

**MINUTES**  
**ABERDEEN REGIONAL AIRPORT BOARD**  
**Regular Meeting**  
**May 6, 2010**

**MEMBERS PRESENT:** Mike Erickson, Chuck Bensen, Rolf Johnson, Nate Zeeb

**MEMBERS ABSENT:** Steve Kaiser

**OTHERS PRESENT:** Dave Osborn, Bob King, John Aman, Gary Dahlerup, Kevin Braun, Terry Helms, Mark Caven, Jeff Mitchell, Scott Meier, Rhea Ketterling

Chairman Erickson called the regular scheduled meeting of the Aberdeen Regional Airport Board to order at 11:31am on Thursday May 6, 2010.

Bensen moved approval of the minutes from April 8, 2010 meeting, seconded by Zeeb. Motion carried.

Zeeb moved approval of the minutes for the Special Meeting from April 15, 2010, seconded by Johnson. Motion carried.

Old Business: (ARFF Bldg –warranty) Osborn stated his understanding is that the furnace was turned into the company and is replacing it with a new furnace which has not been received as of today. Osborn talked to Marske, HKG this morning to check on the status. Marske informed Osborn that as far as he understands it is on its way. Marske also had said that unfortunately it's really hard for us to have control on the warranty item as we are not writing them a check. (Crop Spraying Agreement –Swenson) This was approved last month. We have been working on trying to provide all the things they need. The City Attorney is finishing up the contract. They have talked about possibly having work in the Redfield area as early as next week depending upon weather. Some of their big issues are water and electricity on site. They actually decided to go on the opposite side of the road from where Riggins has his spray crop area so we will have to work with a farmer on this. (Statewide Aviation Plan) This was discussed last month. We completed our packet and this was submitted at the end of the month. Osborn expects that the FBO's would be getting a call or some contact from Mead Hunt or Helms and Associates who are working on this plan. They would want to know a lot of information about items for the Airport from all three of the FBO's so they can kind of make sure that they will stress more information available to pilots, working with the State on changing some things, but also what does the Airport bring to our community. They are looking at putting something out to the FBO's in May and June and they would want this back in September, if possible. They probably would do some work with the Chamber about special occasions like Pheasant Hunting.

Bensen moved approval of the bills for the month of April, seconded by Zeeb. Johnson asked about the baggage make-up door operator. King stated we must have had a voltage spike and it just toasted everything inside. We had to buy entirely new controller for opening and closing the door. Osborn stated we actually tried doing parts first to see if we can isolate where it was. Originally the part costs \$1,400 and when we found that it was not the only error and it was cheaper to buy the whole unit. Motion approving the bills for the month of April is carried.

Bensen moved approval of the April financial report, seconded by Johnson. Osborn stated we are still working on the billing with the airline. One of the earlier bills had an error and we are working through this issue. The billing system is different than what we had worked before. This is a big part of payable that is due us. Motion approving the April financial report is carried.

Osborn distributed the Barn Stormer's Tour poster. Osborn stated they talked to the Aeronautics Board. The Aeronautics Board designated all three of the airports in South Dakota that is doing this a \$1,000 towards this program. They liked marketing the airports. They like we are trying to do something that stimulate people to be enthused about aviation and it shows their support also.

In the Progress Magazine there is an article that just came out by Kaiser and it does have by the Airport Board. It talks about helping the community by using your local airport which is on page 25 of the newest Progress Report.

Osborn stated late last night he received something for the Leakage Study from Sixel which was distributed to the Board. The report showed the top 50 airports that people utilize by the Aberdeen area. Osborn stated he had not have a lot of time to review this report, but it talks about some of the leakage. Sixel's group is working on trying to get the information out and as for the Leakage Report they should be done in a relative short time. The report covered the period from October 2008 through September 2009 of where people are going. A lot of our concerns were Sioux Falls and Fargo. In looking at the report Fargo does not look as

