



ROSEBURG AIRPORT COMMISSION AGENDA
THURSDAY, January 18, 2024
3:30 p.m. Special Meeting

CM
1-12-2024

City Hall – Council Chambers
900 SE Douglas Avenue, Roseburg, Oregon 97470

Public Access: Facebook Live at www.Facebook.com/CityofRoseburg

NOTE: IT IS UP TO EACH OF YOU AS COMMISSIONERS TO CALL 541-492-6730 AND LET STAFF KNOW BEFORE THE DAY OF THE MEETING IF YOU WILL NOT BE ATTENDING. THANK YOU.

NOTE: Date Change

I. CALL TO ORDER

II. ROLL CALL:

Chair: David Mohr
Commissioners: Dave Morrison Frank Inman Clint Newell
Dan Sprague Robb Paul Steve Skenzick
Rob Levin (ex-officio)

III. APPROVAL OF MINUTES

A. October 26, 2023

IV. DISCUSSION ITEMS

- A. Election of Vice Chair
- B. Airport Industrial Property Lease Renewal
- C. ConnectOregon Grant Application Authorization – Taxiway A Extension Project

CITIZEN PARTICIPATION – In Person during the meeting: anyone wishing to address the Commission concerning items of interest not included in the agenda may do so. The person addressing the Commission shall, when recognized, give his/her name for the record. All remarks shall be directed to the whole Commission. Comments can also be provided via email to the Commission at pwd@cityofroseburg.org or hand delivered to City Hall, 900 SE Douglas Avenue in Roseburg, prior to 12:00 p.m. on the day of the meeting. Comments must include the person’s name and address for the record. The Commission reserves the right to delay any action requested until they are fully informed on the matter.

V. INFORMATIONAL

VI. BUSINESS FROM THE COMMISSION

VII. NEXT MEETING DATE: February 15, 2024

VIII. ADJOURNMENT

***** AMERICANS WITH DISABILITIES ACT NOTICE *****

Please contact the City Administration Office at least 48 hours prior to the scheduled meeting date if you need accommodations in accordance with the Americans with Disabilities Act.
TDD users, please call Oregon Telecommunications Relay Service at 800-735-2900.

**CITY OF ROSEBURG
AIRPORT COMMISSION
MEETING MINUTES
OCTOBER 26, 2023**

CALL TO ORDER: Chair David Mohr called the meeting of the Roseburg Airport Commission to order at 3:30 p.m., Thursday, October 26, 2023, in the Council Chambers at City Hall in Roseburg, Oregon.

ROLL CALL: Present: Chair David Mohr, Commissioners Frank Inman, Clint Newell, Robb Paul, Steve Skenzick, Dan Sprague, and Ex-officio Rob Levin, and David Morrison arrived at 3:33 p.m.

Absent: None

Attending Staff: City Manager Nikki Messenger, Public Works Director Dawn Easley, Design and Construction Manager Ryan Herinckx, and Staff Assistant Kandi Street

Others Present: None

APPROVAL OF MINUTES: Commissioner Newell moved to approve the minutes from the August 17, 2023 meeting. Motion was seconded by Commissioner Sprague and approved with the following vote: Chair Mohr, Commissioners Inman, Newell, Skenzick, and Sprague voted yes. No one voted no. Morrison was not present for the vote.

DISCUSSION ITEMS:

Airport Standby Power Bid Award Recommendation – 22PW06:

Herinckx stated the Airport Standby Power project was advertised for bid on September 19, 2023 and bids were opened on October 17, 2023. The bid was split into Schedule A and Schedule B. Schedule A items included the generator, automatic switch and work to the electrical room, these items are eligible for BIL funding. Schedule B included work to power the fuel farm, these costs are not eligible for BIL funding and will be covered by an ODA grant. Two bids were received, Sims Electric, Inc. was the lowest bidder. The majority of the cost difference from the engineers estimate, was the cost of the generator, switch gear, conduit and wiring. If awarded by City Council, the notice to proceed for mobilization will be issued in December, allowing the contractor to order the generator and begin working on submittals. Once the generator is received a notice to proceed for construction will be issued. The contract allows twenty working days to complete the project.

Commissioner Newell was happy with outcome of the bids received. Ex-officio Levin questioned if there is any anticipated downtime. Herinckx replied there will be some impact to the fuel farm. The tight construction window should help keep the downtime to a minimum. Commissioner Newell questioned what kind of generator. Herinckx replied it will be an 80KW diesel generator. Commissioner Sprague asked if there will be yearly testing/maintenance required. Herinckx stated it will be added to the annual generator maintenance program, it will also be set to automatically run on a routine schedule.

