

MINUTES
ABERDEEN REGIONAL AIRPORT BOARD
Regular Meeting
December 4, 2008

MEMBERS PRESENT: Mike Erickson, Chuck Bensen, Steve Kaiser, Nate Zeeb

MEMBERS ABSENT: Rolf Johnson

OTHERS PRESENT: Dave Osborn, Bob King, Dean Knie, Kevin Braun, Gary Dahlerup, Mitch Aman, Emily Arthur-Richardt, Mark Caven, Sam Muntean, Jeff Mitchell, Morris Riggin, Rhea Ketterling

Chairman Erickson called the regular scheduled meeting of the Aberdeen Regional Airport Board to order at 11:33am on Thursday, December 4, 2008.

Bensen moved approval of the minutes from the November 6, 2008 meeting, seconded by Zeeb. Motion carried.

Old Business: (Hangar 9, Inc.) Osborn stated Muntean from Helms sent a letter to Riggin to set up a meeting regarding his request. They meet with Riggin on December 1st at 2:00pm and went over what Riggin would like to put in his business, plan as to where he is going, spaces that he needs, building sizes, parking lots, the planes for the flight school and the number of people. They had gathered a lot of information. From this there was also a discussion that Riggin would like to stay in the area and Osborn talked about the safety and security issues. At this time Muntean has all the information and asked for time to put together the scenarios in one location or another location to make sure that is fair to the FBO's and to understand to start a business and do business that there will be cost to any business. In this case there may be some cost to make sure that the safety and the security issues are met and there may be other issues that will have to be met. Osborn asked the Board to give Muntean a little more time to put together the information. Muntean thought that he could have the information ready by the next meeting and anticipates on getting the information in the packet. Osborn stated we did not have Riggin's on this agenda as at the time when we put this agenda together we did not have the meeting information. The Board had no objection with getting the information next month. (Txy D) Osborn stated Taxiway D was opened on December 1st. There is a punch list for the electrician. There are other things that will need to get done by both contractors. (Visibility issues) Hillestad stated from what he had found out so far it is the Airport Manager's discretion of what visibility he wants planes in. Hillestad stated he is working on talking to the State and FAA BIS about airport safety. With the holidays, Hillestad just has not gotten around this and when he does he will provide the Board the information. Hillestad stated if it is up to the Airport Manager like everyone had said in good sense, Hillestad's recommendation is 500 and a mile. If it is lower than this, Hillestad's recommendation is getting information from MSP Center that there is nobody in on the approach. Hillestad asked if Osborn's agrees that it is up to the Airport Manager. Osborn stated that it is and that FAA had called him and had discussed the complaint. Some of the recommendations we will have to work with the airlines because they also have restrictions on when they can and can't come in. We do not want to put a restriction that would stop them from coming in. If we put a restriction that stops them from coming in, we do not want to do this either. Hillestad asked what Osborn meant by this. Osborn stated Hillestad had talked about a mile restriction. Hillestad stated this is for the Airport staff. Osborn stated for the Airlines their dispatch says they can come in when its ¾ of a mile. Hillestad disagrees as he is talking about service vehicles on runways. Osborn stated this is understandable, but at the same time there are things that go on. Osborn stated he talked to FAA and FAA had explained about any irregularities and they had said that it is up to the Airport to make the determination. Osborn had talked about our training which we do a lot on communication which is very important. And we, just like Hillestad don't want an accident. We want to make sure we continue communication and the staff was at the hold short line. There are going to be issues that will be safety issues that can come up when we have less than a mile or even ½ a mile visibility. The FAA recommendation is to look at ½ a mile or less which he heard from the office in Chicago. Osborn stated what he will do is look at how this will affect the carrier in the area and communication is vital. Osborn added what he hopes is that when staff communicates with pilots at the hold short line, we get the same respect from them as we give them as pilot. We are trying to make sure that we give them the warning that staff is out there. The person may have come from the shop and not heard the radio. One of the big differences that Osborn sees a lot of times is when a pilot leaves an apron they announces that they are going to a taxiway. This is not one that our staff does and maybe it is something we have to consider that when our staff leaves a building they announce it. Hillestad stated if they have intentions on getting on the runway they probably should. Osborn agrees and what he is saying is that if there are other things that we need to look at that will make it safer. Hillestad stated the reason he suggested a mile is that if you are at one end of the runway and you can't see the other end of the runway and if we don't call MSP Center to find out if somebody is on approach, in Hillestad's opinion we have no business to be on the runway. Osborn stated to keep

