

MINUTES
ABERDEEN REGIONAL AIRPORT BOARD
Regular Meeting
August 3, 2006

MEMBERS PRESENT: Dr. Kennon Broadhurst, Steve Kaiser, Mike Erickson, Tom Scheid

MEMBERS ABSENT: Patrick Schloss

OTHERS PRESENT: Dave Osborn, Comm. Mike Wiese, Mark Caven, Kevin Braun, Jackie Burke, Cindy Bertsch, Terry Helms, Bob King, Jeff Mitchell, Rhea Ketterling

Chairman Broadhurst called the regular scheduled meeting of the Aberdeen Regional Airport Board to order at 11:30am on Thursday, August 3, 2006.

Erickson moved approval of the minutes from the regular meeting held on July 6, 2006, seconded by Scheid. Motion carried.

Old Business: (NW Energy) Osborn reported the work on the fencing on the corner of the Airport lot had been completed and is back in place. Both FAA and TSA had been notified of this work and were both fine with the change. (Café/Snack shop) Osborn stated there was a previous employee who worked at the café who is somewhat interested, but needed other people to help and we have not been able to find additional staff. Osborn stated the area is left closed and a sign has been posted and he also has not heard any complaints or from anyone about special needs. Osborn stated at this point we will leave the area the way it is and continue to look for staff and if we do this Osborn will talk to the City about the funding for the hourly employee. Osborn stated the Mayor had said that if this is the route we take we can certainly do this and he will make sure that there is funding. Kaiser thought the consensus was to go with vending. Osborn stated we are doing vending now and basically if there is a change like a secondary carrier it would be busier. Erickson asked about hook up for a coffee machine. Osborn stated we have to do some rearranging of the equipments so we can tap into the one that was there before. Osborn added he also had talked to Tim Hickson from CC Vending and they will put in a coffee machine once we have everything ready to go. Dr. Broadhurst stated the Café/Snack Shop committee remains in tack and will report to the Board next month. Kaiser thought that we should at least have coffee service. Osborn stated he will try to work with Tim from CC Vending of what they could do in a short time and if this is not workable then we will have our staff make coffee in the morning. Kaiser asked if we are to the point that we are willing to do subsidy. Osborn stated we cannot subsidize as we will be diverting FAA funds. Kaiser stated not if we use City funds. Osborn stated if it does not go through the Airport and this can be proven then maybe. (City Hangar Improvement) Osborn stated he had discussed the door with Kevin from Quest and at this time the information had been presented to Kevin's boss and we are waiting for an answer. It was discussed that the existing 90' door will be replaced with a bi-fold door and it was the architect's recommendation that an I-Beam would be needed to stabilize it. Osborn stated we were going to have an expense on fixing the railing that were damaged during a snow removal and suggested to the Board that adequate amount be allowed to make the frame work for the doorway. Kaiser asked if we have an estimate on fixing the rails or the I-Beam. Osborn stated he does not have an actual figure for fixing the railings as it would be our staff that would do the repair and for the I-Beam cost this information he could get from the architect. Osborn stated he will have this information next month. (Time capsule) Osborn reported the time capsule was opened last month. The capsule contained newspaper clippings and unfortunately there were moisture that got into it; the papers had mildew and were falling apart. Osborn stated we did take pictures of what was readable for historical file.

Osborn stated Cindy Bertsch from Tri County Ag Services is here representing Dean Mehlhaff. Osborn stated on Tuesday this week he received a call from Dean Mehlhaff who is the owner of Tri County Ag Services. Mehlhaff had asked about possibly coming onto the Airport and doing some agricultural spraying as there had been a need to be here because some of their clients who they work with are from Groton. Osborn stated his conversation with Mehlhaff was about the standards that the Airport have. The Board received a copy of Mehlhaff's letter and also a copy of the Airport standard for Aerial applicators. Osborn stated we want to make sure that people who comes to do aerial application on the Airport are being treated the same. Some of the requirements for an aerial applicator are land, building, and licensure which had been discussed with Mehlhaff. Osborn added Mehlhaff had discussed possibly being here for one day or up to two weeks. During this discussion Mehlhaff had talked about making arrangement with someone and possibly renting a hangar. Osborn stated he had explained to Mehlhaff that the Board in years past had asked that there be no chemical on this side of the field. That all chemical applications and mixtures are done where the aerial sprayer are located which is on the other side of the field. Osborn stated based upon the Airport standards it does allow in lieu of building requirements that an aerial applicator may or must operate through established FBO or a commercial operator. Osborn stated we have other applicators on the field that Mehlhaff can work through, but as far as standards go a short term obligation could not happen in order to make it fair for all applicators. Osborn stated he wanted to bring this back to the Board so they can review this and see if there are exceptions they would like to look at. Osborn added this is the standards that we did adopt and approved through the Board. Osborn stated he did talk to one of the applicators (Mr. Beving) prior to the meeting and according to Beving he knows Mehlhaff and respects his ability that he is good sprayer, but as an aerial sprayer on property who pays the Airport fees Beving is concern that the Board may consider bringing someone in for a short term and wanted to make sure that there is a fair standards. Bertsch from Tri County Ag stated they would comply with anything in order to operate out of the Airport and it would be temporary and sees Beving's point. Bertsch added that if there are aphids in soybeans in the Groton area there would be a lot of beans to be sprayed and they just wanted to be prepared to have a place to operate out of not just for their benefit, but for also the farmers. Bertsch stated they will not keep their chemicals or plane on property overnight. Osborn asked what would be the purpose of operating off the Airport. Bertsch stated they need a place to load to cut down on traveling distance. Scheid asked would it make a difference since they are not leaving their materials and plane on site. Osborn stated there would be containment issue. Bertsch stated they would have a truck with water and on the truck they have a portable loading pad. Councilman Mitchell asked if there were any precedence before on something like this. Osborn stated not to his knowledge, he is not sure if in previous history if there had been. Erickson asked what is the possibility of Mehlhaff working with Beving and pay him some fees. Osborn stated his suggestion is for Mehlhaff to work with the aerial sprayer who is already established here. Bertsch asked what

