

MINUTES

ABERDEEN AIRPORT BOARD

Regular Meeting

October 11, 2018

MEMBERS PRESENT: Lon Gellhaus, Tom Seyer, Mike Erickson, Carl Perry

MEMBERS ABSENT: Eric Brenner

OTHERS PRESENT: Rich Krokell, Lynn Lander, Brett Anderson, Kevin Braun, Larry Wirebaugh, Mike Schmit, Janna Caven, Charlie Caven, Darrell Hillestad, Rolf Johnson, Dean Knie, Rhea Ketterling

Chairman Gellhaus called the monthly scheduled meeting of the Aberdeen Airport Board to order at 11:00AM on Thursday, October 11, 2018.

Item #2 Approval of Minutes from the September 6, 2018 Meeting – Moved by Perry, seconded by Seyer. **MOTION CARRIED.**

Item #3 - Adoption of the Agenda – Moved by Erickson, seconded by Perry. **MOTION CARRIED.**

Item #4 Schedule Next Meeting – Thursday, November 8, 2018.

Old Business:

New Business:

Item #5 Bills for the Month of September – Moved by Erickson, seconded by Seyer. **MOTION CARRIED.**

Marketing Plan is being requested from vendors and will be provided to the Board when available.

Item #6 September Financial Report – Moved by Seyer, seconded by Perry. **MOTION CARRIED.**

Item #7 Recommendation to pay Helms & Associates Invoice #9 in the amount of \$ 4,479.14 on AIP Project #3-46-0001-37-2017 Airport Wildlife Hazard Assessment & Mitigation, 52% complete - Moved by Perry, seconded by Seyer. **MOTION CARRIED.**

The Certified WL Biologist is on site today, which makes this his 9th visit. After the 12th visit is when he will develop the assessment. After the 1st of the year Schmit from Helms and the WL Biologist will meet with Airport Staff for the development of the WL Assessment and the WHMP. June or July 2019 is the estimated time of completion and will then submit everything to the FAA for approval. A pilot brought his complaint on gulls in the area. Krokell stated we had addressed this by spraying for grasshoppers which was late in the year. Based on the success that we did see, the plan is to try to spray again earlier next year. We also hold a Depredation Permit for gulls, if needed. We will also discuss with the WL Biologist to seek recommendation for any additional mediation plan for the future.

Item #8 Recommendation to pay Helms & Associates Invoice #2 in the amount of \$ 21,089.65 on AIP Project #3-46-0001-39-2018 Airport Master Plan, 11% complete - Moved by Perry, seconded by Erickson. **MOTION CARRIED.**

Data gathering is being done between Helms and Mead and Hunt. Helms is doing surveying for the Master Plan and the ALP and Quantum Spatial is also doing some work. There is no requirement on how many public meetings should be held, but we are looking at starting in January 2019 once a new Airport Director is on board. Erickson stated the last Airport Master Plan he was involved with they'd planned for 2 to 3, but ended up having more as there were water drainage issues at that time which required them to have more meetings. The last Master Plan was done in 2008.

Item #9 Recommendation to accept Ulteig Engineering Inc. agreement in the amount of \$ 3,500 for an Independent Fee Evaluation (IFE) for Taxiway C Proposed Project - Moved by Erickson, seconded by Perry. **MOTION CARRIED.**

Received Helms Agreement proposal for the Rehabilitation of Taxiway C as a complete project next year. It is a requirement to solicit from another engineering firm for an IFE based on a generic Scope of Services. There will not be any removal of any taxiway on this project, but an additional connector to taxiway to Delta.

Item #10 Recommendation to approve SkyWest Airline Lease Agreement – Moved by Perry, seconded by Erickson. **MOTION CARRIED.**

Minor changes made on the agreement. Costs were updated and liability limit coverage was increased. SkyWest had reviewed and accepted all of the Airport changes submitted.

