

***Regional Airport Board***  
***Meeting Minutes***

3:00 pm

FBO Office – Kelso/Aviation

December 17, 2015

**Call to order**

Darold Dietz called to order the regular meeting of the Southwest Washington Regional Airport Operating Board at 3:03 pm on December 17, 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 group that there were comment cards available for written Public comment. The following were present: Darold Dietz (DD), David Futcher (DF), Dennis Weber (DW), Norm Krehbiel (NK), Ken Botero (alternate for Chet Makinster), Paul Roesch (PR), Sharon Zimmerman (SZ), Dan Johnson (DJ), and Karyn Anderson (KA).

**Approval of meeting minutes**

The Operating Board approved the November Operating Board Meeting minutes and the November Operating Board workshop meeting minutes. David Futcher motioned to approve the minutes. Dennis Weber seconded the motion. All were in favor of approving the minutes with no corrections.

**Treasurer's Report**

Brian Butterfield (City of Kelso Finance) shared with the Board Members a one page handout of the budgeted revenue and expenditures report for the month of November 2015. Sharon thanked Brian for sending a copy of the handout that she'd received via email. Brian provided a hard copy to Airport staff to make additional copies for the board members to review. Dennis Weber asked Sharon what the biggest expenditure was currently for the Airport. Sharon replied the pavement. Group discussion.

Brian provided time for the Board to review the handout and then highlighted that the revenues were \$500,000 dollars, approximately \$110,000 dollars was from operations which is revenue that comes in from hangar rentals for example, and \$310,000 represents subsidies from the board entities. Brian added that he had a question regarding the \$310,000 dollar amount. He explained that it includes \$25,000 that was budgeted for and is to be received from the Port of Longview. Brian asked when that would be coming into the City of Kelso Finance or has there been changes that he is unaware of.

Sharon explained that there is a second letter going to the Port of Longview. Brian went on to explain the revenues for the Cowlitz County runway stopway-project and that approximately \$86,000 dollars have been spent to date on either the Stopway or the west hangar project. Group discussion regarding budget, operations and projects planned for this year. Darold Dietz asked if there were any additional comments. No additional comments at this time.

### **Agenda Items**

a. General Claims– (attached in the packet)

Sharon Zimmerman pointed out that Ken Botero was attending as an alternate for Chet Makinster for the City of Longview. She then pointed to the general claims spreadsheet that was in the board packets and explained that the Airport is processing a total of \$41,363.04 dollars. She said that typically the Airport averages around \$22,000-\$25,000 in expenditures a month, however there was pavement activity that was recently accomplished.

b. Public Comment

George Hext

George asked the Board members what the intent was in dispensing of Dan Johnson's services and if that was to occur at the end of this year. Darold Dietz replied that from his understanding that is what has been proposed.

Steve Taylor (City Manager) replied that according to the budget, the reimbursement for the full time maintenance position is not included in the 2016 budget. Additionally, Steve explained that there is a new maintenance agreement moving forward anticipated to have an hourly reimbursement for public works services costs. He explained that the City of Kelso would provide those services which would include (not limited to) vegetation management and those types of maintenance things that would be handled through a separate contract. Steve added that given the proposed transition, the City is looking to combine all services into one agreement and that he plans to discuss this in more detail later on in the meeting as he has the draft proposal on the maintenance services and how to work through the transition.

George than asked if he could inquire as to the reason that there is almost three and a half times the amount of Dan Johnson's salary and benefits included in the budget for the contract as he sees is for the same things that Dan is currently doing an excellent job at right now. Darold replied that they will get into the nuts and bolts as we discuss the proposed contract later during the meeting.

George then shared that he is a former president of the rotary and shared that he values service above self, and the four way test of everything we say, think or do. Is it the truth, fair to all, will it build good will, and particularly good will among the tenants, will it build better friendships, and will it be beneficial to all concerned. George asked the board to make this a prime consideration whether or not this should go forward. Darold thanked George for his comments.

c. SWRA 2015 Budget Amendment.

