

MINUTES
ABERDEEN REGIONAL AIRPORT BOARD
Regular Meeting
September 4, 2008

MEMBERS PRESENT: Mike Erickson, Steve Kaiser, Nate Zeeb

MEMBERS ABSENT: Chuck Bensen, Rolf Johnson

OTHERS PRESENT: Bob King, Jackie Burke-Grumish, Bob Lehmann, Mark Caven, Jeff Mitchell, Sam Muntean, Rhea Ketterling

Chairman Erickson called the regular scheduled meeting of the Aberdeen Regional Airport Board to order at 11:30am on Thursday, September 4, 2008. Possible Land Purchase was added on the agenda.

Kaiser moved approval of the minutes from the August 7, 2008 meeting, seconded by Zeeb. Motion carried.

Old Business: (Oshkosh) King stated we are moving forward with the repairs on the Oshkosh. A representative from the Oshkosh Corporation, Tom Karl and Mike Sheehan who we bought the unit from visited with Osborn and King. They will be investigating farther to the extent of the repairs that would be needed and the next course of action. King will be doing a follow up next week to find when Oshkosh sent their representative to check out the hydraulic motor. (Hay on property) King stated hay was to be off property in two weeks. The person who has the hay had been contacted and removal had been discussed. The person is having a hard time between the wet and getting someone lined up to get the hay off. Kaiser asked if the hay is not removed by the time we get snow will this be a problem. King stated that we will have a problem then. The hay should be off property before we get snow so we don't get snow drifts even though they are away from the safety areas.

Kaiser moved approval of the bills for the month of August, seconded by Zeeb. Kaiser asked if the seeder is an attachment used on a tractor. King stated that it is. In the past what we had done is just rent it. The availability of when it can be rented had been a problem since the farmers and other governmental agencies has top priority. King stated we had the ability to purchase a seeder so we can do our seeding in timelier manner. Motion to pay the bills is carried.

Zeeb moved approval of the financial report for the month of August, seconded by Kaiser. Kaiser asked about Great Lakes. King stated this is being handled by the City Attorney. Motion approving the financial report was carried.

(Air Show) King stated the Air Show went well and we had some great performance, great acts and great attendance. The attendance was up from last year. It was reported between the radio station and the newspaper that we had about 5,500 to 6,000 people. King agrees that the attendance was up from last year from being out working the show. King stated we also like to say thank you to the Air Show committee, all the sponsors, and all the volunteers for all their help; without them we would not have the show. Kaiser stated at the Lion's eatery they run through 20% to 30% less than they have been and asked if we did a count at the gate. King stated he is not aware of the final tally, but we did have someone at the gate. Caven asked Kaiser if their count would be better if they go back on serving breakfast. Kaiser stated if we do a much greater emphasis on getting other pilots to fly-in into the Air Show it probably would. The year the Lion's did the breakfast the Air Show started like an hour earlier. Just for a profit standpoint, Kaiser does not think that the Lion's will do this again as they were pretty disappointed. Kaiser stated thanks to Mark Caven for having the Lion's use his hangar. Kaiser added he is not saying there is anything wrong the way it is going, but is not sure if anyone made any profit as there were six vendors there. Chairman Erickson stated the Air Show committee will be having a follow up meeting. Kaiser stated he had informed the group that one way they can overcome it is to take the product out and sell them to the crowd directly. Kaiser added the only personal complain he has on the show is the length of time between acts and thought that something else can be developed between acts. The announcer we had knows the equipment and knows his stuff, but maybe there should be a partner with him, a female pilot maybe just so that they keep a faster and friendly information. Chairman Erickson stated the agenda was changed the last minute because the B25 could not make it in. King stated the Air Show committee did a great job. Chairman Erickson asked if there were any security issues that came up. King stated none that he is aware of and TSA was here and had talked to them. (Outside Planters) King stated we are doing one planter this year and after this meeting if Kaiser could show him where the placement should be. (Marketing Plan) Kaiser had asked the Board for any suggestions as he is going to prepare the plan. We do not have any money so Kaiser is looking for any ideas that we can better market our Airport. We know that we have a hole in the market where 50% of the people that don't use the Airport or have not used it according to

the survey that was done. Kaiser's plan is try to address this and asked if there are other things we would like to address. King stated he is not aware of anything. Kaiser stated this is the market he will try to aim with the FBO's maybe providing some assistance to try to put together a plan. Kaiser added he can talk to the Chamber to talk about having one of the Business After Hours session here in the terminal. Kaiser thinks that there is a larger contingent of people than we ever realize that do not use the Airport. Caven added there are also a number of people who do not know where the Airport is as they get people all the time and not know where to check in for their flights. Kaiser stated one of the things that we might look at too is changing signage to some degree and this is one thing that Osborn does not want to address, but this is something we may do to make a clear signage for the area. Council member Mitchell stated this is something he had talked to Osborn and Maeve King when we had the dedication of the statues that it would be nice to have an old war plane at the entrance. Caven stated we had one like this before, but over the years it was not kept up and it had become an eye sore. Council member Mitchell thought that this is a good idea if we want to highlight the entrance just like in Faulkton.