Item #11 Lease Updates

Lander City Manager Lander provided an active Lease Summary Sheet showing 8 renewals received within the last month. There are 2 to expire after November 2018, 3 in 2019 and 2 in 2020. Wager, City Attorney stated we had the leases on hold that were expired until we went through the process. In December 2017 is when the new lease was approved and went through the Ordinance process. Then, we worked with the City Engineering technicians to work on the dimension of the hangar and the hangar area approaches. In June/July of this year is when the new lease was sent to those tenants who had expired leases. They had the option to choose and sign a private lease or an executive lease. A number of these leases were signed and returned, but for those that were not returned they were sent form letter with options to get their property off, if they don't want to continue leasing. Hillestad stated they all agreed that they are going to sign their leases. Hillestad added, in the December meeting they all agreed that the City will charge half for the apron, and agreed that it would be the same footprint as what it was in the old leases. When the new lease came out, the measurement was charge for the whole area. Everybody was pretty upset about this and this affects Hillestad more than anybody as he has 130' taxiway in front of his hangar which amount to \$187 more per year. Braun added it affects him too. Hillestad stated their biggest concern is that is this going to be the trend for bigger items to come at the Airport. The Airport Board in the December agreed to a specific deal and when they got their leases it was not the way it was. By 2025, Hillestad stated he will be paying more for his approach than his hangar area. Seyer asked Hillestad if he went back to the recording of that meeting to review the motion. Hillestad did not, but remember it was a 2 hour meeting; he was very concern about it and it was not a motion. It was a general conversation and everybody agreed to it. Hillestad distributed a letter to the Board of his notes and stated that they are mainly concern about the trend; the Airport Board agreed to it and it got changed again. Johnson stated his primary concern is that if has 130' concrete and is paying for it, he would want it cleaned. Hillestad stated he has fully faith on the guys to clean the Airport; they do a good job. Wager stated in the packet Hillestad distributed includes the form letter that was sent to those who has not returned their leases. It's their choice to choose what lease they want, sign and return. In negotiating with Rod Tobin who represented the pilot group, there is a specific language in paragraph one of the lease agreement that identifies how we are doing the calculation and the description of the areas. Leases of City land has to be approved by Ordinance which is a cumbersome process and in order to change it we have to go through the same process again. The trend will be is to make sure what the tenant is expecting is what the tenant can reasonably expect; if we say we will clear snow in areas this is what the tenant can expect. Braun stated comparing his current lease to his new lease he has a 30% increase on his ground lease. He stated he was at all the meeting on this process. In the December meeting the question was asked by Wirebaugh and this question was addressed by Lander, City manager who had stated then that if you have an existing apron whatever you have now that will be that or the hangar door whichever is going to be less. Braun has a certified survey from Helms on his existing lease that shows his apron which he thought was going to be used. He is disappointed on how this turned out for some of them, but understands that the Airport needs additional revenue to operate. Seyer stated it's not about additional revenue, it's about consistency. It's been a year and we have had the discussion. Seyer asked is what was agreed on and what was passed is not the same. Hillestad, Braun and Wirebaugh; all agreed that it is not. Braun added it does not seem to follow through. Wager stated when we went through the process we understood what we are trying to do; he apologized if the tenants had a different understanding. He added on behalf of the City, he apologized for the time it took for the tenants to receive their leases. Let's build bridges and move on. Chairman Gellhaus stated at this point everyone has a City Engineering report and is in agreement to the amount that was measured as to the specific hangars. Lander added there is also associated drawings for each leases. Knie asked about the new lease as he hasn't receive one. Knie's lease is still good until 2020 that's why he hasn't seen the new lease and rates. Knie stated he would like to see the new lease as he like being fair. Johnson stated he likes the boiler plate form that people can look at, as a person like himself he would want to know what exactly what he can propose if he is building a hangar. Wager stated this is the purpose of having all the lease expire at the same time.