if the existing sprayers do not want to work with them, as if there are aphids present there is a short time for spraying. Osborn stated if this is the case then Mehlhaff would have to commit to the Airport standards as we have to protect the Federal property that we are overseeing which is why the standards was put in place – to make it fair for everyone involve and at the same time protect the area we are responsible for. Councilman Mitchell had asked if Mehlhaff had been in contact with the other sprayers. Bertsch stated Mehlhaff had been in contact with Morris Riggin. Osborn stated basically right now Riggin has an area for development (100x100) and if Riggin would agree to allow Mehlhaff in his area Riggin will have to take some of his items off as his area is already full. Bertsch asked if there is another spot that they could lease. Osborn stated based on the standards it would have to be a long term commitment. Bertsch asked what if none of the aerial sprayer at the Airport would work with them then what is their other option. Osborn stated if this would be the case then call the Airport because the only other option by the standard is working with the FBO's which would then be Aberdeen Flying Service and Quest Aviation. Osborn added then we have to work on details with land where chemicals will be loaded. Erickson stated one of the reasons why the Ag sprayer is on the other side of the field is that they have their own access and is away from all the traffic that are on this side of the field.

Erickson moved approval of the bills for the month of July, seconded by Kaiser. Osborn added two bills to be paid which where for Northwestern Energy bill for \$7,083.14 and SARC for \$750 for the windmill quarterly payment. Motion to pay the bills for the month was carried.

Osborn reported payment from Quest Aviation was received on the 31st of July which leaves the overall balance for the month of \$10,163.51. Erickson moved approval of the financial report, seconded by Kaiser. Motion carried.

(AirShow) Osborn stated we are moving forward with the AirShow. The brochures have been completed and had been sent to FBO's and other airports throughout the State. (SCAS Grant) Osborn stated he was informed by Mark Sixel that DOT is still waiting to enter their information about Pierre and Huron. There was a consensus that their maybe an additional carrier staying on in Pierre if EAS stays as it does, but Great Lakes made a request from DOT to take over the contract from Big Sky, if Big Sky did not win anything in the State so at this time it is kind of waiting and pending and this will affect our second carrier. Osborn stated Sixel is very positive that we will go back to the old carrier which will make the connection with Huron or Pierre. Osborn added in the past it had taken 3 to 5 weeks for DOT to make a decision on some of this.

Kaiser moved approval to pay Helms & Associates pay estimate #7 in the amount of \$6,252.73 for Construction Administration and Engineering Services for AIP Project #3-46-0001-25-2005, seconded by Scheid. Motion carried.

Scheid moved approval to pay Helms & Associates pay estimate #8 in the amount of \$11,439.68 for Design and Bidding Services for the Geo-Thermal Conversion for AIP Project #3-46-0001-25-2005, seconded by Erickson. Motion carried.

Kaiser moved approval to pay Steel Structures pay estimate #5 in the amount of \$130,351.51 for work to date on the Construction of SRE Building, AIP Project #3-46-0001-26-2006, seconded by Scheid. Motion carried. Kaiser asked for the progress on the building. Helms stated that next month Steel Structures will bring a change order on the completion date. Helms added they wanted the well drillers out by the end of next week. Osborn stated October 31st is the completion date at this time, but with the Geo-Thermal change Steel Structures had discussed about extending the date up to 30 days depending if the Geo-Thermal parts are in stock.

Kaiser moved approval of Change Order #1 decreasing the contract amount by \$24,175.00 for the Geo-Thermal Well Field for the SRE Building, AIP Project #3-46-0001-26-2006, seconded by Scheid. Motion carried.

Erickson moved approval to pay Falk Ground Source Technologies, Inc. pay estimate #1 in the amount of \$43,240.50 for work to date on the Geo-Thermal Well Field for the SRE Building, AIP Project #3-46-0001-26-2006, seconded by Scheid. Motion carried.