Sharon explained that this budget amendment moves items appropriately into other categories and gave the example of the travel line item that is not currently being spent so she adjusted this line item. She added the main reason for this exercise was because of the pavement line item amendment, and while adjusting that line item, she noticed a couple line items that could be shifted.

As a result, Sharon explained that she developed an Exhibit provided within the board packets that show these adjustments. Sharon added that she has a couple additional opportunities for adjustment that she would like to suggest to the Board. One, is the travel seminars of \$1,000 dollars, she would like to shift that to the professional services legal side because there is only approximately \$89.00 dollars left in that line item. Sharon explained that Paul Roesch (Airport attorney) has been working on the coordination of the Interlocal agreement.

Norm Krehbiel asked for clarity regarding the element number and object number as Sharon reviews the exhibit with the Board. Sharon replied yes. Sharon pointed out the office supplies line item which is currently \$1,500 dollars and that line item is currently \$3.00 overspent. She explained that she would like to add \$200 dollars within the office supply line item. Karyn offered that the element is 10 and the object is 310. Sharon then directed everyone to element 10 and object 412 which is the legal services line item that is currently at \$10,000. Sharon explained that she would like to shift \$1,000 dollars to that line item.

Paul Roesch asked to speak to this, and explained that the bill that he currently submitted and was approved, will be the last bill that he submits for 2015, which does not overrun the allotment for those services. Paul went on to say that he will not be billing again for January or February which will be out of next year's budget. Group discussion. Sharon will go ahead with the shift and Brian Butterfield (City of Kelso Finance) agreed to move forward with that shift.

Sharon went on to the State Examiner line item charge element 10 object 510, actual expenditure for the year was \$1,000. She then pointed out element 80 and object 350 line item for small tools and equipment that there has been no

expenditures for that line item and suggested moving \$200 dollars up to the office supply line item.

*Group discussion. Dennis Weber moved to approve the amendments to the 2015 Budget as proposed. Ken Botero seconded the motion. Darold asked for any additional discussion. No further discussion or comments. All were in favor of approving.*

d. SWRA 2016 Budget and Resolution

Sharon provided two exhibits within the board's packets and explained that she had adjusted the 2016 budget based on past board discussion as well as prioritizing and keeping in the \$20,000 dollar amount. She went on to explain that the stormwater fee is going to be less than what was in the budget by about \$10,000 dollars and that was one of the areas that could be applied to the pavement side itself. She pointed out that this does not change the contribution levels that it maintains the \$44,000 that is in maintenance projects as well as paying the \$20,000 for the loan deferment. Group discussion.

David Futcher asked if Sharon was looking for them to approve the draft budget. Sharon replied yes. David asked how this impacts their board approval, if we have already shared one draft budget and now we have a different one. David asked if the board members needed to take the latest version back to their councils and boards every time there is a change to the budget. Paul Roesch asked what the form of approval was by their entities. Group discussion regarding each entities \$76,000 dollar contribution approval and the authorization of the overall budget. Steve Taylor offered that they have adopted the Airport fund budget and so that is the adopted amount. Darold Dietz asked if the City of Kelso takes action or if it is approved in the budgetary process. Sharon reminded the board that at last month's meeting they made some changes, increased expenditures by \$20,000, which was a greater amount than what they had been talking about with their entities, and that the board did not want to increase their expenditures. Group discussion regarding board approval in making adjustments within the Airport's budget. Steve Taylor added that it is generally adopted by fund amount so it's the total amount that the entities would be interested in. Ken Botero added that Chet Makinster had shared the budget with their council. Group discussion.