in mind that one of our jobs is the safety of the Airport and if someone calls with a safety issue our staff will announce when they are in the hold short line and will wait. If a pilot is coming in with their landing lights on, our staff will not go. They might still announce their intention and not to interfere with the final, but to have the communication. This is what Osborn wants to make sure that is understood. Hillestad stated with a small airport like us if he would have missed the communication with $\frac{3}{4}$ of a mile because MSP Center was busy and he just released the mic and just caught the incoming on the runway which what made him excited. Hillestad stated the ceiling was about 300' and $\frac{3}{4}$ of a mile and when he broke out he could not see either end of the runways. Osborn stated the biggest thing when he talked to FAA was the fact that we want it safe as much as Hillestad do. We understand this. When it came to Chicago, it came as a complaint with the comment that we got, so they are investing it as a complaint. Basically at this time, the one comment they are going to say is they are not going to solve the problem between the Airport and the pilot as this is not their job. This is understandable, but we have the communication when we talk about it in meetings and we are going through it. And at this time it is a discussion as to is there a misunderstanding who should be out there. If it is to our discretion we will make it safe as possible. Osborn would not want our staff to be out there when we have less than $\frac{1}{2}$ a mile visibility unless there is a safety issue. Hillestad stated if the visibility is less the $\frac{1}{2}$ a mile we can be out there all we want because they cannot land. Hillestad stated his concern is from $\frac{1}{2}$ a mile to a mile and a half visibility when they break out of clouds. Hillestad stated Osborn is missing the picture of the whole program as Osborn talks about changing Mesaba's of doing things and this has nothing to do with what Hillestad is talking about. This has to do with the Airport staff being on the runway when they are trying to land. Hillestad thinks it is a simple fix. If we can get a hold of MSP Center to find if there are any approaches into Aberdeen and this is all what he is asking. It's not a hard thing to do and we would not need a radio. It is up to the common sense of the Airport and apparently the way we been having complaints not just Hillestad as there were other pilots that had issues, the common sense thing went out the window. Hillestad stated Osborn keeps talking about safety and keeps relying on radios. Hillestad does not want to rely on the radio every time. Hillestad stated when he gets further information on this and gets done talking to the Chicago office and Bismarck and when he comes up with ideas he'll come up with it. Right now, Hillestad and Osborn just can't agree on things. Osborn thinks he's right and Hillestad thinks he's right because his life is at stake. When Hillestad can come up with a fair situation that he can present to the Board then they can talk about it again. Right now Osborn is not willing to budge and Hillestad is not willing to budge. Osborn stated he is not saying that any of us are not willing to budge. Basically what Osborn is saying is that he also had a conversation with FAA who basically let him know where the Airport stands on this. Osborn is not sure if Hillestad had talked to Ryan O'Dell. Hillestad stated he had not talked to Ryan O'Dell. Osborn stated O'Dell informed him that who ever made the complaint who he had talked to talked about $\frac{1}{2}$ a mile as more common sense than anything else from their standpoint from their office. Osborn stated so he does not know who talked to O'Dell. Gary Dahlerup, pilot, stated he talked to O'Dell. Osborn stated there was a comment about possibly 3 miles which really is out of line. Hillestad stated if he has to change what the rulings are which could take him 10 years to do it, but his opinion is that $\frac{1}{2}$ mi or less service vehicles can be on the runways as they cannot land or nobody else can land on $\frac{1}{2}$ mi or less visibility. By law they cannot land less than $\frac{1}{2}$ a mi or 200'. Dahlerup stated basically $\frac{1}{2}$ mi or 200' lowest minimum they cannot land. Dahlerup stated the Airport has more employees now than what they used to have. Osborn stated there are similar numbers of employees than what they have in the past. Dahlerup stated the building of the new Snow Removal building on one side and having the other building on the other side had a big increase of going back and forth which what they had noticed. Dahlerup stated we have an instrument runway and the only airline we have is Mesaba and we know when they are coming, but we don't know when the other planes are coming. When you rely on radios, radio calls can be missed. Osborn stated when there are visibility issues we try to eliminate the number times we are out on the runways. We are not out there just to be out there. We also have a requirement to be out on the runway twice a day to make sure that lights are working, VASI's, etc. In addition if we find something that is not working properly, it may not be fixed right at that time, it may have to be a later time. What Osborn wants the pilots to understand is that we are out there to try to make it safe as possible and not to cause problems. Hillestad stated on the day we were looking for a bird on the runway this would not have affected him and if we would have called MSP Center we would have known he was coming in and we could have waited until he landed. There should be more communication. Osborn stated he has no problem with this and never have. When it is a safety issues and pilots have comments to share on things, this we can look at. Osborn is not saying that he will agree with everyone, he will look at the issue. Dahlerup stated we are getting nowhere and thinks this had to be address of what needs to be done to make it better. Can we get a perimeter road sooner instead of it being the last thing on the Master Plan? A perimeter road would be one thing or is there someway where our vehicles could drive along the runway to check the lights. Osborn stated to keep in mind when we have issues with the lights our staff will not do the repair on that taxiway or the runway. They will be off to the side on the safety area with a radio to do the repair. Hillestad stated with the technology now shows incoming traffic to an airport and asked if we ever use this. Osborn stated he has this capability in his computer and so does King. Bensen stated sometimes though pilots opt out. Hillestad stated most of the Aberdeen pilots register. Dahlerup stated another problem is that we talked about having our staff trained, but on the 14th of November he noted that about 3:40pm a pick up was on the runway, but Dahlerup did not hear anything on the radio. Dahlerup stated he could see the beacon on the truck and noted that it came off the runway at 3:56pm and never heard a

