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**Agenda for the
MEETING OF THE REGIONAL AIRPORT BOARD
OF THE
COLUMBIA GORGE REGIONAL AIRPORT**

(Established cooperatively between the City of The Dalles, Oregon and Klickitat County, Washington)

Friday, March 18, 2016 @ 7:00am

Meeting to be Held at the Airport Terminal in Dallesport, WA

- I. Call to Order**
- II. Roll Call**
- III. Approval of the Agenda**
- IV. Approval of Minutes: February 19, 2016**
- V. Public Comments (items not on the Agenda)**
- VI. Board Member Comments (items not on the Agenda)**
- VII. Discussion Items**
 - A. Airport Projects**
- VIII. Action Items**
 - A. Consideration of the Airport 2016/2017 Budget. Whether to approve Airport Budget for 2016/2017 and recommend its adoption by the County of Klickitat and the City of The Dalles.**
- IX. Manager Report - Aeronautical Management, Inc.**
 - A. February Budget Report**
 - B. Manager Report**
- X. Next Meeting Date: April 15, 2016**
- XI. Adjournment**

Minutes of the Board of Directors
Regional Airport Authority
February 19, 2016
Airport Terminal – Dallesport, Washington

CALL TO ORDER

Chairman Jim Wilcox called the meeting to order at 7:04 a.m.

ROLL CALL

Members present: Tim McGlothlin, Dave Griffith, Debra Turner and Jim Wilcox. Absent: Terry Trapp, Dave Sauter and Norm Deo
Staff members present: Rolf Anderson and Chuck Covert of AMI, Denny Newell and Dave McClure of Klickitat County and Julie Krueger of The Dalles.

APPROVAL OF AGENDA

The Agenda was approved unanimously.

APPROVAL OF MINUTES

The December 18, 2015, Minutes were unanimously approved.

PUBLIC COMMENTS

Gorge Aviation announced that it had just received FAA certification for a Part 141 Pilot training school. This work has come after years of work and will permit Gorge Aviation to provide pilot training under that provision, in conjunction with the pilot training it is currently offering, with the aim of also providing flight training to veterans under the VA benefits program.

BOARD MEMBER COMMENTS

There was a general discussion about new Board Members to replace those members whose terms are expiring.

DISCUSSION ITEMS

Taxiway Project: AMI presented the Engineering drawings which are about 95% complete for the taxiway project. This work is the final portion of the Runway 13/31 rehabilitation project that started in 2012 and finalizes getting the Runway 13/31 into FAA compliance. This work also incorporates work to open the closed taxiway into the Business Park. The Action Item later on the Agenda is an increase in the Engineering work necessitated by the work required to open the taxiway into the Business Park. The Airport

had approximately a \$100,000 grant from the FAA for this design work. This additional work is approximately \$20,000 and has been approved by the FAA. AMI is working to obtain the 10% match required for the taxiway construction, estimated to be approximately \$1,400,000 to \$1,700,000 from a Connect Oregon grant or a Washington State Department of Aviation grant.

Everybody's Brewery: Klickitat County Economic Development is working with Everybody Brewery toward a CERB grant/loan. In order to get sufficient information it was determined to wait until the March 2016 CERB submittal date. AMI and Klickitat County will continue to work on this potential project and report back to the Board. To qualify for CERB the median jobs are required to pay \$18.34 which could be a high bar for a production job in this area.

Department of Ecology and EPA site visit: AMI reported in response to a citizen complaint the EPA and Department of Ecology visited the Airport to determine if there was a wetland in the Business Park that had been filled in during construction. During that visit both agencies stated they found no wetland in the Business Park and no evidence of any disturbance to what may be a wetland south of Dallesport Road. The one recommendation from the Department of Ecology was for the Airport to install some waddles to prevent any erosion in one location along Dallesport Road and to have the County clean out the drainage pipe under Dallesport Road at about that same location. AMI was told by the EPA and the Department of Ecology that the same complaint alleged that planes were being deiced at the Airport and that fluid was running into the wetland. AMI knows of no deicing of planes at the Airport since they have been managing the Airport. In addition, AMI was told that the Complaint also stated that agricultural spray planes were being washed at the Airport and that runoff may be going to the wetland. Both the Department of Ecology and the EPA said any such issue would be referred to the Washington State Department of Agriculture. AMI reported that the FAA as well as the Department of Ecology has stated that as a result of these complaints all future projects at the Airport will require a close and lengthy review to make sure they are also in compliance.

Flex Space Building: AMI presented the drawings for the Flex Space building and reported they have been sent to EDA and the FAA for review.