*Darold Dietz asked if there were any additional questions or comments. There were none. David Futcher motioned to adopt the 2016 Budget and Resolution. Norm Krehbiel seconded the motion. All were in favor of approving.*

Jeff Wilson provided comment. He asked to speak to public record in regards to the item that was just passed. He said that he was speaking as a citizen, that the Port of Longview has the correct resolutions, that they have already authorized expenditures, and there is nothing, in his opinion, to take back to the Port of Longview. Additionally, he would say to leave it alone, and would like to encourage that public comment be allowed prior to board action. Darold thanked him for his comment.

e. FAA Letter: Stopway

Sharon explained that several of the discipline reports have been completed and provided to FAA. As a result, there has been some discussion regarding the review and what that meant. In September, she explained that she shared this with the board and that resulted in additional clarification that was needed regarding what the intent was for the Stopway, how it was going to be used, that it is not considered to be a runway, and what the potential timing of when the runway extension would come into play. Sharon explained that FAA has a policy regarding the Airport layout plan and that the current layout plan indicates an extension, which would trigger an airport layout plan modification and change. She explained that there are various policies that they have in place and this letter is to help address those policies and to understand what their next steps are. Dennis Weber asked if Sharon could refresh his memory regarding where the end of the stopway would be if it gets extended. Sharon replied that it is approximately 609 feet, the same as the extension, however for an extension you would need to extend the taxiway, which you are not doing now and this makes things more complex. Don Barclay replied yes, it is approximately 609 feet. Group discussion and review of aerial map.

*Dennis Weber moved to authorize the chairman to sign the Stopway Clarification Letter to FAA. Norm Krehbiel seconded the motion. Norm also asked if the copy of the letter within the board packet had been sent. Sharon replied yes, that was the September version and is an unsigned copy provided for reference. Darold Dietz asked if there was any additional public comment. No further comments. All were in favor.*

f. FAA Priority Projects: 2016 Grant prioritization and review

Sharon explained that FAA's philosophy for the Airport's three projects, is that once the Airport has started a project, they would like to see it done. She shared with the Board that they have gotten into the 30% design phase, that they have

better numbers now regarding construction costs and construction administration which has increased the original amount of money that was estimated. The range is now closer to \$600,000-\$700,000 dollars for the three projects, that Reid Middleton has done a great job in trying to reduce some of the costs associated with the construction costs by grouping it into one construction package. She added that as far as the Airport is concerned there is approximately \$450,000 dollars of AIP funding that has been set aside for this Airport. FAA has recognized the difference and has identified additional funding for the Airport, in an effort to bridge that gap another \$250,000 dollars of other Airport's AIP funds that are not being spent or state discretionary funds.

Sharon added that FAA needs to know if the Board will be able to meet that local match required and is the 2016 timeframe something that could be completed. Sharon said that she is looking for that type of direction from the board and asked if this was an opportunity to identify another source for local fund match.

Dennis Weber asked Sharon if she was looking for commitment from the Board and asked how much additional funding would be needed. Sharon replied that the local match amount would be \$70,000 dollars and of that \$70,000 dollars there is a potential that half of that will be covered by WSDOT Aviation. David Futcher asked what the budget was. Sharon replied about \$15,000 dollars. Group discussion. Dennis Weber stated that if the board can come up with \$35,000 dollars than they would receive approximately \$600,000 dollars in grants. Sharon replied yes and appreciated that they were trying to develop a strategy to phase these projects, reduce costs, and try to complete two this year and one in 2017.

Sharon said that FAA would like to see these projects done and said that it will reflect well on the Airport, delivering those projects, and meeting your commitments. Ken Botero asked if that meant they would have to go back to the four entities to request additional funding. Norm replied that \$15,000 is already budgeted. So, it is \$20,000 that they would need to come up with. Ken replied so that would be an additional \$5,000 from each of the cities. Norm replied that's one option, there may be other options. Group discussion. Don said that at this point they are focused on getting the projects out to bid by the end of March so that there is a bid opening by the end of April and that all three projects are moving along.

*Dennis Weber motioned to move forward. David Futcher seconded the motion. Norm added that this is based on estimates and it is impossible to know what they will come in at.*

Dennis Weber said he cannot speak for his board but they do have the rural economic development funds that are set aside to go towards a local match for SR

432/SR 433 development. Dennis said that this could be something that is looked at and he could possibly advocate for the Airport, and hopefully his fellow board members would agree.

Steve Taylor asked Sharon if any of the \$15,000 dollars would be a match on the design portion of the projects or is that only covered under the amount of money that's available under 2015. Sharon replied it is 2016.

