

**MINUTES**  
*ABERDEEN REGIONAL AIRPORT BOARD*  
*Regular Meeting*  
*December 5, 2013*

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

**MEMBERS ABSENT:** Steve Kaiser, Lon Gellhaus

**OTHERS PRESENT:** Mike Wilson, Lynn Lander, Rich Krokkel, Michael Schmit, Bob Gruman, Richard Nelson Jr.,

Elisa Sand, Rhea Ketterling

Chairman Erickson called the regular scheduled meeting of the Aberdeen Regional Airport Board to order at 11:32 am on Thursday, December 5, 2013.

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

**Item #3 – Approval of minutes from November 21, 2013 special meeting** – Broadhurst moved approval, seconded by Johnson. **MOTION CARRIED.**

**Item #4 - Adoption of the agenda** – Moved by Johnson, seconded by Broadhurst. **MOTION CARRIED.**

**Item #5** – Next meeting scheduled for Thursday, January 9<sup>th</sup> at 11:30am.

**Old Business:**

**Item #6 – Remove from table review of rates** – Moved by Broadhurst, seconded Johnson. **MOTION CARRIED.**

**Item #7 – Discuss and possible approval of airport rates** – Moved by Johnson, seconded by Broadhurst. The Board received a spreadsheet of airport rates around the area. Wilson stated our fuel flowage fees compared to others are in line. Our landing fees for commercial are pretty low. We are at \$0.08 per thousand pounds. Lower than Jamestown, Pierre, Rapid City and Sioux Falls. As for private hangar and FBO's rates, we are lower than majority of the other airports. Huron is the only one that has a lower private hangar rate, but on average higher on everything else. Jamestown is higher than what we are. Both Jamestown and Pierre went to CPI increase, which what Wilson proposed to the Board with a capped of 3% per year. Johnson asked which CPI will we use. Wilson stated the City Manager receives information from the State for budget purposes. This is what the City is allowed to increase projected revenue to and one we will use; CPI for Urban areas. When Broadhurst takes the report Wilson had and average it out, it comes out to 2.43% for 13 year average. Where does Wilson get the 3%. Broadhurst added he does not see the need to charge if we do not have to charge and thinks we should go maximum at 2.5%. Wilson stated his reason for choosing 3% is that we are going to have years that we would be below the average. This would make-up for years over the low years. With this, for FBO's space rate; Pierre, Huron and Watertown are all at \$0.15/sq. foot. We'll get there in 10 years. It's not that we are increasing above what others are, but we are going to at least increase our rate, so we are more in line. Wilson does not think this is unreasonable. As for the Terminal rent, TSA rent and RAC, Wilson does not see that these needs to be increased as we are in line with the other airports. With the hayland, this is set by the lease. It's a 5 year lease and it goes off the SDSU report and uses the North Central low productivity for hayland. This year it's \$39.85/acre. 2014 it's \$43.65/acre and increased of 9.5%. These leases are to expire March 31, 2016. At this point Wilson does not recommend doing these leases this way again. We should seek competitive bids on sealed bids as this is what most airports do. Right now, we are set by the lease. Johnson stated we are not locked into just the current farmers; we had sealed bidding. Wilson stated prior to 2005 we did, but when we switched from cropland to hayland because the farmers where seeding the areas to the mixtures that the Airport required them to, they were locked into a 5 year term and then renewal in 2010. This was reasonable then, but come 2016 we should go back to the 2 year competitive bid. Brookings just bid their land and received majority at \$75/acre and one for \$135/acre for hayland. Broadhurst asked how many acres do we have leased like this. It was estimated at 520 acres. Wilson added Johnson had shared an article through email about the Madison airport who received a letter from the FAA stating that they need to get rid of all their cropland (corn and soy beans) which 1/3 of their revenue comes from. Johnson stated he landed at this airport a couple of times this year and there is wildlife

