

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

**November 21, 2019**

Members Present: Raquel Blount, Julie Schnaible, Dave Nelson, Eric Ellefson, and Lon Stroschein

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

Guests Present: Mark Weiderich – KLJ Engineers, Brad Greguson – Standard Parking

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

Chairwoman Blount called the meeting to order at 12:02pm.

1. **Minutes-** Julie Schnaible moved and Lon Stroschein seconded approval of the minutes of October 24, 2019. Motion carried.
2. **Bills for Approval-** Dave Nelson moved and Eric Ellefson seconded approval of the bills as presented. Motion carried.
3. **Consent Agenda-** Report on Consent Agenda items by the Executive Director. Lon Stroschein moved and Dave Nelson seconded approval of the Consent Agenda. Motion carried.
  - A. Change Order #10 with Golden Rule for modifications to the Baggage Claim Project. -\$2,368.00
  - B. Change Order #3 with BX Civil Contracting for modifications to the Deicing Apron Project. - \$19,453.78.
  - C. SD Symphony marketing agreement for 2020-21 and 2021-22 season at \$12,500/year.
4. **Report by Executive Director-**
  - A. Holiday Symphony Performances – The SD Symphony will be performing at the Airport December 17-20 from 11 am – 12 pm. Performances by the Dakota Wind Quintet and the Dakota String Quartet.
  - B. Passenger Enplanement and Concession Revenue Update- Passenger Enplanements increased 9.9% in October with total traffic up 9.8%. Enplanements for October totaled 51,966 which was a record for the month. Available seats were down 3.8% versus 2018. Parking, Restaurant, Car Rental, Gift Shop, and Hotel all saw an increase in revenue for October.
  - C. Construction Updates:

*Baggage Claim Expansion:* Carousel #1 is scheduled to be operational November 22<sup>nd</sup> along with substantial completion of the remaining work. Construction walls/barricades will be removed as well.

*Rental Car Quick Turn Facility:* Facility is moving along. All the exterior walls and roof are complete as well as the exterior concrete. Crews will be moving forward on interior work of electrical, HVAC, and concrete.

*Deicing Apron Project* – Significant progress has been made on excavation and sand, gravel back-fill as well as installation of underground storm sewer lines and the new 25,000 gallon collection tank. Work will wrap up in the next few weeks for the winter returning in March/April.

## 5. New Business

- A. Review and request approval of Health Insurance provider for 2020. Renewal premiums were received from our current health insurance provider, The Health Pool of South Dakota. We had several significant claims in the past year which did drive an increase in premiums of 5.4%. We also reached out to Holmes Murphy to solicit quotes from Avera/Sanford/Wellmark and United Health. The only plan similar to ours was the Avera 2000 plan. Julie Schnaible moved and Eric Ellefson seconded a motion to stay with the current provider South Dakota Health Pool/Wellmark. Motion Carried. Dave Nelson abstained from the vote and discussion due to a potential conflict of interest.
- B. Adjustment to Hourly Parking Rates. The Executive Director provided a recommendation to the board to modify the hourly rate for the short Term and long term public parking lots. The proposal would provide free parking for the first 20 minutes in Short-Term then \$2/hr after. Current rate is \$1 for the first hour and \$2 hour after. The proposal would also increase the hourly rate in Long-Term from \$1hr to \$2hr with the maximum daily rate remaining at \$8/day. Director Letellier also recommended providing the first 90 minutes in Long-Term free to allow passengers whose flights were cancelled to leave the lot without charge. Lon Stroschein moved and Julie Schnaible seconded a motion to implement the hourly rate adjustment January 1, 2020 as well as the proposal to waive the first 90 minutes in the Long-Term lot for weather cancelled flights. Motion Carried.
- C. Employee Handbook Updates. Kristin has reviewed our employee handbook and has identified several sections that should be modified. The changes include the following:
- a. Clarification on overtime
  - b. All employee lunch breaks 30 minutes
  - c. Smoking only allowed in designated breaks and in designated areas. No vehicles.
  - d. Appearance – shirts must be tucked in and belt worn if necessary
  - e. Vacation – reduced accrual schedule from 12 levels down to 5
  - f. Clarify the use of Personal Time off for last minute/short duration time off request vs. vacation
  - g. Appendix A adjusted pay rates to reflect 3% COLA for 2020

Julie Schnaible moved and Dave Nelson seconded the approval for the Handbook updates as presented. Motion Carried.

