

MINUTES
ABERDEEN REGIONAL AIRPORT BOARD
Regular Meeting
October 3, 2013

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

MEMBERS ABSENT: Lon Gellhaus

OTHERS PRESENT: Mike Wilson, Rich Krokkel, Michael Schmit, Gary Christiansen, Kevin Braun,
Gary Dahlerup, Elisa Sand, Rhea Ketterling

Chairman Erickson called the regular scheduled meeting of the Aberdeen Regional Airport Board to order at 11:34 am on Thursday, October 3, 2013.

Item #2 - Approval of minutes from September 5, 2013 meeting – Amended minutes were distributed. Johnson moved approval of the amended minutes, seconded by Broadhurst. **MOTION CARRIED.**

Item #3 Adoption of the agenda – Moved by Broadhurst, seconded by Kaiser. **MOTION CARRIED.**

Item #4 – Next meeting scheduled for Thursday, November 7th at 11:30am.

Old Business:

New Business:

Item #5 Bills – Amended bill list was distributed. NorthWestern Energy is not included in the bill list as they are in the process of changing their computer program and we have not received billing. Broadhurst asked where the ice maker is and why are we paying for the filters. Wilson stated it's located in the baggage make-up area for airline use. We'll send a bill to the airline. Broadhurst moved approval of the bills for the month of September, seconded by Johnson. **MOTION CARRIED.**

Item #6 Financial Report – Johnson moved to accept the financial report, seconded by Broadhurst. Johnson asked if all hangar rents are due at the same time. Wilson stated it's based on leases. **MOTION CARRIED.**

Item 7: Recommendation to pay Helms and Associates:

7a: Invoice #9(Final) in the amount of \$10,809.77 for Construction Administration and Engineering Services on AIP Proj. #3-46-0001-32-2012, Terminal Renovations – Johnson moved approval to pay, seconded by Kaiser. **MOTION CARRIED.**

7b: Invoice #5 in the amount of \$21,808.25 for Engineering Services on AIP Proj. #3-46-0001-32, Airport Approach Survey 70% complete – Johnson moved approval to pay, seconded by Kaiser. Schmit from Helms stated they gave Aerometric more information to develop the design data. The survey and the aerial photography have both been completed. Some of the design data will be for anticipated locations for NAVAIDS. As of now, we are on track getting the information in and getting it into the process of the AGIS website. Kaiser asked if the weather equipment will also be moved. Wilson stated they are making us move it because typically it is collocated with the glidescope. Johnson stated it would be interesting to find out how long we would have NOTAM's for equipment down. This would be an interesting transition. Wilson agreed and added that Brookings Airport is running into this now. Their weather is down. They are down to 3400' usable on the main runway, their crosswind is closed, and they have displaced threshold. The main complaint with them is the weather. Apparently, there are a lot of people who use the NOAA site to get current conditions and they were not aware of this. For us, we have a few employees that are Certified Weather observers now. Dahlerup, a local pilot asked how they get this. Wilson stated we would have to call it in. Johnson asked if it is required if the ceiling is below a certain limit to take an hourly report. Wilson stated we can do hourly for METARs. If there are changes in condition, we then do a SPECI. We will not have someone here 24 hours. If someone calls and ask for a report, we will do one. Dahlerup stated we put one out for the airline. Wilson stated yes. If the weather is bad enough we would update throughout the day; probably do 2 or 3 a day. Dahlerup asked would there be approach lights added to 13. Right now there are only the REILs within the approach. Schmit stated no. The approach lights will still be on 31. Johnson asked if an approach

light can be on a runway without an ILS approach. Wilson stated this can decrease minimums. They can do just the MALS. Dahlerup stated there is a GPS approach on 13 now. The reason you can't get down lower is because you don't have an approach light. The glidescope is there and the RNAV. They are starting to put approach lights on some airports. Wilson thinks approach lights are being put on airports that don't have an ILS. Dahlerup thought some are. Wilson added the FAA prefers to get rid of the entire ILS system and just go to approach lights. Dahlerup added they are not quite there yet. Wilson stated he does not see us getting it on two runways unless we pay for it. We did get a larger RPZ on our plan which we can accommodate things in the future. **MOTION CARRIED paying invoice #5.**