radio call the whole time the truck was on the runway. Dahlerup added he also checked the weather that day and it was 300 to 1 and noted there were other people who saw this incident with him and wonder what Osborn has to say on this. Osborn stated during this time of day we are doing a runway check and assumably the person has been trained. Osborn had listened to the staff day by day as his been out there. Osborn had heard him on the day his out and not only he's announcing that he is on 17/35 and had been announcing when he is switching runway. Hillestad asked have we ever called MSP Center. Osborn stated we have MSP Center's phone number in our cell phones and King had called them a number of times. Hillestad asked then MSP will tell us what the incoming traffic is in to Aberdeen. Osborn stated we never asked for this, but we can try if MSP will give us this information. Dahlerup stated what they want to see is that we cut down on the number of vehicles that are on the runways. Osborn stated if the pilots will give him information he will make sure what he can do. (Hangar 9, Inc) Riffin came in late for the meeting and Osborn informed him that Muntean had asked the Board for a month to put the cost together and will bring this back to the Board next month.

Bensen moved approval of the bills for the month of November, seconded by Zeeb. Motion carried.

Bensen moved approval of the November financial report, seconded by Zeeb. Bensen asked if anything had been done with GLA. Osborn stated last time he talked to the City Attorney, the attorney is waiting to execute the paperwork that had to be done from the County that GLA is in. Motion approving the financial report is carried.

Osborn stated the Heartland Coalition died. It wasn't because of the number of people that is joining the coalition. It was more that the Airline came back to Sixel and thought that Sixel has coarse some of the airports which basically it's just a protection and it was misinterpreted. Kaiser asked if there is another alternative. Osborn stated what we will see is that all the airlines are having a tough time at this time and would stop any consultant from doing this. Kaiser stated he is not saying that it has to be a consultant and asked if we have any kind of association of airports. Osborn stated there is. Basically what Osborn had done in the past when we talked about contracts is he worked together with Northern Minnesota by airport of similar size of what they are getting for their reimbursement. We had worked with Bemidji, St. Cloud and some others and found out what their Mesaba rates and we have based our rates on this. So, Osborn stated it would probably more that we communicate with the airlines rather than an organized coalition. Kaiser stated it might be a good idea if we pursue the airport association to keep the communication going between the airports so everybody knows that they are treated fairly. Osborn thought that the State had looked at a couple of issues and would like to do this on a statewide basis to see that people are getting paid fairly which is part of the of the responsibility of our grant. Osborn stated the State is also looking to put together a program of the benefit of an airport in the community. Kaiser stated the primary objective in coalition is protecting our service and seeing what will happen with the merger, so if we could use communication amongst at least the South Dakota airports and those nearby it would be nice to know what everybody is facing at the same time. Osborn stated just an update on airports and what is going on. In third quarter for the airlines there were only two airlines that made profit; it was American Eagle and Allegiant. The largest lost was by US Airways and with NWA and Delta with their merger they had a lost of \$367 million. Kaiser stated the national recession is a big part of it and hopefully we can maintain our service and asked that Osborn keep the Board up to date.

