

MINUTES
ABERDEEN REGIONAL AIRPORT BOARD
Regular Meeting
April 5, 2012

MEMBERS PRESENT: Mike Erickson, Rolf Johnson, Steve Kaiser, Dr. Kennon Broadhurst, Lon Gellhaus

MEMBERS ABSENT:

OTHERS PRESENT: Mike Wilson, Bob King, Kevin Braun, Jeff Catron, Gary Dahlerup, Sam Muntean, Jeff Bahr, Comm. Mike Wiese, Rhea Ketterling

Chairman Erickson called the regular scheduled meeting of the Aberdeen Regional Airport Board to order at 11:30 am on Thursday, April 5, 2012.

Item #2 – Broadhurst moved approval of the minutes from the March 8, 2012 meeting, seconded by Johnson. **MOTION CARRIED.**

Item #3 – Broadhurst moved the adoption of the agenda, seconded by Johnson. **MOTION CARRIED.**

Item #4 – Next meeting is scheduled for Thursday, May 3rd, 2012.

Old Business: None

New Business:

Item #5 Bills - Johnson moved approval of the bills for the month of March, seconded by Kaiser. Broadhurst asked about the House of Glass bill for wizards. Wilson stated these are sensors for our front doors and they seemed to go out quite a bit. What about the Fay's Refrigeration work on the SRE building? Wilson stated he believes we had a pump that went out. Broadhurst asked is this covered under warranty. King stated it is the compressor. Of the two parts that they had to replace, one was under warranty and the others are not. Johnson asked how many compressors are in this system. King stated there are two heating systems to keep up. Johnson asked is this part of the ongoing thing we had early this winter. King stated yes. **MOTION CARRIED approving the bills.** Johnson asked how much have we saved on utilities if we look at the last 6 months. It was stated that we can do a comparison report.

Item #6 – Financial Report – Kaiser moved approval of the financial report for March, seconded by Broadhurst. Kaiser stated he sees that Delta has a balance. Is it Delta that pays us or SkyWest? Wilson stated this is the same as last month. It is Delta. They have their bill as they pay 45 days late and SkyWest has theirs. Hopefully, we will not have Delta bills after next month. Broadhurst stated SkyWest began its lease in March. How come they do not have a balance? SkyWest prepaid two months of its exclusive use space which are set fees (March and April). Once we bill for landing fees and the rental for the joint use space for the month of March, they will have a balance. Broadhurst asked why are we asking SkyWest to pay \$150 more than Delta per month for the exclusive use space. It was reported because when Delta had the contract, the Station Manager wanted the Storage Building (\$150/month) billed under the joint use space. When SkyWest got the new contract, we put this under exclusive use. Wilson stated overall they are paying the same; the joint use is \$150 less. Broadhurst stated it looks like we are about \$7,000 short of what we need to pay our bills. **MOTION CARRIED approving the financial report.**

Item #7 – Request approval to pay SD Federal Property Agency in the amount of \$9,550 for one 2002 Dodge Ram 3500 - Broadhurst stated this is an item that should be discussed before a motion is made. Roberts Rule of Order allows this. Wilson stated we got a 2002 Dodge Ram from Surplus to replace our 1992 Ford paint truck. The Dodge has a flatbed so we can grab the 500 gallon totes of paint and load them right on the back of the truck, rather than taking the big barrels and reducing them into smaller barrels and then loading them into the truck. The Dodge also has an automatic transmission, where the Ford had a manual transmission which Wilson blames on a lot of our lines not perfectly straight on the airport. We had budgeted \$25,000 for the replacement of a truck and we are only spending \$9,550. Broadhurst stated but look at what we are getting, a piece of junk. Wilson stated it has 61,000 miles on it. Our mechanic along with another staff member picked this out and they thought this was a great vehicle. Broadhurst stated that we already picked up the vehicle, why are we discussing this if we already have it. Comm. Wiese stated because we are paying for it. Broadhurst stated he does not quite understand what is the limit that it