Item #8: Recommendation to renew leases:

8a: Lease #6, Hangar 3&4, Kevin Braun – Broadhurst moved approval, seconded by Kaiser. The drawing of the hangar is on file. Johnson asked if the work on the taxiway affected the hangar number. The hangar numbers all stayed the same. Erickson asked if everything is alright with Braun. Braun stated he has not seen the new lease and assumes everything stayed the same. Wilson stated everything is the same except for the rate of \$0.114 instead of \$0.11. **MOTION CARRIED approving lease renewal.**

8b: Lease #3, Hangar 5, William Berg – Broadhurst moved approval, seconded by Johnson. **MOTION CARRIED.**

Item #9 Airport Manager's Report

9a: EAS Proposal – Wilson stated the Notice Requesting Proposals for EAS is out. The deadline is October 24th for carriers. We will have to review the proposal after the DOT gets them out to us. Then we'll have Airport Board and City Council recommendation. Anyone in the public is welcome to comment also. This is posted in the Federal Register. All the comments are public and listed. Johnson stated it is interesting they are bidding Aberdeen and Bemidji together. Wilson thinks they have to bid both and its two separate dockets; separate subsidy for each. Johnson noted Bemidji's amount is 10% more. Wilson stated we have more passengers so we do not need as much. If the Board wants the entire proposal Wilson can send it. It shows breakdown on passenger numbers from 2010 through most current. We were just over 25,000 according to their information. Wilson doubts that they will make their selection by the end of this year with government shutdown right now. Erickson asked if they can continue on their current contract. Wilson stated even if they do not have a selection by March when our current one is up, they would continue business as usual. We cannot have a break in service. They will issue a hold on it if it gets too late. Johnson stated the good thing is that our numbers had been up since last renewal. Wilson agreed. They are starting to move up and now we actually have data showing this and it is staying up.

9b: NASAO Conference – Krokell, Wilson and another airport manager were the only airport people at the conference. Wilson stated this was a really good conference. It was geared towards Airport Managers, but not sure why other managers in the area did not show. **Sixel Consulting Group** was there and Mark Sixel did a presentation on Air Service and the newest update for Regional Jets. Wilson emailed Sixel this morning and Sixel emailed Wilson the entire presentation. The thought two years ago, even last year was the RJ's are extremely unprofitable. They were not going to be around too much longer. Then the airlines realized if they charge \$31 more per seat, they can be profitable again. With the ancillary fees that they are charging they are really close. It showed Delta's baggage fees and other ancillary charges to average at \$20 per passenger. Spirit Airlines is the highest at \$51. Sixel's presentation showed that Regional Jets are going to be around until its useful life is over. Probably around 2030-2031. A lot of the airlines are continuing with them, Delta being the exception. Delta wants to have at least a business and or first class. They will continue what they have been doing which is dropping the aircraft that do not have these. Some of the larger CRJs do, but we will not see this here. SkyWest will continue operating CRJ's possibly under their own branding. Wilson does not know if we will see this on this EAS proposal. Wilson thinks they will continue operating as Delta, but in the future we might see SkyWest operating as SkyWest. Another study that Sixel presented was that large turboprops are making a comeback. Right now there are 165 of these aircraft in the country. The projection is 505 of these aircraft in the future. These are the 60 plus seat turboprops. The efficiency is good and they are making them quieter. They will probably get people back on turboprops. A lot of us also have the 50 passengers CRJ service and eventually they will phase this out in 17 years. There are also a lot of the buildings that are made for 50 passengers and then all of a sudden we may not have this size aircraft as an option. They will have 60, 70, 80, 90 passenger turboprops. This is one of the considerations on the things to consider for airports page in the presentation. Johnson stated if they never get to the altitude, this probably makes sense. Wilson

