

**MINUTES**  
**ABERDEEN REGIONAL AIRPORT BOARD**  
**Regular Meeting**  
**May 4, 2006**

**MEMBERS PRESENT:** Chuck Bensen, Dr. Kennon Broadhurst, Steve Kaiser, Patrick Schloss

**MEMBERS ABSENT:** Mike Erickson

**OTHERS PRESENT:** Dave Osborn, Emily Arthur, Jackie Burke, Terry Helms, Mark Caven, Bob King, Stacy Vrchota,  
Wayne Krysowaty, Kevin Braun, Jeff Mitchell, Rhea Ketterling

Chairman Bensen called the regular scheduled meeting of the Aberdeen Regional Airport Board to order at 11:32am on Thursday, May 4, 2006.

Dr. Broadhurst moved approval of the minutes from the April 6, 2006, seconded by Kaiser. Motion carried.

Old Business: (Beckler's land issue) Osborn stated he had talked with the Beckler's attorney the other day and at this point in time they are still moving forward. Both attorney's are working on this and sees no problem and figured that within a couple of months the issue will be taken care off. (PFC Training) Osborn reported the PFC training with Tom Schauer was completed last month. Osborn added while Schauer and Steve Obenaur was in town he had talked to them about Airport issues over the Fire Station on some of the needs they have. Both had agreed that things need to be done with AIP dollars involved. Osborn stated they are still negotiating what needs to be done at the Fire Station; upgrading the sleeping rooms and bathrooms, etc. (Maintenance Truck) Osborn reported the new truck had been put in service and is working well. There is one issue with the provider which had not been completed per the agreement which is the spare tire. (Beautification Committee) Chairman Bensen stated he had talked to Cindy Walsh about a committee with some ties of receiving some grants/funding to beautify the entrances into Aberdeen and which she had brought up the entrance to the Airport and what we could do out here. Chairman Bensen added there were talk about the Pro Ag's tanks, maybe this could be painted to dress it up and they also had talked about tree issues and safety issues that we need to always be concern about. Chairman Bensen stated he had been invited to attend their meeting, but they have not met. (Anderson Seeding) Osborn stated our Attorney had informed us to leave the issue between the Anderson's attorney and the contractor's attorney. (NECOG) Dr. Broadhurst asked for an update on NECOG. Osborn stated the WM plaque will not be ready until the 15<sup>th</sup> of May and until this is paid the account cannot be closed out.

Additional bills were presented for Econofoods \$13.47, Sales Tax Return for the month of April \$18.88 and Northwestern Energy \$9,148.97. Dr. Broadhurst moved approval of the bills, seconded by Kaiser. Motion carried.

Osborn reported he had talked to the Attorney about AmericInn and this is still an open issue as well as SkyWay. Dr. Broadhurst asked what is the likely hood of collecting Martinez's balance. Osborn stated after we've done our second notice, then he will send it to the City Attorney. Jeff Mitchell asked what is the issue with AmericInn. Osborn stated AmericInn has a balance for a phone service they had for their guest to call the hotel directly. Dr. Broadhurst moved approval of the financial report, seconded by Kaiser. Motion carried.