Chair Mohr questioned how many hours of fuel will be stored and how long it takes to get refueled. Herinckx replied it depends on the load. Fuel is delivered as needed, the maintenance shop has diesel which could be transferred using a transfer trailer.

MOTION: Commissioner Newell recommended approval of the City Council award the Airport Standby Power Generator Project to the lowest bidder, Sims Electric, Inc. for \$182,500.

Motion was seconded by Commissioner Sprague and approved with the following vote: Chair Mohr, Commissioners Inman, Morrison, Newell, Skenzick and Sprague voted yes. No one voted no.

Update on 2024-29 FAA Capital Improvement Program:

Messenger stated at the August commission meeting the approved Capital Improvement Plan (CIP) was presented. The commission discussed the addition of the South Apron Rehab Design being added to year five (2029) of the upcoming CIP. There is a yearly review meeting with the FAA to discuss the projects listed in the CIP. Staff met virtually with the FAA and was informed that our current FY-2024 project will not be funded. The FAA discovered they over extended themselves in the Northwest Mountain Region for the next five to ten years. Staff believes the Runway Rehab project will be funded as runway and safety projects are their top priority. However, it could potentially be moved to a different FY. It is forecasted that tier three airports will not have discretionary funding for the next five years. The FAA prefers high priority projects utilize BIL funding. We are committed to completing the Security and Standby Generator projects. Staff proposes combining the Taxiway Extension project with the Runway Rehab project to save a significant amount of overhead costs and runway closure time. Doing so may increase the likelihood of the project being funded utilizing state apportionments. The North Apron Expansion and the South Apron Rehab projects will likely not be funded within the next five years. One challenge with the FY 2024 project being cancelled is there is \$128,000 in NPE's that are expiring this year which were dedicated to that project. It is being split between the Standby Generator and Security projects. Staff and the consultant worked together to update the CIP list to best utilize AIP, BIL and ODA funding. Messenger reviewed the projects as outlined in the updated spreadsheet. If the commission concurs, the updated CIP will be sent to the FAA for approval. Staff hopes the changes will keep the Taxiway Extension project funded.

Commissioner Sprague questioned if the Taxiway Extension will have to be redesigned in a few years and if there are any environmental impact costs. Messenger stated the environmental process is changing in 2025. This change is another reason staff proposes combining the projects and starting construction as soon as possible. The specs will need to be combined and the drawings will need to be updated.

Commissioner Newell questioned if this has to do with the airport authorization bill not being passed. Messenger replied the FAA didn't indicate that and the message being given is to not count on any funding outside of runway and safety projects for potentially ten years.

MOTION: Commissioner Newell recommend the short term CIP be submitted to the FAA for approval so we can proceed as presented.

Motion was seconded by Commissioner Morrison and approved with the following vote: Chair Mohr, Commissioners Inman, Morrison, Newell, Skenzick and Sprague voted yes. No one voted no.

General Updates:

Nighttime Approach:

Messenger reported staff submitted a request to the FAA to design a straight-in RNP procedure to Runway 34 with nighttime minimums. Airport users provided Dave Parker with the FAA information to support it as a viable option. Staff and the consultant worked with Mr. Parker to ensure the appropriate verbiage was in the request.

Based aircraft data:

Messenger stated staff emailed a request for airport users to provide their tail numbers. The numbers will be provided to the FAA. Doing so helps to ensure the airport stays eligible for non-primary entitlement funding. It will also give staff a chance to review those who are out of compliance. Please encourage other users to submit their tail numbers by November 1st.

ODA COARS grant cycle:

Messenger informed the Oregon Department of Aviation's Critical Oregon Airport Relief (COARS) grant cycle is open. The due date has been extended to November 3rd. Staff will submit an application for the match on the Security project. The project has been programed for BIL funding the COARS grant will be pay for 90% of the 10% BIL match.

FAA Compliance Inspection:

Messenger stated due to smoke the FAA compliance inspection had to be rescheduled to the first quarter of next year. Staff will notify when it has been scheduled.

AUDIENCE PARTICIPATION: None

INFORMATIONAL ITEMS:

BUSINESS FROM THE COMMISSION:

Levin informed Pacific Railroad would like to clean up brush along the fence, there is concern around the height of the fence once the blackberries are removed.

Skenzick recommends putting up a guardrail along the section of fence on Stewart Parkway that keeps getting hit. Discussion ensued. Messenger stated staff would brainstorm.

