

**MINUTES**  
**ABERDEEN REGIONAL AIRPORT BOARD**  
**Regular Meeting**  
**May 3, 2012**

**MEMBERS PRESENT:** Mike Erickson, Rolf Johnson, Steve Kaiser, Dr. Kennon Broadhurst, Lon Gellhaus

**MEMBERS ABSENT:**

**OTHERS PRESENT:** Mike Wilson, Bob King, Sam Muntean, Shawn Mielke, Jeff Bahr, Comm. Mike Wiese, John Aman, Gary Dahlerup, Rhea Ketterling

Chairman Erickson called the regular scheduled meeting of the Aberdeen Regional Airport Board to order at 11:33 am on Thursday, May 3, 2012.

**Item #2** – Broadhurst moved approval of the minutes from the April 5, 2012 meeting, seconded by Johnson. **MOTION CARRIED.**

**Item #3** – Broadhurst moved the adoption of the agenda, seconded by Johnson. **MOTION CARRIED.**

**Item #4** – Next meeting is scheduled for Wednesday, June 6, 2012.

**Old Business:** None

**New Business:**

**Item #5 Bills** – An updated bill list was distributed to the Board. Kaiser moved approval of the bills for the month of April, seconded by Broadhurst. Johnson asked how we spend \$400 in electricity for a holding pond. Wilson stated pumping the holding pond. Does this happen every month? No, spring we pump and then a couple of times throughout the year. King added usually after a rain fall. Chairman Erickson asked if we have a discharge permit when we pump the pond down. King stated yes we do. Wilson added before we release we take samples and have them tested. It takes about a week to get the results back. Broadhurst asked about the bill for 2011 work comp audit. Wilson stated this is the Airport's portion of the bill. Kaiser asked if \$7,000 is our normal electric bill. Wilson stated we included a comparison report of the Northwestern bill for January thru March for the last three years. Wilson stated on the electric during this time of year, we have been between \$7,700 to \$7,900. Broadhurst stated he does not see a water bill. Does the City provide this for free? This is expense the City puts in towards the end of the year and supplements it. Gellhaus asked about the weather observer contract with Studnicka. Wilson stated we have a weather observer on staff for if the ASOS is down; the aircraft can't come in. We keep Studnicka on standby and he keeps his certification up to date. When he does come in and check the weather we pay him with an hourly rate. Having this contract avoids weather cancelled flights for us. **MOTION CARRIED approving the bills.**

**Item #6 – Financial Report** – An updated financial report was distributed to the Board. Broadhurst moved approval of the financial report for April, seconded by Kaiser. Wilson stated Delta Airlines is now paid in full. Ramada also is paid up and their payment was received this month. **MOTION CARRIED approving the financial report.**

**Item #7 – Repay Fuel Tax to State of SD in the amount of \$100,000** – Moved by Broadhurst seconded by Kaiser. Wilson stated we took out \$100,000 from our Fuel Tax Funds a few years ago to pay for the EA. The EA (Environmental Assessment) can be paid with AIP (Airport Improvement Plan) funds at 98% reimbursement. The Fuel Tax funds can be used on a lot of things that are not AIP eligible like the GA (General Aviation) Roadway. Wilson wanted to get this money back into our account, since we have an opening in this year's grant. Chairman Erickson asked how much left is in the account. Wilson stated we have about over \$102,000. With the \$100,000 repayment we will be over \$200,000. Chairman Erickson stated this is not something we have to worry about losing from the State. Wilson stated no. This is for each individual airport. The House and the Senate cannot touch this money like the Aviation Trust fund. **MOTION CARRIED to repay the Fuel Tax.**

**Item #8 – Helms and Associates:**

Broadhurst asked for explanation on AIP numbers as there are two projects with the same number. Wilson stated if the project is in the same million dollar funding pool, they will be under the same grant number. Each year we usually increase the grant number by one number.