Bensen moved approval to pay Helms and Associates PE#1 in the amount of \$1,857.32 for work on Environmental Assessment, seconded by Kaiser. Muntean stated they started their data gathering process and Antonides is also in conjunction with the work to do the wildlife portion. HDR is also starting their work. Motion approving the pay estimate for EA work to Helms and Associates is carried.

Zeeb moved approval to pay UPCI PE#10 in the amount of \$231,442.83 for materials and work completed to date on AIP Proj. #3-46-0001-27-2007 Reconstruction of Taxiway 'D', seconded by Bensen. Osborn stated UPCI will be doing a lot of things in the spring like seeding and painting. The majority of the work is complete. By opening on December 1st most of the grading and dirt work that could be done this time of year is done. Bensen asked if there is any other work that UPCI will be doing until spring. Osborn stated not at this time. Bensen stated so basically they are done until spring. Muntean stated the remaining work have to be done in the spring and noted that the retainage in this contract was changed. What this amount is two times the amount of work remaining and by contract they are allowed to do this. Bensen asked if this would be the last bill until spring. Muntean stated more than likely it is. Motion approving payment to UPCI PE #10 is carried.

Bensen moved approval to pay Jacobson Electric PE #9 in the amount of \$34,419.93 for materials and work completed to date on AIP Proj. #3-46-0001-27-2007 Reconstruction of Taxiway 'D', seconded by Kaiser. Osborn stated from doing the night inspection after the taxiway opened we have about five items that are issues that needs to be taken care of. Osborn agrees that the Board can request payment and will not take this to the Council until Monday. If Jacobson does not have things done by Friday, he will request that this not get paid. Osborn's recommendation to this Board is that payment is made pending finishing the work to be done by Friday. One of the items is a sign that does not have a right current to it and issues with three lights. At this point in time Osborn feels

that Jacobson will get this done by Friday. Bensen amended his motion that payment is made with the condition that work is completed by this Friday, seconded by Kaiser. Muntean stated the work that needs to be done is not major. Erickson asked if Jacobson is working today. It was reported that not right now, but had said that they will be back Friday. Motion approving payment to Jacobson PE #9 with the condition that the work is completed by this Friday is carried.

Zeeb moved approval to pay HKG Architects PE#5 in the amount of \$1,303.16 for Architectural Services and Construction Administration Services for AIP Project #3-46-0001-28-2008, ARFF Building Improvements, seconded by Bensen. Bensen stated the invoice is hard to understand. Osborn stated the State had the same problem, so we had redone the billing to the State. Under HKG's contract they get \$12,179 for their portion on overseeing the contract. The amount requested is about 10% of the contract amount. Bensen asked if we can have HKG do a better job on the amount they are requesting. Councilman Mitchell asked if there is a reason why HKG does not submit the invoice in a proper manner. Osborn stated we had a very long issue with this and a couple of meetings ago he had discussed the fact that we had to go back and change some of the items on the documents. Osborn had talked to HKG and gone through the corrections and it's been a big issue with their office. Osborn also had talked to the State and to make it simple we redo the billing the way the State wants it and had discussed this with HKG. Osborn stated it is a little work for our office, but at least we follow the federal regulations. Motion approving payment to HKG PE #5 is carried.