use as heavily as we thought. In looking at some of the pricing changes that are coming on with Sioux Falls, if we lost a lot of people to Sioux Falls this may change in the future because we are seeing those prices coming down. Osborn added that he does not know if the report will show if the people that left from ie. Minneapolis or Sioux Falls left with another airline. Councilman Mitchell stated the report shows Aberdeen people leaving from Rapid City to go wherever. He would have never put Rapid City in the mix with us. Osborn stated we don't. A lot of things happen like people go to Rapid City to be with family and leave out of this area or in Fargo and leave from this area. There are other extenuating circumstances. They are just trying to get from the mix that they got from the travel agents. This was also a surprise to Osborn as he did not expect to see a lot from Rapid City. Zeeb asked do we know how big the Aberdeen area was when they conducted the study as they could have gone to Mobridge. Osborn stated when the report comes out it will probably tell us the radius that they looked at. The other thing is that Kaiser had asked if there would be a focus group. Osborn had talked to Sixel the other day and they do not do focus group, they do just the numbers. The purpose of it is that they know the focus group can tell you marketing issues if you are going to brand something. This is not branding, we are talking about our leakage. They do not use focus group here because people can tell you all kind of excuses; it's an opinion. They want the airlines to utilize this from the number perspectives.

Johnson moved approval to pay Helms and Associates PE #9 in the amount of \$3,310.67 for Construction Administration and Engineering Services for AIP Project #3-46-0001-29-2009, Hangar Taxilane Improvements, seconded by Zeeb. Johnson asked if this is part of a project percentage of completion or is it on going. Osborn stated what we see on the Hangar Taxilane Improvements is that there had been communications between us and the contractor of additional items that need to be done and checklist which involved Helms and Associates. These are things that are still outstanding. We are getting ready to start up for this year. We want to make sure what is left to be done, what has to be done in a certain timeframe so there had been a lot of communications with the contractor. Chairman Erickson asked how much is left to be done. Osborn stated there is a bit of painting and also the area over by the pump station. There is not a lot, but there is just enough that we have to keep it in control and we had given an extension of time because of the pump. Another thing is that there had been spalling in the hangar area. We had noticed it and Muntean had been over a number of times with Biegler. They were looking at areas that we just put new cement down and they are actually starting to spall and they are trying to figure out why. This seems to be only in one lane, primarily. There is one area that has been a concern and we are working on this. Braun from Quest asked what will happen with this as it is starting to be pretty bad. One of the things that Muntean has is to get the contractor back up here and get into this and look at it and get their suggestions. Terry Helms stated warranty period starts from the initial acceptance; warranty period is twelve month. Spring always brings the contractor back out to see if there are some issues that need correction. Chairman Erickson asked how deep it is in surface. King who was with Muntean during inspection stated that it kind of more of a surface spalls where it goes down anywhere to ½" to 1 ½". This is only on the east side of Hangar Taxilane #2 everything else is fine. Johnson asked about the Quest hangar that is at the end of one of the taxilane with the taper. Osborn stated this concrete was also redone and this is where some of the spalling is. They went back and change the concrete in this area rather than having a little dip, it went more of a flatter area. King stated it was the asphalt that was heaving, the concrete stayed the same. The asphalt edges were replaced because of frost heave and Braun from Quest had gone in and routed it down. Last time King looked at it, it had settled back down. They did not go on the same depth on the asphalt patch that they did for the Hangar Taxilane that is why there was a separation movement. Osborn added but the concrete in front of the hangar was replaced with a flatter pattern last fall. Zeeb asked about the issue with another hangar. Osborn stated Muntean went over and looked at this after our last meeting and has not heard from Muntean on this. Osborn knows that Hillestad had brought it to the Board. Motion to pay Helms and Associates PE #9 for AIP Project #3-46-0001-29-2009 is carried.