comes to the Board before it goes out for purchase? Wilson stated up to \$15,000, we need City Manager's approval. Broadhurst stated so the City Manager has approved this. Wilson stated yes. Broadhurst asked what does the Board have to do with it. Wilson stated he is asking the Board to approve payment. Broadhurst stated he does not understand what the Board function in this regard. Broadhurst added that they also did not get the reverse side of the bill. The way he understands it is that it's a year warranty. Johnson stated 30 day warranty. Broadhurst stated, but we have to bring it to Huron to get it serviced. A copy of the back of the bill was given to the Board. Kaiser stated really we do not need the Board at all. The City Council and the City Manager has all the powers. Kaiser added that they are an oversight Board to look at things. **Broadhurst moved to acknowledge receipt of bill for 2002 Dodge Ram for \$9,550 and moved for payment, seconded by Johnson. MOTION CARRIED.** Broadhurst stated we should set aside a fund that we can just go shopping with, so the Board will not be bothered with individual purchases. Wilson stated that everything on the bill list we are in possession of and does not see how this is any different. Wilson stated we purchase the truck late in the month, the bill came in and rather than Surplus waiting more than 30 days to get paid; we decided to get it paid now. Broadhurst stated if we already have it, yes we have to pay for it. For him to put that much money on an old truck when we have money to do other things, he does not see why we can't just get a new truck. Wilson stated for a vehicle that we use once a year for 3 to 5 days, he will not spend \$25,000 for this. Broadhurst asked what is so special about this vehicle. Wilson stated it's a paint truck. We have a laser camera that we put on the side and we mount other equipment on it and paint barrels on the back. We use this truck to paint all the stripes on the airfield once a year. Wilson is not going to buy a 2010 or 2011 vehicle for a paint truck. Broadhurst asked would it be best to contract this out. Wilson stated we would spend more. Muntean stated we have it scheduled that we do a quarter of the airport each year. To hire this out it would probably be approximately \$25,000 per year.

Item #8 – Request to Surplus items for City Auction – Johnson asked if the money comes back into the Airport budget. Wilson stated no, it goes to General Fund. Broadhurst moved approval, seconded by Johnson. Johnson asked if some of the items are from the old vending area. Wilson stated they are not on this list. The Surplus sale is scheduled for May 4th this year at 5:30pm. Wilson did not want to have the equipment ripped out and have big opening until the project happens. Where is the Surplus sale held? At the City Street Shop. Wilson added that the list will be distributed to the other departments to have their choosing. Wilson thinks that the 1992 truck will be picked up by another department and the items remaining will go to the auction. Johnson asked about the baby changing table. King stated this was from the old terminal. When this building was built, we got new. **MOTION CARRIED approving the surplus list.**

Item #9 – Request approval of Lease Renewal:

9a: Quest Aviation, Lease #31, Hangar #11 – Broadhurst moved approval, seconded by Kaiser. Wilson stated there is a change. It should be Quest Aviation, Inc and the address is 4440 not 4475. Broadhurst asked where is the hangar attachment? It was reported that the attachment is with the original document. Wilson stated we should include this in the packet next time. Gellhaus asked how is the square foot cost projected. Wilson stated it is the footprint of the building and footprint of the apron out to the taxiway. Johnson added we also discussed this annually, if we are going to increase or decrease the rate. Wilson stated the lease is approved by the Board and the City Council and as discussed before the signatory page was changed and it is signed administratively. Broadhurst stated for Gellhaus as new Board member, we might want to give him a copy of the Rules and Regulations and the drawing. Gellhaus stated he was going to ask for this eventually. Wilson stated we will get something together. **MOTION CARRIED approving the lease renewal to Quest Aviation, Inc.**

9b: William Berg, Lease #70, Hangar #30 – Broadhurst moved approval, seconded by Johnson. Wilson stated there are no changes. It is just a 5 year extension. Broadhurst stated his same questions remain on this one. A copy of the hangar drawing was distributed. **MOTION CARRIED approving the lease renewal to William Berg.**

Item #10 – Request approval of Lease Addendum to Lease #14, Stan Beckler – Broadhurst moved approval, seconded by Kaiser. Wilson stated the addendum is removing 10.3 acres from Stan Beckler's lease for the hayland. This is the area where the new Ag Sprayer Taxiway is at. Wilson went out and measured this and we are deducting land that Beckler can no longer farm from his lease. Broadhurst asked how long is this lease as it talks about 2005. Wilson stated these leases were originally 5 year leases with two 5 year extensions. Johnson stated there was an opportunity for rate adjustment. Wilson stated we increase or decrease it annually depending on the amount from the SD State University on hayland prices in the Northeast region. We use the low productivity price. Broadhurst asked if this is the same person that had a negative balance for so long. It was reported that it was not Beckler. It was someone else who made an overpayment. **MOTION CARRIED approving the Lease addendum for Lease #14.**