*Karyn asked for Dennis Weber to repeat his earlier motion. Dennis Weber motioned to approve the Sullivan Hangar Demolition fencing and tower replacement projects (estimate at \$605,000). (corrected to \$703,000 – see agenda item#11)*

Darold Dietz asked for public comment.

Jeff Wilson asked if he could have the motion as it is going to be recorded read back to him. *Karyn read back the following: the board directed the Airport Manager to request the FY 2016 grant for the Sullivan Hangar Demolition, Fencing & Tower Replacement projects (estimated at \$605,000). (corrected to \$703,000-see agenda item #11)*

Jeff said thank you and that his public comment back to the board is that this was a little confusing because the motion is tied into the potential to seek cooperation from other entities. He also would like for record that it is clear that the amount could be over or under this amount in the motion.

Dennis Weber added that in the process of grants they would still have to move to approve the grant. Sharon replied that this is a no-go situation and believes FAA will be pleased.

*Darold Dietz asked if there was any further comment. No further comments. All were in favor of approving.*

g. FAA Capital Improvement Program (CIP) adjustments

Sharon provided as an exhibit the CIP with adjustments that included the grouped projects and demolition projects for 2016. Dennis Weber pointed out that the project costs were slightly different than the amount that was just passed in the earlier motion. The group reviewed the adjusted FAA (+local match funding) columns on the spreadsheet. Sharon acknowledged that she forgot to update the amount on the previous agenda item to capture these adjustments. David Futcher clarified that the hangar demolition is \$378,000 and the beacon tower, Talley way fencing and gate project is estimated at \$325,000. David said that this gives a total estimate of \$703,000 dollars so that is the correct amount that should have

been in their earlier motion. (agenda # 10) Karyn confirmed that the new amount is \$703,000 dollars and will be captured in agenda item # 10 motion. Sharon confirmed that FAA will fund approximately \$600,000 dollars.

*David Fatcher moved to approve the revised CIP. Norm Krehbiel seconded this motion. Dennis Weber added, and to reconcile the previous motion (agenda item #10). Karyn confirmed that she captured the \$703,000 in the original motion.*

*Darold asked if there was any public comment.*

George Hext (public/audience) said that he has worked with FAA in four different regions and it is his personal opinion that this region is difficult to work with. He understands that there are six individuals that handle matters within the Oregon and Washington Region.

*Darold asked if there were any additional comments. No further comments. All were in favor of approving the motion.*

- h. Professional Services Agreement (PSA): Airport Management Services Contract agreement and transition.

Paul Roesch (Airport Attorney) explained that they have been drafting an agreement of which the Board will transfer airport operations over to the City of Kelso effective January. Paul sent a draft contract agreement to the board members and a copy was provided within their packets. Paul acknowledged that the board members may not have had an opportunity to review and look at it. Paul said that it is still a working draft, and that he, the City of Kelso Attorney, and Sharon are working on it. Additionally, Paul wanted to emphasize today that the agreement, once it is approved, accomplishes the transfer of Airport Management over to the City of Kelso.

Paul pointed out article #3 to the board members, which addresses the financial implication. He added that the concept of the board's liability risk is limited to that which is in the 2016 budget. They are trying to take the various categories and include a not to exceed figure for staff, salaries, maintenance, and financial services. Additionally, he said they were giving the board members the line items with the concept this is limited to the financial responsibility and what has already been agreed to. Paul said that it is still draft and they are not at a point where he would recommend you approve, however he will entertain questions, and thinks that they should have a special meeting sometime between now and January. Dennis Weber said that during that time from January 1<sup>st</sup> forward, the management of the Airport will default to the City of Kelso. Paul Roesch and Steve Taylor replied yes. Dennis Weber asked if they looked at the budget, page 2, expenditures, and what numbers will be used. Paul replied those numbers. For

example, manager services are expected to pick up, and once the hiring occurs it is not to exceed the \$120,000 dollars that is in the budget. Additionally Paul offered to send over the various line items that add up to the \$75,000 in maintenance line items. Paul also pointed out that there is a \$40,000 figure for Financial Services that is a little over budget because of some additional services that the City of Kelso will be picking up and need to be covered.