**8a: Pay request for AIP Project #3-46-0001-32-2012 Airport Renovations – Design Phase PE #1 in the amount of \$2,495.28** – Broadhurst moved approval, seconded by Gellhaus. An updated drawing of the Terminal Renovation was distributed. Wilson stated there had been a lot of work with TSA. Last week, we thought that this project was not going to happen anymore because TSA was requiring a 17'x70'L area, we thought. We just did not speak TSA and did not understand their emails and realized that they just wanted us to show their actual equipment on the drawing and did not care about the space that we fit it into. TSA called this morning and had another change so the drawing the Board has is not exactly correct. TSA is taking up more space than we had shown before. The hold room is also a little bigger now. This is because the additional space TSA needed required us to move the wall one more column, so we are adding 20' more to the hold room. With this we are moving the exterior wall of the building out, so it matches up with the current wing wall of the building. Another big change is rather than adding on to the baggage loop, we are taking the existing one and turning it and putting it in the middle of the room to get the frontage that we need and running a small conveyer over to the loop. This is due to a complaint that was made to Muntean that we were sole sourcing. This will open it up to anybody that can supply the additional conveyer. It would be a shorter conveyer and a straight conveyer not curved so it would be much cheaper. The other thing that helps is now we only have one doorway between where they deliver the baggage which is on the airside and on the public side. Wilson stated this also opens up a lot of space on the non-public side because they will only have one little conveyer. Johnson asked is the wall still getting extended. Wilson stated the wing wall is staying where it is, but the exterior building wall is moving up to the wing wall which is about 16'. Wilson stated for seating the drawing shows 85 seats in the hold room. We currently have a total of 70 seats in the building. We will be moving all the seats into the hold room and get new couches for the lobby area. Chairman Erickson asked do they actually need the addition if the conveyer goes out; there will be more room for the ground crew to turn. Muntean stated we need it because we have to move the holding area. We will move the wall further over. Chairman Erickson asked how we would operate during construction. Wilson stated this will add some cost to the project. We will have to keep everything secure and they will have to work around the flights and secure everything. Chairman Erickson asked will there be a window between baggage claim and the general hold room. Wilson stated there will be; which is the current existing wall that is in between the café and current hold room. This will be moved down and the curtain will be taken off. Out in the front area, we should be able to see into the TSA area. We are looking at putting glass windows from the lobby. **MOTION CARRIED approving PE #1.**

**8b: Pay request for AIP Project #3-46-0001-32-2012 Ag Sprayer Taxiway Construction Admin./Resident Engineering Services PE #8 in the amount of \$4,311.79** – Broadhurst moved approval, seconded by Johnson. Wilson stated the contractor was doing quite a bit of work on the taxiway and then the County put the load limits into place so they had to stop work on it for a while. The County had lifted the load limits on the 25<sup>th</sup> and they began work again on Monday because it had been wet. The contractor had put in the rest of the underdrain, the storm sewer piping and they did a little of the earth work. **MOTION CARRIED approving PE #8.**

**8c: Request approval of Professional Agreement for AIP Project #3-46-0001-32-2012 Airport Approach Survey** - Wilson stated Helms had been working on this agreement trying to get everything through to the State. Helms had sent it to the State and the State sent back with a lot of questions asking for more information on the sub-consultants that are being used that will actually fly and do the approach survey. The State had auditors that had a lot more questions for us. We ended up finally getting approval yesterday morning at 7:30 from the State to move forward with the project. Rather than calling a special meeting for tomorrow, we still had a few hours to get this onto the Board's agenda before our 24 hour requirement. So we added it, the reason for this is after we get the Board's approval, there is another four week process, then another four weeks and then the survey has to be conducted leaves on. If we push this back a month, we might not get the survey done this year because the leaves have to be on the tree to do the survey. Muntean stated this is all stemming from the process to shift the runways and what the EA is for. When we shift the runways, the instrument approach and the GPS approach for the runways have to be redeveloped by the FAA. These need to be done before the actual pavement is put on the ground. Otherwise, we get it done; open the runway and we do not have an approach. The FAA takes 18 to 24 months to develop a new approach. Before they start developing a new approach, they have to have an approach survey completed and put it into their system. This is what this contract is for is to conduct the approach survey and get the data into the FAA's system. The FAA had upgraded the way they do this which is now all GIS (Geographic Information System) and web based. Most of the data now is a collected by aerial photography which is then put in, in a standardized form and submitted to Geodetic Survey. They then verify the data and let FAA know the data is good. The FAA then can

