

MINUTES
ABERDEEN REGIONAL AIRPORT BOARD
Regular Meeting
October 6, 2005

MEMBERS PRESENT: Dr. Kennon Broadhurst, Steve Kaiser, Michael Erickson, Patrick Schloss

MEMBERS ABSENT: Chuck Bensen

OTHERS PRESENT: Dave Osborn, Bob King, Kevin Braun, Rolf Johnson, Mark Caven, Sam Muntean, Mike Corpos

Vice Chair Broadhurst called the regular meeting of the Aberdeen Regional Airport Board to order at 11:35am on Thursday, October 6, 2005.

Kaiser stated a correction is needed to be made on the third paragraph from the bottom of the second page of the minutes. It should be Osborn not Kaiser who stated that there is a commitment from Congresswomen Herseth. Erickson moved approval of the September 8, 2005 minutes with correction. Seconded by Kaiser. Motion carried.

Old Business: (War Memorial Dance) Osborn reported the dance went very well and it raised about \$750. There were a number of people who met Ben Victor prior to the dance. Osborn stated he already written thank you letters to Carla Kaaz, who will also forward the thank you letters to all the people who had contributed supplies, gifts, and other donations. Osborn added in the newspapers it was also noted to thank those who attended. (Flight Schedule) Osborn reported the Chamber had sent out a letter to all its members concerning Northwest Airlines to find out from the community if there would be problems with the flight schedule. Osborn stated there were ten people who responded from this. On October 4th, Osborn reported there was a teleconference with the Mayor, Mark Sixel, Sixel Consulting Group, Mr. Windee, NWA Planning and himself which they had discussed the current schedule especially the AM flight schedule where on the letters received by the Chamber there was some medical concerns (where they cannot make their appointment at Mayo Clinic) because of the timeframe. Osborn stated NWA will look at the schedule again to see if they could possibly go back to the 6:30am flight instead of 8:00am. Osborn added NWA is also looking at the last flight of the night to possibly move this back about fifteen minutes because of the West Coast passengers, if they are not on a flight by noon they will not make our last flight of the night. Osborn stated by moving our last flight to 10:45pm the people from the West Coast could actually leave at 3:00pm which allows the continuity of their flights. NWA will be reviewing their flight crew's (Jamestown crew) downtime and once this has been reviewed, they will inform us by November 1st and the latest will be December 15th to make the changes on the flight schedules. (SCAS grant) Osborn stated this was also discussed during the teleconference and with the issues of fuel cost, the strike and the bankruptcy, NWA had asked not to consider communication on this until the second quarter of 2006. Osborn responded as a group they will entertain this request, but we will make normal communications at least quarterly to check if any of the issues had cleared up were and we could possibly talk earlier than the second quarter. Osborn stated the meeting went well and that the regional jet is not an issue that is out, it is just something that needs to be put on hold. (Air Show) Osborn stated the group will not meet till October 13th, so there is nothing to report at this time. (GSA/TSA lease) Osborn stated they are still working on the lease on bringing the TSA Manager into the building. Osborn stated everything had been signed on the lease that GSA had sent out which had a deadline of October 20th. (Asphalt in Mr. Beving area) Osborn stated this was discussed last month that it had gone its useful life. Osborn added he contacted FAA in Bismarck and this will be considered into next year's project, but if it has to be done now then they expect the City of Aberdeen to force bill and FAA will consider this next year. Osborn added there is also an issue that came up with the concrete over by Quest where the drain had actually come up and this was also discussed with FAA who had approved the funding the same as the asphalt situation. Osborn stated the concrete work has also been done and this will not affect hunting season and will not have any issues. (Chamber Banners) Kaiser stated he had talked to Laure Swanson from the Chamber about the banners in the terminal building and starting a rental agreement with those who have them. Kaiser stated he entertained the idea of having two different rates (one for commercial application and the other for government institution) and would like some feedback. Kaiser stated Laure Swanson had no objection and added that there was no promise made as to the length of time at no charge were given to people who had put up the banners. Kaiser added obviously there was an understanding that the banners will be up for a period of time without additional cost, but Kaiser thinks this cannot continue for very long as we a charging for the other signs. Kaiser suggested working with Osborn on this and come up with a proposal to bring up in next month's meeting. (November 11th Dedication) Kaiser who is a member of the committee stated we are in good shape and does not see any problems. Kaiser added Ben Victor had told the committee that he will come and we were also told Congresswomen Herseth will come and invitations were sent out to others. Osborn stated Chairman Bensen had received a letter from the Governor's office where it stated that they need thirty days notice and this is something Chairman Bensen was to work on and as for Senator Johnson's office, Osborn stated that we have not heard from his office at this time. Kaiser stated Kaleidoscope is working on the program and had already talked to Northern State on doing the printing and Dr. Schloss had also committed Northern State on providing refreshments. Osborn added with the installation of the female statue, the Auxiliary for VFW and American Legion will be doing the unveiling. Osborn stated they have not given us a list of names as to who the people are and how the different branches will be represented. Osborn added the Guards will be doing the flag ceremony and we just need to make sure they are in the next meeting and when we do the final plans. Dr. Broadhurst asked about invitation letters to area town officials. Osborn stated he had given someone the listing he had from the first statue dedication of the dignitaries and mayor from other towns and thought that it was given to Chairman Bensen. Osborn stated he will check on this. Mark Caven a member of the Men's Chorus stated Chairman Bensen had asked him if they would want to sing at the dedication this year. Caven stated they had not received an invitation and one should be sent just in case he cannot make it so others will be aware of it. Osborn stated he will get one out.

