

MINUTES
ABERDEEN REGIONAL AIRPORT BOARD
Regular Meeting
April 4, 2013

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

MEMBERS ABSENT: Lon Gellhaus

OTHERS PRESENT: Mike Wilson, Bob King, Terry Helms, Lynn Lander, Mike Schmit, Kay Nguyen, Kevin Braun, Daryl Shook, Gary Dahlerup, Gary Christiansen, Rhea Ketterling

Chairman Erickson called the regular scheduled meeting of the Aberdeen Regional Airport Board to order at 11:31 am on Thursday, April 4, 2013.

Item #2 - Approval of minutes from March 7, 2013 meeting – Kaiser moved approval, seconded by Broadhurst. **MOTION CARRIED.**

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

Item #4 – Next meeting is scheduled for Thursday, May 9th.

Old Business:

Item #5 – Planter – Kaiser stated he had asked about this last month and King had told him that it was not a problem, that it will get done. King stated with Wilson's approval. Wilson does not know why this was brought up again. This was discussed June 2012 and that we will not do one and August 2012. Kaiser asked if Wilson is against planters. Wilson stated he is against having to maintain more on the land side where we have a lot more air side needs. In September 2012, we had hired deVilliers to maintain the planters. Kaiser then had said that as long as we are doing something, at least we are doing something. Wilson thought this was the end of this. Kaiser stated from the very beginning, it was discussed of doing 3 planters especially one at the corner. This is why Kaiser is asking for this. How much is the maintenance fees for an extra planter. Wilson stated they will charge \$450 per season to change the flowers. It is more the time. Wilson stated we should concentrate more on what we have right now and try to get these looking good throughout the year rather spending more time on additional things land side. Kaiser stated how about we are not going to add one this year, but we are going to concentrate on improving what we have and then we can discuss this next year. Wilson agreed and he would like to see the existing planters looking good. The more we add, the less we would maintain the others. Kaiser stated although he disagrees as to him it doesn't seem that hard to take care of 3 planters.

New Business:

Item #6 Bills – An updated bill list was distributed. Kaiser moved approval to pay the bills for the month of March, seconded by Broadhurst. Broadhurst asked if the sign regulator is for Hangar 9 from last month's discussion. King stated this was for one of our signs that a board burned on it. Wilson stated it's for an airfield sign. Broadhurst asked if we could ask Northern Electric to submit their bill at a certain time. It was reported that all City accounts come in at the same time. Wilson added he has the same issue with Ride Line's AT&T bill. Erickson asked about the sand. King stated this is to restock our supply. Broadhurst asked where we use the sand. Wilson stated on runways. King added during icing condition we put sand down and sometimes de-icing fluid. Kaiser asked about the wafer. Wilson stated this is for our broom (bristles that go on the broom) and it's for one refill. King stated he keeps one on hand for when we need it right away. Wilson added we get close to a season per broom. Erickson asked if we just throw the old ones away. King stated yes. Erickson had seen surplus in Denver where they collect things like this and sell them to buffalo ranchers. Wilson stated he had tried this. It's hard to get rid of the wafers. Some people have taken them in the past. There's hardly anyone that would pay for these used wafers. Broadhurst asked if we need to replace our weather observation equipment as there had been a lot of call ins. Wilson stated the National Weather Service owns the weather equipment. If the ASOS goes down, we call Studnicka; our contracted weather observer.

Wilson will discuss this further on the Manager's report. **MOTION CARRIED approving the bills.**

Item #7 Financial Report – Broadhurst moved to accept the financial report for the month of March, seconded by Johnson. Broadhurst asked what type of lease that SkyWest has. Wilson stated they pay rent ahead on the exclusive use and arrears on the common/joint use space. Kaiser asked what are joint use. Wilson stated it would be the area by the ticket counter, hold room, and areas that other agencies utilize. Broadhurst asked would there be a change on the joint use space since we added space during the renovation. Wilson stated there will be. Since SkyWest is on an EAS (Essential Air Service) contract, Wilson had informed them that we will not negotiate until their new contract comes up. **MOTION CARRIED approving the financial report.**