use this data to develop the approach. Before we do this, as Wilson stated we have to get this done with a leaves on condition. Once we get the contract signed, Muntean has to get statement of work put together and approved by the FAA. This process will take about four weeks. Once this is done, we have to put together a survey plan and aerial photography plan that also have to be reviewed and approved by the FAA which also takes another four weeks to process. Once we are done, we have 60 days before we can actually do the survey. If we have a delay of until June to approve the contract before they start to work, then we are into September before we can start flying and we are getting close to losing leaves and not being able to get it flown. If this happens then it's next May before we can fly it; which means the data does not get in till later, which means they do not start developing the approaches until later, and if we are looking at moving runways in 2014 the FAA does not have the approaches developed until 2015, we will have runways that are approach free. It seems like we are way ahead of schedule, but when you start putting delays into it and the timeframes the FAA gets things done, we are just right on track. Wilson added we are flying this at the same time as Watertown. Muntean stated yes, Watertown and Winner are doing approach surveys. By combining them we received a better price. Chairman Erickson asked how many companies are out there that are certified to do this. Muntean stated nationwide he does not know how many there are. The FAA bid a lot of the GPS approaches that had been published to date. They basically had hire three companies to do this type of work so they can publish the GPS approaches. They also split the country into three regions; the eastern half, Midwest and western half. Aerometric and Wolford & Associates are two companies that had done surveys in the nation. Aerometric is located out of Wisconsin and they also have offices in Virginia. Chairman Erickson asked what kind of plane they use. Muntean stated they have a couple of different ones they use. Dahlerup, local pilot asked would this be for all runways. Muntean stated it would be for all and the data will all be there. Broadhurst stated he thinks that we have to have our motion together because we are dealing with a document that is really not ours. It's the City Council and all the Board can do is review it and recommend to the Council to go with the completion of it.

**Johnson moved to accept the derivation of the project cost, seconded by Kaiser.** Johnson asked for explanation on the cost of \$49,810 proposal and \$32,575 labor addition. Wilson stated the \$49,810 is only for Aerometric and the additional cost is Helms and Associates. The total project is \$87,233. Johnson asked how far out does Aerometric survey. How far is the approach? Wilson stated they will do the Airport property. Muntean added they go 20,000' (4mi or so) off of each end of the runway. They will also fly two different altitude; 5,000' and 10,000' which Wilson thinks they are doing 5,000' here which will give us a 6" grid. Muntean stated we will get a digital picture to scale. It will give horizontal and vertical information, so heights of buildings, towers, or trees are all in this data. Kaiser asked how many pictures do we get. Muntean stated it is actually a continuous reel. What we will get and the FAA gets is what had been upload to their system; a hard drive with all the data and individual points. Helms and Associates time on this will be doing the survey on all the control points that they use for the photo to tie it to the ground. This has to be done on the NGS requirements. They not only have to shoot those points, they have to take pictures of them and record them in so many hours of the day. Also any obstructions or close to obstructions that they can't capture with a photo like towers for radios, water, etc. They can get the tower, but they know that there is an antenna on top of it and they can't get this in the picture and this is where Helms comes in to shoot the additional height. Wilson stated the County did a Laser Digital Imaging Survey which also gives the heights of building, but it does not give the same data that is required by the FAA. Comm. Wiese stated they specifically time the County's information when there is no foliage. Johnson asked what is the life cycle of the document. Muntean stated the FAA is doing this and their ultimate goal is to get an electronic ALP (Airport Layout Plan). They can get this data into their server and pull out and print out real time ALP. By having this data on an airport and requiring them that anytime any construction is done at that airport that information has to be to be updated into their system. So they are constantly getting updates to it. Helm's argument to this is who's going off the end and surveying the trees that are growing every year, who's surveying all the building that are going up, who's doing all the data. They do not have a real time ALP; it's an ALP at the time of capture. The FAA has not figured out yet the feasibility of what they are asking for, but this is the direction that they are trying to head to. Ultimately once the FAA has the system up and running, airports will be able to use it too and be able to print out their own ALP. Johnson asked will this speed up the application process for buildings that are in the approach. Muntean stated this is the thought process. Wilson stated currently these are two separate offices. The good news on this bill we had planned \$100,000 because we are tying it in and we are not paying on the mobilization. We had saved some money. Chairman Erickson asked how this helps us in the future instrumentation to approach. Muntean stated to keep in mind that anybody can request an approach on an airport. You don't have to be a pilot or anything else. You can go on an FAA website and request that you want such and such an approach at an airport. The FAA has to respond to this request. Now, you can request that you want an ILS approach at the Redfield airport, and the FAA response to this will be no. The first thing FAA looks at if it is a reasonable request is if they have the data to develop that approach. If they don't, then FAA will contact the airport and will say they do not have the data and do not have funds to do it, would the airport want to. Once we get all this information and somebody asked an approach to rwy 17 that we do not have now, then FAA will go about developing it. We will get in line for all the approaches the FAA is