Steve Taylor offered to discuss the transition part and explained that the principal that the City of Kelso wants to emphasize is that any costs that are incurred, such as the permanent Airport Manager fees, that they are able to recover those costs as it relates to management turnover and how they transition maintenance and additional project management type of services. They want to make sure that they are able to reimburse those costs and thinks the agreement does a good job in explaining how all of the costs will be reimbursed to the City. Discussions between the attorneys is how to ensure protection for the board so they are not writing a blank check. Steve added that if the City is responsible for the financial administration, the protection of what has been approved by the budget, additional services that are requested, and managing hours charged. There are variable costs associated within the contract except for the permanent airport management fees.

Steve also explained that the Airport transition committee has put together a draft Airport Manager position description that has been approved by the committee. The board representative on this committee has been Dennis Weber. Once this board signs off on the hiring of the new permanent airport manager and the salary and benefit costs for that position, than the city can include that in its salary matrix which is what they are looking to do by January 5<sup>th</sup>. After than they will be able to get it out for advertising and posted by January 7<sup>th</sup>.

Steve explained how they determined the salary range for the Airport Manager, and provided the board with a salary matrix. Steve reviewed the salary matrix step range proposed for the permanent Airport manager, plus additional benefits, with a total payroll cost of \$115,000. Steve added that this is the high end and if they were to bring in someone at the lower end, they would be looking in the range of \$100,000 total cost for the year. This would than cover the term of the Interlocal agreement which expires in 2017.

Steve also described the current maintenance agreement that is assigned to the Airport and that it never included severance costs or employment benefits that would be applied.

Dennis asked if an agreement does move forward, what will happen after the 10<sup>th</sup>. Steve than explained to the board that there is part of the transition plan and that he is proposing to hire Karyn on a part time basis, during the timeframe they are

hiring a permanent airport manager. Steve believes this will help with continuity during the transition, continue to have someone at the airport to work with the tenants and pay the airport bills, and helps the City with continuity and a smooth transition. Dennis asked if the City continues to be responsible. Steve replied yes. He added that on the Airport Maintenance side the current maintenance will be covered by other public works personnel that will be assigned and the city will determine the type of vegetation management services that will be needed in the future. The City will continue to provide the management services until the Airport Manager is on board.

Steve explained that the finance piece has increased to \$40,000 dollars and then asked the board if they wanted other City personnel assigned to additional administrative costs. Steve is pointing out the increase if the board is interested in the additional services. Steve then explained that the engineering services are being provided through the current airport consultant Reid Middleton. However, if there are additional engineering services needed he would utilize their staff at their rate. Group discussion regarding the costs associated with the Airport Management duties and administrative duties and the challenge. Steve reminded the board that the Airport manager still has the responsibility of reviewing the bills however may not be necessarily preparing the claim.

Additionally, Steve shared that the time that the attorneys and he have worked on reviewing this, they have not put in for the time. The \$10,000 would be able to help offset some of the additional management time that is involved with FAA. Steve will also be counting on their volunteers, Jerry Sorrel for example.

Darold asked Steve if he has total costs pulled together for the board identified within the plan. For example, the total cost for the city would be \$4,000 dollars a month, not to exceed 5 months. Hopes to have someone on board by April timeframe with the understanding that there will be an adjustment timeframe, helping that person get comfortable. Steve thinks Karyn will be able to help facilitate. Steve pointed out that there will be a few weeks before the City of Kelso transition which will put them through January 31<sup>st</sup> with Maintenance prior to transitioning to the hourly basis with public works, hangar maintenance, runway checks, and other things.