D. Smart Cart Purchase: The airport as received numerous requests over the past few years about providing luggage carts for public use. Demand for carts at the ticket counter and in baggage claim is not significant but would be helpful. The Executive Director received pricing from Smart-Cart to provide two sets of ten carts (one for each area) at the cost of approximately \$10,200 plus shipping. Several Commissioners were interested in how other airports handle luggage carts and instructed the Director to survey other airports of similar size and report back to the Board at the December meeting.

## 6. Old Business –

A. Review and request for approval of the 2020 Operating Budget. The Executive Director indentified several modifications to the 2020 operating budget from what was presented at the October meeting. Those changes include:

### **Revenue-**

*Landing Fees* – No changes planned. Letellier provided the results of a survey from similar sized Midwest airports for comparison. Average of 17 airports came to \$2.13/1,000 lbs. landing weight vs. the current and proposed rate for FSD of \$1.05/1,000 lbs.

*Parking Revenue* – Increased expected parking revenue by \$140,000 to reflect the change in hourly parking rates in Long and Short Term parking.

### **Expenses-**

*Health Insurance* – Increase in expected expense to reflect the premium increase of 5.4% and the addition of 3 employees to the pool.

*Depreciation* – The addition of the newly completed baggage claim area expansion along with snow removal equipment purchase has increased the annual expense by approximately \$200,000.

### **QTA Area-**

In 2020 the airport will take over the operation and maintenance of the new rental car quick-turn facility. This will involve fee collection from the rental cars as well as operational expenses. Director Letellier has added additional revenue and collection accounts to reflect these additional items in the operating budget.

Revenue The airport will receive revenue from operators for the following:

- Resale of gasoline based on agreed upon \$0.15/gal admin fee.
- QTA Operations and Maintenance. – Initially fee of \$10.75/sf. Adjusted monthly based on actual expenses.
- Car wash fee of \$1.50/wash.

Expenses Operational expenses will be recorded for the following:

- Purchase of gasoline for rental car use.
- Supplies and monthly maintenance, preventive maint. for car wash.
- Maintenance for the detail bays.
- Utilities for car wash and detail bays.

Based on current expenses from our rental car operators and expected revenue, our annual gain from operation of the QTA facility is approximately \$95,790.

## 7. Open Segment-

Julie Schnaible moved to adjourn at 1:02 pm. Dave Nelson seconded. Motion Carried.