stated they said less than 300 miles, the turboprops are the optimal aircraft. Between 300 and 600 miles the CRJ's are the best choice. We are at 256. **NBAA** did a presentation on GA. What the impacts are and how valuable it is to all and the airlines. How much better it is to meet with different groups in one day rather than making it two weeks of their time. **Alliance for Aviation across America** also did a presentation. Wilson recommends going to their website and sign- up for a free membership. This is to show support for general aviation. Their entire cause is promoting GA and trying to let people know how much GA actually does for communities. The State Aviation Plan did an update on economic benefit last year. This group took the commercial service information out and just made it towards GA and showed an impact to SD of \$303M per year. Their website has a page of information on each State showing what their benefits are and what is going on with GA on each State. SD's total economic impact is \$800M. Wilson stated he signed off on a letter for SDAMA (South Dakota Airport Manager's Association) in 2011 to go to the Governor. Our Governor signed a proclamation declaring June as General Aviation Appreciation month. Wilson stated this conference was well worth it and he made a lot of contacts. Krokkel added we also received free barricades at the conference. We will use this on the new Ag taxiway which was recommended by the Cert Inspector since it is not being used at this time.

9c: ADO Conference was held two weeks ago in Bismarck. There were discussions in the past on the two ADO's becoming one; between Bismarck and Minneapolis. They are naming it the Dakota Minnesota (DAK/MIN) ADO instead of MIN/DAK ADO. The two offices are combining for standardization.

9d: Reimbursable Agreement – Wilson stated he had expressed his displeasure for reimbursable agreements quite a bit. The fact that the FAA pretty much says you must complete this with them if we want to move our project forward. They took our agreement from \$183,000, reviewed the numbers and it was increased 260%. Wilson had talked to a company that was at the NASAO conference who actually does the work involved in this agreement. We would get a small reimbursable agreement with the FAA to review what this company does. They claim to save cost and time over having the FAA do this. Information has been sent to them. Wilson and Helms will be meeting with them next week to discuss this further. Johnson asked if this is new. Wilson stated none of them knew this was an option. It's an option; we do not know if it will be cheaper and how it will work. Wilson hopes to have an update next month to see where we are going with it.

9e: Weather Training – 4 of our staff have passed the test, 2 more to go.

9f: Government Shutdown – This has not impacted us. Wilson stopped at the TSA Sioux Falls office the day of the shutdown and they are still working. They had 3 administrative staff that got furloughed. As far as airports go for FAA staff, they are still working. They have grant money coming in from grant closeouts.

9g: ARFF Vehicle - The pre-construction meeting is set for today. We will go over the specs. The FY13 grant is moving forward. The funding for this has not been impacted by the shutdown. The issue we ran into every year with the budget crisis is that AIP funds can't be allocated until we hit 50% for the appropriated funds. Even when we hit 50%, they do not give us any as there could still be issues later. Erickson asked about the timeframe. Wilson stated it will take 360 days. Erickson stated he means financial. He assumes that E-One would want partial payment, how would we handle this. Wilson stated we should be able to send the bill through and it would be business as usual. Johnson asked if Wilson had informed the Board of what he is going to do with the old truck. Wilson has not as we are a year away from getting the new one. Wilson had included in the specs that bidders can submit two bid options, but E-One did not do an alternate bid with the trade-in. Wilson had contacted Huron, but they did not have a need for a truck. It will be late next year until Wilson will do something with the old truck.

9h: SDML is scheduled for next week, here in Aberdeen at the Ramkota. The SDAMA meeting is on the 9th from 1 to 5pm and anyone interested should contact Wilson.

9i: Memorandum of Understanding between NASAO, FAA, USDA APHIS, and Wildlife Services to increase strike reporting on airports. Information will be distributed to Non-Part 139 airports on strike reporting and the importance of it. They will be sending out 5,000 posters. On the bottom of the poster there is a QR reader and pilots can use this app on their phone to report strike. They are trying to make this easy for pilots to actually do a report. Kaiser asked how we are doing with this. Wilson stated we report everything that we find. Braun stated not everybody reports if they hit something. Wilson stated we gave the FBO's kits with baggies and wipes for collection

and that we will report everything ourselves. Wilson wants everything reported just in case we have issues. We had some seagulls on property a couple of weeks ago. Our staff tried to scare them off, but we ended up shooting a few. The guys did a great job. They found that the seagulls weren't going away with being shot. The seagulls would flock over what had been shot. What the guys did was grabbed the wings and spread them over the ground and this made the seagulls leave.