ACTION ITEMS

Amendment to Design Contract for Taxiway: AMI provided copies of the draft Amendment No. 1 to Task Order No. 8 with Precision Approach Engineering for the design of the center portion of Taxiway A. This Amendment covers work necessary for the opening of the closed taxiway into the Business Park onto Taxiway A. This Amendment increases the total contract amount of \$119,166.00 and has been approved by the FAA. After thorough discussion and upon a motion duly made and seconded, the Board unanimously recommended that the City and County execute this Amendment.

MANAGER REPORT AMI

AMI presented the January Budget report. All expenses were as expected.

Minutes of the Board of Directors - Columbia Gorge Regional Airport

August 21, 2015

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AMI reported based on its conversation with the Department of Ecology, when the Airport has tenants in the Business Park the Airport will need to have some type of program in place to make sure no improper materials from the Tenants flow off of the Airport. As designed the runoff from each tenant in the Business Park is designed to remain on the lot where the tenant is located.

AMI reported that is looking at renovating the office space in the old "Maintenance Hangar" as it is in discussions with a possible tenant who would like to lease that office space if it is updated. AMI is also looking into the cost of putting a shower in one of the bathrooms for use by pilots and/or their passengers. AMI has received several requests for a shower from Pilots who would like to camp at the Airport or are coming from wind surfing or other activities. Both of these projects will be brought back to the Board for consideration in the future.

AMI reported that the weather during the past December and January where unusually bad for flying and as a result fuel sales were very poor. Many scheduled jets and other aircraft diverted to Portland or other airports due to the weather here.

AMI reported that the fuel tax was increased on aviation fuel sold in Oregon on January 1, 2016 to approximately \$.07 per gallon. The fuel sold at this Airport includes \$.11/gallon excise tax on Jet and 100LL fuel as well as the 7% sales tax on fuel sales for a total of about \$.35 to \$.42 per gallon; all of this money is paid to Washington State (at this time all fuel sales to Oregon residents are sales tax exempt.) The fact that the fuel excise tax from this Airport is all paid to Washington State could impact this Airport's ability to seek grants from the Oregon Department of Aviation if the funds for those grants are from fuel tax collections. Almost all of the other airports serving the Gorge and east of here along the Columbia River area are located in Oregon and have this lower tax benefit. AMI also explained that the FBO pays \$.07/gallon flowage fee to the Airport on all aviation fuel sold except for the fuel sold to Life Flight Network.

AMI reported that in addition to the motor cycle training on the closed runway, there is also considerable weekend use scheduled by the Northwest Motor Sports club as well as the Porsche Club for this coming year.

Darren Lacock reported that the local Fire Department is working with the Airport and others for an Airshow this summer.

Ron Berg of Gorge Aviation expressed his thanks and appreciation for all the work the Board has put into the Airport.

Executive Session: The Board adjourned to Executive Session at 8:12 and returned at 8:37.

NEXT REGULAR MEETING

March 18, 2016

ADJOURNMENT

Chairman Jim Wilcox adjourned the meeting at 8:38 a.m.