developing for GPS approach. Once the data is there it allows them to develop an approach. It may also help them make the existing approach better or we might get a worse approach because they may find something there that they did not know about. Dahlerup stated it could also give us a chance putting a GPS approach and overlaying. Muntean and Wilson agreed. Dahlerup added which could really help here if the ILS is down and we have a GPS approach they can still come in the same minimum. Muntean stated part of the thing that stops them from doing this is if they do not have the data to develop the approach. Wilson added a lot of airports had GPS approaches put in without knowing about it and then they run into issues with the RPZ's (Runway Protection Zone) expanding and taking in more buildings and having incompatible land uses in RPZ's too. We had planned for our GPS on everything, so we are not going to have these issues. This is an AIP project and City cost would be under \$2,000. Chairman Erickson stated this sounds like a good investment. Gellhaus asked how long is this good for; how many years. Wilson stated the approaches are good forever, as for the data we would own what is maintained on the FAA website. Wilson will have a unique ID on FAA's website where people can look at it if they are looking at developing approaches. Every time this happens there is a log that shows who is using the data. Muntean added the airport authorizes the users of the Airport's data. As for the life of it, Muntean stated this is up for interpretation as it depends on if the airport maintains when there are changes and continue to change and update the data into the system. Johnson asked what the form application number is when someone wants to build. It's 7460. Dahlerup stated this would be the thing to protect our approaches as if they want to build; they have to go to the City. Wilson stated we already do this. Every time there is building near the airport, Wilson is contacted and he looks at the site and he determines if they have to file a 7460. Muntean stated it is also long term as the FAA is looking into tying the 7460 process into this, so that when building get constructed they file the 7460 form and get approved then they file a completion and then this information gets upload into the system. **Johnson rescinded his motion on the derivation of the project cost, seconded by Kaiser. MOTION WITHDRAWN. Kaiser moved approval of the Professional Agreement for Airport Approach Survey, AIP Project #3-46-32-2012, seconded by Johnson. MOTION CARRIED with Broadhurst abstaining.** Broadhurst stated he is not approving anything that the City is supposed to approve. Wilson stated the City approves everything including our bills. Broadhurst stated this does not have to be approved as they will approve it downtown. The City's signature will go on the document. Wilson stated but if the Board would not recommend that they approve this. Broadhurst stated he would recommend, but he is not saying that he is approving it. Wilson stated what we are saying is that the Airport Board is alright with it, then it goes to the City Council, then they look at it that the Airport Board had approved it and now the City Council will. Broadhurst stated his part is that he has read all 20 pages of this document. It is fine with him to pass it on to the City because they are ultimately responsible for the contents of this document. Broadhurst stated he is not taking responsibility for the content of this document.