(Banners) The Board received a letter from the Mayor regarding the banners asking exemption for those organizations that are supported by the City. The Mayor had asked that the banners for the Oz Festival, The Train at Storybook Land, Storybook Land itself, Arts Council, Downtown Association and Dacotah Prairie be allowed to continue to hang because the City already does monetary support the Airport. Schloss moved to allow in-kind contribution to these organizations, seconded by Kaiser who questioned where does the support ends. Kaiser stated the Downtown Association and Dacotah Prairie are not fully funded by the City, but the County. Osborn stated the Mayor had a lot of conversation with the people who designed the banners and had come back that there is an issue. And what they wanted to do is to remedy without hurt feelings as people had step forward and thought that they are doing beautification and using City money. Kaiser stated he is not arguing this at all, but thinks that everybody should be treated the same and questions do we owe this to other governmental agencies that have their banner up like NSU. Osborn stated this is the Mayor's request from the Board and if there are other agencies that have a question then they can also talk to the Mayor. Dr. Broadhurst asked what is the FAA's position on this is as we only not report to the City, but also to FAA. Osborn stated in looking at financial information in years past we can show that the City makes their contribution to the Airport through staffing. Dr. Broadhurst stated he has no objection, but suggested that an opinion from FAA in writing would be nice to have. Kaiser moved to table this issue until next month and suggested to also get an opinion from the City Attorney on how best this should be handled. Seconded by Dr. Broadhurst. Motion carried. (Fly-Inn) Osborn reported that they were to have a meeting yesterday, but the Chairman was ill. Osborn stated there are not a lot of funds that have been generated and with the Chamber they had discussed having a call-a-thon. Kaiser asked if we are secured on having the Fly-Inn. Osborn stated if the funding is not available then it will cancelled and it is very possible that this will be cancelled this month. (SCAS) Osborn stated last month Sixel's different ideas was discussed and since the last meeting they had a teleconference with DOT on the federal level and discussed other possible ideas. One of the ideas being if we are not able to secure a contract with NWA we would possibly look at another airline and in looking at another airline the intention is to go west. Osborn stated Sixel had called this week and had confirmed that DOT had approved for us to look at another airline. Sixel's office will be in the process of encouraging other airlines and will be setting up teleconferences. Osborn stated Denver is probably the better route, easier and better connection for people to make, but we are not leaving Omaha out. Chairman Bensen asked if United Express stills flies into Pierre. Osborn stated they do and the intent is if we are to go with United Express the grant will be use to update the aircraft they use to a larger aircraft. Osborn stated this is the intent and added that they have not had additional communication with NWA at this time. Dr. Broadhurst asked how it will affect Aberdeen with the news this morning that NWA is getting rid of 49 Saabs. Osborn stated he is not getting the most current information on NWA jet buying. Osborn stated when they talked about planning they talked about issues on timing and scheduling. Osborn added planes have been discussed and what he had been told was the order had been cancelled and they are going forward with new

jets. Osborn stated he thinks NWA are utilizing what they have and finds that by restructuring they are able to use more of the regional jets. Kaiser asked when the last contact with NWA was. Osborn stated it was about a week after our last meeting as they had asked to limit the call once a month because of the number of entities that they work with. Osborn stated when this call was made they did inform NWA that we will be talking with DOT about possibly making a change and could possibly affect the funding for regional jets and they understood this. (Café) Osborn reported the first day of operation by the new operator (Ken & Kris); they had done hot foods and found that people that are flying were not utilizing it. Osborn stated Ken will be trying different menu items and seem to be happy with things that are going on. Osborn stated people have to use the service in order to have the service. Osborn added the general public are welcome and are encouraged to see what the new operator has to offer. Osborn stated we have put up a graphic sign which had been placed under the observation room sign and this will help do some advertising for the new operator. Chairman Bensen stated he was out here Friday last week and had seen that there were more people sitting in the observation room area that he had seen in a long time with food or drinks. Kaiser thought that when Sandvig was the operator, we had offered a little cooperative advertising. Osborn stated Sandvig had used cooperative advertising as his payment in lieu of, but we had offered that we will put signage up in the building and the highway if they have a logo. Kaiser asked if we should go beyond this to let the community know that a restaurant is operating and patronize it. Osborn stated the issue with this is using Airport funds to advertise for a person that we are giving free rent. Kaiser stated a promotion or pre-promotion probably can be done and asked Schloss if the Chamber would put something on email. Schloss stated he cannot speak for the Chamber. Jeff Mitchell stated one idea is to host a Business after Hours. It was stated that we had hosted a Business after Hours and Osborn added the previous operator was not interested in hosting and we had catered food. All had agreed that the Business after Hours would be the best move for advertising. Kaiser had asked Osborn to check if the new operator would be interested in hosting a Business after Hours. Dr. Broadhurst asked what the loss was when the City operated the café as it seems to him that it was a big amount. Osborn stated we had a loss of \$1,300, but within this amount we bought inventory which transferred to the new operator as his contract offered him \$2,500 worth of inventory and as of yet he has not asked for anything on inventory. The new operator had taken what we had and what he brought in and had run the business. Osborn stated inventory is part of the \$1,300. Dr. Broadhurst stated it would be nice to have a profit/loss report available to the City to show the cost of running the café so the next time we lose an operator we would have the information ready and the City can decide if to keep it running or go to vending. Chairman Bensen asked to include a profit/loss report in next month's packet.