Item #8 Recommendation to pay Helms and Associates invoice #4 in the amount of \$35,575.10 for AIP Proj. #3-46-0001-33-2013 Wetland Removal and Storm Water Improvement, 20% complete - Broadhurst moved approval to pay, seconded by Johnson. Wilson stated we had the Public Meeting discussing getting the water off the Airport. We had a pretty good turnout. The general consensus is to try to get the water to the Jim River. We are not sure if this will be through pipe or lift station and a partial pipe to a drainage way. We had another meeting yesterday with landowners that had some interest in possibly allowing us to go through their land and get some drainage easements. Terry Helms added that we have not had any negative comments. They met with about 6 landowners yesterday and they seem to be on the willing side to work with us. Kaiser asked what route we are taking to go to the Jim River. Wilson stated this is what we are still trying to work on. Helms stated we are still working with landowners. There is still one issue that we are trying to resolve with the Federal government. In the Public Hearing, it was discussed the possibility of pumping all the water within the 48 hours timeframe. If we can extend this to 96 hours for the 100 year event then we downsize pump, downsize pipe and downsize rate, etc. Erickson stated he had heard quite a few negative comments before the meeting started, but it cleaned up. Erickson thinks that everybody was well pleased with the ideas and concepts. Johnson stated it was nice that there wasn't a conclusion drawn in advance. There were options, there were discussions and there was input. Wilson stated this is what they had told them during the Public Hearing for the EA that we will get input and try to come up with a solution that is going to help everybody and not hurt anybody. **MOTION CARRIED to pay invoice #4**

Helms stated we are starting to see another issue show up in the airport property issues. Our RPZ (Runway Protection Zone) currently crosses Hwy 12. The Federal government has come out with a new recommendation that there be no highways in the RPZ's. By what we are doing with this project, in the foresight of this Board and former Board who had acquired all the property to the south and southeast when we get done with this project we would have moved our RPZ's into our property and none will cross Hwy 12. Besides the safety issues, the RPZ's issues are coming up too. Helms thinks five years from now, we would be pushed to move the RPZ off the highway. Johnson asked if we own land beyond the fence as on 13/31 there is a runway indicator lights right up to the fence on the south end. Helms and Wilson stated no. To Johnson it looks like when we extend the runway it would be near to the fence. Helms stated the RPZ will get close to the fence. Johnson stated then we have to accommodate for the runway indicator lights south of the end, south of the runway. Helms stated the MALSR's. These are fine. Wilson stated these will still be in the RPZ's and will not be beyond the fence. It would be about 800' move on that end and we have plenty to go without having these outside the fence. Helms added eventually it would be prudent for the City to acquire the remaining the piece of the land. Wilson added whatever runway projects that are happening now; they are running into a lot of airport that they are working with where they making them close or relocate roads that are in the RPZ's. This is what Helms was talking about. They are spending a lot of money to move roads. It will definitely be positive for us to have our RPZ's contained on our property.

Item #9 Wetland Mitigation/Storm Water Sewer Improvements AIP Proj. #3-46-0001-33-2013

9a: Recommendation to accept Quality Services, Inc. proposal to conduct the Wetland Mitigation

Archeological Survey in the amount of \$12,600 - We are required to do an archeological/historical study on what we are going to be impacting. We did this on airport property with this project and we have to do the same on our mitigation site. We put out the proposal to 5 companies. Three did not submit a proposal, two did. Quality Services is the lower of the two to do the field work; to look for historic artifacts, burial grounds, etc. Helms stated it is mandated through the entire process of the EA 404 permit Wetland Mitigation issues that we do this survey. Dahlerup asked where this property is. Wilson stated this is at Willow Dam where we are going to be mitigating. The City has 1,500 acres at this site, so we will not need to purchase land to replace our wetland. Broadhurst asked if Quality Services fall into the DOT DBE. Schmit from Helms and Associates stated the company is a registered

archeologist with the State Historic Preservation Office. They perform the survey and the survey data report is then submitted for Section 106 review. If they find nothing, we include the report with the 106 review to shift for determination of no effect. Helms stated he believes one of the five companies maybe qualified DBE, but there was no response. The two that we have are the ones who responded. Erickson asked if anything had been done in this area before. Helms stated this is assumed to be undisturbed property and until we get someone to sign off we cannot proceed. We do have a timeline which is August. Broadhurst asked it states in the letter of recommendation that "it is complete", how does this differ from Dakota Research. Wilson stated both proposal received were complete, but Quality Services is cheaper. Kaiser moved to accept the proposal from Quality Services, seconded by Broadhurst. **MOTION CARRIED.**

