

MINUTES
ABERDEEN REGIONAL AIRPORT BOARD
Regular Meeting
January 5, 2012

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

MEMBERS ABSENT:

OTHERS PRESENT: Mike Wilson, Bob King, Jeff Bahr, Sam Muntean, John Aman, Gary Dahlerup,
Kevin Braun, Jeff Williams, Jeff Mitchell, Rhea Ketterling

Chairman Erickson called the regular scheduled meeting of the Aberdeen Regional Airport Board to order at 11:33 am on Thursday, January 5, 2011.

Item #2 – Johnson moved approval of the minutes from the December 8, 2011 meeting, seconded by Kaiser. Correction on the minutes on item #9 is that Broadhurst left during the discussion of his lease renewal and abstained from the motion. **MOTION CARRIED** approving the minutes with correction.

Item #3 – Johnson moved approval of the minutes of the Special Meeting held on December 15, 2011, seconded by Zeeb. **MOTION CARRIED.**

Item #4 – Zeeb moved the adoption of the agenda, seconded by Broadhurst. **MOTION CARRIED.**

Item #5 – Next meeting is scheduled for Thursday, February 9th at 11:30am. The date of the meeting was corrected on the agenda.

Old Business:

Item #6 – Availability of EA (Environmental Assessment) – Wilson stated the Final Draft of the EA is done. We have a 45 day comment period on this, but we are actually giving a little bit more time. We are allowing comments to be submitted in writing until February 23rd. Those comments are to the accuracy of the EA. People can submit general complaints, but those may not be answered. This is to make sure we have everything right environmentally. This is available for people to view at City Hall Engineering Department, the Library, the Airport and it will be posted on our website sometime today. If someone would want a copy, the cost is probably around \$100 with paper and the time to get the book together. We are also sending letters out to property owners around the Airport to let them know that the EA is available. These should go out today. Wilson added he was not aware that there are around 100 property owners around the Airport. Johnson asked what radius was used. Wilson stated he took the adjacent property owners. There is no requirement that we have to send them letters. This is more of a courtesy. Wilson added he knows that Jobee Acres and all the adjacent owners will be concerned and they will most likely let others know about the EA. Otherwise, this is also advertised in the paper today and will be advertised again next week. This is the only official notice we have to do. Wilson is also sending a letter to the Jobee Acres attorney so he is aware that the report is available. The document itself is only 74 pages. The addenda are what makes that document such a huge book. Kaiser asked for the highlights on the EA. Muntean from Helms and Associates stated the purpose of the EA was that the Airport has incompatible uses in the RPZ (Runway Protection Zone) off of the runway 13 end, these are businesses and structures located in the existing RPZ. Also potential for the 17 end, if we develop an approach off the 17 end the RPZ will get larger and will then have structures in it also. The way 17 end and 13 end come together has the ability to lead to confusion for taking off on the wrong runway which becomes more of an issue with the FAA and something that they put more importance on trying to correct. Their recommendation has been where possible to decouple the runways so that a pilot taxiing to a runway end never has to cross another runway end, if at all possible and never sitting at one spot at two ends of a runway. Looking at the alternatives in the EA, the first one is doing nothing which is an alternative we have to look at. The other two alternatives that they have examined all the way through the environmental process were to shift both of the runways to the south and to the southeast or to build a new primary runway 17/35 that would be set off to the east of the terminal building and then eliminate the existing 17/35. The impacts that were involved in both were wetlands being impacted which was part of the process of incompatible land use. They had looked at attractants to wildlife hazards and all wetlands were all identified as being attractants, so these were all recommended to be drained or filled in some way to eliminate habitats. On both alternatives they looked at all the wetlands on the airport. They also looked