Jim Wilcox, Chairman

City of The Dalles, Oregon
Proposed Changes to Fiscal Year 2015-2016 Budget

FY13/14 Actual	FY14/15 Actual	FY15/16 Budget	Account Number	Account Description	Line Item Detail	FY16/17 Proposed Budget
AIRPORT FUND 061						
REVENUES						
298,805	195,148	1,799,188	061-0000-300.00-00	BEGINNING BALANCE		1,495,492
				Current Year Beginning Balance	1,244,336	
				Current Year Revenues	1,211,100	
				Current Year Expenditures	959,944	
65,000	65,000	65,000	061-0000-330.00-00	INTERGOVERNMENTAL REV		65,000
				Klickitat County share of Airport Funding	65,000	
-	-	-	061-0000-330.10-00	OTHER WA		-
-	-	210,000	061-0000-330.15-00	OTHER OR		240,000
				MCEDD or other for new Airport Terminal Building design	100,000	
				Connect Oregon for Taxiway A project	140,000	
1,969,391	383,440	-	061-0000-331.20-00	FEDERAL GRANTS-FAA		-
				Construction of last portion of taxiway improvements from the 2012 Runway Project; center section of taxiway A. North & South portions were completed in 2012, 2013 & 2014	-	1,530,000
-	-	625,000	061-0000-331.90-00	FEDERAL GRANTS-MISC		425,000
				EDA Grant award for \$625,000 toward the construction of a "Flex Space" building in the Airport Business Park. Klickitat County is providing a \$250,000 as a grant for that same building. Some conditions are on these grants based on having an approved tenant for the building. Budgeted full amount in FY15/16 and expected to use \$200,000 in 15/16.		
-	-	-	061-0000-334.80-00	WASHINGTON STATE GRANTS		
-	-	-	061-0000-334.90-00	STATE GRANTS, OTHER		
9,000	4,900	3,000	061-0000-341.90-00	MISC SALES & SVCS		3,000
				Average of potential lease income from forest fighting equipment temporarily based at the airport or other unusual airport activities that generate revenues.	3,000	
8,084	7,396	9,500	061-0000-347.00-00	AVIATION FUEL SALES		10,000
				3 cent tax on gallons of certain fuel sales. Runway project completed resulting in increased aircraft traffic	9,500	
1,242	1,755	1,000	061-0000-361.00-00	INTEREST REVENUES		1,000
				FY15/16 starting with 1.2 million in bond proceeds that will be paid down over 6 months - average of \$400,000 per month x .5% interest, divided by 2 = \$1,000	1,000	
106,181	108,782	120,000	061-0000-363.50-00	PROPERTY RENTALS		128,000
				Expect Life Flight will move to new facility by October		
				Shearer Sprayers	1,368	
				Dalles Airport condo	2,277	
				Cary Lowe	2,220	
				Robert Alaimo	2,220	
				Matt Bowen	2,220	
				Advanced Navigation & Position	7,018	
				US Cellular	13,938	
				Circle T Enterprises	19,584	
				Keith & Christina Bowen	2,220	
				Life Flight Network	14,400	
				GRAI	3,200	
				NAPA Auto Parts	2,220	
				Juniper Investments	2,368	
				US Dept of Energy - BPA	39,784	

City of The Dalles, Oregon
Proposed Changes to Fiscal Year 2015-2016 Budget

FY13/14 Actual	FY14/15 Actual	FY15/16 Budget	Account Number	Account Description	Line Item Detail	FY16/17 Proposed Budget
					James Smith	2,220
					Gorge Aviation	3,600
					Lance Waugh	2,220
					chuck Ferrell	2,220
					Da Kine Hawaii	2,070
60,838	900	1,000	061-0000-369.00-00	OTHER MISC REVENUES		8,000
					FY15/16 Revenue is primarily from the rent of the closed runway such as Team Oregon for motorcycle training and other activities on the runway.	
65,000	65,000	65,000	061-0000-391.01-00	GENERAL FUND		65,000
					City's share of the match with Klickitat County to fund airport	
-	-	-	061-0000-392.00-00	SALE OF FIXED ASSETS		-
-	2,517,682	-	061-0000-393.10-00	LOAN/BOND PROCEEDS		734,716
					FY14/15 - LOCAP Bond for purchase of D Hanger, construction of Hanger F, and construction of new Flex Space. All hangers at the airport are full and we have a witing list for hangers.	
2,583,540	3,350,002	2,898,688	TOTAL AIRPORT FUND REVENUES			4,705,208

City of The Dalles, Oregon
Proposed Changes to Fiscal Year 2015-2016 Budget

FY13/14 Actual	FY14/15 Actual	FY15/16 Budget	Account Number	Account Description	Line Item Detail	FY16/17 Proposed Budget
EXPENSES						
375	66,645	2,400	061-6100-610.31-10	CONTRACTUAL SERVICES		2,400
				Internet Services	2,400	
102,857	105,612	115,000	061-6100-610.31-90	CONTRACTUAL SVC - OTHER		117,070
				Airport management base amount	105,645	
				Estimated rental commission based on current tenants	7,500	
				Anticipated increase in rental commission	3,925	
-	-	-	061-6100-610.34-10	ENGINEERING SVC		-
3,292	5,688	5,700	061-6100-610.41-10	WATER & SEWER		9,000
				FY15/16 - three water rate increases in past 18 months		
702	969	1,000	061-6100-610.41-20	GARBAGE SERVICES		1,200
10,341	8,365	10,000	061-6100-610.41-40	ELECTRICITY		12,000
				FY15/16 Rate increases plus the Airport will be responsible for electrical charges for the AAE hanger since the tenant has terminated its lease and the Airport will be leasing it for aircraft storage until another suitable tenant can be located. The Airport also picked up the electrical charges on the D Hanger it purchased.		
21,006	14,576	23,500	061-6100-610.43-10	BUILDINGS AND GROUNDS		23,500
				Additional 35 acres to maintain in the Business Park; mainteance of all hangers and grounds, including the fuel storage and dispencing island.		
				Routine maintenance	8,000	
				Special Project: Equipment shelter	5,000	
				Special Project: Otis Hanger Rehab	8,000	
				Special Project: Paint existing buildings	2,500	
717	-	1,600	061-6100-610.43-45	JOINT USE OF LABOR		1,600
				Assistance from Public Works		
2,219	2,563	6,000	061-6100-610.43-50	VEHICLES - REPAIR/MAINT		6,000
				Equipment in use:		
				Kubota Tractor		
				Ford Tractor		
				Flail Mower		
				Road Grader		
				Lawn Mower		
				Vacuum Truck		
				Dump Truck		
				Bobcat Loader		
				Some pieces of equip are not running, so need to get them in running order.		
1,951	1,057	3,000	061-6100-610.43-51	GAS/OIL/DIESEL		3,000
				35 acres in Business Park & increase in snow removal expenses for Life Flight & other tenants		
10,118	5,195	10,000	061-6100-610.46-10	PROPERTY TAXES		10,000
				One-half of the property taxes		
10,011	6,139	11,500	061-6100-610.52-10	LIABILITY INSURANCE		11,500
5,329	9,414	11,000	061-6100-610.52-30	PROPERTY INSURANCE		11,000
				Will increase with new hangers & Flex Space		
480	207	300	061-6100-610.53-20	POSTAGE		300
3,646	2,204	4,000	061-6100-610.53-30	TELEPHONE		4,000
78	104	500	061-6100-610.53-40	LEGAL NOTICES		500
				Flex Space & Hanger bids/notices and SEPA filings		
3,342	-	15,000	061-6100-610.54-00	ADVERTISING		15,000