Darold reminded Steve of George Hext's comment earlier in the meeting regarding Dan Johnson's position. Steve said that they would transition public works employees to come out and do runway checks, minor hangar maintenance and repairs, and other specialized assistance would be contracted. Darold expressed how this is a tough concept and in Dan's behalf that the short time he has left, to lose those last few months is difficult. Darold would like to see some

way to retain Dan. Steve replied that he is keeping the board informed and attempting to keep the personnel issues separated, and public commented that is sometimes interjected makes that difficult. He went on to say that Dan does work for the City of Kelso and that the issues with the personnel side rests with the City Manager. Steve explained that the City of Kelso retained Dan in the past so that the Airport wasn't in the practice of hiring employees and yet they would have those services. He pointed out that keeping Dan on until January 31<sup>st</sup> is another transitional piece to ensure a smooth transition.

Dan Johnson commented that he is thankful to the City for keeping him on until the 31<sup>st</sup> of January. He pointed out that he also has the underground storage tank training, herbicide and depredation permit, and that someone that is contracted to cut the grass for the Airport is not trained to do this. Dan than directed his comment to Steve stating that if he comes up with any way for the City to keep him on, that he would work with anyone to help in the transition. Steve suggested that the conversation might be more appropriate outside of the meeting.

George Hext went on to share that the interim period that they are authorizing for Sharon be extended to Dan through June as well. Sharon explained that there is no extension of her contract. David Futcher also replied that there is not an extension for Sharon. Darold added that it has not been simple.

Paul asked Steve what he needed for the January period, assuming that they will not be in place as of January 1. Steve said that a consensus from the board today, an acknowledgement of the agreement, and to move forward with the transition pieces. Steve asked if Paul had any additional concerns. Paul replied not at this time, will continue to review with the City attorney, and that this will continue to happen over the next few days. David Futcher asked Paul if there would be a significant change to the draft that was sent out, that it is in a final draft format, other than a few areas.

Dennis Weber asked if Paul expected the budget figures to change. Paul explained that the figures that are expected should not change overall and that there might be some text change within the draft. Norm Krehbiel asked when they would need to have the special meeting that was proposed earlier in the meeting. Norm added that as of January 1<sup>st</sup>, Citizen Jeff Wilson will become Commissioner Jeff Wilson. Group discussion regarding when a Port Commissioner could represent the Port on this Board. Paul reminded the board that ultimately they need to identify a date that they could have the special meeting prior to the end of December. Group discussion.

Darold asked if he could see the financial part to allow the airport to move forward. Steve replied that with the numbers that he has provided there is a

variable component on the maintenance, but the management and administration numbers will not be. Darold asked for estimates. Steve replied that in his proposal it will not cost \$7,500 for maintenance which is what the board is paying now. Steve added that he is not worried about the budget piece.

The board agreed to have a special meeting at 2:00 on December 23<sup>rd</sup> at the regular FBO meeting location. Ken Botero offered to be Chet Makinster's alternate for the meeting if needed. Norm Krehbiel would not be available. All other board members agreed to the time, date, and location. Paul reminded the board that their special meeting agenda which would have one item of consideration of the agreement. David Futcher asked if this room would be available. Karyn offered to check meeting room availability right after the meeting.

Dennis Weber asked Steve about the manager job description. Steve welcomed comments and thanked Jerry Sorrell, Paul Roesch, Scot Walstra, George Ford, and Dennis Weber for their involvement. Steve shared that George Ford also prepared a job announcement that was upbeat. Sharon added that she sent a few comments to Jerry as well.

Jeff Wilson provided comment. He said that he was confused on the agenda item #12, that there was a lot of discussion without a motion. He also asked the board about a housekeeping issue that Sharon tendered a resignation and he wanted to know if the board took action to accept it or reject it. David Futcher replied that it was a contract that only extended through the end of this year. Paul added that it is self-defecting as of December 31<sup>st</sup> with the notice that was given.

Brian Fleming provided comments, that he is a pilot and has 10% of the planes at the airport. He explained that he owns the Beechcraft that is at the Airport and is interested in starting a sightseeing business at the Airport out of the FBO, starting Memorial Day Weekend. In order to do that, Brian said that he needs to put a contract together to utilize the terminal facility and he can't work with Denny because his contract ends June 1<sup>st</sup>, 2016. Brian asked who would be negotiating the new lease agreement, that this is a big issue for him, and that is why he is bringing it before the board. Group discussion. Paul replied that the present contract allows for an extension within the agreement so what will have to be looked at and has to be resolved, and will be the City of Kelso's to complete. Brian added that he wants to start marketing after January 1. Paul replied that maybe it will be possible for the board or the City of Kelso to deal with that independently however he isn't in a position to provide his opinion yet. Brian foresees that he would be working with the FBO, would be a tenant of the FBO, and utilize the FBO facilities. Group discussion.