everywhere. Also included in the packet is a current drawing of the remodeled terminal; what SkyWest current rent is through EAS, what it will be changing to base on the updated square footage and the updated lease rate which was increased 4% last year. We currently receive \$33,954 per year. Starting March 2014 this will increase to \$40,802 per year. Broadhurst asked about the ticketing area (415sq. ft.). Wilson stated this is a joint space which the airline pays for half. All joint space areas are paid for by the airline in half. Johnson asked if Wilson received any other input from Board members or tenants regarding the rate increase. Wilson had talked to one of the FBO's about it. No one is ever happy when you proposed a rate increase. They are aware that it is on the agenda and what Wilson is proposing. Broadhurst asked how Wilson is planning to handle the FBO's with the rate increase. Wilson stated the FBO leases are interesting on how they are written. Quest and Aberdeen Flying Service renewed their leases in 2012. These renews for a 5 year period at that rate at that time. We are not allowed to adjust their rates until the end of that 5 year period. Quest and AFS will not see and increase until 2017. As for Hangar 9, their lease was signed in 2009 written the same way, so they will see an increase in 2014. Broadhurst asked when the leases are renewed will Wilson use the CPI as a factor on what their new rental rate would be. Wilson stated yes. Broadhurst stated over a 5 year period this would be a 15% increase. Johnson stated this would be the maximum. Wilson stated in 2017, Quest will see an increase of about \$780 and about \$560 for AFS. Both FBO's are not going to see an increase in 2014, 15, and 16. For Hangar 9, they will see an increase in 2014 which is about \$208. Broadhurst stated we are not changing the rate for 5 years. Wilson stated we will update "the rate" every year, but it will not affect the lease. The information the Board received in their packet are the current rates. Broadhurst moved approval of the rate increase as proposed by Wilson with the following verbiage "Airport ground lease rates will increase the lesser of three percent or the index factor, but not less than zero. The 'Index Factor' is the annual percentage change in the consumer price index for urban wage earners and clerical workers as computed by the Bureau of Labor Statistics, US DOL.", seconded by Johnson. **MOTION CARRIED.**

**Item #8 – Request approval to advertise for the Airport Mural Project** – Broadhurst moved to advertise for the Airport Mural, seconded by Johnson. Wilson is asking for a deadline of January 15<sup>th</sup>. In the January meeting, we can come up with a selection committee to review and award the proposal. Johnson asked is January 15<sup>th</sup> enough time for people for a deadline. Wilson stated this would give them a little over a month. He is not sure if the time would be enough. Johnson stated the word is possibly out and some of the interested party will be watching. Wilson added he will also send it to those people who previously contacted him. As for the area Wilson is leaving this open depending of what the artwork is. The area available is 40 to 80' long x 4' tall which runs into the secure holdroom all the way through baggage claim. This area is out of reach from people to touch and it is shielded from the sun. Broadhurst thought that the area is narratively narrow for a tall wall. Wilson stated there is a window above it and windows below. Broadhurst thought that we were using the wall by the restrooms. Wilson talked to the Arts Council and they gave him information on mural (proper placement, maintenance and cost associated). With the amount of sunshine that hits the wall by the restroom, this would not be an ideal place for a mural. The article that Wilson was given stated that a mural can go from a really nice good thing to an eye sore and we want to keep it out of people's reach unless we are planning on spending a lot to cover it. Wilson thought for now, we would start with the 40 to 80' x 4' area to see how it would perform with the maintenance and what the cost is. Wilson is open for suggestions and we can change things. This is just his thought after reading the information given to him by the Arts Council. Looking at different type of sketches, historical scenes or people in the community with a 4' tall wall, one would be able to do scenes all the way along the wall that is still decent size. Johnson likes the progressive nature of the dimension, one can do a timeline. Broadhurst suggested changing "individuals or firms" to an "artists". They can be an individual or firm, but they also have to know what they are doing. Broadhurst jokingly said he might just decide that he can paint. Wilson stated we will have a selection committee. Hopefully, they will do their due diligence on who they will pick. Broadhurst asked about item #B under selection criteria ("cost for the completion of the mural"). Is this the cost to the person providing the mural? Wilson stated this would be the cost that would be charge to the airport. The cost of their work will come into a factor. Hopefully it is not something that we do not have in the budget. Wilson hopes that someone would come in, do a mural for free and sign their name on it and advertise for us. Some may ask for cost of their materials and supplies or for their time. What about item E, as an applicant what one would submit that can benefit the City of Aberdeen. Wilson stated we will change this to "selection committee" and City of Aberdeen. Broadhurst also asked to change the typo on General Requirements item D. Wilson asked the Board if the timing should be changed. Broadhurst stated he is not sure. There are people if you give them less time they get things done, but if you give them longer time they just struggle along and not get things done. Johnson's thought is that someone can come up with financial info fast, but sketching does not happen overnight. Broadhurst stated for those who made contact with us probably has something in mind already. Wilson is not opposed to

pushing it back two weeks. The Board stated Wilson should use his discretion. Wilson is changing the submission date from January 15<sup>th</sup> to January 29<sup>th</sup> and will change the other date accordingly. **MOTION CARRIED to advertise the RPF for the Airport Mural.**