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Proposed Changes to Fiscal Year 2015-2016 Budget

FY13/14 Actual	FY14/15 Actual	FY15/16 Budget	Account Number	Account Description	Line Item Detail	FY16/17 Proposed Budget
				Business Park is completed & Flex building should be under construction. Signage at the entrances of the Business Park, along with marketing materials for the Airport Business Park; includes some internet presence, literature, ads & convention displays.		
405	415	1,000	061-6100-610.57-00	PERMITS		1,000
				New Business Park & T Hanger activity		
47	39	8,500	061-6100-610.58-10	TRAVEL, FOOD & LODGING		8,500
				Trade Shows and WA/OR Airport Associations		
870	1,170	4,000	061-6100-610.58-50	TRAINING AND CONFERENCES		4,000
				Registrations for FAA, WA & OR Dept of Aviation Conferences and WA & OR Aviation Industry conferences.		
545	330	1,000	061-6100-610.58-70	MEMBERSHIPS/DUES		1,000
				Airport associations		
202	347	1,000	061-6100-610.60-10	OFFICE SUPPLIES		1,000
30	11	1,000	061-6100-610.69-50	MISCELLANEOUS EXP		1,000
240	-	3,000	061-6100-610.69-80	ASSETS < \$5000		3,000
				For items costing less than \$5,000 but having a life over 1 year that do not add value to a capital asset		
178,802	231,052	240,000		TOTAL MATERIALS AND SERVICES		247,570
-	5,607	100,000	061-6100-610.72-20	BUILDINGS		100,000
				Architectural fees for design of new Terminal Building , if grant is received		
-	721,524	2,276,771	061-6100-610.72-30	BUILDINGS-HANGER		1,776,771
				Flex Space	1,284,295	
				Engineering and construction on F Hanger	492,476	
2,209,589	603,799	255,300	061-6100-610.73-30	IMPROVEMENTS OTHER		255,300
				Taxiway design (FAA)	117,000	
				Runway 7/25 slurry & paint (ODA)	110,000	
				Drainage Pond construction if additional hanger construction creates the need.	28,300	28,300
-	-	-	061-6100-610.74-10	MACHINERY		-
2,209,589	1,330,930	2,632,071		TOTAL CAPITAL OUTLAY		2,160,371
2,388,391	1,561,983	2,872,071		TOTAL AIRPORT OPERATIONS EXPENSES		2,407,941
-	-	-	061-9500-610.81-62	TO AIRPORT DEBT SERVICE		-
-	-	-		TOTAL OPERATING TRANSFERS OUT		-
-	-	26,617	061-9500-610.88-00	CONTINGENCY		
-	-	26,617		TOTAL CONTINGENCY		26,617
				Contingency is not a place to store funds that you plan on spending. It is for "unanticipated" expenses.		
-	-	26,617		TOTAL OTHER USES		26,617
2,388,391	1,561,983	2,898,688		GRAND TOTAL AIRPORT FUND EXPENSES		2,434,558
195,149	1,788,019	-		TOTAL AIRPORT FUND - REVENUES LESS EXPENSES		2,270,650