

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

October 27, 2017

Members Present: Lon Stroschein, Mike Luce, Raquel Blount, Julie Schnaible, and Dave Nelson.

Staff Present: Dan Letellier, Richard King, and Kristin Elgersma

Guests Present: Mark Weiderrich- KLJ, Elizabeth Hurtz – Davenport/Evans

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

Chairman Stroschein called the meeting to order at 12:02 pm.

1. **Minutes-** Mike Luce moved and Raquel Blount seconded approval of the minutes of September 28, 2017. Motion carried.
2. **Bills for Approval-** Dave Nelson moved and Julie Schnaible seconded approval of the bills as presented. Motion carried.
3. **Consent Agenda-** Report on Consent Agenda items by the Executive Director. Dave Nelson moved and Mike Luce seconded approval of the Consent Agenda. Motion carried.
 - A. T- Hangar Lease with Richard Damian for hangar T2-17.
 - B. T-Hangar Lease with Eric Hartung for hangar T3-10.
 - C. Change Order #1 with Golden Rule Construction for additions to the Customs Remodel Project - \$967.00.
 - D. Change Order #3 with Soukup Construction for additions to the National Guard Dr. Rehab Project. \$81,358.90
 - E. Travel by Executive Director and Board Member to attend the American Association of Airport Executives Aviation Issues Conference in Kona, HI – January 7-10, 2018.
4. **Report by Executive Director-**
 - A. Review of Passenger Enplanements and Concession Revenue.
 1. Passenger traffic up 6.0% for the January – September time frame. Passenger enplanements for September were 7.1% higher than last year. Parking, Restaurant, Car Rentals, Gift Shop, and the Hotel all saw an increase in revenue.
 - B. Construction Update:
 1. *Runway 3-21 Reconstruction* – Complete and open. Some runway lighting still needs to be addressed.

2. *National Guard Drive Rehabilitation* – A section of National Guard Dr. next to Minnesota Ave. is being replaced with concrete. Work is ongoing with an expected completion date of November 10th. Additional drainage improvements in the area are also underway and should be complete by the end of November.
3. *Customs Remodel* – Remodel work is complete with a few IT issues remaining that are being coordinated by Customs. Expect CBP to move into the remodeled space by November 3.
- C. Conditional Use permit – Great Bear Sand and Gravel Co- A conditional use permit was filed by Great Bear Sand & Gravel Co (First Rate Construction) to develop a sand and gravel excavation operation north of the Airport. The Minnehaha County and City of Sioux Falls joint Planning Committee reviewed the application on October 23rd. After receiving public input as well as airport opposition the permit was denied.

5. Old Business

- A. No Items

6. New Business

- A. Agreement with Eide Bailly to complete annual audit of Financial Statements. Mike Luce moved and Julie Schnaible seconded a motion to approve a new three year agreement with Eide Bailly to continue to conduct required annual audits. Motion carried.
- B. Discussion and Request for approval of an Operating Agreement with Transportation Network Companies (TNC) – Lyft has received approval to begin operations in Sioux Falls as a ride share company. As a result the Airport Authority has been approached by Lyft to secure an Operating Agreement to pick-up and drop-off at the airport. The request for an agreement raises several issues for the Airport, primarily how TNCs will impact parking and rental car concessions revenue the airport receives to operate the airport. TNCs have impacted other airports revenue and they have responded by requiring a fee for every pick-up and/or drop-off (trip fee). After much discussion and forecasts of expected revenue loss as a result of TNCs serving the airport, the Board determined to impose a trip fee for every TNC pick-up of no less than \$2.00 per trip. The Board strongly felt that a higher fee should be collected and that the fee should be extended to drop-offs as well, but was willing to see how revenues are impacted over the next year. The Board approved the following motions: 1) Julie Schnaible and Dave Nelson moved to draft an Ordinance which would require ground transportations companies to obtain an operating permit if transporting customers to/from the airport for a fee. Motion Carried. 2) Mike Luce moved and Raquel Blount seconded a motion to approve a one year operating agreement with Lyft which includes a Pick-up Fee of no less than \$2 per trip. Motion Carried.
- C. Agreement with Transportation Security Clearinghouse Services to provide TNC Tracking. – The Executive Director presented an agreement with the Transportation Security Clearinghouse, a subsidiary of the American Association of Airport

