

MINUTES
ABERDEEN REGIONAL AIRPORT BOARD
Regular Meeting
December 6, 2006

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

MEMBERS ABSENT: Steve Kaiser, Patrick Schloss

OTHERS PRESENT: Dave Osborn, Bob King, Walter Bauer II, Emily Arthur, Terry Helms, Mark Caven, Kevin Braun,
Rhea Ketterling

Chairman Broadhurst called the scheduled regular meeting of the Aberdeen Regional Airport Board to order at 1:00pm on Wednesday, December 6, 2006.

Erickson moved approval of the minutes from the regular meeting held on November 9, 2006, seconded by Scheid. Motion carried.

Old Business: (ADA signing board) Osborn stated they are still working on making an ADA signing board for the front counter. Osborn and Kng had look at Super Wal-Mart's ADA board where it goes into their counter and slides in and out and rotates. They will see if they can do something like this. (Hangar Rental) Included in the Board packet is the information on hangar rental option which also includes other city's rental information. Osborn stated we have not had an increase on hangar rental since he's been here. Osborn went over the proposed increased from \$.075 to \$.10 with the 5' perimeter and \$.125 without the 5' perimeter because the tenants has the responsibility for the concrete in front of their hangars, but we will still continue to move snow. Chairman Broadhurst asked what our commercial rate is. Osborn explained that there are different rates for the hangar, office, etc. and did not include this as the Board only requested private hangar information. Chairman Broadhurst stated everybody has to expect an increase and he had looked at the proposed information and this is not farm land, but if you look at farm land and when we look at what the hangar owners pays, they are paying fifty times more what farm land rent is. Chairman Broadhurst stated he thinks that there is a great disparity and added that there can be an increase in rate. Chairman Broadhurst added he does not like the perimeter and thinks that what the county has assessed the hangar owner for the hangar and the space that the hangar is on is what the Airport should charge rent on as far as rental is concern. The perimeter is something that had came up when Mr. Maloney was on the Board and says that hangar owners will have certain perimeter around their hangar because the Airport will not be responsible for it and the hangar owners had no say, either you take it or move your plane some place else. It was not a very pleasant way when this was brought about. Chairman Broadhurst asked what Osborn's proposed rate increase is. Osborn stated basically he had put together the information based upon what others are charging in the area and there could be other options to look at if we are going to look at proposed rent without the 5' perimeter. Osborn suggested if we look \$.10 without the perimeter the rentals would probably be similar for what they are now and then we are taking away the perimeter issue, per se. Scheid asked if a lot of the hangars have improved water and sewer or without. Osborn stated this is up to the owners and Chairman Broadhurst added most of them are without. Osborn stated the biggest thing is that we are taking the time if FAA wants to make sure we are reviewing leases and making sure that we have looked at them to make it fair and equitable for everybody involved. Chairman Broadhurst used his hangar as an example that if we go by the record on what the County Assessor's Office has, his hangar rent would be \$165.00 and \$204.00 is what he is paying now and is willing to go up, but he has no need for the 5' perimeter. Osborn asked if the Board would like the information on \$.10 without the perimeter for the next meeting. Chairman Broadhurst requested if Osborn can coordinate the square footage of what the Courthouse has on record as it would make it easier in the future rather setting perimeter. Osborn stated he went through all the drawing and they are not done the same all the way through and for the Airport's benefit Osborn stated he agrees taking the perimeter out as it makes it more clear how each person is paying because for those who share a hangar they do not have a perimeter all the way because they are connected to a hangar and it can't be. Erickson stated he does not have a problem with this, but the part of the snow removal and mowing was the problem in the past as a hangar was damaged and it cost the City some money. Osborn asked King when they are mowing how close do they get to the buildings. King stated generally they spray about a foot around the building. Osborn stated he will put a report together at \$.10 without the perimeter. Scheid agreed that this make more sense because if we are charging some people all the way around and not have it, it does not make sense.