Lehmann from TSA said thanks to the Board for making the additional office happen. Lehmann would like to put a TSA plaque up on the wall outside the office to let people know that this is a TSA office. Lehmann added there will be changes with TSA starting September where their uniforms will be changing on 9/11. Their badges will also change and even the way they interact with passengers and the public. They are also trying to involve the public a lot more and the EAC is trying to get the community involved too which they have a project where they would have grade school kids to do some coloring of pictures. When Aberdeen had their National Night Out these pictures were distributed and went over good. TSA would like an area in the checkpoint to display these pictures and they would sticky backing so it can be easily removed and not put holes on the wall. Lehmann is trying to get his employees involved where they can go to grade schools around town and talk to the kids. Pictures of what TSA intends to put up were shown to the Board (patriotic pictures). Lehmann stated this is happening nationwide and said that the pictures will be rotated and throughout the season they might put different pictures up. Lehmann stated he plans to attend the Board meeting if the Board would have any questions as he did this when he was in Brooking to be the liaison as open communications is very important. King stated he and Osborn reviewed the request and suggested the Board's approval. Kaiser moved approval of TSA's request to put their plaque up and display pictures in the checkpoint, seconded by Zeeb. Motion carried. Kaiser asked how the interaction with the public going to change after 9/11. Lehmann stated it is called evolution training and Aberdeen is fortunate as TSA here is already doing this where they interact more with passengers. TSA will also be getting more equipments where some of it we will not see here. They put more staffing on now as it is mandated more that supervisors stays back during screening. TSA's job is getting harder with the Airlines charging for baggage. The carry-on is getting more compacted where they are doing more bag searches and this causes more frustration from some of the travelers. Lehmann stated nationwide we will see TSA doing more interaction with the public, visual changes in uniforms, changes in the checkpoint, etc. Lehmann added with their baggage check up front they would also asked people to come and had asked Osborn to put something up front so passengers can't reach in while they are doing their search and can still have interaction with the public.

King distributed the proposal received as a result of the RFP for Engineering Services. Only one proposal was received and it was from Helms and Associates. King stated the Board has a couple of options. One is to accept the proposal received or interview Helms and Associates. If the interview process is the choice, we need two volunteers from the Board along with Osborn to do the interview. King stated we had no problems with Helms and Associates in the past and anticipate none in the future. Erickson asked if Johnson and Bensen received a copy of the proposal. King stated no as we only received three copies and we were distributing it in this meeting. Kaiser stated there was only one proposal and sees no reason why Helms can't be our engineer for another 5 years. Kaiser moved approval to accept the engineering proposal from Helms and Associates, seconded by Zeeb. Motion carried.

King stated on Tuesday afternoon the Master Plan (Final) and Executive Summary were delivered. These were then distributed to the Board and the City Council will be getting their copy in the future. The Executive Summary is the summary of what is in the Master Plan. King stated they have reviewed this and comments have been made. Erickson asked if HNTB will meet with the Board for a final meeting. King stated this was discussed last month and there was nothing finalized that we wanted them back for a final meeting. This would have been up to the Board. Muntean from Helms stated HNTB provided an electronic format of the Master Plan and the Executive Summary. Muntean will go through the Executive Summary, but the Master Plan has more background information. After the last meeting, Muntean and Osborn discussed about having HNTB come back which this is a trip that is optional in their contract and it was not budgeted so it would have been an additional cost. Muntean and Osborn had agreed that it was not necessary for HNTB to come back and do a final meeting. Muntean stated in going through the process HNTB had collected the current inventory of what we have. They had put together aviation forecast which actually have to go into FAA who reviews and approves the forecast. There was nothing in their forecast and examination that really shows that we will have a huge jump in growth. Based off this they went through facility requirement from what we have now to what we are going to need in the future and identifying any problems or