Executives (AAAE) who would provide software and programming that would independently track the number of TNC trips (both drop-off and pick-up) at the airport. This 3rd party vendor will ensure accurate reporting of trips and revenue to the Airport on a monthly basis. They would impose a 3% fee on revenue with a one year agreement. Raquel Blount moved and Julie Schnaible seconded a motion to approve the agreement with the Transportation Security Clearing House as specified above. Motion carried.

Dave Nelson left the meeting 1:15 pm

- D. Discussion and review of proposed Operating Budget for 2018. – The Executive Director provided a draft of the 2018 Operating Budget for the Board to review. Passenger Traffic is forecasted to be flat in 2018 and as a result parking and concession revenue is also not expected to increase over 2017. A slight increase in the landing fee rate from .90/1000 lbs to .95/1000 lbs is recommended. Also the revenue previously received from the TSA for LEO expenses has been pulled due to funding uncertainty. Expenses are up slightly, due primarily to an increase in Payroll and Depreciation. The Board will consider the final Operating Budget at the November meeting.

7. Open Segment- No discussion

Mike Luce moved to adjourn at 1:33 pm. Julie Schnaible seconded. Motion carried.

Date

Secretary

Next Board Meeting: November 16, 2017

**Sioux Falls Regional Airport
Bills to be Approved
November 29, 2017**

Check	Vendor	Description	Amount	Date
37588	Butler Machinery	Machine Maint	\$ 1,347.44	10/26/2017
37589	Century Link	Telephone	\$ 841.04	"
37590	Davenport Evans	Attorney	\$ 1,476.00	"
37591	Fastenal	Machine Maint	\$ 33.98	"
37592	G&R Controls	Climate Control	\$ 280.00	"
37593	Heartland Paper	Janitorial	\$ 327.11	"
37594	Interstate Battery	Machine Maint	\$ 688.75	"
37595	MacArthur	Building Maint	\$ 41.59	"
37596	Metlife	LTD, STD, Life, Dental, Vision, AD&D	\$ 3,418.52	"
37597	MidAmerican	Gas	\$ 1,999.06	"
37598	Midcontinent Communications	Passenger Services	\$ 659.75	"
37599	New Deal Deicing	Airfield Deicer	\$ 3,985.00	"
37600	SDRSP	Supplemental	\$ 130.00	"
37601	Sioux Falls Two Way	Communications Main	\$ 89.98	"
37602	Sioux Falls Utilities	Electric	\$ 25,751.02	"
37603	Sioux Falls Utilities	Water / Sewer	\$ 619.88	"
37604	Sigler	Building Maint	\$ 1,465.95	"
37605	Sioux Merchant	10/13-10/19 Security	\$ 3,152.82	"
37606	Tri State Garage	Building Maint	\$ 302.75	"
37607	Western Commercial	Office Supplies	\$ 159.00	"
37608	Airside Solutions	Field Lighting	\$ 351.71	11/3/2017
37609	American Engineering	Runway 321	\$ 2,753.00	"
37610	Bargain Barn	Tires	\$ 2,869.00	"
37611	Brown and Saegner	Building Maint	\$ 1,278.90	"
37613	C N A Surety	Other Insurance	\$ 1,317.41	"
37614	Convergint Tech	Security Improvements	\$ 4,327.64	"
37615	Dakota Fluid	Machine Maint	\$ 284.07	"
37616	Dex Media	Advertising	\$ 438.50	"
37617	Direct TV	Passenger Services	\$ 104.50	"
37618	Fastenal	Building Maint	\$ 17.27	"
37619	G&R Controls	Climate Control	\$ 428.57	"
37620	Gaetze Macmanufacturing	Machine Maint	\$ 700.00	"
37621	HDR Engineering	Phase 2 runway 321	\$ 2,000.00	"
37622	High Point Networks	Office Supplies	\$ 94.00	"
37623	Hillyard	Janitorial	\$ 650.07	"
37624	Intersate Office	Office Supplies	\$ 48.63	"
37625	JBT	Building Maint	\$ 1,117.30	"
37626	Kone	Building Maint	\$ 350.21	"
37627	Lacey Rental	Other current expense	\$ 300.00	"
37628	Lions Club	Membership	\$ 35.00	"
37629	Midwest Oil	Oil	\$ 1,253.56	"
37630	Northview Bait	propane	\$ 113.05	"
37631	Oreilly	Building Maint	\$ 228.74	"
37632	Overhead Door	Building Maint	\$ 119.85	"