9b: Recommendation to accept Sayre Associates proposal to perform the HGM (Hydrogeomorphic Wetland Modeling) in the amount of \$5,490 – Wilson stated Sayre performed the wetland delineation on Airport property recently. We have the report from them, but one of the things that the Corps of Engineers wanted is the HGM modeling for the wetland delineation. This would allow coming up with the information of the functional capacity units of each individual wetland, which gives the number of units we have to mitigate. Johnson asked if Sayre is the only proposal for this. Wilson stated they are the one that performed the delineation and they have the data. They had the proposal from last year. Kaiser asked about the 157% overhead. Helms stated overhead is generated through Federal Accounting Rules. It takes their accounts to do about two weeks. They annually submit an overhead calculation report to the SDDOT for audit. Overhead includes SSI, Medicare, vacation days, holidays, insurance premium, overhead of office rent and utilities, etc. Lander, City Manager added they had changed the report too. In previous years, they used to include salary, overtime rate and the factors added on to show what it is. Now, they want it all in one comprehensive number, so it's kind of a sticker shock when you look at professional services now. Helms stated in their industry the norm is 1.57. Johnson moved to accept Sayre Associates proposal, seconded by Broadhurst. **MOTION CARRIED.**

9c: Recommendation to accept SEH, Inc. proposal to conduct the Wetland Delineation in the amount of \$14,293 - Wilson stated with this, the proposals went out to two firms; SEH, Inc. and Sayre Associates. SEH came in lower. This is for delineating the property at the Willow Dam site and doing the HGM modeling for that site. Schmit from Helms and Associates added the other thing they will do is with the final mitigation plan they will show the HGM modeling, so we can prove to Fish and Wildlife and the Corps of Engineers that we are mitigation enough of the functional capacity that we are filling in existing Airport property. Broadhurst moved recommendation to accept SEH, Inc. proposal, seconded by Kaiser. Erickson asked if the capacity is something new. Schmit stated with the amount of wetland acres that we are disturbing on Airport property this is the fair way to do the mitigation. It takes a look at each individual wetland and the functionality units. Erickson asked how would we know they are doing this correctly. Schmit stated both firms are Certified Wetland Biologists. Helms added one of the reasons what make SEH competitive is that the State Highway Department recently hired them to do a statewide wetland banking system. Wilson stated the report will be going to the Corps of Engineer and they will be signing off. If they see something out of line and not agreeing with, there will be issues. Schmit added both the Corps and Engineer and Fish and Wildlife will have the final say. **MOTION CARRIED.**

Item #10 Recommendation to pay JDH Construction payment application #7 in the amount of \$147,591 for work completed thru March 25th – Broadhurst moved approval, seconded by Johnson. Wilson stated most of the cost is for the conveyor system installation less retainage. During the install we had a programmable logic computer burned out. We had to add \$6,500 and had a window of four hours to decide on it. Otherwise, the cost was going up because of their travel cost and their staff being on standby. These additional costs will be in a future change order. There is a lot of automation in this system and we probably would have to do some adjustment on the timing. For the most part the conveyor is working well and we are back in the building. Johnson asked if we have a claim against the company for the logic board. Wilson stated they were using existing parts because this was on our old conveyor system. They said it just happened to burn out based on the time. The part itself was for \$800. The other costs were cancelling an airline ticket, purchasing another, hours for being on standby, and installation. Wilson said they had a meeting about the costs and they had valid reasons for the cost. If this would have happened after we took final acceptance, we could have changed the part ourselves. This is the problem on using existing parts. Erickson asked what is left to do. Wilson stated the outside work. We have completed a semi-final punchlist, but we will go through another punchlist before the project is over. Johnson asked if there is \$58,000 worth of outside site work (retainage). Wilson stated this would not be paid out until we have final acceptance. Hopefully by our next meeting, all the