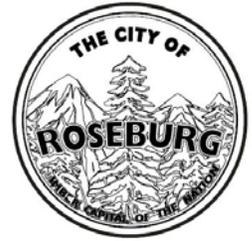
NEXT MEETING DATE: December 21, 2023

ADJOURNMENT: Meeting adjourned at 4:10 p.m.



Kandi Street, Public Works Staff Assistant

**CITY OF ROSEBURG
MEMORANDUM**



DATE: January 18, 2024

TO: Airport Commission

FROM: Nikki Messenger, P.E., City Manager

SUBJECT: **Airport Industrial Property Lease Renewal**

ISSUE STATEMENT AND SUMMARY

RBGAP, LLC has a long-term lease on airport property located south of Stewart Parkway. The lease includes four 10-year renewal terms. Steve Skenzick, representing RBGAP, LCC, has requested to exercise the third renewal term. The issue for the Commission is whether to recommend the Council approve the lease renewal.

BACKGROUND/ANALYSIS

The City originally entered a lease agreement with Steve Skenzick and his partners on December 30, 1983. That lease was replaced with a new lease effective September 1, 1991. The initial term of the 'new' lease was 11 years and four months and ended December 31, 2003. The option to renew section begins as follows, "LESSEE shall have the right, subject to the conditions contained herein, to renew this lease for four successive periods of ten years each, under the same terms and conditions as are set forth herein, except that the rent may be as periodically adjusted pursuant to section 5." The current lease term, which is the second renewal, expired on December 31, 2023. Mr. Skenzick has indicated he desires to exercise the third renewal option. As required by the lease, an appraisal has been completed to determine the value of the property.

There have been a number of amendments or addendums to the lease briefly described below:

- First Addendum to Lease Agreement – (October 1997) -- Authorized the lessee to construct a second warehouse on the property, adjusted the annual rent, and recognized that the City may widen Stewart Parkway abutting the property.
- Lease Assignment & Consent Agreement – (February 1999) – Assigned all rights of the lease to Steve Skenzick and removed Joseph Pinard.
- Second Lease Amendment – (January 2004) – First ten-year renewal and adjusted the rent formula to 11% and placing a 50% cap on total rent increase allowed every five years. Defined how appraisal would be completed.
- Third Lease Amendment – (January 2008) – Adjusted rent for period 1/1/2009-12/31/2013.
- Second Ten-Year Lease Renewal Agreement – (January 2014) – Assigned lease from Steve Skenzick solely and individually to RBGAP, LLC and approved 10-year renewal. Adjusted rent for 1/1/2014 to 12/31/2018. Updated insurance requirements.

The Roseburg Municipal Code Section 3.22.160 outlines the authority to lease airport property. The City Manager may approve leases for a time not to exceed five years. Since

this renewal term is ten years, the lease renewal requires Council approval after receiving a recommendation of the Airport Commission.

FINANCIAL AND/OR RESOURCE CONSIDERATIONS

The lease agreement requires an appraisal to set the lease rate every five years. The rate is set at 58% of fair market value times 11%, which equals 6.38% of fair market value. Rate increases are capped at no more than 50%.

The following is a history of the annual lease rate:

Initial: \$ 5,646.69
1/1/92-12/31/95: \$ 8,602.65
1/1/98-12/31/01: \$12,043.71
1/1/04-12/31/08: \$18,065.52
7/1/11-12/31/13: \$21,692.00
1/1/14-12/31/18: \$21,692.00
1/1/19-12/31/23: \$21,692.00

An appraisal was conducted in December 2023. One sheet that shows the property, relevant characteristics, and value has been attached for your information. The property was valued at \$540,000. Utilizing the formula, this equates to an annual lease payment of \$34,452. Since increases are capped at 50%, the actual lease rate will be \$32,538 for the next five-year period.

TIMING ISSUES

The existing renewal term expired on December 31, 2023. The third renewal term would run from January 1, 2024 to December 31, 2033. Staff will present the Commission's recommendation to the City Council at their January 22, 2024 meeting.

COMMISSION OPTIONS

The Commission has the following options:

1. Recommend the City Council approve the third renewal term for the RBGAP, LLC lease with an annual lease rate of \$32,538; or
2. Request additional information; or
3. Not recommend renewing the lease with supporting information as to why.

STAFF RECOMMENDATION

The lease is written such that the renewal terms are at the lessee's option, unless the lessee is in default. To staff's knowledge, the lessee is not in default of the lease. As such, staff would recommend that the Commission forward a recommendation to the City Council to approve the third ten-year lease renewal.