9j: PAPIs Flight check – The FAA is doing reimbursable agreements when PAPIs have to be flight checked. If someone puts in new PAPIs, before they will certify it and it can start up, they have to have a reimbursable agreement. At the NASAO conference they said it's been averaging \$6,500. At the ADO conference they said it's \$9,000 - \$12,000. Johnson asked the FAA checks them. Wilson stated they do, we don't. We can check them locally, but it does nothing as far as they are concerned. Johnson stated they give tolerance as they are not all 3%. Schmit stated they have to match the glidescope on any approach. Wilson stated all of ours are at 3 degrees.

9k: Runway marking - We were written up earlier this year on our Certification Inspection. They wanted us to move our hold line closer to the runway, bring our markings in and do stacked surface painted hold position signs. Our guys sandblasted a 3' line which used up 10 bags of beads in 4 hours to get a 3' line off. This would be too much time and work to do. The sign would also have to be 50' from the new hold line and this would have to be moved. All of this work for a runway that will be moved in two years, hopefully. Wilson worked with the Cert Inspector and they came up with a changed design. They are allowing us to do something that is non-standard for them, but will still work. We will be painting some new signs and not actually moving the hold line. We have to add one box on the left hand side and stacking on the right hand side.

Johnson stated there was also a discussion on the 7' sign for emergency shut-off for self-service fuel. Johnson stated this is the only place that he had seen this. Wilson stated for Part 139 airports, we adopt NFPA 407 as our fire code. There are plenty of airports that are not Part 139 that do not have to meet these standards.

9l: Ag hangar relocation - Johnson asked when the hangar will be relocated, in the spring. Wilson stated he budgeted for the hangar to be moved next year and doubts that they will do this in the spring. Kraft planned to go ahead with the new building this fall, but had issues with his builder. Johnson asked what about the 7460. Wilson stated it's cleared. Johnson asked what about Jeff Stohr's. Wilson stated this is in, but not sure if it had cleared. This is grant season for the FAA so they are a little slower getting to these types of requests.

9m: Studnicka's WX contract – Broadhurst asked what the status on this is. Wilson stated we sent Studnicka a letter on the 26th of September terminating his contract after October. We gave him a month's notice. Broadhurst stated is this something that we can do when we signed a contract with him yearly. Wilson asked if Broadhurst received a comment. Broadhurst stated no; just asking as we have observers now. We think the contract can be terminated at any time. Wilson wanted to make sure that our observers are comfortable as we need to do 5 observations a month. We are all still new to this and Wilson wanted a little bit of time if we have anything in October for Studnicka to be able to come out. Braun asked what the procedure is, if ASOS is down to get weather from an observer after hours or anytime. Wilson stated to call him or Krokkel or the on-call phone. What would be the time delay to get this information? It will depend on the situation. Johnson asked how we would get the ceiling at night. Wilson stated we are still allowed to call the weather service. They will have data for us like temperature, dew point, visibility, wind speed, etc, but we still have to be certified to be allowed to do this. A lot of the information we will rely on the Weather Service for. We may have to shoot a balloon up with a candle so we can tell what the ceiling is. A lot of the weather observation reporting is judgment calls. Dahlerup added a lot of this; they have to realize that it changes. The minute you take the observation is what it was then, it does not mean that what it is now. Wilson stated it will be the condition at the time of what we are seeing. Kaiser asked the last time was that we did not have the information on weather. Wilson stated last month. In 2002 when the ASOS was down for 2 weeks because of high winds and this is when the airline became certified. Kaiser stated not very often then. Wilson stated we pay Studnicka \$100 a month for standby and then an hourly rate when he comes in (minimum of 2 hours). It does happen. The bad time is when it is a clear day and there no weather reports. There is no reason for a flight not to come in because of this. We have staff here until midnight and they check the system to make sure it is working.

9n: Super AWOS - This has been de-certified in the US. Wilson stated after talking to the owner of this, he does not think this will be coming back soon. They are being used in other countries.