Item #11 Airport Manager's Report

11a: SD Airport Conference – At the Airport Conference the biggest item that everyone was looking forward to was what the State share was going to be on the match for grant. Now with the FAA reauthorization the feds went down to 90% funding and we were going to be left with possibly 7% or 8%. The State did increase their funding from 3% to 8%, so it is not going to impact our budget this year. Next year, the State will go down to 5% and they will continue with this rate until they cannot afford it anymore. They probably could have had it at a higher amount and kept it at a higher amount had the Aeronautic funds not had \$3.5m taken from them a couple of years ago. Currently we are paying 2% and we will be going to 5% next year.

FAA reauthorization was a big topic that was touched on by the feds. Nothing really new out of it, but the 90% funding is everyone's biggest concern.

They also had a presentation on surveys. One of them is approach surveys which will be taking place here this summer. The person presenting it is the one that will be doing our approach survey.

GCO (Ground Communication Outlets) and Super AWOS were touched on by the State. Pilots who fly into smaller airports cannot talk to MSP Center so the State is adding GCO's at Platte, Winner, Vermillion, Yankton, Hot Springs, Britton, Brookings, Chamberlain, Gregory, Madison, Miller, Mobridge, Sturgis, Spearfish and Tea. This way the pilots can contact MSP Center from the ground and not have to wait until they are at 5,000' or make a cell phone call to get clearance. Also, there are 29 Super AWOS in the State so far. Super AWOS is a weather observation system that is more automated than what the FAA puts out. It has redundancies put into the system that checks its accuracy using NOAA. They use the National Weather Service to check how active the system is rather than having to send a technician out to do actual work on the system. Kaiser asked is this a Federal service that is provided. Wilson stated this is not a Federal service. A private individual who owns Potomac Airfield makes them. Muntean stated they were for a very, very short time deemed eligible FAA funding, then the FAA realized that the technology was beyond their specifications and their standards so they cancelled it, but the State has been funding them and putting them in airports because they work. Kaiser asked just in our State. Muntean stated no. Many States around the nation are putting them in. Private airfields and states are buying them themselves, but FAA is not funding them. The weather on them is available through either the UNICOM radio at that airport or it is available on the internet. There is a website that one can go to for all these airport because they uses satellite uplink or internet link, but this is not tied into the FAA weather's system so therefore it is not available with flight service. Wilson added they do have problem which was brought up at the meeting. Like if one would be trying to fly into one of the airport that has it. If they keyed in and click their mike four times and they are within range of too many of these systems they can get three of them overlapping and talking to each other at the same time. One guy was saying that he gets this quite a bit out in west river just because he is directly between the three AWOS'. There is supposed to have a feature in them that checks the signal strength coming in, so it gives the closest one to you, but apparently this is not working 100% of the time. The individual that makes this system comes to conferences and talks quite about them. Kaiser stated this is probably not worth it for us, but does he provide this at no charge. Wilson stated no. It is a good system for airports that cannot get a weather system at their airport. The State has been paying for it at 100% cost and then the community will be responsible for maintenance on it. Wilson thinks that there is also a \$2,000 a year agreement and requires a phone line. Muntean thought the agreement is \$600 that includes the information that is on the website and for them to constantly monitor it through satellite which is to monitor the calibration of the system and also the cost for providing the internet link to it. The difference is the system cost somewhere around \$80,000 range. A full blown AWOS like we had here on the field cost about \$150,000 to \$170,000 installed and it has to be serviced by a technician. There are none in South Dakota. The nearest is in Colorado. It has to be calibrated at least once a year, if not twice which will probably cost about \$4,000 to \$5,000 plus it has to be tied into the FAA system so the information is actually available. The ongoing cost of an AWOS system is quite expensive. The system for the smaller airports are quite a bit more efficient. Johnson asked is there a SD airport that would be getting a Super AWOS. Wilson stated there are 29 airports that currently have them. Muntean added Britton is the closest one and they had one for years.