Item #12 Recommendation to approve Addendum to AFS (Aberdeen Flying Service) Net Ground Lease with maps of the new leased premises as Exhibit A – Moved by Seyer, seconded by Erickson. MOTION CARRIED.

Wager, City Attorney stated in addition to working with Aberdeen Flying Service because they are expanding their footprint due to building of a new hangar, he is also working on Hangar 9 and Quest to clarify their leased premises for the net ground leases. There should be more addendum coming through for both Hangar 9 and Quest Aviation. Wager is hopeful to bring these two addendum in non-controversial way.

Item #13 Manager's Report:

13a: Airline Operations – Enplanements is 2,109 ↓7.6% over Sept2017; Deplanements is 2,091 ↓3.8% over Sept2017. Total September Airline Passenger Traffic is 4,748 ↑2.6% over Sept2017. January through September: Enplanements is 20,667 ↑3.3%, Deplanements is 20,617 ↑2.6%. Total 9-month passenger traffic is 41,284 ↑2.0%. Zero cancellations and zero delay out of ABR.

13b: General Aviation (measured in volume) – reporting for the month of September: GA fuel sales ↑9.7% (40,992), Air carrier fuel sales including cargo ↑3.9% (30,285). Total Fuel Sales ↑6.3% (71,277).

13c: Construction and Projects:

- Aberdeen Flying Service
 - Hangar construction project is slightly delayed due to WX. Good WX forecast next week should provide opportunity to 'catch up'. Footings are poured and backfilled.
- Passenger Boarding Bridge (PBB)
 - In production, still working on foundation design, on track for a December install.
- Wildlife Hazard Assessment (WHA) and Wildlife Hazard Management Plan (WHMP).
 - The Airport Wildlife Biologist is currently on-site conducting the ninth of 12 observation visits.
 - The Annual WHMP meeting is scheduled for 10/12/18 @ 10am.
- Airport Master Plan
 - Surveying work continues, public outreach portion will be scheduled at a later date.
- 2019 Projects
 - Reconstruction of TWY C IFE is in progress. Helms engineering contract will be presented next month for approval.
 - Rehabilitation of GA Apron. We will need to get an IFE. This will be a 2 Phase project. Helms is working on putting the supplemental application.
- Airport Security Program (ASP) updates have been finalized and sent to TSA FSD for approval. Rhea and I had CHRC and STA completed.
- Airport Certification Manual (ACM) updates are continuing.
- Sun Country-Gambling Junkets-November-Dates 11/15/18 0800 departure, returning 11/18/18 2255

13d: Operations and Maintenance Report:

- One weather event
- Completed refresher's training on the winter equipment

14. Other Items:

Air Kraft Spraying - with the new language on the private hangar lease as to moving requirement for hangar if it is federally required, Hillestad stated he needs a lease really bad. He has some issues and need to know where he stands. In the 2008 Master Plan, there is a map that shows the taxiway going to the other taxiway. To him this is the fix as it's already in the 2008 Master Plan. There should not be a reason why they can't get a lease for the Ag hangar.

Lander, City Manager asked if this is an approved area. Schmit from Helms stated the Ag hangar right now has a direct access to 13/31. In 2008 MP alternative shown to build a taxiway to the west. Lander stated he's aware that Hillestad had inquired with the FAA ADO on this and Lander was told by the ADO that they will not fund this and has documentation; there were two scenarios were presented to the FAA. There's no issues on the plan, but it's on the funding. Schmit stated this is a topic that will be discuss in the future Master Planning and ALP that will be agreeable to all; Federal, State and Local. Wager, City Attorney stated that Air Kraft Spraying has an expired lease and is still bound by the term of that lease on a month to month basis. Hillestad requested to be part of the meeting with the FAA.

Foundation Footing For PBB – working through the design.

There being no other business brought before the Board, Erickson moved to adjourn, seconded by Perry. Meeting adjourned at 11:56 AM.

APPROVED BY:
ABERDEEN AIRPORT BOARD
Paul J. Hillestad