

**MINUTES**  
**ABERDEEN REGIONAL AIRPORT BOARD**

**Regular Meeting**

**January 7, 2010**

**MEMBERS PRESENT:** Mike Erickson, Chuck Bensen, Steve Kaiser, Rolf Johnson

**MEMBERS ABSENT:** Nate Zeeb

**OTHERS PRESENT:** Dave Osborn, Bob King, Kevin Braun, John Aman, Emily Arthur-Richardt, Sam Muntean,  
Comm. Mike Wiese, Jeff Mitchell, Rhea Ketterling

Chairman Erickson called the regular scheduled meeting of the Aberdeen Regional Airport Board to order at 11:30am on Thursday January 7, 2010.

Kaiser moved approval of the minutes from December 3<sup>rd</sup>, 2009 meeting, seconded by Bensen. Motion carried.

Old Business: (Signs) Osborn stated that Quality Quick Print and Service Sign both did bids for the signs. Service Sign did have the lowest bid. They were going to do the work by the end of the year, but with the snow storm it did not get done. (Storage Bldg) Osborn stated we are still waiting on the 7460. Johnson asked how old the application is. Osborn stated we are probably in the 90 days range. (EA) Osborn stated he has not heard anything from FAA from the report that was submitted. Muntean stated Dressler from FAA was on Holiday Break and she is the one who reviews the EA.

Bensen moved approval of the bills for the month of December, seconded by Kaiser. Motion carried.

Bensen moved approval of the December financial report, seconded by Kaiser. Osborn stated that we are working on the Delta account. Motion approving the December financial report is carried.

Osborn distributed a copy of an article in the American News about Delta bringing the third flight back which Osborn received the call on yesterday morning. At this time the Delta staff had let Osborn know that based on the economy and some of their review is how this went about. Osborn believes input from people in the community had a little influence, having the Congressional people involved also had influence. Can Osborn tell the Board what actually worked, no. Osborn thinks the combination of all had it pressure. Certainly for the City of Aberdeen it is a good thing. We had cancelled the date to go to Atlanta prior to this, but there will still be phone conversations to communicate some other questions to kind of know what their business plan for the next couple of years, to know where we are at. The group has continued to meet and will be sending a list of questions for their responses. Kaiser stated it's been a real effort on the community's part and the great broad support all over. Kaiser thinks Julie Johnson, Absolutely Aberdeen gets a share of the credit as she had done a good job on managing the whole thing. The Chamber also gets a "pat in the back" for putting the letter writing campaign together and email. Bensen stated congratulations to all the people who worked hard on this. Johnson stated this is not a done deal. We have to fill the seats now. Osborn agreed that people have to understand the importance of we can have planes come in, but we also have to fill those planes. Johnson stated what we did is bought ourselves 90 days as if they make quarterly decisions like this. Johnson added he is not sure if this is actually accurate. Osborn stated one of his comments were there is a freeze in putting it in until February 6<sup>th</sup> is the fact that will this be a fair shake. Because if it is only in 60 days prior to the third flight being back, will they be judging this right away. Osborn was informed that his comment was understood and will take this into play. Osborn does not want to be judge on a 90 day notice because people did not have 90 days. Johnson stated this is a very fair comment to make. Even if it is 6 months or a year, we still have to fill up the seats. Kaiser stated he does not know if we can do too much more. We are doing the "Fly Aberdeen" campaign with the assistance from Absolutely Aberdeen and maybe some of the City's 3<sup>rd</sup> penny tax. Beyond this we just have to keep telling our story and keep telling it and sell the Airport. Osborn added that we did get together with the City and we did sign the agreement to work with Sixel Consulting Group to apply for Small Community Grant and this will be part of the marketing money, if we do get this grant. At the same time possibly look at rebating people that may fly out of Aberdeen, to make that ticket a little cheaper. This was part of our concept in this process.

Helms and Associates pay requests:

Bensen moved approval to pay PE #12 in the amount of \$1,811.80 for work completed on the Environmental Assessment (EA), seconded by Johnson. Muntean stated cost included in the EA are Drainage Study, Noise Study, and Update to the Wildlife Assessment which are all part of the EA process. Motion approving to pay PE #12 is carried.