Kaiser moved approval of the bills for the month of September with the additional bill from Passport Bar and Grill in the amount of \$3.40. Seconded by Erickson. Motion carried.

NWA/Mesaba outstanding bill was questioned. Osborn stated because of NWA Chapter 11 status he contacted the City Finance Office to check how to handle this and Osborn was informed by the Finance Office that anyone in bankruptcy status we cannot call. Osborn stated he had found that others are being paid, but later because of the time of filing. Osborn added he did receive a letter that we will not have problems with PFC's as this is guaranteed under Federal Regulations Part 49. Osborn noted the State of SD check received for AIP Project #24 was \$1,000 less because the contractor's badges and safety training were not AIP eligible, so for future project we will have the individual contractors pay for their badges. Erickson moved approval of the September financial report. Seconded by Kaiser. Motion carried.

Osborn stated the Airport Marketing had been discussed with the old business especially with the communication with NWA/Mesaba as they will look at the schedule again and take care of the business flyers we have in Aberdeen. Kaiser questioned the number of tickets sold for the 8:00am flight that would have to be adjusted. Osborn stated this is not information we would have as NWA/Mesaba makes this communication with their customers.

Osborn stated because of what happened in Brookings, he wants to make sure that the Board has the opportunity to attend the FAA fall convention this year which is scheduled to be in Aberdeen, November 8th and 9th. Osborn stated FAA will be talking about land use and issues and for those who are on the Board it is a good program to attend as it would help to make the determination on how we use our land. Osborn reported there are already two people from the City Engineering department who issues building permits who had signed up to attend. Osborn requested the registration form be returned to him by October 18th.

Osborn stated he received an email from the Mayor who was contacted by Harvey Jewett about an old plaque in the old terminal building that has the original Board members when the building was put up and when the building is torn down Jewett would like to have the plaque, if possible. Osborn stated he informed the Mayor that the plaque will be turned in to the City as surplus prior to the building being torn down and the City can surplus it out and if there are other interested party then the City can open this to others rather than saying it is going to one person. Osborn stated all other items that will be taken down from the old terminal will be turned into the City as surplus items which will be handled by the City.

Sam Muntean from Helms and Associates stated along with their final payment request they also have the final closeout report for AIP Project #3-46-0001-24 which needs to be signed by the Mayor. Muntean also stated there is also a final pay estimate for Sherbrooke Asphalt in the amount of \$31,711.62 which was the retainage we were holding until we can verify that all the subcontractors had been paid. Dr. Broadhurst stated on the issue of overlapping on seeding by Anderson Seed we are not paying for this and Anderson Seed had never responded to Muntean's letter, so it is sufficient to close this deal out. Muntean responded it is and Anderson had agreed that he had received final payment on the project as to whether he accepted the numbers we have or not Anderson accepted that it is not worth fighting over. Erickson moved approval to pay Helms & Associates final invoice for AIP Project #3-46-0001-24 in the amount of \$3,774.35. Seconded by Kaiser. Motion carried. Kaiser moved approval to pay Sherbrooke Asphalt final pay estimate in the amount of \$31,711.62 for AIP Project #3-46-0001-24 pending receipt of the signed pay estimate from Sherbrooke Asphalt. Seconded by Erickson. Motion carried.

Kaiser asked about the deicing fluid (glycol) and the effect that it will have on the pond. Osborn stated we have been watching the water level which has a dramatic increase. Our maintenance crew has a bubbler they have been using and the oxygen in the water is up substantially and we had the Water Treatment department review these results. Osborn stated we have kept a schedule and monthly the water level is being checked. Osborn added we have not put any glycol in the pond, so what we are looking at is what it would be like this spring. We will continue to watch this once they start winter operations and still try to get the level. Kaiser stated it was also discussed about draining the deicing fluid and having the City pick this up and take it to the Treatment plant. Kaiser asked where this plan stands. Osborn stated the problem is there were a number of ways that this had been discussed and how it could work, one is have a drying bed which is a very expensive process which Osborn stated could be an AIP project which could be put in the five year plan and as for hauling it out to the Water Treatment plant, the level has a tremendous influx if we put the deicing fluid right in the sewer system which the Water Treatment is quite against having it enter the sewer system. Osborn stated what we have now (SARC windmill) is the most cost effective way since we have the agreement for a year. Kaiser stated this system might be the most cost effective, but questioned if this meets EPA regulations. Osborn stated the glycol used here is an environmentally safe glycol and what happens is that it robs the oxygen from water sources and by containing it we are doing the best rather than putting it into the Water Treatment plant all at once. Osborn stated before we do any releases we always check the water to see what the levels are, so we in compliance with the regulations as far as discharging water. Muntean, Helms & Associates stated the method the Airport is using is an approved method by EPA and State DENR of treating glycol where it is put in a stabilization pond and testing the water before releasing it. Muntean added the Airport also has a storm water discharge permit from the State which allows them to discharge and give them a limit of what can be discharge. Muntean stated the problem is not the process of treating the glycol, but the odor that it creates.