**New Business:**

**Item #9 Bills** – Amended bill list was distributed. Broadhurst moved approval to pay the bills, seconded by Johnson. Broadhurst asked about the Bobcat snow blower. Wilson stated it's an attachment to a Bobcat. This was budgeted last year and we were not able to make the purchase. We received good bids and it's a high flow snow blower. This will be mostly used around the terminal for cleaning sidewalks. Johnson stated with a high flow hydraulic, we have to have a high flow pump to accommodate. Krokkel stated we do. Wilson added this is how we spec this too, as high flow. Broadhurst asked about the bill for Stein Sign. Wilson stated we have a new Terminal Sign. The passenger terminal sign that was under the Aberdeen Airport sign is now included in the lit area of the terminal sign. The print was approved a couple of months ago. Johnson stated it is much bolder and it's much more obvious. Wilson added it definitely stands out. Broadhurst asked about the friction machine, didn't we just buy one a few years ago. Wilson stated the Bowmonk was purchased in 2004. Broadhurst stated they must not last long. Wilson stated they are good for a while, but the machine we had was outdated. The user has to scroll a number of times to get to the information. The Vericom has a menu on the machine and is much more user friendly equipment. It does not require calibration. The Bowmonk has to be calibrated every year which cost us about \$400 a year. The Vericom has a calibration program in the manual which saves us the \$400 for calibration. Wilson stated that we will probably buy another to use for back up in the near future. Wilson added we did crack sealing in the parking lot, along the road, and the crosswind runway. We had them come back to fill in the deep cracks in Txy C. Johnson asked about the EDMO bill. Wilson stated the bill includes the radio. **MOTION CARRIED approving the bills.**

**Item #10 Financial Report** – Broadhurst moved to accept the November financial report, seconded by Johnson. **MOTION CARRIED.**

**Item 11: Recommendation to pay Helms and Associates Invoice #6 in the amount of \$7,850.97 for AIP Proj. #3-46-0001-32-2012 Airport Approach Survey, 79 % complete** – Moved by Broadhurst, seconded by Johnson. Schmit from Helms stated that AeroMetic who is now Quantum is working with NGS. All the survey has been completed; they have the new rwy end coordinates and elevation. There are some design data that is needed to be completed so they are working with NGS and the Flight procedure in tying up the design data that needs to be uploaded. As far as Schmit know, this is not an EALP (Electronic Airport Layout Plan) type project. Where Helms is involved, their work has been completed. Wilson added with the EALP, we have the paper version. The FAA is trying to make everything an online database. Johnson asked is there a runway zone elevation on the sectionals or is it just airfield elevation. Wilson stated just airfield on sectionals. Schmit added in the future, one can go online and look at the design surfaces and imaginary surfaces and see if there are penetrations. GIS is a great planning tool, not necessarily a design tool. Wilson added beyond this, they want to give the user the ability to input underground utility and such. Johnson asked is there airports that have full blown surveys because of their complexity. Wilson stated Grand Forks would be the good example. They were a test airport on EALP and the GIS. There were a few others that were a test subjects for EALP. **MOTION CARRIED paying invoice #6.**

**Item #12 Airport Manager's report:**

**12a: Wetland Project** – We are still waiting for a letter from the FAA. It has to go to their legal; stating that the detention that we are designing will be capable of storing a 100 year event, but only need to drain a 10 year event within 96 hours. This will really allow us to bring our cost down from \$18M to a few million for draining the detention facility. Now we know based on our current model on what the drainage requirements are. We will be able to figure out how much will be draining off Airport. Wilson thinks we are 10.8cfs based on the 10 year /within 96 hours. In comparison to the concrete channel on Fairgrounds Road which handles 110cfs, ours is not a lot of water. We were able to get our pipe size down depending how far away we can drop the water. Coming up, we will try to meet with some of the landowners in the area and figure out if we can design our detention facility, design our pump, find a route for the pipes and a channel where we can drop the water in and get it over to the Jim River. The distance will be the biggest determining factor; which will determine the pump size, how many horse power the pump have to have and the pipe size. Wilson thinks we are looking at 12 to 16 inch pipe; a combine 100 horse on the pump (2 or 3 of this). We had hoped to have the letter before this meeting so we can start meeting with the landowners in the area and the Jobee acres residents. For now, we do not want to do anything until we have a