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Check	Vendor	Description	Amount	Date
37634	R&L Supply	Plumbing Supplies	\$ 103.00	"
37635	Sioux Falls Convention	Hunters Welcome	\$ 4,000.00	"
37636	Sioux Merchant	10/20 - 10/26 Security	\$ 3,776.64	"
37637	Soukup Construction	National Guard Dr	\$ 126,453.81	"
37638	Total Fire	Other Building Maint	\$ 300.00	"
37639	Trane	Climate Control	\$ 470.00	"
37640	Vidtronix	Passenger Services	\$ 322.50	"
37641	Volaire	Airport Start up	\$ 2,500.00	"
37642	Waste Management	garbage	\$ 1,324.90	"
37643	AAAE	Membership	\$ 550.00	11/9/2017
37644	ABC Rentals	Building Maint	\$ 408.10	"
37645	Airside Solutions	Airfield Lighting	\$ 379.54	"
37646	Any Lab Test	Other current expense	\$ 182.00	"
37647	Argus Leader	Advertising	\$ 268.65	"
37648	Brock White	Machine Maint	\$ 569.70	"
37649	Builders Supply	Building Maint	\$ 174.00	"
37650	Office Child Support	PPE 11/05/2017	\$ 282.92	"
37651	Culligan	Building Maint	\$ 415.80	"
37652	Graybar	Field Maint	\$ 344.22	"
37653	H&R Roofing	Other Building Maint	\$ 1,350.00	"
37654	Heartland Paper	Janitorial	\$ 204.86	"
37655	Hillyard	Janitorial	\$ 925.49	"
37656	Howes Oil	Fuel Resale	\$ 13,324.47	"
37657	Intersate Office	Office Supplies	\$ 53.99	"
37658	Kabel Business	Health Insurance	\$ 1,335.34	"
37659	Krier and Blain	Plumbing Maint	\$ 543.39	"
37660	Lacey Rental	Other current expense	\$ 300.00	"
37661	Media One	Advertising	\$ 6,881.50	"
37662	Midwest Alarm	Building Maint	\$ 830.01	"
37663	SDRS	October Retirement	\$ 11,847.02	"
37664	SDRSP	Supplemental	\$ 130.00	"
37665	Sioux Merchant	10/27 -11/02 Security	\$ 3,147.20	"
37666	T&R Contracting	Runway 321 and concrete repairs	\$ 1,107,410.38	"
37667	Thyssenkrup	Building Maint	\$ 190.03	"
37633	Prairie Grass	Building Maint	\$ 750.00	11/22/2017
37612	Cliff Ave	Machine Maint	\$ 88.43	"
37668	Automatic Building Controls	Field Maint	\$ 375.51	"
37669	AT&T	Telephone	\$ 49.50	"
37670	AT&T	Telephone	\$ 50.28	"
37671	Avera	Ground Rent Refund	\$ 10,650.00	"
37672	Aviation Week	Membership	\$ 129.00	"
37673	Bargain Barn	Tires	\$ 689.80	"
37674	Century Link	Telephone	\$ 1,066.58	"
37675	Office Child Support	PPE 11/19/2017	\$ 282.92	"