issues we have. On the airfield capacity there was not an issue, however there were some safety issues with the runway ends being adjacent to each other and the RPZ's having non compatible uses in them, expansion on GA area with air cargo on the GA apron trying to separate these out, and the Ag sprayer's taxiway that ties right into the runway versus tying it into a taxiway system. The preferred alternatives was to decouple the runways by shifting both of them to the south and to the southeast, by separating these runway ends and separating the taxiway systems one could not taxi to one runway to get to another runway thereby reducing the hazard of someone taking off of a shorter runway thinking they are on a longer one. This also clears the RPZ problems by falling back onto the existing property so there will be no more property that would need to be purchased or buildings moved out. It also continues to allow future expansion at the Airport when needed for larger aircraft used keeping this option open. The Airport Development Plan was put together and this is listed both in the Master Plan and the Executive Summary. These would be looked at and revised on a yearly basis and be submitted to FAA in December as always which is a starting point now and best estimate of what can be done on the future. They had also included an Environmental Overview and this is not a complete total environmental review. This was just to look at what typically environmental impact of these types of projects and whether we will have some that will require mitigation or not and if there were any that we think would stop any of these projects. Wetlands and endangered species are two of the highlights that could be problems and we will probably have to have mitigation. There is also drainage and storm water control that will be looked at. Muntean stated as the Board had reviewed the Master Plan from a draft form to about half a month ago what have been provided has not changed tremendously. It is more to clarify some points. Kaiser asked how much change in fuel prices going to impact General Aviation usage in this facility. Muntean stated to keep in mind that the Chief Forecaster for HNTB is based in Washington, DC so he has the call from the whole nation. While this is good to have the overview of what is going on may not be exactly what happens in South Dakota. Overall, the thought is the piston driven aircraft are going to be decreasing and that we will see more of the turbo prop or jet aircraft. There were talk that low lead fuel will be going away and jet fuel will be the fuel more used by aircrafts, but then again it is tough to speculate. Kaiser asked Caven if he had seen decrease in usage and if fuel prices stabilize does he think it would grow back slowly. Caven stated he has seen a decrease in usage and as people gets use to paying more money for fuel it may come back, but then again this would take time. Caven stated for what Muntean had mentioned before on aviation fuel, Caven does not think that this would happen in his lifetime. It is just like what they had on the VOR system on aircraft and now they have the GPS system. All of this was pointed to the fact that they were going to get rid of VOR system, but they are still maintaining these on aircraft because there is a huge contingent of aircraft out there that uses this system. They may buy a handheld GPS system, but the VOR system is alive and working and this goes back about 15 years where they had said that this was going to be gone. There is still AOPA and other organizations that will make sure the General Aviation is still viable as can be. Kaiser asked is Caven flying as many planes today, but fewer miles. Has this been the cut back or is the cut back that we lost a number of planes based here at ABR? Caven stated he thinks the number of planes had diminished, but thinks that there is opportunity where we might loose a single engine plane and get a twin engine. Caven stated when he started working here 40 years ago the parking ramp (tie down areas) in front of AFS was full of aircraft. When was the last time have we seen this? Erickson stated he thinks the Master Plan is an exciting plan as we look at what is planned for the next number of years and if everything goes right everything on the Master Plan could come about. King stated if the Board would so approve to accept the Master Plan as submitted so we can start going forward with the implementation of the plan. Kaiser asked is there any reason to put off a vote on this as there are only three members present instead of five. Erickson stated it is up to Kaiser and Zeeb, but he sees no reason to delay. Kaiser asked if anyone heard from the two members who are not here if they were opposed to something that is in the plan. King stated the Board each received their copy on Tuesday. Zeeb stated it just take majority to approve and if the three voting yes then it is still the majority. Kaiser moved approval of the 2008 Master Plan, seconded by Zeeb. Motion carried. Council member Mitchell asked if the numbers in the Airport Development Plan reflects inflation. Muntean stated this is in today's dollar which is the simplest way for everybody to understand and knowing that every year we are required to update and submit this to the FAA for our Capital Improvement Plan this would give us time to revise the dollars at that point. Chairman Erickson asked if the chart reflects the projected change on FAA share. Muntean stated they did project the FAA share to be 90% versus 95% as it is today because the FAA bill is still up to Congress to be reviewed. Right now everybody's best guest is that the larger airports will probably go back to 90%, so to be conservative they had planned on the 90%. Kaiser asked Muntean to go over the future projects. Muntean stated the Reconstruction of Hangar Taxilane is actually the existing hangar taxilane and there had been some heaving and movement especially last winter for whatever reason it had gotten really bad. The main taxilane has been reconstructed two years ago and now it is time to do some of the side lane back to the hangars. The Land Acquisition for the approaches of rwy 31 & 35 end will be 100% local share and it was put in the plan as a planning issue. The idea behind this is to protect these ends off for future developments. As always, there is no better time as now to buy land as none of it had been developed and it maybe something that buying it now we can protect it for the future especially if the truck by-pass even become a reality again. Shifting the runway is the major issue on the list to decoupling both runways and shifting them to the south and southeast and maintaining the full length. The new General Aviation (GA) apron is the phase 1 of the GA project where it would be expanded to the south towards the terminal apron which will allow for expansion for