Osborn stated we have worked time and again about we have no continuous bill for funding airports throughout the United States. For two and a half years we have not have a bill rewritten for Aviation. This has another 60 days continuation from the federal government. What does this mean to the Airport, a couple of things? One, we do not know where funding is going to come out. AIP was part of the extension. Normally there is \$4 billion AIP money that is out there. Right now under the extension it is only \$3 billion. We have not heard from our FAA District Office how they will distribute the money. We do not know where we are with our funding grant for this year's AIP. One of our big projects this year is the apron in front of Hangar 9, Inc. One of our biggest concerns is the fact that if they do not get going on it and estimate where the dollars are going to be; will we be able to do the concrete this year. Osborn stated this he does not know. The other thing is will we get good bids, if we are talking July or August before we get anything together. Will it be something that we will actually be physically capable of doing based on the money that we do have. Osborn wanted this Board and the people that are involved understand that there are some issues that come about from this. The morning that Osborn heard that they are talking about extending this, Osborn wrote a short note to our Congressman and Representatives to basically ask that they really need to look at finishing up this bill rather than continuing it. But, the Congress did a vote in the morning and the Senate did a vote the same afternoon and this was a done deal until July. It is worry some whether there will be something done this year. Osborn has not had the opportunity to sit down with FAA. Osborn did asked the other day and FAA had no information at that time as the information had not been disseminated to them yet. Aman from Hangar 9 asked if we have any idea what the projected cost of the ramp extension is. Osborn thinks that the estimated cost is \$750,000. If the FAA allows a 75% based on \$3 billion instead of \$4 billion it may still be possible and this is what we are trying to do. Depending upon whether they do or don't, Aman asked if it is possible by way of City Council to advance the money for the project to do it and then file for reimbursement with next year in mind and apply it towards the AIP funds similarly with the

fence and the access road. Osborn stated anything is possible. The biggest thing we have right now until the FAA make their decision which way they are going Osborn could not present this to the City other than talk about that there might be potential that we may come to ask. Aman stated he only asked this because at some point they have to be able to "pull the trigger" and say they have to do this one way or the other because this is going to impact the business and or the livelihood of the other end of the ramp as well. Osborn stated it's one of those things that we need to find out where AIP is really going to sit. One of the biggest worries is the fact in order to get the project together, to bid and to do this we may be talking late July if not August and then open up ground and have problems. Aman stated that is why he asked at some point when do we pull the trigger and say listen we have to do this whether we have 50% or 75%. We have to do this by way of the City paying for it in advance and then file for reimbursement. Osborn stated we will continue to have communications. Osborn added Helms and Associates will obviously be the first to be contacted by FAA as far as the numbers since they have more projects on the line. Osborn asked Helms if his office have heard. Helms stated they have not. Aman stated so just we do not get behind and not be able to get the project in. Aman, Muntean and Osborn had talked about what we do not want to happen also is get the whole thing opened up and have exposed aggregate through the winter months cause then we will have a bigger mess come next spring. Osborn stated a lot of it depends upon them just knowing the FAA extension just took place recently. They will get their orders from their Headquarters. Helms stated he thinks this is the 13<sup>th</sup> extension on this bill. Osborn agreed.

Osborn stated from the Special Meeting there was an item that was carried over to this meeting and this was on Hangar 9's second request on Right of First Refusal on land that is not currently occupied. In the packet there is a note from Altman, City Attorney about First Refusal. Osborn stated they did talk to Aman and his attorney at a meeting that they had. The note stated that because of FAA regulation as our City Attorney reviewed them that it would appear that if we give them First Right of Refusal on land that it would be exclusive type project which we cannot afford to have as it affects our grants. The recommendation from the City Attorney is not to give Hangar 9, Inc the First Right of Refusal on land. A motion made by Bensen to deny the request for the First Right of Refusal. Moved by Johnson, seconded by Zeeb. Motion carried.

Osborn distributed to the three FBO's a copy of the Advance Notice of Proposed Rule Making from the EPA which talked about Lead Emissions from Piston Engine Aircrafts. Osborn wanted to make sure the FBO's received a copy as they would want to give input on this. Basically EPA is looking at changing some of their rules and it will affect our FBO's. Braun from Quest and Osborn had a number of conversation about this in the fact that there is only one or two producers that make lead gas and the expense is going to be out there and they are talking about alternate fuels. The EPA is getting involved in this Proposed Rule Making and certainly the FBO's would want to give their input as to usage and other things. Johnson asked if they make exclusions on vintage aircrafts. Osborn thinks with alternate fuels as they had talked about this there are a number of companies that is trying to find alternate fuel to use in this kind of aircrafts. There are some studies being made. Osborn had read an article of planes that have been flown on a commercial basis that used an alternate fuel. They have done this with passengers on board where they have standard fuel on one side and combination on the other side to see if there were any interruptions. There are a lot of things going on with alternate fuels. Braun probably knows more about this than Osborn. Johnson thinks that they would just take a standard fuel and add an additive to get the lead back. Aman stated it is not that easy. Osborn stated it appears that there are a lot more alternate fuel being developed to try to makes sure these engines can work without the lead. Osborn thinks the rule making comes about because there was a complaint about four years ago based on what actually happen to the environment. There was a group of people who are Environmentalist that made this complaint that is why the EPA is working on this. Johnson stated there are a few engines left that are thirty, forty and fifty years old.