Terry Helms, Helms and Associates reported since the last meeting Osborn and himself had visited with FAA in the State level. Helms stated FAA had allowed the change of the heating system in the SRE from standard heating system over to geothermal system. Helms stated a number of well would have to be drilled, connect these together and change over the heat exchange system with the structure. The estimated cost for additional engineering and construction is estimated to be \$65,000 which City cost would \$1,950. Helms stated the question from FAA was that why the design structure was not originally made geothermal and this was because the design was done two years ago when the energy cost was not escalating as the rate they are now. Helms stated we are being encouraged by the two other funding sources to move forward if it is the City's desire as FAA would like this behind us so they can issue the grant by June 5<sup>th</sup>. Kaiser asked what will be involved in the well field. Helms stated an initial well would be drilled and tested for its productivity within the heating/cooling system and right along this is we are bidding additional 40 wells as per well basis. Chairman Bensen asked how the heat would be distributed in the building. Helms stated it would be through the same system which is in-floor. Osborn added that there would be a change in the equipment instead of boilers it would be heat exchanger. Jeff Mitchell and Chairman Bensen both asked what would be the projected cost savings. Osborn stated based on the schematic that was sent, it would be based on usage. Osborn stated the idea is that the minimal cost to the City, it is not only a good test site but to also look at future AIP development for the terminal building. Kaiser moved approval to advertise for Geothermal Well Field to support the SRE building, seconded by Dr. Broadhurst. Motion carried. Helms stated another item for the SRE building is that we need to hire Maxim Technology to do some minor testing under the foundation. Helms stated they do all the other material testing, but his insurance does not allow him to do this type of test. Helms stated the estimated cost of Maxim doing the test would be \$400. Dr. Broadhurst moved to hire Maxim to do the foundation testing, seconded by Schloss. Motion carried. Helms stated there will be additional cost with the SRE building as they expose the foundation of the soil there is an area that has very coarse soil in it and excavation would need to be done. The footing would need to be excavated an extra foot deep and extra sand would need to be put back in. This was only determine this morning so Helms does not have the cost, but they are moving forward with this and Helms will monitor the cost and added that it will not be excessive. Helms stated typically FAA would not allow two grants in a year, but they would with Aberdeen. Helms stated we have the hangar area taxiway repair that they would like to move forward and he will be negotiating the engineering cost with the State of SD. Helms added FAA would issue the second grant sometime in July. Helms stated in June a bid letting date will be held for the hangar area taxiway repair. This will take care of the dimensional standard with the hangar and repair the taxiway to bring this up to a B2 allowing larger aircraft to get to the back of the hangars and fix the taxiways that are in bad condition.

Dr. Broadhurst moved to pay Steel Structures of Aberdeen pay est. #1 in the amount of \$106,583.07 for materials and work-to-date for AIP Project #3-46-0001-26 Construction of SRE Building, seconded by Kaiser. Motion carried.

Osborn reported the bill from Jacobson Electric is for the electrical work that was done in the City Hangar which is being rented by Quest and seems to have fit their need. Osborn stated this is a budgeted item and is one of the two things that the renter wanted corrected in the hangar. Dr. Broadhurst asked why the bill was subject to sales tax. Osborn stated it was labeled sales tax, but it is actually excise tax. Dr. Broadhurst moved approval to pay Jacobson Electric in the amount of \$4,998.99 for the electrical work done in the City Hangar, seconded by Kaiser. Motion carried.

Osborn stated when he met with FAA; FAA did not want the Verizon's antenna to be attached to our beacon. Osborn stated even though the City Attorney had reviewed and approved the 2<sup>nd</sup> amendment to the lease, he had informed Verizon that he will not get the Board's approval until they change two items on contract because of FAA's request which is page 1 item B (being attached to the beacon tower) and page 2 item 2 (talked about the beacon tower). Osborn stated what the Board received today reflects the changes that he had requested which Verizon will attached their antenna to a wooden pole. Dr. Broadhurst asked if approval is needed today. Osborn stated the Board received a copy of the amendment about two months ago and the only change that has been made is attaching it to a pole instead of the beacon. Kaiser moved approval of the 2<sup>nd</sup> amendment to the Verizon lease, seconded by Schloss. Motion carried.