outside work will be done. Wilson preferred to wait for the ground to thaw on its own before they put the retaining walls, instead of using a machine to thaw the ground. If we have gone with the machine, it would have shut down the baggage claim again. Once we get the temperature, they will put up the exterior wall panels. The temporary shack is coming down tomorrow. The conference room outside door is being turned around. The louvers and equipment screen for the air conditioner outside are yet to do. Erickson asked if what is left for Doors/Frames is for the conference room door. Wilson stated it would be and a lock set to replace on the other side of the building. What about the Ceramic tile. This would be for exterior walls. **MOTION CARRIED approving payment application #7.**

Item #11 Airport Manager's Report

11a: Terminal Remodel – discussed above.

Funding – Wilson stated the State in the past had held their share until we close-out the project. The FAA last year decided that they're supposed to be holding 10% of the project costs. This is now happening. Every time we submit for reimbursement, the State will be holding 10%. In the past the State just held their share, for this year it would have been 5%. Rather than holding the State share and the FAA's 10%, the State is only holding the FAA's 10%. It would be a bigger deal to get project closed-out in a timely manner. On a \$1M project, it would not be a big deal, but we have projects coming up that will be \$3m-\$4m and it could be an issue. We will make sure that we close-out grants as fast as we can. Johnson stated we have to change the bid specs for contractor's payment. Wilson stated we can't do anything with the contractor. The City has to come up with the money. We will retain until they do their final inspection. We are not allowed to say they have to wait for payment until we get our grant closed-out; we have to pay up front. Helms stated they do the close-out report plus the financial close-out report for each project. The close-out report consists of all the bills from the contractors, Helms', City's expenses and change orders into one book. This is then sent to the State. At the end of the project one of the issues Helms runs into are lien waivers from contractors and getting the final pay estimate done. Helms like to have the financial close-out report done within 30 days of the final payment to the contractor and submitted to the City. Lander asked for clarification about the funding commitment of the City. Wilson stated it would be 10% of the Federal share; for a \$5m project it would be \$500,000 that FAA would be holding and that we would have to carry for a short time. The City share is above and beyond. Lander stated this would help him with budgeting.

11b: SD Airport Conference – The new ADO manager was at the conference. She was the one who went over the share being held. Bruce Lindholm with SDDOT also went over the information. The FAA has no travel budget. She can only attend two conferences a year which would be the SD and the ND Airport Conference. Gellhaus also went to the conference. Wilson stated it was an informative conference and you meet a lot of different people from State, FAA and other airports. Wilson took one of the maintenance staff, who talked to other maintenance people from other airports.

11c: Non-Federal Reimbursable Agreement - Wilson stated we will have this back on the agenda for next month. We'll need to negate the motion two meetings ago to accept the agreement. Wilson was told that the agreement was good and will be sent in the mail. After Wilson came back from his leave, he still did not receive the agreement. When Wilson contacted them, he was informed that there is a new person working on this and with sequestration they are reviewing their costs and will send another draft. This is one of those things that we need to push forward quickly as they need this for moving the runway. Johnson asked how could this hold things up. Wilson as of right now it will not, if things are moving along with our Wetland Drainage Improvement project. The agreement is actually what allows us to get our approaches actually in place, to get our equipment and MALS moved. At this point, they had said we are on track and is not an issue.

11d: PFC Application – The new PFC application had been submitted to the FAA. Our comment period ends April 30th. The notice had been posted on the Airport website and SkyWest had been sent their letter. SkyWest waived their airline meeting for this which cut our timeline down by 30 days. Our current PFC application will run out of funds sometime around July or August and the new application will take over. The City share on projects that are being reimbursed are for 2005 through 2008 projects. Erickson asked has there been any change on what we can charge. Wilson stated there had been a lot of discussion on this, but it is still at \$4.50.