**Item #9 – Request to pay PE #3 to Lien Transportation for AIP Project #3-46-0001-32-2012 Ag Sprayer Taxiway for materials and work completed to date in the amount \$85,554.19** – Gellhaus recommends approval to pay PE #3, seconded by Kaiser. Wilson stated this is what Muntean had discussed in item 8b. There is also a correction on the period date which should be 12/23/2011 thru 4/20/2012 instead of 2011. Chairman Erickson asked for an update. Muntean stated all the underdrain pipes are in, all the storm sewer pipes are in, most of the undercut are done and the fabric down, subbase is 80% done not the full thickness of subbase and once they start hauling materials the rest of the work will go quickly. The other good news is that since they are at this point rain will not hold them too badly. Chairman Erickson asked when the completion date is. Wilson stated June 30<sup>th</sup> was the no later than date. They were ahead of schedule and were planning to pave in May. Since the load limits and the County taking too long to take it off this road, Wilson does not know if this had slowed them down. Johnson asked are there penalties. Muntean stated yes, for liquidated damages. Johnson stated but this does not come into play when it is outside force. Wilson stated we will have to approve that this does not come into play. So, they have to complete by June 30<sup>th</sup> unless we give them an extension. They were planning to get this done well before June 30<sup>th</sup>. Wilson thinks that the load limits had not hurt them at all. We are not including the painting. This comes in four weeks after the pavement had been put down. **MOTION CARRIED to pay PE #3.**

#### **Item #10 Airport Manager's Report**

**11a: Enplaned Passengers Report** – On the last column where it shows percent change, it should say “changed from 2011” not 2010. In April, we had a slight increase, March we're down then January and February we did really well with decent increases. So far for the 2<sup>nd</sup> quarter we are up 4.35%. Kaiser stated our total increase from 2011 was 21%. We are somewhere around 10% this year. Wilson stated he would say around 5%. We just hit our increase for the jets. Not having 3 flights a day does impact us. We had 3 flights a day all the way through April last year. Johnson stated they received a longer spreadsheet before that showed 2008, 2009, 2010 and it showed how it continually dropped. Johnson wonders where the 2011 increase of 21.44% puts us compared to those years. Wilson thinks it puts us between 2007 and 2008. We absorbed all the drops for 2008 thru 2010. We are back between 2007

and 2008. 2007 is when we had Great Lakes operating here. Johnson stated which actually a good number to compare to. Wilson agreed and stated two airlines against one now. Johnson added and now with less flights. Comm. Wiese stated bigger planes and better fares. Kaiser stated it would be nice to get the third flight back. Wilson agreed. We are at 64% load factor; March and April are never the greatest months. It is hard to justify getting the third flight back when we are not filling enough for it. Wilson added with the EAS (Essential Air Service) they are only subsidized for two flights and if there is a third one it would have to be all profit for them.

**11b: Budget Summary** – Broadhurst asked if this is the form that the City requires to get published in or can we make modification to the report. Wilson stated the City gives us a report monthly. This particular report is an internal for the Board. Broadhurst asked what the 2012 supplement column used for. Wilson stated the supplement comes in if we over spent on an item. This is usually done sometime in September/October. Broadhurst asked if we can have a column for 2011 actual to compare where we are in 2012. Johnson stated if we look at the numbers for the first quarter and it is substantially below 25% then we have to be concern or if it is substantially above. Kaiser stated it would be a lot easier if we do not have the Federal grant. This could be a supplemental item at the bottom. Wilson stated it does not throw off the total as we will receive Federal grant throughout the year. Johnson stated it looks like insurance is paid for the year. Wilson stated this is a question for Alberts, Finance Officer. This is something handled at City Hall. Wilson added hopefully we do not have any more insurance expense coming out. Chairman Erickson asked where we ended up at the end of the year in snow removal on the budget. Wilson stated we do not breakout snow removal as an item. It would be personnel cost, overtime, and fuel. Overall last year, we were under budget on operational costs. We supplemented our grant items. The reason why the overtime had gone up is that we had the Careflight accident off Airport which King went to for 11 or 12 hours. We also had another employee that received 8 or 9 hours. The other time is that one of our snow storms fell on a Saturday. Broadhurst asked what is the connection between Airport employees and Careflight. Wilson stated any aircraft accident in the County we will be called out. Our employees go out and follow our AEP (Airport Emergency Plan). We call FSDO (Flight Standard District Office) and let them know that an aircraft went down. We are usually the one who takes the pictures and directs Police and Fire on evidence preservation and have them secure the area. We take the pictures and send it to FSDO in a non-fatality incident. If there is fatality then NTSB will be on site. King had a conference call that day with NTSB, FSDO, and Trans Med (owner of Careflight). Wilson stated he was out of town when this happened.