at how would it impact the drainage and storage of storm water leaving the Airport. HDR of Sioux Falls did a storm water study which identified the existing conditions on the Airport of where the water leaves, how it is currently stored on the Airport and so forth. The basic method, compliances and preferred alternatives of shifting the runways where we ended up with for mitigation is if we fill wetlands, we have to mitigate them typically anywhere from a 1 to 1 or 2 to 1 ratio that we will have to recreate wetlands somewhere else to replace the ones that are lost. There are approximately 44 acres of wetlands that we will be filling. In addition to this, we will have to replace the storm water storage that we will be losing in those wetlands on the Airport. This storage has to be replaced either on Airport or very adjacent to because it is for water running off Airport so we should be able to capture the water before it runs off the Airport and store it prior to releasing it. So we do not have water running off the Airport past what it would have run off at its peak flows before this development. The alternative of shifting the runways is that it does not require purchasing more land or displacing any businesses or homes. The other alternative of building new runways will require purchasing several hundred acres of land, although we could sell off several hundred acres that would no longer be needed. It would displace about 6 residences and would require filling about 88 acres of land. This has a lot larger environmental impact. Therefore the preferred alternative is to shift the runway. There is a summary table at the end of the EA that Muntean suggested to read as this hits the highlights. Broadhurst stated if he heard correctly the people who are affected by this drainage problem would be notified, but input received would not make any difference on the final copy. Wilson stated input received is to the accuracy of the EA. As for the drainage there will have to be a no-rise certification during final design saying that we are not going to increase flows anywhere else. This would be more of the part the people would have concerns with. Muntean added ultimately the comments and questions have to pertain to the environmental document and the preferred or selected alternative. Some of the comments would have to do with the final design issues, per se. Wilson added these are frustrating for people. Wilson stated that the closely aligned ends of the runways alone would not cause us to go in to decouple the runway. The primary fix is that we are removing the structures from the RPZ. Secondary is that we are correcting the possible safety deficiency that we have with closely aligned runway ends. Just because we have these closely aligned ends, if we had complete control over our RPZ we mostly likely would not be decoupling our runways. The comments for the EA can be received in writing or the public hearing which scheduled for February 16th at 6:30pm at the City Council Chambers 3rd floor City Hall. On the City website we have the notice of the availability of the EA. Chairman Erickson asked what the timeline is after the public hearing then, what happens. Muntean stated we will continue to receive comments for another week. Once all the comments are received then we will respond or include them in the EA pending on the nature of the comments. Once responses are put together, this will then go to the FAA who will review the responses. Once they are satisfied with this, then the final EA can be put together and they issue their finding of no significant impact. This then will have to be published for 30 days. How long it takes from last comment received to the finding being issued can vary depending on what we get for comments. The other comments we will be receiving at the same time will be from the Federal and State agencies (EPA, GF&P, Corp of Engineers and DENR). They are all getting a copy of the draft so they can also review the document and make comments. Depending on what we get from them, it could take 15 to 30 days to compile all the information.

New Business:

Item #7 – Bills – Kaiser moved approval of the bills for the month of December, seconded by Johnson. Johnson asked about the chargers. King stated the one from Interstate is for a handheld radio and the other one is for the skidsteer loader. What is North Wind Machine? King stated it is a machine shop. Wilson stated the Rescue 10 pump was pitted out so they had to machine it down. It blew the gasket and the seal when they put it back together because there was some pitting on the inside of the pump. Broadhurst stated so we maintain the fire trucks. Wilson stated it is an FAA purchased piece of equipment, so we must. Broadhurst asked what the various reimbursements were for. These were for items purchased and used for various meetings. It is not the matter of \$68; it's the matter of its other people's money we are spending. What is being repaired on the Menards bill? Wilson stated we replaced the countertop in the men's room. We put new carpet in the Jet Bridge; we built frames for Airport Layout Plans from 1941 to 2006 to put in the hallway. The aluminum threshold was in the Jet Bridge because we had issues getting the wheel chair over one of the bumps. The air freshener is for the long corridor as it smelled really bad. Broadhurst asked what had changed that we needed a 1,000 gallon storage tank. Wilson stated we bought some E36 runway de-icer. Broadhurst asked is this a new product. Wilson stated it's an old product. With our storage capacity we had to run it down so far and put all the excess into the truck and then we could fill up the tank that we have. We had about 600 gallons excess on this purchase. We had to put them somewhere, so we cleaned out some old paint containers. Some of the guys were uncomfortable with having this product in an old paint container and were concerned that it was going to contaminate the E36 which cost \$5 per gallon. The paint containers were also leaking. Wilson was not comfortable having this in there so he went out and bought a 1,000 gallon storage tank. Broadhurst asked what about the bill from the McQuillen group. Kaiser is sitting on the Board and Broadhurst does not