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Date

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Secretary

Next Board Meeting: December 19, 2019 12:00 pm

**Sioux Falls Regional Airport  
Bills to be Approved  
November 21, 2019**

<b>Check</b>	<b>Vendor</b>	<b>Description</b>	<b>Amount</b>	<b>Date</b>
40305	Advertising Arts	Passenger Services	\$ 79.50	10/24/2019
40306	American Ink	Clothing	\$ 130.00	"
40307	Bargain Barn	Tires	\$ 25.00	"
40308	Century Link	Telephone	\$ 1,056.81	"
40309	Office of Child Support	PPE 10/20/2019	\$ 282.92	"
40310	Cliff Ave	Machine Maint	\$ 45.48	"
40311	Diamond Voegl	Paint	\$ 89.24	"
40312	FedEx	Postage	\$ 66.83	"
40313	Golden Rule	Baggage Claim	\$ 185,319.90	"
40314	Graybar	Electrical Supplies	\$ 68.00	"
40315	Hillyard	Janitorial	\$ 161.00	"
40316	Hungrys	Other Current Expense	\$ 164.68	"
40317	Innovative Office	Building Maint	\$ 2,121.70	"
40318	Malloy	Building Maint	\$ 179.13	"
40319	Metlife	STD, LTD, Life, AD&D, Dental, Vision	\$ 4,284.27	"
40320	Midco	Passenger Services	\$ 650.00	"
40321	Rick Milner	Janitorial	\$ 35.52	"
40322	Nepost	Postage	\$ 343.85	"
40323	SDRS	Retirement	\$ 712.10	"
40324	SDSRP	Supplemental Retirement	\$ 606.00	"
40325	Sioux Falls Utilites	Electric	\$ 27,197.80	"
40326	Sioux Merchant	Security 10/13-10/19	\$ 3,362.86	"
40327	A1 Septic	Sewage	\$ 165.00	11/1/2019
40328	Abigail Vandeplank	Travel	\$ 242.16	"
40329	American Engineering	Testing	\$ 3,026.25	"
40330	AT&T	Telephone	\$ 48.27	"
40331	Auto Body Specialties	Machine Maint	\$ 21.10	"
40332	Batteries Plus	Electrical Supplies	\$ 126.00	"
40333	BX Civil	Deicing Apron	\$ 1,265,594.77	"
40334	Campbell Supply	Clothing/High Vis Coats	\$ 1,364.15	"
40335	Concrete Materials	Sand	\$ 17,743.14	"
40336	Convergint Tech	Security Maint	\$ 1,675.53	"
40337	Cummins Central Power	Machine Maint	\$ 1,350.63	"
40338	Dex Media	Advertising	\$ 263.00	"
40339	Direct TV	Passenger Services	\$ 143.99	"
40340	Double H Paving	2019 Misc Pavement Rehab	\$ 238,967.95	"
40341	General Equip	Machine Maint	\$ 208.23	"
40342	Great Lakes Chapter	2020 Dues	\$ 35.00	"
40343	Green 4 Ever	Building Maint	\$ 69.89	"
40344	Heartland Paper	Janitorial	\$ 216.58	"
40345	Hillyard	Janitorial	\$ 896.22	"
40346	Howes Oil	Fuel Resale	\$ 7,107.03	"
40347	Health Pool of SD	November Health Insurance	\$ 33,904.52	"
40348	Interstate Battery	Machine Maint	\$ 102.95	"

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Check	Vendor	Description	Amount	Date
40349	JCL Solutions	Janitorial	\$ 68.52	"
40350	Johnstone Supply	Air filters/Climate Control	\$ 185.08	"
40351	Krier and blain	Plumbing Maint	\$ 2,042.01	"
40352	Malloy	Building Maint	\$ 179.13	"
40353	Capital One	Building Maint	\$ 11.83	"
40354	MidAmerican	Gas	\$ 2,251.03	"
40355	Oreilly	Machine Maint	\$ 86.12	"
40356	OTW Safety	Field Maint	\$ 210.00	"
40357	Petty Cash	Replenish Petty Cash	\$ 176.48	"
40358	RDO Equipment	Machine Maint	\$ 355.93	"
40359	Sioux Falls Two Way	Communications Maint	\$ 52.96	"
40360	Sioux Falls Utilites	Water/Sewer	\$ 1,885.82	"
40361	Sioux Merchant	Security 10/20-10/26	\$ 3,374.78	"
40362	Tractor Supply	Janitorial	\$ 26.99	"
40363	Voltaire Aviation	Airline Startup	\$ 186.09	"
40364	Argus Leader	Advertising	\$ 342.20	11/8/2019
40365	Bargain Barn	Tires Plow #35	\$ 4,335.00	"
40366	Office of Child Support	PPE 11/03/2019	\$ 282.92	"
40367	C N A Surety	Prepaid insurance	\$ 1,317.41	"
40368	Convergint Tech	Security Repairs	\$ 1,137.41	"
40369	Dakota Fluid Power	Machine Maint	\$ 69.96	"
40370	Daktronics	Building Maint	\$ 30.00	"
40371	Davenport Evans	Attorney	\$ 90.00	"
40372	Dakota Supply Group	Other Building Maint	\$ 34.31	"
40373	G&R Controls	Climate Control	\$ 148.79	"
40374	Golden Rule	Baggage Claim	\$ 270,748.31	"
40375	Heartland Paper	Janitorial	\$ 130.12	"
40376	Hillyard	Janitorial	\$ 1,010.97	"
40377	Howes Oil	QTA - Fuel rental car resale	\$ 20,145.42	"
40378	Interstate Office	Office Supplies	\$ 59.15	"
40379	Kabel	HRA Checks	\$ 101.88	"
40380	Media One	Advertising	\$ 6,785.37	"
40381	NAS Industrial	Runway Deicer	\$ 160.78	"
40382	Prairie Grass	Sprinkler Blowout	\$ 750.00	"
40383	SDRS	October Retirement	\$ 14,261.92	"
40384	SDSRP	Supplemental Retirement	\$ 606.00	"
40385	Sigler Fire	Building Maint	\$ 1,291.50	"
40386	Sioux Merchant	Security	\$ 3,977.00	"
40387	Standard Signs	Aifield Signs	\$ 2,668.51	"
40388	Thyssenkrupp	Building Maint	\$ 202.70	"
40389	Voltaire Aviation	Airline Startup	\$ 2,666.67	"
40390	Waste Management	Sanitation	\$ 1,754.34	"
40391	Allegiant Airline	Consulting Services	\$ 24,992.70	11/15/2019
40392	American Fence	Gate Parts	\$ 1,255.54	"