Osborn added two bills to be paid: Ray Studnicka for \$34.00 (weather observation) and NorthWestern Energy for \$8,834.61. The total bill to be approved is \$19,482.90. Chairman Broadhurst asked if Ray Studnicka's bill is the Airport's part of the contract or how is this done. Osborn stated with being called for observation we have an agreement with Mesaba that they would pay for the call and Osborn will work on the same agreement with Great Lakes. At this point in time we will only charge Mesaba for half of the cost as there are two airlines. Chairman Broadhurst asked about the Dakota Fluid Power for \$5,911. Osborn stated we had purchased blades that go off to the side for the trucks to give more length when we clean the runways and these were bought through the State contract. The bill is for the hook ups on the hydraulic. Scheid moved approval of the bills for the month, seconded by Erickson. Motion carried.

Chairman Broadhurst asked about the rental agreement for the space for Great Lakes Airlines. Osborn stated Great Lakes have the agreement which has been signed by the Mayor and had been forwarded to them and once we received this back we will then get their billing done. Chairman Broadhurst asked if this would be retro-active billing. Osborn stated it would be. Erickson moved approval of the financial report for the month, seconded by Scheid. Motion carried.

Osborn stated they had been working with Sixel and his group as far as marketing Great Lakes and the Airport. Osborn stated the Air Show committee is also working on the next Air Show which met this week and this will be done in conjunction with the Car Show. Osborn added these two groups will be put together and the benefit is that we have been chosen as one of the four great events in the State of SD which means the Governor uses his staff to help on marketing these events. They will do posters, marketing and advertising in the amount up to

\$10,000. This would be a good way on getting information out to people about the Airport as well as the Car Show. Scheid requested that a marketing program be given to the Board once it's been completed.

Osborn stated on the request for Sheehan Mack there was also a discussion on the Oshkosh which part of the snow blower came from, so the amount to be paid changes as we also have to pay for the snow chute for \$19,844.00. Chairman Broadhurst asked how this was missed when the bidding was done or when the bids were reviewed. Osborn stated these were reviewed when AIP funding was discussed on what equipments we're buying. Osborn added the chute was not part of the bid process with the blade and broom and through our AIP we are able to make the change which FAA agreed on. Erickson moved approval to pay Sheehan Mack in the amount of \$159,933.00 for one Volvo Motor Grader, AIP Project #3-46-0001-26-06, seconded by Scheid. Motion carried. Scheid moved approval to pay Sheehan Mack in the amount of \$19,844.00 for one Oshkosh Snow Loading Chute, AIP Project #3-46-0001-26-06, seconded by Erickson. Motion carried. Braun from Quest asked how many employees are qualified to run the new machines. Osborn stated all the employees had been out with the machines and had received training. They had been out with the equipment when we had the ice recently and have been capable of using it. King added they had been doing training on the blade this week as this was just received. Braun asked who's been doing the training. King stated the last maintenance staff hired (Owens) had worked for 14-15 years as a blade operator and had been training the others. Osborn stated MB Broom Co who we had purchased the broom had a staff who had showed the staff how to use the broom, how to use the blower, how to use it in conjunction with the blade, and how to hook up to other items. King added part of the deal for the broom and the blade is that a service representative gives the staff a minimum of 6 hours training on each piece of equipment.