**11c: Utility cost comparison report** – The report shows the comparison for the first three months of the last three years. Johnson stated looking at the data earlier and finds the idea of the proposed Geothermal and if we only do this for main terminal, it would be a long term payback. We discussed the \$7,000 utility bill, but we are not talking about Geothermal for every building. Is this something that ever been studied as this is somewhere in the long term plan. Muntean stated there has not been a study done on this. Wilson stated don't look at the electricity, look at the gas. We are not going to save a lot of money on Geothermal. Muntean added we are going to save some on electricity for cooling the building. Wilson stated we would save some money, but it will take a while. Broadhurst asked where the Airport Shop is. Wilson stated this would be the old maintenance building. Broadhurst asked what the square footage of the Fire Station is. It was reported that it is somewhere around 6,000 sq. ft. Broadhurst asked why the cost is high for that size of a building. Wilson stated they have three bays that have to be heated because of the water in the trucks and they have firefighters who live in the building 24/7. What about the Generator Building/Airfield Lighting? The cost for this is mostly the Airfield Lighting. Kaiser asked what percentage of the lighting is on constant. Wilson stated 1% is on constant which are the PAPI's.

**11d: EA (Environmental Assessment)** – We have been sending information back and forth to the FAA after we had the public hearing. The FAA staff member who is reviewing this will be looking at the most recent information we had sent and will have a response by tomorrow on what we had sent to their office.

**11e: GA Road Improvement** – The plan is completed which Wilson received this morning. If anyone wants to see it, they are available. The specs will be done next week. The following week we can advertise and we will have the bids closed sometime late May, early June. Chairman Erickson asked if the GA operators had any comments on the road. Wilson stated he met with them last year and showed them what we are planning to do. They had said they were happy that something would be done. Other than the Board meeting, Wilson had not met with them. Johnson stated Braun from Quest had put a lot of input into it. Now that it's been drawn up, they understand what is not going to be done.

**11f: Air Show** - Broadhurst asked if there is an update on the Air Show. Wilson stated we are going to have a

meeting in May, but it has not been set.

**11g: Hunting Season/Extra Service** – Broadhurst asked if there is anything to report on extra services during hunting season. Wilson stated during the last meeting he reported that SkyWest will be operating flights for 4 weeks during hunting season. SkyWest is now down to 2 weeks, 3 per day and this is all that they are going to do. Wilson stated he had looked at the data before hunting season for last year and there were only 2 days that they were at capacity prior to hunting season. The 100 seats per day were working last year too. Kaiser asked if they are going to increase the size of the plane or the number of flights. Wilson stated we are an EAS (Essential Air Service) airport. The DOT will only subsidize a 50 passenger aircraft. They will not subsidize a 76 passenger aircraft. Kaiser asked if DOT would subsidize if SkyWest increase the number of flights. Wilson stated no. They will get 2 per day and the 3<sup>rd</sup> one is on their own. Last year Delta brought in a 76 passenger aircraft for one day, SkyWest cannot do this because this type of aircraft is not eligible for subsidy. Chairman Erickson asked if there is a way we can find out a count of people on those private planes that comes in during hunting season as there are tremendous amount of them that come on private planes. Wilson stated if they fly IFR, we can get their flight plans and get the number of planes that come in. As for the passengers, unless the FBO's are tracking them we have no way of getting this information. Kaiser stated it was on TV last night that Aberdeen is in the Top 10 of the Best Hunting Cities in the United States.

**Item # 12 - OTHER:** None

The meeting adjourned at 12:54 pm.