Another presentation was the new Pierre Terminal Building. They had pictures of the inside of the building and the schematic showing what the terminal is going to look like. Wilson told the Board if they have a chance to be in Pierre they should get a tour from the Airport Manager. Johnson asked how far along are they. Wilson stated the structure is up and they are actually working on painting the inside. Muntean stated they are about 75% done on the building. Chairman Erickson asked if this is bigger than our terminal. Muntean stated our footprint is actually bigger, but Pierre is a two story building. Wilson stated they will have administration and TSA upstairs. They

actually looked at our building on what not to do on a couple of things like our garages. With our garages, we have to do a 180 degree loop, they did there's as a 90 degree. This is one of the changes they took from touring our building. One of the big changes in the Pierre building is that they are not going to have a loading bridge, as they are serviced by a Beech 1900 which cannot be loaded with a jet bridge.

11b: Terminal Remodel – We met with TSA, Helms and Associates, our architect, and the mechanical and electrical engineers. TSA said that they need 16'w x 60'l and our building does not have an area this big. We told them that we will do some revisions to our plan. Actually, TSA had said that they have someone that can develop and figure out where they can get all their equipment. We thought that they were working on this and come to find out they had passed this on to us without telling us that it was our responsibility to come up with the new design. By the time they did this, the architect was on vacation for two weeks. We are now three weeks back on this project. Kaiser asked what equipment. Wilson stated their screening equipment. They are giving us their requirement for a new building and Wilson had said to them that we are making this better for them. They might not have what they would want ideally in a new building, but they will have a better situation than they do right. Kaiser stated so they are questioning our desire to change the system that we have. Wilson stated they are saying since we are changing things we need to accommodate what their equipment needs are for a new construction. Comm. Wiese stated they are providing us with specs for a new construction which this is not. Wilson added they also said that they have a cabinet with all their IT equipment in it. This needs to be in a room that is 10' x 10' segregated so only they have access to it. We do not have anywhere in the building for a room like this. They are trying to go above and beyond what we actually can provide.

11c: GA Road Improvements – Braun from Quest had asked about this last month. We had received our funding agreement from the State recently and this had been signed by the Mayor. The funding is for \$50,000 which can be increased or decreased throughout the process. For bidding the project, the City Engineering Department gave Wilson a firm date of April 27th for when they will get the Plan and Specifications done. They had been working on it, but there are other City projects that came up like the Kline Street project. They have said that the Asst. City Engineer had been reviewing plans and hopefully 1st week in May we can get it out for bid. Braun asked what exactly are we looking at doing on this road. Wilson stated it will go up to the concrete at AFS (Aberdeen Flying Service) building. It would be the asphalt portion over to the SREB (Snow Removal Equipment Bldg). Braun asked what about the concrete part where the drains are all busted. Why would we only do half? Is this all the money that is available, instead of doing the whole road? Braun stated we have a problem with the cement side as well. Wilson agreed. Braun stated basically we are starting from the highway to the concrete. Wilson stated we will start on the south side of the SREB up to AFS. Braun asked will this fix the problem over all or just a piece. Wilson stated it's a piece. It would cost quite a bit to go to the entire length of the road and get into the concrete work. We are doing what we can. A couple of those drains, we probably could go out and fix. Braun stated it's kind of like what Dr. Broadhurst brought up; you put money at a road that is probably 40 years old and put a piece in it. It would be nice to do it so it's all done, but if funds are not available. Wilson stated there is no share on this project. We are using our Fuel Tax funds for this. Wilson added that a lot of the concrete are in good shape. There are two spots that are bad. Wilson stated he would like to fix at least the one that is really bad. Where it goes from concrete to asphalt this will be a smooth transition. Then it will be narrowed down, so that it's an actual drive path. They are going to put moldable curbs. Where the old terminal was will be all green space all the way out to the island where the mailbox is. The road will actually be pushed over onto where the old parking lot was with valley gutter on each side. Kaiser asked if we are taking out concrete, if we are making green space. Wilson stated we are taking out asphalt where the old terminal building was. Braun asked if the angle on the road will remain or will this be straight as this is confusing to the general public. Wilson stated it will be clear. There will be a curve around the green area, so they are going to know where the road is. A drawing of the proposed road was distributed. Braun stated the completion date would not be that long then. Wilson stated the timeline will be decided by the Engineering Department.