9o: Wetland Study – KLJ did the wetland study and looked at the detention time on the ponds. We met with the ADO staff last week in Bismarck and talked to the person in Chicago who we have been working with. We were designing our detention pond to contain a 100 year storm event. We were also draining this event within 48 hours. This is why our cost is at \$18 ½ M. We were trying to increase the time to 192 hours and the FAA was not happy as it is way too long for water to sit on the Airport. Edgar and/or Schmit from Helms asked them what event should we actually be draining. They came back and said that it would be a local event. All we have to drain within the 48 hours is a 10 year storm, but we have to contain a 100 year event. It looks like they would also allow us to drain the 10 year event within 92 hours. This will help a lot in our cost. We should be down closer to \$4M. With the wetland work that Pugh did, there is one on the far south side of the Airport that could stay which is 4.7 acres. This will also save on our cost. The work that KLJ did for \$8,000 to \$11,000 is well worth it. Johnson asked if the rest of the design work is something that Helms will do in-house or will there be another outside consulting firm to scale the size. Schmit stated they will do majority of the design in house. HDR is on board. They did the Storm Water and Drainage study for this Airport. HDR will help with the modeling for the drainage as they have all the information from when they did the study. Wilson stated now that we have information and the report back, we should be able to work on the design and have another public meeting in the next couple of months. This has been in a stand still since December when we had the public meeting. Schmit stated they sent their request letter in April this year. Erickson asked how would we know how much water we have to move. Would it be based on the capacity of the holding pond? Schmit stated it would be on different factors like the run-off, type of soil, the grass area, etc. It's all an engineering judgment. You can take two consultants. You'll get very similar numbers, but they will not be the same. Erickson stated once it is built. Schmit stated it will be based off a 10 year event. Wilson added if we did get a lot of birds and we have an accident from it or complaint then they will start looking into it more. Schmit stated part of KLJ's report laid out the proper steps which the Airport already does with the WLH Management Plan. They go through the techniques like scaring. This Airport is unique as we have staff for 20 hours a day that monitor the field. Johnson asked when we would start talking to the landowners. Schmit stated when we start looking at discharging this will be a step we will take. Wilson added not knowing what rate the water leaving the Airport is at, there is no way we can talk to people. We need to look at what the max flow rate is going to be. Kaiser asked do we need to complete this before we can do the extension. Wilson stated yes, we have wetlands that will be impacted in the project. This will be our first step which will be on the FY14 grant. The grading and the filling will probably be done in calendar 2015. Schmit added the other thing we have to do is mitigating the wetland either concurrently or before. Johnson asked does it give the City any benefit to have Willow Dam drained and be doing some mitigation now versus when it fills back in. Schmit stated a lot of the mitigation will be in the lake portion. Wilson stated it would be area adjacent to that which will become wetland. Schmit added we cannot use the lake as the viable source to keep the wetlands wet. There will be adjacent wetlands all around it. Mitigation will not take place in the actual lake. Johnson asked if the weather will impact this construction. Schmit and Wilson stated that it could.

Item #10 Other Items:

10a: Passenger Count – Kaiser asked about passenger count. Wilson stated September we are down 2% over September last year, but up over September 2011. Kaiser received a copy of the passenger report that was distributed last month. Erickson asked if the count for tickets sold is pretty strong for pheasant season. Christiansen, DGS Station Manager stated it looks pretty good. The 3rd flight begins on the 17th. It will run Mondays, Wednesdays, Thursdays and Fridays. Kaiser does not think we will have a lot this year because of pheasant count. Johnson stated the game farms still do quite well. Wilson agreed. Kaiser asked if we can establish a flight that went west, what impact would this have on our passenger numbers. Wilson asked with what airlines. Kaiser asked does it matter. Wilson stated it does. If a second airline comes in, Delta could leave us. Kaiser asked if we have a second airline, would we lose the EAS funds. Wilson stated no. If we have a second airline, one airline could still collect EAS subsidy but if that airline said they want to leave there will be nothing holding them here. They would lose passengers going west and the one going east would probably leave. This is what happened in Pierre. They had two and Delta left and their numbers dropped almost in half. Dahlerup stated we probably have a lot more passengers going east than west. Wilson and Kaiser agreed.

Wilson showed the presentation that was done by Sixel Consulting Group at the NASAO conference on passenger trend.

The meeting adjourned at 1:05pm.