Bensen moved approval to pay Zeller Brothers Construction PE #6 in the amount of \$89,588 for work completed to date for AIP Project #3-46-0001-28-2008, ARFF Building Improvements, seconded by Zeeb. Osborn stated the addition is going very well and encourage any Board member to stop over and look. The walls are all painted, ceiling grids in, ceiling tiles are not as there still some work being done above it, the pump room for foam for aircraft is almost complete and they'll be doing separate work for this plumbing. They had really come a long way and is looking really well. They had the asphalt work done outside and the fencing that is required for the staff area. They are actually working on the permanent fence today and tomorrow. Overall, they are doing well and on schedule. Chairman Erickson asked how many personnel it can accommodate. Osborn stated we be surprise if we go to the living quarter it is a very small room. There is an AC (Advisory Circular) which was written in 1968 that we have to go by that tells us the room size we can have under Federal funding. Osborn stated we are 25% higher that what the AC says as the Feds allowed us to go this high because of the State standards for nursing home. Osborn stated the rooms are still very small, they have cabinets in there now and the turn around room is very limited because of the requirements of the AC. There are a total of four bedrooms including the shift commander. Chairman Erickson asked if it will accommodate female firefighter. Osborn stated there are separate bathrooms and private rooms. They are expected to be in there by the end of the year. They will be doing the inspection at the end of this week or early next week on the outside of the building to make sure it fits all the specs. And next week they will probably look at a date to look at the rooms that are completed and look at these. Chairman Erickson asked if the tear down of the other part of the building will happen in the spring. Osborn stated this will depend upon the winter. If the winter is nice enough that they can contain it on one side and take care of the plumbing that needs to be done to make sure that it is continuous for the sprinkler system then they can go ahead with the tear down, otherwise it will have to wait till the spring. Motion approving payment to Zeller Brothers PE #6 is carried.

The Board received a copy of the approved 2009 budget. Osborn stated there is the approved and requested budget column. Zeeb asked is there a rhyme or reason for where the City made their cuts or did they say this is your total budget and they got to allocate it. Osborn stated basically the City gave them some figures of what they are going to be cutting in order make it work for all the departments. From this Osborn had talked it over with the Finance Officer on what we would like to cut so we had some say. Fuel is one of the biggest items for most and this is probably the area that Osborn had seen the largest cut. Luckily the fuel went back down and hopefully will stay down. Bensen stated hopefully we can come in way under budget in this item. Osborn added once a year we also do a supplemental to the budget for items that we went over. One of the major items that we will have supplemented this year is the Master Plan which goes into Professional Services which was a carry over from last year. The other item that has to be supplemented was Osborn's salary as his salary was in Ride Line and since he is at the Airport full time this had to be supplemented also. For Osborn, overall the budget looks very well. Chairman Erickson asked what the salary increase is for staff. Osborn stated he believes the increase is an average of 3%. Kaiser asked have the City projected what the total revenue and sales tax revenue would be. Councilman Mitchell stated that sales tax revenue is up 3.3%.

In the Board packet was a letter of how much fuel tax is available. Osborn stated after the \$100,000 that had been set aside for the EA, there will be approximately \$37,061 into the balance and this is to be use for Airport Improvements.

Osborn stated every year the City has an audit which goes through the State of SD Department of Legislative Audit. They had reviewed and accepted the audit for the City and had placed it on file.

Hillestad asked if Osborn had heard anymore about the 12,500# aircraft security. Osborn stated the last time he brought it to this meeting was the last he heard of it. Osborn added he does know that they will go forward with it and thinks they are in a comment period. Bensen thought that they had extended the comment period. Hillestad stated his recommendation is this can be done with the 135 operations, but with the 91 they know all their passengers. Osborn stated Hillestad should put his comments in as they will act upon this. Like anything else that goes through Congress, if people don't make comments they will move on what the agenda was. Hillestad stated if the Board are willing to make comments on this, it would be appreciated as this is really not necessary for people like him and Dahlerup as they know everybody on their plane. Bensen stated he thinks that they were getting a lot of comments that they had decided to extend the comment period to make sure everybody gets their comments in. Osborn stated the other thing is from the FBO's standpoint is the fact that down the road there will be cost for them on biometrics.

Bensen moved to adjourn, seconded by Zeeb. The meeting adjourned at 12:21pm.