Kaiser moved approval of the lease renewal for Alpha Echo, Inc. – Arlo Hanson, lease #24, seconded by Erickson. Motion carried. Scheid asked about the pricing, on how often this fluctuates. Osborn stated basically if there is a change this is discussed with the Board. Councilman Mitchell had asked if the cost is standard across the State. Osborn stated we have not done a review for quite awhile. Scheid suggested getting a comparison of hangar pricing from other airports and take this back to the Board, but not necessarily act on it.

Erickson moved approval of the lease renewal for Harlow Orthopedics, Ltd. – Dr. Mark Harlow, lease #37, seconded by Scheid. Motion carried.

Osborn stated this is the time of year when we bring the Weather Service Contract with Ray Studnicka, who is a retired weather observer. Osborn stated Mesaba has a staff trained, but is not always available to do a weather reading so we use Studnicka as a weather observer who can be called in. Osborn added Caven had been very kind on assisting us with the cost at \$50 a month to make sure that the FBO's have availability of flight in the event that the Mesaba staff is not available. Kaiser moved approval of the continuing the Weather Service Contract with Ray Studnicka, seconded by Erickson. Motion carried.

Osborn stated because of the Hangar Taxilane project there had been number of conversion with Dr. Eckrich. Osborn stated what they have done is worked with Helms and FAA to review the extension that is on Dr Eckrich's hangar that was previously approved by the Board and now has to be removed in order to have the clearance for the taxiway in the hangar area. Osborn stated they had worked with Dr. Eckrich and what we would do is reverse the extension from the side of the building that it is now to the opposite side. Our staff will work on this, but within this they had found an electrical line which will also has to be moved. Osborn stated he had gone back to FAA to get the cost approved. Jacobson Electric who is doing the electrical work for the SRE building is going to have a standard rate and gave us a bid of \$1,475 for moving the line which is AIP eligible. Osborn stated he is informing the Board so they are aware that there will be cost involved and as cost comes up and for what it is for that majority of it will be AIP eligible. Osborn added he will work with Helms on the concrete work because of the pad to see if this can be done the same time phase 1 of the Hangar Taxilane project is done, so there is not a lot of additional cost.

Osborn stated a letter was sent to all the hangar owners and the two FBO's to let them know of the construction meeting on the Hangar Taxilane project which scheduled for tomorrow August 4th at 10:00am. Osborn added he would like the hangar owners and the FBO's to attend the meeting so they would know that the project is going to be done in two stages and wanted to make sure that they have knowledge on how they will be able to get around and that there would not be any problem at any stage and also wanted input from them before construction starts.

Comm. Wiese informed the Board that on Monday, August 28th City Council meeting there will be a presentation by the Fire/Police Department facilities committee that a substantial improvement be made to Fire Station #3 which had been discussed with Osborn and hopefully a portion of it will be AIP eligible. Osborn added for those who were not able to attend the STIP (State Transportation Improvement Program) meeting when they went over airport, the State had stated that Aberdeen did not have a 5 year plan. As this was discussed through out the year there is a possibility of some funding coming up that we will be able to do Taxiway D in one year. In the State 5 year STIP plan it shows that they will allow us to do all of Taxiway D at one time, but this is still pending on the Federal side coming through with the funding which is why the State only showed Aberdeen having a 4 year plan. Osborn stated this is a positive thing for us which enable us to look at future dollars for Fire Station #3.

Braun had asked about the AirShow funding in reference to the City budget as he had seen in the papers that it was reduced to \$1,500 versus the \$10,000 requested. Osborn stated this must be for the next year's budget as the AirShow committee had done a presentation to the City Council about what the group is doing this year and the funding that the group had found. Osborn added they had asked the Council's support as the group is looking at doubling the size of the AirShow for next year. Councilman Mitchell did confirm that this was for next years budget which will not be finalized until September and added that the AirShow is the only new request that was funded and that all the previous request were reduced in almost every case. Councilman Mitchell commented on how good of a job the AirShow committee had done on raising funds and putting everything together this year.

Kaiser asked if landing would have any impact on our AIP funding. Osborn stated that it does based on a range of 10,000 passengers which we exceeds by 15,000 - 16,000 passengers so we are not going to have an impact on this, but the biggest impact will be on the Presidential funding. Kaiser also asked about the decrease on passenger count. Osborn stated he had asked the Mesaba Station Manager to look into this as we do not do a physical count, we only use the number the airlines gives us. Kaiser asked if we are loosing passenger to other airports, are people not flying as much or is it because we only have 3 flights compared to 5 flights a day. Osborn stated we still have 5 flights a day and he is not going to speculate until the numbers are verified. Kaiser requested that this be discussed next month. Osborn stated it can be if he gets some answers back from Mesaba.

There being no other business presented to the Board, Erickson moved to adjourn, seconded by Scheid. The meeting adjourned at 12:30 pm.