11d: Air Show Meeting - We had an Air Show meeting and had some good ideas for it. We talked about having it the 3rd weekend in August 2013. There is confusion now though, if there is actually a car show downtown as it was in the Chamber's calendar for this year as Sizzling Summer Nights Car and Bike Show. We had heard during the meeting that there was no longer one. Wilson is doing some research, if there is actually a car show or not. Wilson contacted the car club and they had said that they would love to come out here and do a joint a car show and air show. Chairman Erickson asked if Wilson had find out how much money we have in the air show account. Wilson stated we have somewhere around \$7,000. During the meeting we talked about doing fund raising for a year. We also talked about what type of events we would have. People were saying the best turn out we had was the Barn Stormers, but this was a one time thing that they were doing around the country. Hopefully, we can find some local

talents like people from South and North Dakota. Wilson knows some people from Brookings that have some nice planes and there are some here. Another thing is that in the past, there has not been as much for static displays. Wilson stated it would be nice to get a lot of static displays of unique aircraft. The next air show meeting will be in May. Chairman Erickson apologized for not being in the meeting as he had conflict with another meeting in Brookings. Dahlerup stated military planes are a big draw for statics. Wilson stated he talked to one of his friends who is in the flight program right now. He is getting Wilson information on scheduler contacts. He said that there is a list to qualify for it and different requirements that have to be met. A lot of times they do not do this on non-military bases. Wilson is looking into this.

11e: EA Response – Helms and Associates had put together a list of responses for the EA and sent them off to the FAA. We just got word this week that they're mostly satisfied with our responses. We just have to add one statement telling what the law is for us not being able to increase flow on other people's property and then we will have responses for the EA completed. Muntean stated most of our responses to the comments were directed to a section on the EA. We have not received any comment from the EPA so they would have to be called.

Item # 12 - OTHER:

Comm. Wiese asked how is the Hangar 9 access working out. Wilson thinks it is working well. Now that the construction is done, we do not see many people driving the wrong way on the one way road. As far as snow removal, we had taken care of it this year.

Johnson asked as far as State rates for hotel, does the City or County have to adhere to anything on this. Wilson stated not that he knows of. Typically on our conferences there is usually an FAA rate or State rate. Johnson stated he did not know if this is something audited or some sort of City or State policy that we have to adhere to. Kaiser stated he does not think this includes City. The State rates are for State employees. Chairman Erickson stated City and County employees are reimbursed on State rate though. Wilson stated he always tries to get the cheapest rate he can get.

Kaiser stated we are overjoyed with the new rate to Minneapolis and back. Kaiser asked if anyone had heard anything if this is going to be extended out beyond the first month or two. Wilson stated this is their rate. They will change depending on fuel rates, if they have to increase or decrease. The reason SkyWest is doing this is that they can set their rate to Minneapolis and they want to fill their aircraft where Delta sets the rate everywhere else in the country. Wilson suggested using www.kayak.com to search for flights, if you have flexible travel dates. Kaiser stated this is really a good news and we should get somebody to publicize it. Comm. Wiese asked if they are changing the schedule. Are we sticking to two flights a day? Wilson stated they are sticking to two flights right now. Comm. Wiese asked if the morning outbound is going a little later. It was reported that it is going to 7:00am or 7:05am. Wilson added he believes during hunting season they were looking at October 18th through November 16th, three flights a day. Comm. Wiese stated with the economy settling down, we could have a better season. Wilson stated he still has concerns on Thursday and Friday prior to hunting because last year we had 226 people come in on Friday and this year we only have 150 seats available. Last year Delta brought in the 900's which are 76 seats per aircraft. Comm. Wiese stated Wilson might want to tell SkyWest that they are missing an opportunity as people will come early. Wilson stated he will talk to them. Johnson stated that the season the State publicizes is not the season for a lot of the Game Preserves. These guys are hunting all the time. Comm. Wiese stated that we will wind up with a push of tourists to take advantage of combination of both. Wilson stated he called Delta to get the departures and arrivals from October and November of last year. They had given Wilson a breakdown of how many people were on each day. There were two days before the first weekend that they had 100 people on the flights. It wasn't a lot that they were booked to capacity.

Last month Part 121 was discussed. Wilson stated in our FBO leases, they are allowed to do unscheduled service, but not scheduled. If someone were to get a 121, it would have to be a change on the lease.

Kaiser moved to adjourn, seconded by Johnson. The meeting adjourned at 12:36 pm.