understand why we have to hire somebody else if Kaiser can do it. Wilson asked if Kaiser would do it for free. Kaiser stated it depends on how much work we are asking as he had done some things for free before. Broadhurst asked does Wilson have a preferred contractor so is this the way this is given to him or is it asked for quotes from others. Wilson stated this is the company he used in the past and went with them again as he likes their product. The City and the Chamber had used the McQuillen group on other things. Broadhurst stated he does not have any interest in Kaleidoscope group, but if they are here, we can at least consider them. Wilson stated this could be a possible conflict of interest, so he would prefer not to use a Board members for professional services. Broadhurst thought this may be a little unfair to people who serve on Boards. Wilson stated it may be unfair, but ethically Wilson would feel better not going to a Board member. Broadhurst stated they should be able to submit a quote for the work like everybody else. Wilson stated this is not a product, it's a service. Broadhurst stated if they provide the service, their company is getting the work; you are not giving it to a Board member. Wilson stated it is different with a professional service. Kaiser's end product would be different from what we get from McQuillen. Wilson is not saying its worst; it's going to be different either place he goes. Johnson stated it is hard to bid a like kind product. Broadhurst stated when we did the memorial we had people come up with proposals and told us what they can do for how much money then we decided which one we are going to use. Broadhurst stated he would hate to think that if he was in business with ABC that ABC could not bid on the work. Kaiser stated he thinks that there is a yearly total that a Board member in South Dakota can draw. Wilson stated there is a limit. Zeeb asked if we painted some vehicles. Wilson stated we painted three plows and the box in one of the dump trucks. Zeeb asked is there a reason why we do not have the emergency phone through Northern Valley. The emergency phone is a service that NVC can't provide. It's a circuit line; Osborn had checked into this before. Correction on the gun bought; ruger instead of roger. Zeeb asked if we still have to old gun. Wilson stated we do and the City Attorney is taking care of doing the surplus and trading it into a gun dealer. **MOTION CARRIED** to pay the bills for the month of December. Kaiser abstained.

Item #8 – Financial Report – Johnson moved approval of the financial report for December, seconded by Zeeb. The one addition to the financial is Darrell Hillestad billing. Broadhurst asked about SW Airlines and Ramada Inn. It was reported that someone from SW Airlines called and that the invoice was misplaced. Another copy had been faxed and payment should be received this month. The same with Ramada, outstanding invoices had to be re-faxed. **MOTION CARRIED** approving the financial report for the month.

Approval of Addendum to Airport Lease #71 Hangar 9, Inc.: Changing lease to Limited FBO to Full Service FBO - Wilson had a request about a tabled item two or three months ago to bring this item back. Hangar 9 is now meeting the requirements. They now have their Aviation Repair Facility Certificate and the Part 135 Charter Certificate. Their fuel tanks are not up and running right now, but their truck is ready so they would like to go to a full service lease now. Broadhurst asked for Wilson's recommendation. Wilson stated they were authorized and given approval to become a full service FBO as long as they are meeting the requirements. Wilson and Aman went through the Minimum Standards and they are meeting the requirements in the Minimum Standards. Wilson stated we should bring this back to the table and approve it. Broadhurst moved approval of the addendum to Lease #71 at the recommendation by Wilson, seconded by Kaiser. Aman stated he appreciates the Board's patience in allowing in getting all the paperwork resubmitted and finalized. With the management change, things should look smoother. Broadhurst removed his motion from the table, Kaiser had no objection. Zeeb moved to reconsider the tabled item, seconded by Johnson. **MOTION CARRIED**. Broadhurst moved approval of the addendum to Lease #71 at the recommendation by Wilson, seconded by Kaiser. **MOTION CARRIED**.

Item #9 – Request approval of payment to Lien Transportation for work completed-to-date and materials on site for AIP Project #3-46-0001-31-2011 Ag Sprayer Taxilane PE #2 in the amount of \$109,791.06 - Broadhurst moved approval to pay Lien Transportation, seconded by Zeeb. Muntean stated this pay estimate is actually for stock piled materials. Chairman Erickson asked if these materials are on site. Muntean stated the pipe is. The fence materials are sitting at Vosika and Helms and Associates had gone and verified it. The aggregate materials are at Lien's. These too have been verified, segregated and marked. It did not make any sense to any of them to haul it into the Airport at this time so the amount paid was reduced. Typically SDDOT pays at 60% of the cost for stock pile of granular materials if it is hauled to the site and 40% if it is in the pit. Muntean stated this is the percentage that we use on paying this request. Johnson asked do we do this primarily to get it in the right calendar year. Muntean stated no, we do it because the contractor took on the expense of producing the materials and they are just trying to get reimbursed for his cost. This is allowed in the contract. Wilson stated they did go out and verify it and segregate it and made sure it was marked Airport and they cannot touch these piles and they are periodically checking it. Muntean stated yes, because we are out of construction season our concern is that it does not get changed or moved

