

## CARB Board Minutes

WSDOT-Aviation HQ – Microsoft Team Meeting

Thursday, May 13, 2021 10:00 am – Noon

The meeting was called to order by Chair, JC Baldwin, at 10:04 a.m. Board members Jill Anderson, John Dobson, Andy Hover, David Fleckenstein, Michael Echanove and Board Secretary/Loan Program Manager Dave Chenaar participated via video conference. Rich Mueller was unable to attend due to schedule conflict. Board Member Jennifer Skoglund was absent. Chris Herman attended as a guest.

**Announcements:** JC Baldwin welcomed the group and asked if there were any announcements.

Michael Echanove announced that William Glassford is the new alternate CERB representative to the Board.

**Approval of March's CARB Minutes:** JC asked if everyone had a chance to review March's Board minutes distributed two months ago. No revisions were received. Michael motioned to approve the minutes. David F. seconded the motion. The Board minutes were approved with no objections.

**Board Term Limits:** Program Manager/CARB Secretary, Dave C., displayed an excerpt HB 1102/SB 5031 that establishes the CARB program:

“The appointive members must initially be appointed to terms as follows: Two members for two-year terms, and three members for three-year terms which must include the chair. Thereafter, each succeeding term must be for three years.”

Dave C. explained the initial appointment letters did not identify which appointed members were to serve an initial 2-year term and that two of the appointed members will have successfully completed their initial term of service to the Board in July 2021.

Emails were sent to all Board members requesting their preference to remain on the Board for an additional year or complete their service. 3 out of 5 appointed members graciously offered to complete their service. Dave C. expressed a desire to keep the elected Board Officers for continuity during the initial transition. In addition, two appointed Board members currently are serving as President's of WAMA and WSAA. As such, the Program Manager believed their inclusion on the Board for another year would also be beneficial to the program. Based on these recommendations, the city manager representative and airport manager representative positions would complete their terms.

JC asked for clarification on how the transition would occur. Dave C. explained that Jill and Jennifer would complete their Board service in July and The Secretary of Transportation would appoint two new board members. Since CARB Chair JC's term as the CERB representative will be expiring in July and she has indicated a desire to stay on the Board, Dave C. thought she could be appointed as the port representative with Rich transitioning to fill the vacant airport manager position. That would only require a new city official to be identified for the remaining available appointed position. This would minimize disruption to the Board and allow the Board's Chair and Vice Chair to remain through the Board's initial member transition. David F. stated that the Secretary will likely support recommendations from Aviation for new appointed board members and suggested the Board or WSDOT's AIP Grant Manager provide some suggestions for candidates. Dave C. will contact Eric Johnson, AIP Grant Manager, for recommendations.

**Legislation:** Member and Aviation Director, David Fleckenstein, updated the Board on the passage of the CARB program due to the efforts of Senator Jim Honeyford and Representative Tom Dent. CARB bill, SB 5031 (Chapter 175, 2021 laws), was signed into law by the Governor on May 3, 2021 (effective 6/30/21). The corresponding capital budget bill, SHB 1080, providing an additional \$5M for the 2021-2023 biennium has been sent to the Governor for signature. Guest, Chris Herman, informed the Board that Tuesday, May 18<sup>th</sup>, was the deadline for signing the budget bill.

**[SHB 1080 (Chapter 332, 2021 Laws) was signed by the Governor on 5/18/2021.]**

David F. also discussed other aviation bills of interest, as follows:

- SB 5165 Commercial Airport Coordinating Commission (CACC) Provision extending commission's work/activities to February 15, 2023.
- ESSB 5092 establishing an Aviation and Aerospace Advisory Committee within the Department of Commerce; and
- SHB 1379 Establishes an Unmanned Aircraft Systems (UAS) State Coordinator position within the Aviation Division and a commercial drone registration requirement/system.

