Chet Makinster asked Sharon if she had background in this area. Sharon replied yes. Chet said he was glad to have an expert on board. Sharon added that a professional engineer has to sign off on the final analysis and the plans.

- f. 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:

The first action item (item # 1). The Board has approved the Airport Manager to expedite the FAA grants for the Beacon Tower Replacement Project, Talley Way Fencing/Security Gate, and Sullivan Hangar Demolition Project.

The second action item (item # 2). The Board has approved the \$25,000 FAA eligible grant distribution memorandum and thank you memo.

The third item (item #3). The Board has approved the Airport Manager and the City of Kelso to refund the amount of \$3,742.44 to Prime Development.

The fourth item (item #4). Paul Roesch added – General Claims – Instead of acknowledging the general claims, the Board will approve the general claims. Karyn thanked Paul, and added that the General Claims were voted on today, motioned and seconded at today’s Board meeting.

- g. Public Comment and Other General Business:

- a. Public Comment:

Jerry Sorrell

Jerry Sorrell (Pilot/Tenant) commented that it’s important how everything is pulled together for the Stopway project (e.g. the grading and drainage), that some point the Taxiway will be extended and while this is a future item, consideration for drainage will also need to occur.

In regards to grants, Jerry offered to help with anything that needs reviewing. Sharon thanked Jerry. Rosemary added that Jerry has also been helping with the as-builds and obtaining them from the City of Kelso. Jerry and Mike Busley have been working on this project. Rosemary adds that Jerry has been a huge help.

Warren Longden

Warren Longden (Pilot/Tenant) asked Sharon where the Airport was at regarding tank placement at the Airport. Sharon asked for clarity. Warren asked what the status was for the fuel tanks coming onto the Airport for LongAir. Sharon said that she would need to know more regarding the location. Warren asked what else he needed to do to identify the location. Sharon said that perhaps they could meet next Tuesday. Warren replied that he was busy next week Tuesday. Sharon asked if he would talk to her after the meeting regarding scheduling. Warren replied, ok.

Warren said that he had another question about Clary funding the Taxiway construction area and asked if Sharon had covered that in today's meeting, prior to his arrival. Sharon replied no. Warren provided a little background, and said that the initial bid was about \$17,000 dollars to re-ballast, and in looking at what's occurring next year, Warren said that he sees a problem in spending \$17,000 dollars on the maintenance of that road, and that it's more than likely going to be torn up again (going to and from the Stopway extension project area).

Warren added that Clary isn't interested in spending another \$17,000 to repair this road. That the road that comes in from the gate was historically paid by Clary and that he never asked for compensation. Sharon asked if he was inquiring about the construction plans. Warren replied yes and added that he doesn't want to see the City of Kelso get into a dispute with the Airplane insurance company. He feels he has been doing his due diligence bringing this to the Board's attention, that he doesn't want rocks in the plane's engines, and that he doesn't want to see anything happen to the City of Kelso and the Airport.

Warren commented that this is a priority and that he's been documenting who he has talked to and when he has talked to them about this road and the construction plans.

Sharon asked to meet with Warren next week. Warren replied that they can meet, but that something needs to be done about this. Sharon replied yes, that she agrees, and that when it comes to construction access that is just one alternative. Warren said that he believes it to be the only access point that is logical. Sharon reiterated that she and Warren need to meet and talk about access points. She added that it is important, and understands the construction traffic can take a toll on pavement. Warren said that he thought that Clary

might be willing to pay for it again but not at the \$17,000 dollars like was historically spent. Group discussion regarding a temporary construction access road.

Jerry Sorrell

Jerry said he would like to add one last comment from a pilot perspective, he said that a good place for the construction access road would be south on Talley Way and that no equipment should be placed (at all) on the Taxiway, that it is their responsibility to construct a temporary construction road out to the site.

Other:

Sharon Zimmerman “thank you”.

Sharon added that she'd like to take a minute to thank her staff and explained to the Board that she was out of the office much of last month. She wanted to thank them for holding the Board meeting last month, that she had undergone surgery, and that her recuperating wasn't going according to her plans last month. She added that she also wanted to give a kudos to Karyn Anderson. Sharon explained that last month Sharon had also lost her mother. And that during that time period, Karyn picked up the ball and ran with everything, including meeting packets. She ended with that there is a great team here at the Airport and that the team really wants this Airport to function well. Darold Dietz said thank you to Sharon, and thanked Karyn.

Les Nelson Memorial Auction/Breakfast April 11, 2015

Karyn shared with the Board that the Airport is supporting a local charitable event. The Cowlitz Chaplaincy, Les Nelson Memorial Auction and Breakfast that is taking place on April 11, 2015. Karyn explained that she coordinated with EAA, who is donating a 30-minute scenic flight for the breakfast/auction. It is a \$150,000 value. Karyn added that this was another example of the Airport facility supporting a community charitable event. (Karyn shared that this is highlighted in their packet.)

Dennis Weber

Dennis Weber added that he wanted to share updates regarding the legislation, monitoring of bills for the County, legislation affecting the railroad, and that there was favorable committee work on the excise tax reallocation except it hasn't moved forward (and probably won't move forward). In coming back to the area today, Dennis said he got a real sense that they are stripping everything they can, unfortunately.

Sharon indicated that the next Airport Board meeting is scheduled for April 16, 2015. She also shared that the May meeting is currently scheduled during the WAMA conference in Spokane. Sharon would like to request that the May meeting is moved up one week to May 14th and in addition she would like to do a CIP & Maintenance workshop.

Sharon explained that as we continue to get these grants in place, and WSDOT aviation grants for local match, she'd like to continue to review our program and make appropriate adjustments to the budget. Sharon is proposing meeting at 1:30 and then 3:00 for the regular meeting. Group discussion regarding potential dates. Sharon committed to looking at calendars and committing to getting back to the Board.

Chet Makinster added that he was wondering if there was a better time and date for the Board meetings, to ensure a quorum. Dennis Weber said that the meeting time works well for him, if he is in town. Group discussion regarding everyone's schedule on Thursday's and Friday's, and historically what has been traditionally the meeting date and times. Sharon will review meeting dates and times and get back to the Board.

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

No update at this time.

h. Meeting Adjourn and Next Meeting Date

Darold Dietz adjourned the Meeting. Meeting adjourned at 4:20 p.m. Next meeting date is in April 16, 2015.

Sign in Sheet/Attendees: Billy Smith (Tenant), Scot Walstra (EDC), Jerry Sorrell (EAA1111), Don Barclay (Consultant), Fred Van Housen (Tenant), Brian Butterfield (City of Kelso), and Dan Johnson (City of Kelso/SWRA).

Minutes respectfully submitted by: Karyn Anderson