so they do periodic checks. Johnson stated so there is a different pay estimate for the use of those materials, labor, and transportation, etc. Muntean stated the actual bid item cost is furnished and installed in place, but they can get periodic cost payment when they produce the material or stock pile material prior to installation. Once it is actually installed, then we will pay the bid price for it installed and subtract off what already has been paid. Broadhurst stated out of \$820,000, \$627,000 is yet to be done. Was the amount submitted to be paid now included in this amount. Muntean stated the stock piled materials payment has not been subtracted from this amount. Chairman Erickson asked if this is commonly done. Muntean stated yes. We have done this on almost every project previous to this, but typically we just don't have payment for stock piled materials. It's usually installing and stock piling. We also don't have it held over the winter. Wilson added this is in line with FAA guidelines. Usually we get pictures of the items so they can prove that it is at their shop. Chairman Erickson asked is it our liability if that stock piled material disappears. Muntean stated contractors are required to keep insurance on materials. Its performance and payment bond should also cover the work required to install the materials. We also have not accepted the materials for quality. The final acceptance is on the installed basis therefore by making a stock pile payment on this, it is not an acceptance of the materials quality. Zeeb asked is the performance bond provided in amount of the contract. Muntean stated yes and any change order adjustments. **MOTION CARRIED** to pay PE #2 to Lien Transportation.

Item #10 Air Show Committee – Wilson stated he would like to do an Air Show this summer and is looking for someone to Chair the committee. Wilson would like to work on this really soon. Roeker has done a lot in the past and will help us as a resource. Wilson asked to get the word out. We are already in January so we are already late, but Wilson thinks that we can still put something together. Chairman Erickson asked if this would be the same time as the Car Show. Wilson thinks so. This way we can get other support from the Chamber and the people that put the Car Show. Share in some advertising cost, at least. Kaiser asked if we have money coming from the City occasionally on this. Johnson thought per request. Councilman Mitchell stated they have some money held back for promotion and has not been obligated yet. Chairman Erickson thought that there is still money in the Air Show fund. Wilson stated yes. Aman suggested putting an application into BID 2 Board for additional funds and sponsorships. Councilman Mitchell suggested going to the BID 2 Board soon. Kaiser offered to help in the Air Show committee. Braun asked if anyone had looked at any Air Show in the region. Johnson stated Sioux Falls has a big one this year. Wilson added that Sioux Falls scheduled their Air Show for both Saturday and Sunday. Wilson stated maybe it would be better to do a fund raising effort to try to get enough money to get a quality act for next year, if we can get an all FBO Fly Inn type this year and do a static display. Chairman Erickson asked if Wilson wants to set up a time for an Air Show meeting. Wilson stated we can do this put out a notice to the same people. Chairman Erickson suggested maybe we can put it in the paper to see if we can get any volunteers. Aman stated when Ellendale did their Show, Dr. Bormes brought his T6 over and the other guys from Minneapolis brought their P51's over and put on a flying demonstrations and some maneuvers. Aman stated he can put the word out to Dr. Bormes.

Item #11 Airport Manager's Report

11a: Marketing – Wilson stated he did do a television ad which McQuillen had put together for us and they had done a good job on the ad. If any of the Board would like to see it after the meeting Wilson has this in his computer. They also did a radio ad which we will be putting out and some newspaper ad which all coincide with each other. The Chamber grabbed the ad and is running the radio ads in Jamestown and Pierre which started last week. They are also running it on Dakota Broadcasting. Wilson will pick up the Hub City Station which he called the other day.