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40393	AT&T	Telephone	\$	79.10	"
40394	AT&T Teleconference	Telephone	\$	18.06	"
40395	Bargain Barn	Tires	\$	25.00	"
40396	Batteries Plus	Electrical Supplies	\$	422.50	"
40397	Century Link	Telephone	\$	219.29	"
40398	Cryotech	Aircraft Deicer	\$	28,546.73	"
40399	Elston Manufacutring	Field Maint	\$	600.00	"
40400	Golden Rule	Final Payment - Pet Reliefe	\$	14,336.80	"
40401	Halliday Technologies	Equipment	\$	2,763.13	"
40402	Hillyard	Janitorial	\$	874.30	"
40403	Hoogendoorn Construction	QTA Facility	\$	872,334.90	"
40404	Howes Oil	Shop Diesel	\$	7,322.44	"
40405	Interstate Office	Office Supplies	\$	28.73	"
40406	Laceys Rental	Other Current Expense	\$	222.00	"
40407	Matheson	Oxygen	\$	132.65	"
40408	Minnehaha County	October LEO	\$	15,572.59	"
40409	Oreilly	Machine Maint	\$	65.02	"
40410	Overhead Door	Other Building Maint	\$	32.95	"
40411	PGAL	QTA Facility	\$	8,270.84	"
40412	SD Department Safety	Boiler Inspections	\$	120.00	"
40413	Sioux Falls Electric	Electrical Maint	\$	966.17	"
40414	Sioux Merchant	Security 11/3-11/09	\$	3,350.93	"
40415	SP Plus	October Parking Lot, Upgrades	\$	45,961.91	"
40416	TSP	Baggage Claim	\$	5,250.00	"
40417	Walker Parking	Consulting Services	\$	9,103.20	"
			<b>Total for 10/24/2019 - 11/20/2019</b>	<b>\$ 3,189,323.84</b>	

*Payroll*

<i>pay period ending 10/20/2019</i>	\$	46,357.48	10/25/19
<i>pay period ending 11/03/2019</i>	\$	46,424.77	11/08/19

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CC- Dan Letellier

<i>Travel</i>		
<i>Other Current Expense</i>	\$	500.00
<i>Clothing</i>	\$	464.84
<i>Machine Maint</i>	\$	85.09
<i>Postage</i>	\$	8.00
<i>Total</i>	\$	<u>1,057.93</u>

CC- Richard King

<i>Fingerprinting</i>	\$	3,000.00
<i>Passenger Services</i>	\$	210.79
<i>Travel</i>		
<i>Other Current Expense</i>	\$	116.86
<i>Memberships</i>	\$	794.54
<i>Building Maint</i>	\$	88.63
<i>Total</i>	\$	<u>4,210.82</u>



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