RECOMMENDED MOTION

"I move to recommend the City Council approve the third 10-year renewal for the RBGAP, LLC lease at the airport industrial property with an annual lease rate of \$32,528 for the next five year period."

ATTACHMENTS

Page 6 from December 14, 2023 Land Appraisal

RELEVANT PROPERTY CHARACTERISTICS

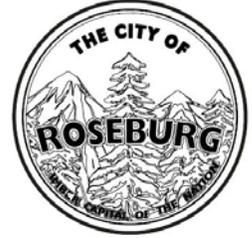
3801 NW Stewart Parkway, Roseburg



- Assessor Identification:** Tax Lot 600A1 on Map 27-06W-12DC.
- Zoning:** The subject site is zoned MU, Mixed Use with Airport Impact and Geologic Hazard Overlays.
- Size:** 2.27-acres (gross site size), per the provided lease document.
- Owner of Record:** City of Roseburg, per Douglas County records.
- Floodplain:** According to FEMA FIRM Map Number 41019C1726F, effective February 17, 2010, the subject site is located in Zone X, areas determined to be outside of a 500-year flood.
- Highest & Best Use:** Development with an allowable use in the MU, Mixed Use zone, with consideration given to additional restrictions imposed by the Airport Overlay zone, which limits development height and requires Federal Aviation Administration (FAA) approval for any significant development on the site.

Value Conclusion Summary			
Value Premise	Interest Appraised	Date of Value	Conclusion
Hypothetical	Fee Simple	December 14, 2023	\$540,000

**CITY OF ROSEBURG
MEMORANDUM**



DATE: January 18, 2024

TO: Airport Commission

FROM: Nikki Messenger, P.E., City Manager

SUBJECT: **Connect Oregon Grant Application Authorization – Taxiway A Extension Project**

ISSUE STATEMENT AND SUMMARY

After a number of challenges, it appears the Taxiway A Extension Project will receive FAA funding in the current federal fiscal year. Staff is seeking authorization to apply for a ConnectOregon grant to help fund the required grant match. The issue for the Commission is whether to recommend the Council adopt a resolution authorizing a grant application.

BACKGROUND/ANALYSIS

The Taxiway A Extension project will extend the taxiway approximately 400 feet to match the length of the runway, which was extended in 2011/12. The design and environmental work has been completed and was funded through an FAA grant and an Oregon Department of Aviation (ODA) grant to assist with the match. The construction project is programmed in the airport's approved five-year capital improvement plan (CIP), and was slated to receive discretionary funding from the FAA in the current federal fiscal year (FFY24). During a virtual CIP planning meeting on October 17, 2023, FAA staff informed City staff that adequate discretionary funding was not available and the project would not be funded.

On December 13, staff received an email inquiring if the project could be constructed in 2024 if funding were available. Staff responded that the project is ready to bid and that construction could begin in 2024. FAA staff has indicated that the project will be funded utilizing state apportionment funding. This is the good news. The bad news is that we were informed after the application period closed for the ODA COARS grants, which we would have applied for to pay 90 percent of the match.

FINANCIAL AND/OR RESOURCE CONSIDERATIONS

FAA grants require a ten percent match. The current estimate for the construction project is \$1,864,464, which would require a match of \$186,446. If the City were successful in obtaining a ConnectOregon grant, 90 percent of the match, \$167,801 would be covered by the grant. The airport's remaining match would be \$18,645. Both the FAA and ConnectOregon grants are reimbursement grants.

TIMING ISSUES

The ConnectOregon grant period opened January 11 with grants due on February 29, 2024. The grant selection process is expected to be completed by October 2024. The FAA requires bids in hand by April 1. As such, the project will go out to bid in late February. If the Commission makes a recommendation, it will be presented to the City Council in February.

COMMISSION OPTIONS

The Commission has the following options:

1. Recommend the City Council adopt a resolution authorizing submission of a ConnectOregon grant application for the Taxiway A Extension project match; or
2. Request additional information; or
3. Do nothing.

STAFF RECOMMENDATION

Staff recommends the Commission forward a recommendation to the City Council to adopt a resolution authorizing submission of a ConnectOregon grant application for the Taxiway A Extension match.

RECOMMENDED MOTION

“I move to recommend the City Council adopt a resolution authorizing submission of a ConnectOregon grant application for the Taxiway A Extension project match.”

ATTACHMENTS

None.