George Hext added that the board chair become familiar with aviation regulations regarding such a contract. The method that is outlined by the FAA for an FBO at a public airport is stringent and suggests he becomes familiar with that. Darold thanked him for his comment.

- i. Airport Current Business Updates (non-action items): Hangar Occupancy, Airport Facility Update, and Airport Board Update.

#### Hangar Occupancy Report

Darold Dietz asked Karyn Anderson to provide an update.

Karyn started by saying that the Airport has some great tenants, like Steve Taylor was acknowledge earlier in the meeting. She shared that there are tenants that are very active such as Brian Flemming, Jerry Sorrell, and George Ford. She explained that she appreciates the pilots and tenants and working closely with them. Karyn added that the occupancy for the month is around 84%, that there has been a little decrease in activity at the Airport with the flooding, the weather, and the fog.

She shared that the Airport was frequented recently by two Chinooks that landed north of the FBO yesterday due to the weather and fog. She explained that they were flying from Canada and were heading to Aurora for an annual routine maintenance trip that they make each year. Karyn explained that she went over to the FBO and was provided a tour of the aircraft. She shared that while they were here at the Airport they spent approximately \$2,000 in fuel sales, and then she was told that if the weather didn't lift, they had plans to use a taxi service to frequent a restaurant in Kelso. In addition to this, she spoke to them about the Airport's projects, and hangars. She learned that one of the pilots was from this area and was interested in leasing a hangar. She added that there is something to be said about there being a presence here at the Airport and at the FBO facility and having tenants such as Brian with ideas for the Airport.

Additionally, Karyn reminded the board that they are at 84%, and that last month she shared that she did a little research, looking at past occupancy rates for the Airport, and hangar leasing. That about two years ago they were 60 to low 70% occupancy rate, that last year the Airport hangars were at approximately 75% occupancy, and currently here in 2015, the Airport is around 84- 85% occupancy rate and hopefully climbing.

The board thanked Karyn for the update.

### Airport Facility Updates

#### FAA and WSDOT Annual Grant Reports

Sharon provided an update to the board letting them know that at the end of the year there are several reports that have to be provided to the FAA and WSDOT regarding grants, facility updates, that those have been done and that she is on her last one that she plans to complete before she leaves.

#### Stormwater Refund to Airport

Sharon explained that she received a letter from the City of Kelso with a date, copies were provided to the board members. She pointed out that within the letter they indicate that they will be receiving \$26,000 refund, and after confirming the actual billings, it resulted in a reduction in the refund to \$10,000 dollar refund. Steve added that they did not overpay by \$26,000, that the Airport was billed approximately \$10,000. She added that the engineering group did a great job in confirming the details.

#### Taxi lane repairs

Sharon added that the taxi lane repairs were accomplished the day before Thanksgiving and that she was present. She added that the crews did a wonderful job. She explained that there were a few hiccups with a few pilots. NOTAMS were issued about the construction activity. A few pilots did not heed this notice and encroached into the construction zone. The pilots eventually turned themselves around. It is an area with the potential for doing some workshops and the FAA has offered to conduct a workshop.

#### Life Flight Letter of Interest

Sharon provided a draft lease agreement to life flight and they have provided that to their legal for review. They continue to express interest and next steps will be to work with the City of Kelso in the building and planning side. Paul pointed out to Steve Taylor that this is one that is in mid-stream and that he'll need to pick up.