Bensen moved approval to pay PE #7 in the amount of \$5,309.04 for Construction Administration and Resident Engineering Services for AIP Project #3-46-0001-29-2009 Hangar Taxilane Improvements, seconded by Johnson. Muntean stated this is about 97% - 98 % complete. One of the hang over item is the marking. They came in and did the marking improperly, so we did not pay them for this. They have to touch this up in the spring. The other item is the Lift Station. We are rehabilitating this, putting new pumps and controls and we took a bit of a delay. We were going to tie this into the City's SCADA system and the City had stated they really do not want this tied into their system. Their system is not really set up for this. So, we are now working with the contractor on our options of having a stand alone system at the Airport which would monitor this and also having the capabilities of emergency dialing calling the Airport cell phone letting somebody know if it is not working. Also have it upgradable so the Airport can add the other Lift Stations into this system as funding is made available. Johnson stated we are actually seeing additional ongoing overhead. Osborn stated yes there is. And to keep in mind the system on the field where is under control for security, so even if the City got called they will have to call Airport staff to open up to get out there. Our intention is to put it where we can control it at first, do a first observation to see if it has to be immediately and then call the City. We just have to evaluate it. Muntean stated the system that we are looking at right now will be accessible over the internet. It will be a secured log in site. It would give an update on things like how long had the pump run, where the water level is at, if it is on or off and if there is any alert code this would be available also. This will also be tied into a dialer that will call a set number of telephones if there is an alarm and then we have to call back and reset this. This is perfectly upgradable so additional Lift Stations can be added, but there is a monthly fee that goes along with this. In addition, to get the information from the Lift Station to that system has to either be through an internet connection or cellular telephone connection because of the remote location of the Lift Station it is usually cellular so there would be hardly cost in that. This is what they are working through now, which will be the least cost in doing this, so we can keep the monthly cost as low as possible. Johnson asked what change the City's mind or did we not asked them up front. Osborn stated they had a number of conversations over the years and they had talked about this progress. They had some issues that had change from that timeframe. Where as far as how full they are and we had started talking about the security of it which is another thing they had to consider. Overall, they all come together in a meeting and from this they all decided that it is obviously better that we don't make them the first contact that we do it ourselves. Motion approving to pay PE #7 is carried.

Bensen moved approval to pay PE #25 in the amount of \$5,871.53 for Construction Administration and Resident Engineering Services for AIP Project #3-46-0001-27-2007 Reconstruction of Taxiway 'D', seconded by Johnson. Motion carried.

Bensen moved approval to pay PE #5 in the amount of \$88,310.61 to Dakota Contracting for work completed to date on AIP Project #3-46-0001-29-2009 Hangar Taxilane Improvements, seconded by Kaiser. Bensen stated we are keeping 2.5% retainage. Osborn stated this is the first reduction in retainage. Muntean added we are retaining enough to cover the painting and for the work necessary to cover for the Lift Station. Motion approving to pay PE #5 is carried.

Bensen moved approval to pay PE #13 (Final) in the amount of \$37,566.39 to UPCI work completed to date on AIP Project #3-46-0001-27-2007 Reconstruction of Taxiway 'D', seconded by Johnson. Muntean stated this is the Final and next month we should have the Financial Close-out and Construction report. Motion approving to pay PE #13 is carried.

Osborn stated last month we had a discussion on purchasing snow removal equipment. One of the things that come about is that Osborn has a limited dollar amount that he can spend as an individual and we had agreed to go forward on this. Osborn had put it back on the agenda as it exceeds his dollar amount. Osborn needs the Boards approval for the cost of the snow pusher, so he can take it to Lynn Lander, City Manager for approval of payment. Under the purchasing agreement we can still as a Board approve this to be done and go forward. Osborn stated he needs a motion to pay for the snow pusher from this Board. Kaiser stated what did the Board approved. Osborn stated last month the Board approved purchasing the pusher and not go forward with the tractor. The problem we had is the buy America clause. We could not buy a tractor with the horse power as it does not fit the buy America clause under the Airport's requirements. Therefore, we decided to buy only the pusher, turn the other money back with the grant and close the grant out and then ask for the tractor again this year. The State is also aware as they are putting together a bid for the tractor that will fit the requirement, so they are all working on this as the next step. The purpose of this is so we have the approval of this Board to buy the snow pusher. Johnson stated based on the small amount of research he had done, it appears that there is a substantial difference in the way the grants are written as to how it affects bidding and the government is paying substantially more to have the buy America clause. Osborn stated when you look at the buy America clause for most government entities it has a 50% requirement, ours is 60% minimum. Osborn stated we do not fit this on this tractor. They would sign off on the 50% under the State bid, but we could not do this. We could not do this on the timeframe, we probably could but we have to drag the grant open forever and the Feds doesn't want that. They want these grants closed. Osborn is working with the State on a spec on a tractor that does fit the same requirement, the problem is that it is a single source which maybe a new problem. Councilman Mitchell asked turning the money back, is this use it or lose it. Osborn stated no. They called the FAA and told them why. This was brought up in one of their local meeting with them and had a very long conversation about this. We had found out that we are not the only Airport having this problem, but by doing this they understand that this is what we are doing. We are turning it back because we cannot fit the buy America program, but we will ask for it in the next year. Muntean stated the monies we are turning back are the Airport's entitlement monies, so they still go back and stay with the Airport and would still be available for the next year. Osborn stated they had asked specifically if we turn it back if we can have this the following year and have been told yes we

would. Muntean stated the other problem with the buy America is we can get a waiver for a few different items. One of them is at least 60% of the component are made in America and is assembled in the United States that we can get a waiver. This way it can get signed off at the Bismarck office. The other items are it's not made in sufficient quantities in the United States or it raises the cost of the item by 25% or more, but these items has to go to the FAA Headquarter in Washington, DC to get this waiver. The problem in doing this is there are personnel in Washington, DC who do not believe that tractors/agricultural equipments are snow removal equipments, so they will not sign off on a waiver for something like this. Even though in the Midwest, the agricultural equipments/tractors are more available. Parts, supplies and repair are all available. They are less expensive than buying an Oshkosh truck and are larger than what we need anyway and when we need parts it has to be shipped in. The arguments have been made, but any time we go to the National level we are going to loose on the tractor for snow removal, so the only option we have is get 60% made in America. Bensen asked if Osborn needs two motions; one to purchase and the other to pay. Osborn stated we had the agreement within the minutes to show we can purchase it. Osborn needs the approval for the amount. Bensen move approval to pay DMI in the amount of \$6,700 for the sno-dozer, seconded by Kaiser. Motion carried.