either FBO's or a third if one would come in. It also will allow depending how it will come about separating the cargo from the GA traffic whether the cargo would be moved out to the south end or the cargo would be on the north end or vice versa. The environmental upgrade was also looked at for the terminal by going to geothermal system. There is also the taxiway for the Agricultural sprayer (Beving's) which is the one on the south side so he is tied into a taxiway and not entering directly on the runway as been corrected by the FAA for quite a few years. As for the employee parking lot and GA apron expansion this is the parking lot that the airport employees are currently using and pushing this to the north to allow additional parking as it become more of a premium for employees and also if the GA apron is being expanded this will allow parking closer to this end depending on what is built there. The new Cargo Apron will be kind of the second phase of the apron expansion where they would add 10' to allow more space for air cargo and GA traffic. The second taxiway to the air carrier ramp where it was bid with the last project, but the funding was not available; it is still kept in the plan. This will allow more flexibility for taxing aircraft especially during the de-icing operations and if there is more than one aircraft on at the time. The perimeter road is to continue, as project have permitted portions of perimeter road have been put in and the airport is required to check the perimeter fence periodically. The new GA access road will be the one that would come to the terminal access road and across, pass the fuel farm and tie in, so we would access between the two areas which would be the main purpose. This may also help some people who are not familiar with the airport that turn into the GA area so they do not have to go back into the highway, they can just follow the signs. The new Hangar Taxilane will be to expand the GA hangar area for additional hangars. The expansion of terminal parking area is to expand the public parking lot as needed. When this was built it was graded for doubling it in size. The new SE GA area will be to the south of the terminal area if it need be. There will be a new apron, new access point and a whole new GA area. These are the items that have been planned and some will require more coordination than others and the GA areas expansion is the big thing where we would be working with the FBO's on what their needs and requirements are as they grow and change their usage. By doing this the way we are, we are maximizing the feasibility of the area that we have and keeping the flexibility. Kaiser stated if we want to get done with the runway expansion by 2011, we have to start working on this at the same time as we may impact the FBO's when we do this. Muntean stated we had already started the first process on this by doing the EA and HDR who is the firm from Sioux Falls who will be studying the drainage issues were here last week and had started their base mapping. Erickson stated in the past having things planned out and actually have some of the projects up for bids, we had actually received some discretionary money. We were able to build the terminal building a year early because we were prepared and the money was there.

Kaiser moved approval to pay Helms and Associates PE #15 in the amount of \$15,311.34 for Construction Administration and Resident Engineering Services for AIP Project #3-46-0001-27-2007, Reconstruction of Taxiway 'D', seconded by Zeeb. Motion carried

Zeeb moved approval to pay Helms and Associates PE #10 in the amount of \$13,609.86 for the Airport Master Plan and Airport Layout Plan, seconded by Kaiser. Kaiser asked what the total cost for the Master Plan. Muntean stated the total for everything is \$275,162.00 of which the Master Plan has been completed and what is remaining now is the Airport Layout Plan (ALP) Update which remains to be completed then it will need to be submitted to FAA and this is based on the Master Plan. Kaiser asked when the ALP that has to go to FAA will be completed. Muntean stated it will be completed and submitted this fall. Muntean added with the change in BIS ADO, when they put the ALP together they will have to have a meeting to do a review in their office. From this review Muntean will just do the changes and will just go through the process. Muntean stated Tom Schauer had moved out of BIS ADO and they are short handed whether this will slow things down or not, he does not know. Also to keep in mind with the ALP once it is submitted to FAA there will be no project that will be held up even if the ALP has not been approved. Motion to pay Helms and Associates PE #10 for the AMP and ALP is carried.