11e: Retirement Party, Bob King – There will be a retirement party for King on the 19th from 2pm to 4pm here at the Conference Room. Anyone can come. Johnson asked at what point do we announce the replacement. Wilson

was at the SD Airport Conference last week and the HR Director is gone this week. Wilson hopes sometime next week they will be making an offer. Johnson asked when we make an offer to a potential City employee, how much time do they have to give an answer. Lander, City Manager stated the candidate is required to go through a health screening (physical and drug testing) and we wait for the reports to come back until we make an offer.

11d: Enplanements – Our enplanement is up 18% in March. We had 2,022 compare to 1,712 last March. So far this year, we are up 6.5% over this period last year. April is usually a slow month, but we should see an increase in May again.

11e: Weather Observation Training - In July, we will be doing weather observation training for all Airport employees. We will stop the contract with the person that is doing this and have Airport employees take care of weather observation when needed. The class is \$650 per person which prepares them to pass the test. We will take the course and then take the test. Johnson asked how will we handle off hours requests. Between the hours of 12am to 4am, Wilson probably will be the one who would come in to do the observation. On-call for employees, we pay for 2 hours. Usually when we call for observation, we're here anyway. Johnson stated Wilson will have to have a lot of down time to justify \$600 per employee. The \$100 a month we pay now is cheap. Wilson stated its \$100 for standby plus his fees to come in. Broadhurst added the \$100 is paid continuously. Kaiser stated what bothers him is that Studnicka's knowledge of weather is a lot deeper than what our staff will get in a course. Johnson stated what we need is just the ceiling, so the plane can land. Wilson added the person that will teach the course is from Duluth. There are not a lot of people in the country that teach this course. Wilson had put an email out today to other airports in SD and ND to come down for the training. Watertown has trained their entire staff and Pierre has a few people trained. Wilson is not sure about Huron. Johnson asked when the training is. Wilson stated tentatively it's July 8th through the 12th.

11f: ASOS – The ASOS system that we have goes down at times, but other systems do too. AWOS's do not give METAR's or TAF's. You do not get terminal forecasts with an AWOS. The ASOS is the most advance system available. The National Weather Service owns the ASOS. With AWOS it's usually a joint agreement with the NWS and the FAA. The Super AWOS's that were discussed in the past; if one would want to land at an airport that has this system you cannot use this for weather as it is not weather certified. The FAA decertified these systems recently. A Super AWOS is not a viable option for airports with instrument approaches. Wilson distributed an article from the gentleman who makes Super AWOS. In this article it stated that the Super AWOS has been decertified and they fighting with the FAA. Wilson stated looking at getting a different unit here is not feasible.

11g: Tower De-icer – The airline has a tower de-icer coming next Wednesday. This will be their back-up for their de-icing truck. We will have to change the power out on the pole for them to use. The tower is coming from another station in Bloomington, Illinois.

Letter to Delta (De-icer) – Wilson has not received a response from Delta. The letter is in their legal department being reviewed.

11h: Ramp perimeter marking out of Hangar 9 – Wilson stated he had discussed this with Mike Schmidt from Helms. The plan is to add this to a future project. Wilson agrees that it is a little confusing that one side of the ramp starts sooner than it does on the other side. Until we get this added into one of the future projects, we will have reflectors like we did before.

11i: NOTAM – Issue from last meeting. Wilson and King had discussed this. Wilson was here that day, but did not issue a NOTAM. King had talked to staff that they need to make sure before they go out to the runways that the NOTAM's are active and they have confirmation. Miscommunication happened; the staff thought that since Wilson was here that he would issue the NOTAM. Dahlerup, a local pilot stated the NOTAM is what they go by. Just like today, there is a NOTAM out that said "men and equipment on both edges of the runway". This does not make sense. Wilson stated he will look into this and look at the examples given as this is what they would want us to use. Dahlerup asked if we can give advance notice too as some NOTAM's can be done the night before.

Item #12 Other Items:

Mooney - Johnson suggested contacting the family as this may become our problem someday. Wilson stated it has not been a concern at this time.

Johnson moved to adjourn, seconded by Kaiser. The meeting adjourned at 12:41pm.