Helms and Associates pay request: Scheid asked for a clarification on the Mini Master Plan. Helms stated a completed Airport Master Plan was done in 1995 and every 10 years FAA wants this reviewed in depth, but not completely redo. Helms stated part of the issue that they are looking at is the RPZ. Helms added that probably in the next couple or three months they will probably have a working session with the Board. Chairman Broadhurst asked would there be a copy that would be available once Helms is far along in this project. Helms stated that they'll be distributed. Osborn stated this is an item that Helms & Associates can attest the once it's done it takes awhile for FAA to approve. Helms stated the ALP and the Mini Master Plan project basically go together. Helms added they are close on getting the ALP done and this will be taken to FAA in Bismarck next week. Scheid asked when will a complete Airport Master Plan be redone. Helms stated typically it would be redone in its entirety every 20 years. Scheid moved approval to pay PE #2 for \$3,515.23 for the Airport Mini Master Plan, AIP Proj. #3-46-0001-26-06, seconded by Erickson. Motion carried. Erickson asked if the Hangar Taxilane project is complete. Helms stated it is usable. There are seeding, sealing, and painting to do this spring. Erickson moved approval to pay PE #6 for \$4,463.34 for Construction Administration and Engineering Services for AIP Project #3-46-0001-26-06 Hangar Taxilane Improvements, seconded by Scheid. Motion carried. Helms stated if there is an improvement on the Airport it would have to show on the ALP like maintenance and construction on Txy D or additional exit taxiway off 13/31 before FAA approves it they have to be on the ALP. Chairman Broadhurst reminded Helms about the service road. Erickson moved approval to pay PE #5 for \$6,375.46 for the Airport Layout Plan Update/Revision, AIP Proj. #3-46-0001-25-05, seconded by Scheid. Motion carried.

Erickson asked for an update on the SRE building. Osborn stated they are laying the carpet today and working on the ceiling tile and the building is suppose to be available to actually go to rental on Friday, if necessary, for the GSA contract. Osborn stated they had not done a punch list, but the contractor had been very accommodating on letting us put the new equipment that we have as it is longer than any building we have. Osborn added they also have been very accommodating to help us on the GSA contract and it's been a joy to work with this group. Erickson asked if there is heat in the building. Osborn stated they have temporary heat. King thanked the Board for the extra insulation they had approved as this really made a difference. Erickson moved to pay Steel Structures PE #9 for \$153,444.42 for AIP Proj. #3-46-0001-26-06 Construction of SRE Building, seconded by Scheid. Motion carried.

Scheid moved to pay UPCI PE #4 for \$83,385.52 for work completed to date for AIP Project #3-46-0001-26-06 Hangar Taxilane Improvement, seconded by Erickson. Motion carried.

Chairman Broadhurst asked if the lease has to be signed before the Board approves it. Osborn stated the process has been that it is presented to the Board; we then send a letter to the hangar owner that the lease has been renewed and in turn the owner signs and returns the lease. Erickson moved approval of the lease renewal for Dr. Eckrich, Lease #16, Hangar #16, seconded by Scheid. Motion carried. Scheid moved approval of the lease renewal for Dr. Broadhurst Lease #20, Hangar #13, seconded by Erickson. Motion carried.

Chairman Broadhurst asked for clarification on the billing received from Great Lakes. Osborn stated there was a discussion last month which was thought that our contract with Great Lakes was for seats only, but it is actually based upon income for tickets sold. Osborn stated what this means is that when they have a sale on seats at \$79 and it is normally \$152, we pay the difference out of the SCAS grant. The one thing that the contract does do is that it limits it to the grant only. We may pay more at the beginning of this as there are not a lot of people flying. Osborn stated he also had discussed the issue on internet booking as there had been problems and they are working on this. Osborn added he wants to make sure people in the community understand that if there is a problem to please call. Scheid asked if we know Great Lakes projected revenues. Osborn stated this is in the contract. A copy of the spreadsheet from the contract was distributed to the Board. Osborn added one big question he has for Great Lakes is what happens when they cancel flights or transferred people to Mesaba; these we should not be paying on. Erickson asked if there is detailed explanation on how the numbers on the billing was calculated. Osborn stated this is all the information that we received. Scheid moved approval to pay Great Lakes in the amount of \$18,214.80 from the SCAS grant for October activity, seconded by Erickson. Motion carried. The Board requested to see more detailed information on the billing from Great Lakes.

Osborn stated the STIP (SD Transportation Improvement Program) for 2007-2011 is available and a copy is kept in the office. Osborn stated that he will meet with the City Council on Monday on budget supplement. The Airport had done very well, but being the end of construction season and the end of the year we have a lot of bills and will need to be supplemented.

There being no other business brought before the Board, Erickson moved to adjourn, seconded by Scheid. The meeting adjourned at 1:50pm.