Kaiser moved approval to pay UPCI PE #6 in the amount of \$344,266.94 for materials and work completed to date on AIP Proj. #3-46-0001-27-2007 Reconstruction of Taxiway 'D', seconded by Zeeb. Kaiser asked how much of this project has been completed. Muntean stated the project is now 50% completed. Motion to pay UPCI PE #6 is carried.

Zeeb moved approval to pay HKG Architects PE#2 in the amount of \$1,437.13 for Architectural Services and Construction Administration Services for AIP Project #3-46-0001-28-2008, ARFF Building Improvements, seconded by Kaiser. Motion carried.

Zeeb moved approval to pay Zeller Brothers Construction PE #3 in the amount of \$99,053 for work completed to date for AIP Project #3-46-0001-28-2008, ARFF Building Improvements, seconded by Kaiser. Motion carried.

King stated we put an advertisement out for Snow Removal bids every year. We have not use this since King had been at the Airport. This will only be use if we have an unexpected breakdown and we will require the services.

We are asking to bid for motor grader, front end loader and some dump trucks with operators. Kaiser moved approval to advertise for winter 2008-2009 Snow Removal bids, seconded by Zeeb. Motion carried.

A copy of the Taxiway 'D' Phase 2 map was distributed to the Board. Muntean stated the northern part of the taxiway had been completed and opened up. Starting on Monday, September 8th we will be closing rwy 13/31 to allow the contractor to work on the three connecting taxiways. Because they will be working up on the runway safety areas, the runway has to be closed. The contractor had been limited to 24 working days that the runway can be closed and they have to get the work done. They are working diligently with the contractors and it will take a lot of coordination between the two contractors in this time period. This also had been coordinated with the FAA and the airport users. No one wants to see the primary runway and ILS system shutdown so if we can shorten the timeframe Muntean will certainly work with the contractors on this. Mr. Beving was also allowed an in and out if he needs to where he can taxi along the runway to get over to rwy 17/35. Also during this timeframe the underdrain manhole will also be repaired which it is starting to spall and it is a FOD hazard. The 24 working days is Monday through Saturday and Muntean is also working with UPCI in looking at some different construction techniques to possibly speed the process. The other option they are looking at is that they may not mark the center lines on this so we can open the runway up sooner and come in and mark the center line when the runway is open and just NOTAM it that there will be people working on the runway. Erickson asked if this will restrict any aircraft from coming in, lengthwise. Muntean stated that Mesaba can operate on the crosswind runway with no problem. The biggest restriction it does is if we get high wind, crosswind that would favor rwy 13/31 may restrict aircraft from coming in and if there is fog and visibility will be a problem since the ILS is down. Caven asked what the timeframe is for the project. Muntean stated October 1st is when the pavement is to be opened up, the last schedule they have was they are three weeks behind. In talking to the contractor, they think they will make some time on this. October 31st is when we are to be operational. There have been no extension granted and liquidated damages will start after this point. Muntean reminded everyone that Construction meeting is still being held on Tuesday's at 10:00am and a lot of the discussion now will focus a lot more on coordination, get things completed as quickly as possible and what can be done to speed up the process.

Kaiser moved for Osborn and King to have a report on what steps would be to open negotiations on the possibility of purchasing land to the south of 17/35 and where we will find funding. Zeeb added to also check with the City Attorney if eminent domain is a possibility. King stated that eminent domain is the last resort on previous conversation they have on different issues. On the south of 17/35 King thinks this would only be if we have the ultimate runway extension as we already owned property all the way to the County Road. It would probably be just about 5 to 6 acres on the other side. Kaiser agreed. Motion seconded by Erickson. Kaiser stated earlier this week he had discussed this with Terry Helms who is in agreement that we should start talking about this so the City Council knows if we are purchasing land we have this in the process. Muntean stated even though this will be funded with City funds it would be worthwhile to still go through the Federal procurement process. In the future if the land is used for Airport development we file with FAA and use AIP to get reimbursement. Motion to have Osborn and King to put together a report on purchasing land to the south was carried.

King stated the Board should have in their packet a statement on how much fuel tax is available for use. The information is as of May 2008.

King distributed an article on Initiative Measure #10. King stated this would have a devastating effect on the Airport if this passes. We will not be able to be a member of AAAE who represents airports and airlines industry. Also we would not be able to be a member of the Municipal League.

King reported the roadway have been chipped sealed. Generally the chips will be down for about a week depending on the weather. We still have to do the repainting and we will work with the traffic department on this.

Zeeb moved to adjourn, seconded by Kaiser. The meeting adjourned at 12:50pm.