Osborn reported the request for bids for the Motor Grader and Tow-Behind Runway Sweeper was prepared last month and had been advertised for bids. Osborn stated because of the City schedule the bid opening for this will be May 10<sup>th</sup> at 2:00pm. There had been a number of parties that had been interested on bidding on these equipment. Osborn added there also had been a number of calls and had talked about exceptions. Osborn stated we are standing firm on what we have requested because of the standards in the industry. Osborn stated because of the deadline for the grant and the bid opening is schedule after the Board's regular meeting, he requested to have a special Board meeting to discuss the bids to be approved and sent to the City for the following Monday Council's meeting so we can make the first portion of the bid requirement by FAA. Osborn stated he will send the bid information to the Board as soon as it is available. Dr. Broadhurst asked if this would be the time that the vendors gets to explain their equipment like we did with one other equipment. Osborn stated basically this is a bidding process where we have given them the specification, which we are required to do by federal regulation, to look at all possible manufacturers and try not to leave anyone out. A tentative date of Thursday May 11<sup>th</sup> at 5:00pm was set to review and approve the bids.

Osborn reported our new FAA Certification Inspector this year is Jesse Carriger who had reviewed Sioux Falls and Pierre in the past. Osborn reported that Carriger had very good remarks on our Airport and had good notes about the Fire Station on the job they are doing. Osborn stated overall the inspection was very good and there was nothing with our airfield that attributed to an issue. A Letter of Correction was written which listed that a lit sign is needed to be installed in the taxiway by Beving's and a copy had been included in the Board's packet. Osborn stated one of the reasons this was written up was to protect all parties involved and to also get FAA's help on AIP to take care of it. Osborn stated there had been discussion with FAA on this year's project to include the lit sign to the hangar taxiway project so it can be done immediately. Osborn stated he had discussed this with Helms and had it set up to be done by September this year. Kaiser stated he had sat in the exit meeting and King and Osborn should be complemented. Kaiser stated he was expecting we had to look at something, but Carriger was very complimentary that the place is well run. Osborn stated a lot of this goes to working ability of all the people around here like the Fire Department, Quest, and Aberdeen Flying Service that we worked together to get things done.

Osborn reported this time of year we are required to do a NPIAS (National Plan of Integrated Airport Systems) report for FAA which is based on the 5-year plan. This report not only talks about the project, but also uses a coding for the priority of such project. FAA uses the code to see if there is enough money for the project and if not they try to find the funding based on the project priority.

Kaiser asked if Blackstone is still going to utilize the Airport to do shipping for the planned company. Osborn stated he had not heard any more comment from them since the last conversation prior to taking down the old terminal building.

Dr. Broadhurst asked about the time capsule. Osborn stated we still have the time capsule and the cornerstone to take to the museum.

Dr. Broadhurst asked if it is possible to get a General Aviation (GA) sign to go with the existing sign as it looks like it is missing something. Chairman Bensen agreed as other airports have GA sign so people know that they are in the GA area. Chairman Bensen asked if we could just get a sign in the highway to direct people and prefers the sign be placed before the turn off. The sign can just be a standard green and white sign. Dr. Broadhurst added at the same time put the same kind of sign under the existing Saunder's Field sign.

There being no other business was presented to the Board, Dr. Broadhurst moved to adjourn, seconded by Schloss. The meeting adjourned at 12:32 pm.

## **MINUTES**

### **ABERDEEN REGIONAL AIRPORT BOARD**

#### **Special Meeting**

#### **May 10, 2006**

A special meeting was held by the Airport Board on May 10<sup>th</sup>, 2006 at 5:15pm to discuss and review the bids received for the Motor Grader and Tow-Behind Runway Sweeper. Those in attendance were Chuck Bensen, Dr. Kennon Broadhurst, Steve Kaiser, Mike Erickson, Dave Osborn, Bob King, and Jackie Burke.

There were four bids received for the Motor Grader with Scarifier and Snow wing. The bids received were from Butler Machinery \$193,498, DMI \$165,950, RDO \$164,377 and Sheehan Mack \$159,933. Kaiser moved approval to purchase Model #G940 from Sheehan Mack in the amount of \$159,933, seconded by Erickson. Motion carried.

There were two bids received for the Tow-Behind Runway Sweeper. The bidders were MB Co., Inc \$101,586 (new); \$65,000 (demo) and Sweepster \$92,320. Kaiser moved approval to purchase the demonstrator unit from MB Co., Inc in the amount of \$65,000, seconded by Erickson. Motion carried.

Erickson moved to adjourn, seconded by Dr. Broadhurst. The meeting adjourned at 5:46pm.