11b: Hangar 9 Lighted Sign – Hangar 9 had a lighted sign out on the apron that was scrolling and Wilson had asked Aman to turn it off until we figure out if they can have it or not. Wilson did not know anything about it going onto the building and Aman did turn it off right away. We are zoned Municipal and in the Municipal zone lighted signs are not allowed by ordinance. Hangar 9 has to go to the Zoning Board and request a variance to allow lighted signs. Wilson stated he does not have an issue with it as long as it is not scrolling or flashing. Wilson had informed the Zoning Board that he is okay with it as long as it meets all the lighted signs ordinance requirements. Johnson asked if it is all color. Wilson stated it has to be amber. Johnson stated some of those are antiquated ordinances and they have addressed some of them, but Johnson does not know if they have been literally changed. Wilson stated they have. There are only two signs in the City that are allowed to be scrolling and this is the bank downtown and the Northern sign. Johnson asked what about amber versus multi-color. Wilson stated you cannot have solid red or solid blue. It has to be amber. Aman added according to FAA regulations amber is the only LED color that can be there. Aman had apologized to Wilson as it turns out it fell through the cracks in the whole permitting process. Aman added the Zoning Board hearing is scheduled for February 9th at 8:00am.

11c: Minimum Standards and Board Ordinance – Wilson stated Altman, City Attorney was going to have the

Minimum Standards and the ordinance today, but was called to another meeting. Altman will present this next month. Both Wilson and Altman will go over these before the next meeting.

11d: EAS - Wilson stated the DOT extended our selection date again until February 10th. We have one bid and one proposal from SkyWest. This is the only proposal. Wilson had complained to Delta about dropping our flights on the weekends to one flight per day. Delta had said this is all the DOT will pay for and this is all they will operate. They will not operate anymore even if they are over booked. Kaiser asked the DOT only pays for just two flights on the weekend. Wilson stated the minimum requirements of the EAS program are 12 flights per week; 2 flights each day on the weekday and it can be 1 flight each day on the weekend or 2 flights on one day on the weekend. SkyWest had put in their proposal that they will serve us with 14 flights per week and this is the amount SkyWest will perform and will get paid for each of these flights once they get selected. Johnson asked does Wilson think this is political. Wilson stated Senator Thune and Representative Noem had sent a letter to DOT. We also had Council members send letters. Wilson added that Delta had told him that we need to talk to DOT to select SkyWest as they will provide us with 14 flights. Councilmember Mitchell stated it's not only us that's the hold up. There are a number of other communities. Wilson stated this is the reason the DOT had said they are behind is because there are so many communities and Wilson just wishes that they would select ours. Kaiser stated there are a lot of people complaining about this. Braun asked are we anticipating any interruption of service. Wilson stated there cannot be an interruption of service according to the law. This is why Delta is currently subsidized for their operations here and it is at a rate that the DOT determines acceptable for the use of a CRJ aircraft.

11e: Break-in the Building - Wilson received a call from the Airline around 2:36am that someone had broken into the building. The individual jumped the fence. The Station Manager had a conversation with this individual while he was in the building. When the Station Manager had the chance, he called and texted the police. Zeeb asked if there are any implications with TSA. Wilson stated TSA will not put any Federal charges against the individual. There are a lot of local charges though. Wilson added the Station Manager did a really good job on handling the situation and not posing a threat to this individual.

11f: Stock pile of dirt – Wilson stated the Brown County 19 project had excess dirt. Removing the excess dirt was not part of the project. To get rid of it and to keep the cost down they peeled back some top soil in a farm field nearby and filled in some low areas with the clay and went back over with top soil. They still had excess dirt and Wilson had told them if they need to get rid of anything we will need it in the future with the EA to fill in the wetlands on the Airport that we will take it. They decided that they would do this since it will cut their transportation cost down and they don't have to pay someone to take the dirt. Kaiser stated once we get rid of this pile of dirt for filling our wetlands that we never put anything on our entrance.

Broadhurst stated he is concern about the agenda. We have an agenda and we added items on the agenda, Broadhurst is concern about the meeting laws that agendas is supposed to be published at least 24 hours before and we are acting on things that are not on the agenda. Is there something that we should be aware of or take note of? Wilson stated he tried to call the City Attorney to ask on this. Wilson believes that an item that was previously on the agenda and tabled can be pulled and put back on the agenda without having a notice published because it was already published.

Broadhurst asked in previous years, the Board had received financial report quarterly or yearly. Has there been a change that the Board does not see a detailed financial report? If this was changed since he's been off the Board, he will do without it. Braun asked if this is available to the public. Broadhurst stated it is not posted like the agenda. Wilson thinks this is public information. The report is called Budget Summary showing revenues and expenses and will be distributed again in the future.

Item # 12 - OTHER: None

Johnson moved to adjourn, seconded by Zeeb. The meeting adjourned at 12:42pm.