

City of Colville  
Airport Board Minutes  
Special Meeting  
24 June 2015

The special meeting began at 5:03 pm

In attendance:

Board Members: Chair Drew Hatch , Gary Brooks, Daron Tate, Jerry Sater, Secretary Steve Pietroburgo, Airport Manager Dave Garringer

Absent: Bud Budinger, Dave Shaw.

City Council: None

Public: Julie Howell, Jon Bateman

Budget: Dave gave a brief report on the budget as part of the business discussed below.

Old Business: None

New Business:

This special meeting of the Board is called to discuss and decide on action to take regarding current fuel pricing. Background discussion covered two recent events in which some planned fuel sales revenue has been lost. In the first incident, the pump was inadvertently left in the manual "on" position following a routine fuel quality check. Approximately 140 gallons were pumped without purchasers required to run a credit card transaction. This resulted in a loss of approximately \$584. Subsequent to that, and after a recent fuel delivery, the fuel price was to be raised from \$4.17 per gallon to \$4.94 per gallon. Dave received notification from the City Treasurer that the change was in effect, however some error occurred and the intended increase did not take effect immediately. Approximately 1412 gallons were sold at the lower price, resulting in a loss of approximately \$1087 in projected revenue.

The Board then discussed options for moving forward, with those being: do nothing, act now to recover some or all of the losses, or delay action. Discussion focused on our current budget status (Dave reported that we are currently running \$1400 in the black vis a vis expenditures against revenues.), the magnitude of the financial losses and the proper course of action in terms of the Boards fiduciary responsibilities.

Jerry Sater reported during the discussion that he had spoken with the City Treasurer and she did not indicate that the City Council had any explicit expectations regarding the Board's handling of the budget at this time. She did prepare an analysis of fuel pricing levels that would be needed to recoup the losses with the remaining fuel on hand. The price would need to be set at \$5.24 per gallon immediately.

The Board heard input from members of the public in attendance, both of whom expressed the opinion that a price increase at this time is unnecessary and inappropriate.

Drew Hatch stated that he would accept a motion as to whether the Board should act in the near term, do nothing or delay action. Jerry Sater moved that the Board act immediately with an incremental price increase (i.e. less than that needed to fully recoup losses with the fuel on hand). The motion was seconded by Gary Brooks. Discussion of this motion involved the idea that a near term full recovery is not financially necessary but that the Board's responsibilities to steward the City's resources necessitated some steps be taken to increase revenues for the near term. The motion passed.

Steve Pietroburgo moved that the price be increased by \$0.05 per gallon until the remaining fuel has been sold. Second by Daron Tate. During the discussion the Board agreed that this increase could be continued with the next fuel delivery (expected in late August or September) should the current budget dictate the need. The motion passed.

Finally, the Board reached a consensus that the fuel pricing error pointed out the need for closer monitoring protocols when new loads are received.

The meeting adjourned at 6:00 pm.

Respectfully submitted,

Stephen Pietroburgo, Secretary