finalized letter from the FAA. Johnson stated it is not often somebody from the ADO would write an email and agree to the drainage terms and that a letter would be forthcoming. Wilson agreed, we are moving forward but we do not want to set up meetings until we received that official letter from the FAA. Schmit stated we are fortunate to have Dave Anderson as the program manager for Aberdeen who is familiar with the airports in the area and who's been very supportive throughout this whole process. Schmit expects the letter to be here in the very near future. Gruman representing Jobee acres asked about the low land areas and how the draining will work. Wilson stated KLJ did a study. The only spot on the Airport that they determined that did not present a wildlife hazard and was not going to do any benefit being drained was off the crosswind runway (Road on the far SW part of the Airport). Erickson asked about the holding pond at Fairgrounds Road. This was designed by Helms and Associates, but Wilson stated we are not looking at concrete. Ideally what we are looking at doing is to get to a channel somewhere near the Airport. Schmit added as to where we dumped this at, we have to get a good survey and use the hydraulics of the area and engineering judgment as far as the vegetation, cross sectional area of the channel and the slope. This will determine the existing capacity of the channel. Wilson added we also have to show that we are not increasing water on anybody. We have to submit plans to the Corps of Engineers and they would have to agree with our plan. And for clarification, "all" of our water does get to the Jim River from here. Johnson asked as far as the different flow rates, different pump sizes, and different size of the events; will the FAA, Corps of Engineer or anybody require oversight or monitoring on how well we engage our systems and how could this be possibly look to us down the road (manual vs automated implementation of the pumps). Wilson stated we have the Storm Water Pollution Prevention Plan. With this, every time we turn on the pumps we have to keep a log. They will be able to go back through our data logs. Johnson was not aware we kept a log. Wilson stated we do this with the holding pond by the terminal. With the oversight this would probably come off through a complaint basis. Johnson stated the reason he asked is that there will be complaints and we would have to back up what actions we took. Wilson stated his goal on this is we design it so there will not be complaints. It's not going to impact anybody. Wilson thinks this will help Jobee acres and hopefully help out the people that allow us to drop the water into the drainage channel. There are some landowners that had expressed interest on this already. Erickson asked if the off-site SWPPP fall under the State. Wilson stated the City has a permit. Schmit added the City has their on-site permit. What we would have to entertain is the channel that we would choose would be best route and every landowner affected would have to sign an agreement. One thing to clarify for monitoring is that once we do the wetland mitigation this will have a monitoring period for restoration or enhancement (for 5 years). Wilson stated as long as this gets established as advertised at the Willow Dam site. Gruman asked for an explanation of the 10 year storm event. Wilson stated every storm has a 10% chance of being classified as a 10 year event. Johnson added a 100 year storm is a 1% chance.

**Reimbursable Agreement** - At the last meeting we had discussed that a meeting will be set up the following week with the Thales Group. We had set up a meeting for December 19<sup>th</sup>. They will do a review of the site and they feel that they can save us money and time over what the FAA would do on their reimbursable agreement. Wilson will have something to report on in January on the meeting with Thales.

**12b: EAS** – This was on the Council agenda and they did write a letter of recommendation for SkyWest and the Transportation Committee through the Chamber of Commerce also voted to endorse the proposal by SkyWest through email. We have not received the selection of carrier from the DOT. This will be coming soon. The comment period was through December 17<sup>th</sup>.

**12c: Snow Removal** – We had done snow removal the last couple of days. The guys did a good job. The flights were not delayed because of our end of things. This is always our goal!

### **Item #13 Other Items:**

**13a: NOTAM** – Since March of this year we had a NOTAM for middle marker de-commission, Johnson asked is this permanent. Wilson stated this was removed. Johnson asked if this NOTAM will be there all the time. Wilson stated this type of NOTAM should kick into the Airport Facility Directory once a new one is published. Johnson stated we only have an inner and an outer marker now. Wilson stated only the outer marker. A NOTAM is also out there for International Arrival – Tarmac Delay Contingency Plan where one of the requirements is that airports would have to provide for the de-boarding of international passengers; if they happen to divert into our Airport. We do not have customs here, so the NOTAM for this will also go to the new facility directory.

**13b: Cancelled Flight/De-icing truck** – Johnson stated we had a cancelled flight due to alternator failure on the de-icing truck. No one diagnose this well. Wilson stated this is the airline and we do not work on their equipment. We have some bills coming through because their de-icing tower has been here for however long and it did not have the correct power to hook up to any of the outlets on the Airport. We ended up paying for this and we will bill Delta back for it. Wilson is not sure if the tower is working yet as the heating element did not work. They do have another truck, but it still need to be certified.

Broadhurst moved to adjourn, seconded by Johnson. Meeting adjourned at 12:40pm.