Osborn stated we received a letter from Department of Legislative Audit to let this Board know that they reviewed and accepted our audit report for the year ending December 31<sup>st</sup>, 2008.

Within the last snow removal there was some damage to some of the hangars. Osborn knows of three doors at this point. We will have some claims that we will be working on. We will work with most of the hangar owners that we know of to let them know that we will take care of the damage that we know that it is our damage. If they did it themselves, then no. Kaiser asked if we have a dollar amount. Osborn stated he does not at this point in time. There are three bi-fold doors and most of it in the lower area. We will be waiting until the weather is better with the hangar owner's approval to go in and replace those panels.

Hangar 9: John Aman stated they had managed to get the concrete into the hangar floor and hopefully keep the aircraft off the ramp for snow removal purposes and will pull things off in and out as they work in the inside. If they get snow blown out, Aman will try to start building some walls, but they do not have much more to go with on the addition side of it. Aman stated he is still waiting for Muntean for the proposal so Aman can go to the City. Muntean stated he had given the numbers to his boss, Terry Helms. Aman stated he will call Helms and asked Osborn if he can also call Terry Helms as well and asked him to get the proposal to Aman so Aman can go before the Commission or one of their work sessions to work through all of this and explain what they are doing. It would greatly help. They are waiting for the 7460 on the big building as well. Obviously, this all ties into the Airport's AIP request for the ramp extension to the SE and Aman does not know where the Airport is on this. Osborn stated we probably will not hear anything on this. This has to go through Congressional approval. When we hear where funding is which would probably be January or February before we hear anymore. Aman asked it has been submitted. Osborn does not think that funding had been decided yet as they are still deciding on the bill. Until Osborn hears, he can't tell Aman. Aman asked but it has been submitted and just like everything else, we are waiting for Congressional approval. Osborn stated yes, this was one of our priorities. Aman asked previously AFS submitted a letter of request for area to the SE of Hangar 9's building towards the terminal, has there been any action or request on this, has this been rescinded. Osborn stated in the last meeting it made mention that Caven had decided that he no longer wanted this. Aman thanked Osborn for allowing him to use Gate #6 to bring the truck in with the rafters yesterday.

Johnson asked since we are paying out on most of all of our construction pay estimates, where are we going forward this spring on the next thing for us to do. We are done with taxilane, with almost everything as far as current projects. Osborn stated very similar to the previous remarks. Because we do not know the funding mechanism yet, we have not received from Congress where they will lay with if there will be continuation program for the funding. Osborn stated he cannot really answer this. We normally have the funding meeting with in the month of March where they will lay things out. Our request went in and we have not heard anything positive or negative on those request. We do send in our request based on our entitlement and if we know there is anything left over. Right now they are in their process of evaluating all the North Dakota and South Dakota airports to also look at if there is other funding that is needed such as discretionary funding, so they are probably in this process right now. By the end of this month when Congress comes up with wherever they are going to be with funding, everything will be a lot easier. They are not even going to say anything in North Dakota until they know what kind of money is coming in. Johnson asked how does this compare to a couple of years ago in timing. Osborn stated pretty similar. We wait to see and sometimes we see something a little faster from Congress. This year it kind of got extended longer than normal and until they pass continuing resolution to fund it all or fund part of it. We're still out there waiting for these numbers. Muntean stated the last two years it had not been normal. This year it would probably be the same. And if they are going to give a continuing resolution, but not be through the full year, they will do part of the year which means that the AIP program would be partially funded and will get "X" percentage of what your entitlement will be. And they will ask if we want to do a project on "X" percentage or wait and see if they will give us all of it, or do we want to do a project this year. So, large projects will be put on hold. Osborn stated depending as last year, we decide to wait and in March they funded it 100% and we were able to move forward. Muntean stated we are assuming that the entitlement will stay the same at \$1M and the projects are the SRE Tractor, expanding the apron in front of Hangar 9's area and doing some rehab on the existing apron. Kaiser asked how soon do we get to our runway extension. Muntean stated the other thing we have to do is starting the Design work for mitigating wetlands. Osborn stated we will get the minor things out of the way so when this

project comes up in 2012; land issues, water issues, animal issues are gone. Kaiser stated so we are also doing the mitigation work now so when we get to 2012 for construction we are ready.

Bensen moved to adjourn, seconded by Johnson. The meeting adjourned at 12:07pm.