

**Sioux Falls Regional Airport Authority
Board Meeting Minutes**

August 27, 2015

Members Present: Ruth Krystopolski, Dave Nelson, Lon Stroschein, Mike Luce, Julie Schnaible

Staff Present: Dan Letellier, Richard King, Dawn Carlson

Guests Present: Mark Wiederrich

Ayes and nays were taken on all motions, and all motions were passed unanimously unless otherwise noted.

Chairman Ruth Krystopolski called the meeting to order at 12:03 p.m.

1. **Minutes** – Lon Stroschein moved and Julie Schnaible seconded approval of the July 23, 2015 Minutes. Motion carried.
2. **Bills** – Julie Schnaible and Dave Nelson seconded approval of the bills as presented. Motion carried.
3. **Consent Agenda** – Mike Luce moved and Lon Stroschein seconded approval of Consent Agenda, Item A. - Sanford Health Ground Lease Agreement. Ruth Krystopolski and Dave Nelson abstained. Motion carried.

Julie Schnaible moved and Mike Luce seconded approval of the remaining Consent Agenda items, B – F:

B. United States Postal Service building lease agreement.

C. Assignment of Ground Lease from Security Credit Corporation to R. Blake Curd.

D. T-Hangar Lease with Thomas Rademacher for T1-9 Airport Hangar.

E. Change Order #3 with BX Civil and Construction for changes to Runway 3-21 and Brave repair project. \$11,451.50.

F. Boiler ventilation modification work to be performed by Krier & Blain. \$18,350.00

Motion carried.

4. **Report by Executive Director**

A. Passenger Traffic Report – July enplanement's up 0.1% and total traffic up 0.9% for the first seven months of the year. Load factor has seen a significant increase into the 90-92% range this summer due to a reduction in available seats. Concession's revenue up year-to-date for car rental, food, gift shop and parking with the new hotel seeing significant revenue growth from June to July.

A. Construction Updates:

- (a) Checkpoint/Lobby renovation continues. Phase 3 has begun which includes demo of the old administrative offices and structural changes to allow for installation of new escalators and elevator.
- (b) Lower level interior improvements continue in baggage claim and connecting hallway. Final completion expected the end of September.
- (c) Paving continues on the Rwy 3-21/Taxiway Bravo Rehab project. Expected completion of Phase 1 and the reopening of Runway 3-21 estimated to be September 14, well past the contractual date of June 28th. Liquidated Damages are being applied for every day past June 28th until the runway is open. Substantial completion of the entire project is expected on September 22nd. BX Civil & Construction has brought in a grinding company to attempt to correct the deficiencies in paving associated with 1,000 ft of concrete on south and north side of the runway. Commission Luce recommended hiring a concrete or structural engineer to determine the reduction in value and increased maintenance costs associated with the significant grinding necessary to bring the concrete into allowable tolerances.

Lon Stroschein left the meeting at 1:09 p.m.

5. Old Business

- A. **Airport Capital Improvement Plan for 2016-2021** – Julie Schnaible moved and Mike Luce seconded approval of the CIP for 2016 – 2021 to include an additional \$500,000 for a general aviation taxiway extension next to the west-side general aviation ramp to accommodate future hangar construction. Motion carried

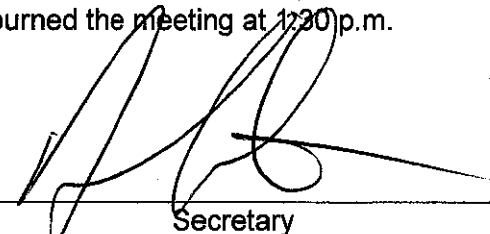
6. New Business

- A. The airport has been approached about the construction of a new 28,000 s.f. hangar to accommodate a large corporate jet. Hangar would be constructed to the north of the Maverick Air Center and new Sanford Health hangar. A new taxiway extension would be necessary to allow access to the west general aviation ramp but would not be constructed until next Spring/Summer at the earliest. The airport would also include the cost of construction into the FAA – AIP grant application for next year to receive reimbursement of up to 90% of construction costs.

7. Open Segment – No items.

Chairman Ruth Krystopolski adjourned the meeting at 1:20 p.m.

8/27/15


Secretary

Next Board Meeting September 24, 2015