Osborn stated we are in the process of starting the budget for the City. Osborn has a special meeting on the 20<sup>th</sup> of this month with the City Manager. This will be the City Manager's first budget which he will be totally involved in. Osborn is hoping by our next meeting that he will have a tentative budget to present to the Board which will go to the June Council meeting. Johnson asked what our fiscal period is. Osborn stated its calendar, but our requirement is to have it in June and then they have meetings afterwards. Osborn believes it is in the month of August when it goes through the Council, published twice and has to be approved by mid September early October. Chairman Erickson asked how much of this year's budget did we expend for snow removal. Osborn stated our expense for snow removal is actually hard because most of the snow events were on weekends so we have a lot of overtime. We probably expended 75% of our budget for this early part of the year. What we did is we were able to rearrange hours with staff. They worked very well with us, so not all of 75% of our dollars were spent on overtime. Funding wise we spent most of it.

Osborn stated he will leave it to King to address some of the issues on painting. We have been doing some painting now, but we do have an issue when we get to the 13 and 17 end. King stated one of the reason we are moving the runways because they intersect. Once we get working in this area for painting the numbers and threshold delineation, we will actually be in the safety area for both runways. There is a good possibility that for about half a day which is the estimated time for painting that we will literally close the Airport as both runways will have to be closed. When we do this there is what it's called a 15 minute PPR (Prior Permission Request) where we issue a NOTAM accepting a PPR and give our CTAF frequency and a cell phone number to call. Rapid City Airport do this during their snow removal. What this does is we can give the pilots permission to land as soon as we get all our equipment off the end of the runways. This way we can still keep the Airport open and functioning, but gives us time to

get our equipment off the runway, so we don't have an incursion or accident while we are trying to paint this one area. This is what we will be doing. Also in the future, with the last time we met with our FAA rep this will be what will happen when we have our Snow Removal instead of having to close the Airport. Osborn added this will also give more up to date information to pilots. Johnson asked how far out are we thinking about this. King stated it will probably be the week of the 17<sup>th</sup>. Every four years we have to repaint and this is the year to repaint 13/31. Dahlerup, local pilot asked why not just paint the threshold. King stated we have to repaint everything. Osborn stated in the early morning it is not going to work because with Fed Ex and other chartered bringing supplies in and it is still chilly, it maybe later part of the morning. We are trying to find a time that will work with all the FBO's, to say where is a 4 hour window and when it will work with the commercial. Times we are looking at is in the morning probably from 9:30a – 12:30p or in the afternoon from 1:00pm – 5:00pm. Dahlerup stated it would be a big help if there is an advance notice. Osborn stated we are only allowed 72 hours; this is the most we can go. Dahlerup stated this with help with everything. We are looking at the week of the 17<sup>th</sup> through the 21<sup>st</sup> to have one day of closing both runways in about 4 hour timeframe.

Osborn stated he did invite the County officials for the 1:00pm Public Officials Drainage Meeting today. Osborn found out that Duane Sutton is talking about an opt out for Brown County tax levy this afternoon. This may affect some of the County people being at the meeting.

Aman stated just to let the Board, Osborn and King know that their building is due to be delivered this coming Thursday the 13<sup>th</sup> at 8:00am. Depending upon weather, Aman will work with Osborn and King as to the most advantageous route to get this in and not tear stuff up. Chairman Erickson asked will it be all in one truck. Aman stated there will be two trucks. Chairman Erickson asked where Aman is going to set all this up. Osborn stated when they had their meeting they talked possibly about utilizing just the haul road to set the building on, so they can still do the land leveling and the road. We still have some discussions on this, but this is probably the best way as it keeps it out of an area and it keeps it inside and contained. Osborn added he believes as far as staking goes that the cable TV and some others are suppose to be done by Friday. Aman stated his discussions with Cory Vosika, it sounds like he suppose to have the fabric here tomorrow and looking at staking post on Monday and this will probably depends on weather too.

Johnson moved to adjourn, seconded by Bensen. The meeting adjourned at 12:15pm.