**Sioux Falls Regional Airport
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Check	Vendor	Description	Amount	Date
37676	Convergint Tech	Customs	\$ 31,504.22	"
37677	Cummins Central	Machine Maint	\$ 1,382.00	"
37678	Dprint	Customs Sign	\$ 1,323.00	"
37679	Equipment Blades	Machine Maint	\$ 1,501.90	"
37680	FedEx	Postage	\$ 54.67	"
37681	Fred the Fixer	Other Building Maint	\$ 169.87	"
37682	G&R Controls	Climate Control	\$ 265.92	"
37683	Golden Rule	Customs Remodel	\$ 92,739.60	"
37684	Heartland Paper	Office Supplies	\$ 191.10	"
37685	Hillyard	Janitorial	\$ 446.66	"
37686	Howes Oil	Fuel and Diesel	\$ 8,926.00	"
37687	Hungrys	Other current expense	\$ 91.65	"
37688	Interstate Battery	Machine Maint	\$ 414.05	"
37689	JBT	Building Maint	\$ 310.41	"
37690	KLJ	AIP Projects	\$ 57,148.83	"
37691	Kone	Building Maint	\$ 625.50	"
37692	Lacey Rental	Other current expense	\$ 408.00	"
37693	Dan Letellier	Travel	\$ 1,185.60	"
37694	Malloy	Machine Maint	\$ 25.60	"
37695	MB Companies	Machine Maint	\$ 2,477.00	"
37696	MetLife	LTD, STD, Life, Dental, Vision, AD&D	\$ 3,418.52	"
37697	Minnehaha County	LEO - October	\$ 12,233.00	"
37698	Moses Turay	Partial Badge Refund	\$ 25.00	"
37699	Northview Bait	propane	\$ 66.40	"
37700	South Dakota Supplemental	Supplemental	\$ 130.00	"
37701	SEAM	Recycle	\$ 217.35	"
37702	Sioux Falls Utilities	Water / Sewer	\$ 3,722.71	"
37703	Signature Flight	Other current expense	\$ 250.00	"
37704	South Central	Building Maint	\$ 60.67	"
37705	Standard Parking	October Parking	\$ 59,014.89	"
37706	Total Funds	Postage	\$ 200.00	"
37707	Tri State Garage	Other Building Maint	\$ 95.75	"
37708	tsp	Customs upgrade	\$ 11,667.96	"
37709	Verizon	Telephone	\$ 302.56	"
37710	Wellmark	Health Insurance	\$ 26,279.65	"

Total for 10/21/2017 - 11/22/2017

\$ 1,692,258.14

<i>Payroll</i>	<i>pay period ending 10/22/2017</i>	\$	<i>35,317.60</i>	<i>10/27/17</i>
	<i>pay period ending 11/05/2017</i>	\$	<i>36,069.88</i>	<i>11/09/17</i>
	<i>pay period ending 11/19/2017</i>	\$	<i>40,290.88</i>	<i>11/24/17</i>

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<i>CC- Dan Letellier</i>	<i>Other Current Expenses</i>	\$ 76.05
	<i>Memberships</i>	\$ 293.00
	<i>Travel</i>	\$ 1,034.07
	<i>Postage</i>	\$ 17.15
	<i>Total</i>	<u>\$ 1,420.27</u>
<i>CC- Richard King</i>	<i>Fingerprinting</i>	\$ 1,500.00
	<i>Other Current Expenses</i>	\$ 166.13
	<i>Building Maint</i>	\$ 110.15
	<i>Computer Supplies</i>	\$ 351.43
	<i>Memberships</i>	\$ 23.00
	<i>Total</i>	<u>\$ 2,150.71</u>
<i>CC - Brad Nelson</i>	<i>Other Current Expense</i>	\$ 3.72
	<i>Wildlife Control</i>	\$ 12.99
	<i>Building Maint</i>	\$ 154.05
	<i>Field Maint</i>	
	<i>Travel</i>	\$ 823.50
<i>Total</i>	<u>\$ 994.26</u>	