**Ethics Policy Draft:** Program Manager described requirement in CARB legislation for the Board to adopt an ethics policy for its members. Per Board direction, the Program Manager/CARB Secretary drafted an ethics policy for the Board to review, modify, and approve. The drafted ethics policy included seven (7) basic principles covering the following topics:

- Selflessness. Board members should make decisions in terms of the public interest. They should not do so in order to gain financial or other material benefits for themselves, their families or their friends.
- Integrity. Board members should not place themselves under any financial or other obligation to outside individuals or organizations that might influence them in the performance of their official duties.
- Objectivity. In carrying out business, including making appointments, awarding contracts, or recommending individuals for rewards and benefits, board members should make choices based only on merit.
- Accountability. Board members are accountable to the public for their decisions and actions and must submit themselves to whatever scrutiny is appropriate to their office.
- Openness. Board members should be as open as possible about all the decisions and actions they make. They should give reasons for their decisions and restrict information only when the wider public interest clearly demands it.
- Honesty. Board members have a duty to declare any private interest relating to their public duties and to take steps to resolve any conflicts arising in a way that protects the public interest.
- Leadership. Board members should promote and support these principles by leadership and example.

The draft also referenced RCW 42.52 State of Washington Ethics, as it applied to public boards and included specific clauses on 'Conflict of Interest' and 'Malfeasance' as identified in the SB 5031 and signed into law. After brief discussion, Andy motioned to adopt the CARB Ethics Policy as written, and Jill seconded. The motioned passed unanimously. The Secretary was directed to add the Ethics Policy to the CARB Bylaws.

**Applicant's Program Survey:** The Program Manager shared the results of the survey sent to former applicants of the CARB program. We received responses from 18 out of 26 applicants equating to a 69% response rate. A summary of the responses is reflected below:

- Q1: 55.56% heard about the CARB program thru WSDOT, 38.89% via WAMA, WSCAA, or WSAA, and 5.56% thru a legislator.
- Q2: 22.22% rated the application process as “easy”, 61.11% as “relatively easy”, and 16.67% as “neutral”.
- Q3: 100% thought the application and instructions were adequate.
- Q4: 100% thought the application timeline was adequate.
- Q5: 94.12% believed the interest rate of 2% met their expectations. 5.88% (1 respondent) stated it did not meet their expectation. One respondent skipped the question.
- Q6: 100% agreed program staff was responsive to their inquiries.
- Q7: 77.78% thought the maximum loan amount of \$750k was sufficient and 22.22% thought the limit should have been between \$1M to \$2M.
- Q8: 77.78% did not have any recommendations to expand eligible projects. 22.22% wanted to expand eligible projects to include non-revenue generating essential equipment, property acquisition for airport protection/future expansion, and grants similar to the CERB program.
- Q9: Suggestions to improve the loan program overall included reducing or eliminating financial disclosures for privately-owned airports, include grants along with loans, increase the maximum loan amount, provide permanent program funding through the legislature, and publicize the program results.

The responses were overall extremely positive and complimentary of the Loan program. The only significant finding (22.22% of respondents) was to reconsider the maximum loan amount if funding is increased. Legislative language prevents most of the other suggestions for program project expansion, grants, and waiving assurances for acceptance of public funds.

David F. clarified that the loan program is still dependent on continued funding through legislation. Discussion ensued regarding program funding. The Program Manager explained how the legislation establishes a new CARB loan account under the Office of the State Treasurer and how interest and loan payments will return to the new fund. However, in the near term the program would need continued appropriation until a targeted \$25M is reached. Members discussed the need to identify a revenue stream to ensure continued funding is achieved. Program Manager added that legislation allows for the program to accept grants, gifts, and donations. His intent is to investigate into other funding opportunities beyond state appropriation. Andy asked about the possibility of directing some aviation fuel taxes towards the program. David F. responded that there has been drafted legislation to re-direct some additional fuel taxes from the general fund to the aeronautics account.

**Comments/Next Board Meeting:** A date for the next Board meeting was discussed. Since WSDOT's in-person meeting restrictions are still in place through mid-August, the next meeting will have to be online. A survey will be sent out to Board members for their date preferences. Several suggestions were given for meeting topics including inviting a person from the State Treasurer's Office to provide details about the new loan account, reviewing the program's administrative budget, re-visiting the maximum loan amount, and inviting WSAA to speak. The Board Secretary will work with Board Chair JC to develop the next CARB Agenda.

JC also suggested CARB presenting at one of the Washington Public Port Association meetings. Chris Herman shared that he already contacted the CARB Program Manager and had agreed to participate at an upcoming meeting. JC asked if there were any other closing comments. Jill expressed her pleasure working with the Board Members on the loan program for the past two years. In turn, Members

thanked Jill for her participation in creating the new program. JC thanked the Board and the Program Manager for their participation.

The meeting was adjourned at 11:20 p.m.

\_\_\_\_\_ Date: 6/3/2021  
David Chenaar, Acting CARB Secretary