#### Three Rivers Regional Wastewater Authority (TRRWA)

Sharon explained that they received the access permit, received the final approval from FAA, and that they like the easement area for their construction area. She added that they have decided to move the activity towards the summer instead of the winter months because of the rain that occurs this time of year, that gets into the sanitary system, and that is going to be a great cost. Sharon said that her

intent over the next week will be to provide a hit list of where certain things are, next steps, so the next person can pick it up and run with it.

#### Fuel Tank

Sharon reminded the board that they had received interest from a tenant regarding relocating a fuel tank at the Airport. She said she is keeping this on the agenda as a reminder to give the board an update, but at this point she hasn't heard from the tenant or heard of any activity regarding that.

#### Siting Hangar: update

Sharon explained that this is similar to the fuel tank relocate agenda item that it is also on the agenda to remind her to provide the board with an update regarding the tenant's interest in siting of a hangar at the southend of the Airport. Sharon said this is the same as the fuel tank relocate update, no change on this agenda item.

#### Inclement Weather

Sharon described the recent rain event, that they were currently contacted by a tenant regarding water in the hangar, and dampness which she said is coming up through the concrete flooring. She has had Dan monitoring this, and will be looking in those hangars again. Sharon compared it to a garage, that most do not have a lot of paper things on the ground to provide damage. Karyn added that it was one hangar within the A row that seemed to be at a lower point.

Additionally, Karyn shared that they looked at the rest of the hangars at that time, they appeared to be dry.

Dennis Weber asked if during the storm, there was standing water at the end of the runway. Sharon replied that there is typically ponding that happens along the runway and some of the taxiway areas. She has had Dan remove some of the sod that is close to the pavement to allow that water to go away. Dennis Weber asked if there were drainage ditches backing up. Karyn replied that on December 8<sup>th</sup>, she and Dan checked the runway and issued a NOTAM. Dan explained the locations where there had been standing water, primarily along the edges on the westside and other areas where there was ponding. In an effort to alleviate some of the ponding, like Sharon mentioned earlier, Dan removed some of the soil away from the edges of the runway. He added that this lasted for a few days.

#### Airport Board

##### Airport ownership transition update. (update opportunity)

Group agreed that there was not a lot new to report.

### Board member reports

Update provided earlier in the meeting.

Steve added that they have talked to about the transition to the City Council and there were no objections regarding this direction.

### j. Review of Action Items, Other Airport Business, Next Meeting Date (s) and Time

#### Review of Action Items

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

1. The Board has approved the meeting minutes provided within their packets for September and October.
2. The Board has approved the general claims. And treasurers report – follow up.
3. The Board approved the 2015 budget amendment.
4. The Board approved to adopt the 2016 budget and resolution.
5. The Board approved the Airport Board chairman to sign the Stopway Clarification letter to FAA.
6. The Board approved the Airport Manager to request the FY 2016 grant for the Sullivan Hangar Demolition, Fencing & Tower Replacement projects estimated at \$703,000.
7. The Board approved the revised Airport capital improvement program.
8. The Board scheduled a special meeting on December 23<sup>rd</sup>, 2015 at 2:00 p.m. at the FBO.

#### Meeting Adjourn and Next Meeting Date

Dennis Weber added that he wanted to take a moment to express his appreciation to Darold Dietz regarding his leadership at the Airport, and since this is your last meeting, we had an opportunity to say thank you. Darold thanked Dennis. Dennis Weber also thanked Sharon for her leadership, the number of projects that are moving forward, and the relationship with FAA. Dennis believes that the Airport will receive those benefits next year, wanted to thank Sharon, and wished her well. Sharon thanked him for his comments. Darold adjourned the meeting at approximately 4:47 p.m. The next Board meeting is January 21, 2016 at 3:00 p.m.

Sign in Sheet/Attendees: Dan Johnson (City of Kelso/SWRA), Bill Smith (Tenant/Pilot), Steve Taylor (City of Kelso Manager), Dave Campbell (City of Longview Manager), Jeff Wilson (business owner), Scot Walstra (EDC), Brian Butterfield (City of Kelso Finance), Melanie Haagsma (Reid Middleton Consultant) and Don Barclay (Reid Middleton Consultant).

Minutes respectfully submitted by: Karyn Anderson