Muntean, Helms & Associates stated if we are to re-bid the SRE building this fall, we should re-bid this around the holidays so either re-bid it and have a bid opening before Thanksgiving or re-bid it after Thanksgiving and have a bid opening before Christmas or do this after Christmas. Muntean added right now the building contractors in the area are fairly busy and trying to get things closed out before winter. Muntean recommended re-bidding the SRE building project after Thanksgiving which typically contractors will have some down time. The Board was in agreement to wait till after Thanksgiving to re-bid the SRE building project which Muntean will bring into next month's Board meeting.

One bid was received for the winter 2005 – 2006 snow removal and it was from Lien Transportation. Osborn stated the bid is \$5.00 higher per vehicle than last year. Erickson moved approval to accept Lien's Transportation bid for the winter 2005 - 2006 snow removal. Seconded by Kaiser. Motion carried.

Osborn stated we are still working on offices for moving Kevin Bakke, TSA. As Osborn stated earlier the contract had been sent back to Colorado and what we trying to make sure is that we gave them a timeframe for the length of time that they will need while the SRE building is being built. There was a problem with the contract that came to us where the square footage is more than what we have available, so we

had to amend the contract. Osborn stated we will be reimbursed \$20.00 per sq. ft. for the offices in the terminal while the SRE building is being built. The purpose of a higher rate than we are getting now is to compensate some of the expenses that we will incur for moving telephones and computer connections. The contract is in GSA/TSA hand to make a counter offer. The spaces Bakke will use are the offices that are set-up for the second airline. No action is needed from the Board at this time.

Osborn stated he wanted the Board to be aware that we received bankruptcy notices from two airlines (Delta and Northwest) and these notices had been sent to the City Attorney. Osborn stated basically there will not be a lot we will be doing with Chapter 11 other than we have noted that they are in bankruptcy and we will follow procedures not to do collections during this process. Osborn stated again that PFC's are guaranteed under Federal Regulations Part 49.

Osborn reported to the Board there was unattended baggage found on the 24th of September which the baggage was claimed to be in the building one evening and found outside the next morning. No one seems to know how the bag got outside so it was treated that TSA would swab the bag to make sure there was no powder residue. Osborn stated it became a big issue as no one wanted to take responsibility whose bag it was (TSA or Mesaba) and TSA telling Mesaba staff(s) what to do became a big issue. Osborn stated because of this situation he met and discussed with TSA, Mesaba and the Aberdeen Police as to who would have the responsibility of unattended baggage. In their meeting it was discussed writing a policy for unattended baggage which as of now is not resolve because of Beckrich, Mesaba Station Manager is out. Osborn stated they wanted the Police to take possession of unattended baggage which the Police do not want because they have to inventory everything and the person can show up in a couple hours and claim the bag and there was also an issue on the weekends they do not have extra staff. Osborn stated in the three years there only been three issues of unattended baggage and we will deal with this as the time comes. Osborn stated the other issue was on the 25th of September when one of our maintenance crew was doing his regular security checks and found Mr. Beving's gate open. The police was involved and this was an error on Mr. Beving's part which TSA wrote a report because the gate was left open for a period of time. Osborn stated the reality is an open gate is the responsibility of the person who oversees the gate and there could be a fine involved which there had been one issued in the State which was in Rapid City. Kaiser asked if there is a policy in place that states the overseer of the gate is responsible for the fine. Osborn stated there had been a number of meetings where the gate accessibility and their responsibilities had been discussed and this is also included in the lease agreements. Kaiser stated it is understandable the tenants are aware of their responsibilities on the gate, but what about the \$10,000 fine; that this would be written out to – the tenant(s) or the Airport. Osborn stated he had not encountered one and does not really know how the process works, but the one initiated in Rapid City was written through the Rapid City Airport with the people responsible for the gate. Kaiser asked Osborn to check with the City Attorney on the issue of the fine for leaving gates open.

The Board received a copy of the financial agreement for AIP Project #3-46-0001-25 and the Mayor had signed it. Osborn added last month it was discussed about sending a letter to the Aeronautics Board requesting to use the Fuel Tax Funding for SCAS grant (City portion) and to purchase a Floor Scrubber. Osborn reported he received the approval from the State yesterday allowing us to use the Fuel Tax Funding for the SCAS grant \$45,000 and to purchase a Floor Scrubber for \$5,000. Kaiser moved to receive the agreement to use the Fuel Tax Funding in the amount of \$50,000 and request for the Mayor's signature. Seconded by Schloss. Motion carried.

Dr. Broadhurst asked if there were any updates on Allen Beckler's land. Osborn stated as it was discussed last month, Beckler decided to wait until they make their second tax payment to deal with the land purchase.

There being no other business brought before the Board Erickson moved to adjourn, seconded by Kaiser. The meeting adjourned at 12:45pm.