

**PROCEEDINGS OF
THE GRAND FORKS REGIONAL AIRPORT AUTHORITY
BOARD OF COMMISSIONERS MEETING**

January 7, 2010

The Grand Forks Regional Airport Authority Board of Commissioners met in a special session in the Board Room of the Airport Authority on Thursday, January 7, 2010 with Chairman Rich Becker presiding. Members present were Commissioners Clark Cronquist, Hal Gershman, Steve Kuhlman, Gary Malm and Brad Beyer; staff included Patrick Dame, Executive Director, Mary Jo Crystal, Director of Finance/Administration and Rick Audette, Operations and Maintenance Manager.

The meeting was called to order at 3:32 p.m.

1. Airport Drive

Jon Scrapper from Ulteig Engineers and Patrick Dame talked about the cost of the design work for the Airport Drive project application. The design must be completed in six weeks so the airport can accept an AIP grant offer from the FAA by the end of March. The proposed fee for the design phase of this project is a lump sum of \$277,800, including reimbursable costs and includes the \$30,000 that was approved at the last meeting. Dame said this amount will be spent whether the construction goes forward this year or not and will be paid mostly with entitlement funds from the FAA and the local share of this amount would be \$13,890. The proposed fee for the construction phase is hourly to a max of \$315,355 for construction administration and observation, including reimbursables. This amount will be spent if the construction goes forward, and 95% of it would be FAA funded. The proposed fee for the project grant closeout is a lump sum of \$15,445. Gershman made a motion to award the engineering and design of Airport Drive to JLG/Ulteig in the amount of \$277,800; and further award the construction management for the project in the amount of \$315,355 subject to the grant award, and up to \$15,445 for project closeout; and further authorize the Executive Director and Authority Attorney and sign the FAA grant; and further authorize staff to amend the 2010 budget to include the listed expenditures. Malm seconded the motion. **Action taken:** Motion carried unanimously.

2. Restaurant Proposal

Chairman Becker reported on the New Terminal Committee's interview with Michael Reilly, a representative from Oakwells, the company that has submitted their bid to start a restaurant and gift shop in the new terminal. The company meets the bid requirements and Mr. Reilly left everyone with a very favorable impression, and the committee recommended awarding the concession contract to Oakwells. Becker said the company seems to understand what they are doing, especially the non-food aspect. Malm said Mr. Reilly seemed very good at marketing. If they are awarded the contract, Oakwells plans to offer job transfers to the existing restaurant staff and would like to start phasing in as soon as possible. It was moved by Cronquist and seconded by Gershman to award the restaurant concession in the new terminal to Oakwells. Malm asked Dame to approach the current restaurant owners and ask if they have interest in allowing Oakwells to phase in prior to the closing of the old terminal. **Action taken:** Motion carried unanimously.

3. LifeScan Fingerprint Processing System

Dame and Audette described a new fingerprint processing system and the reasons for purchasing it. The new system will send fingerprints electronically, making the process instantaneous vs. shipping ink cards with the potential of rejection. The system will be paid for with revenue from fingerprinting and badging airport users, UND students, and several others from our region. Staff requested ratification of the purchase of the system in the amount of \$15,921.56. Gershman moved to ratify the purchase of the

LiveScan Fingerprinting System. Malm seconded the motion. **Action taken:** Motion carried unanimously.

Dame said he will be sending a letter to the Mayor explaining and outlining the Airport Drive project. The Authority is seeking participation from the City of Grand Forks for the entire road project.

The meeting adjourned at 4:09 p.m.

Respectfully submitted,

Coleen Peterson, Board Secretary

**PROCEEDINGS OF
THE GRAND FORKS REGIONAL AIRPORT AUTHORITY
BOARD OF COMMISSIONERS MEETING**

January 21, 2010

The Grand Forks Regional Airport Authority Board of Commissioners met in its regular session in the Board Room of the Airport Authority on Thursday, January 21, 2010 with Chairman Rich Becker presiding. Members present were Commissioners Clark Cronquist, Tim Mutchler, Steve Kuhlman, Gary Malm and Brad Beyer; staff included Patrick Dame, Executive Director, Mary Jo Crystal, Director of Finance/Administration and Rick Audette, Operations and Maintenance Manager.

The meeting was called to order at 8:00 a.m.

A. Reading and Approval of Minutes

1. It was moved by Malm and seconded by Mutchler to approve the December 17, 2009 and January 7, 2010 minutes as written. **Action Taken:** Motion carried unanimously.

B. Reports

1. Financial Report

Mary Jo Crystal reviewed the financial reports and answered questions posed by the Commissioners.

2. Insurance Report

Crystal reported that the airport's insurance provider recommends raising the liability insurance limit from \$15,000,000 to \$25,000,000. Staff recommended the board consider this after the selection of the insurance provider.

3. Airport Report

Dame reported on current events at the airport. Beyer reported a meeting with the City Finance Committee about the opportunity to replace Airport Drive. He said the Committee was very receptive and approved a motion to support the airport up to about \$180,000. Dame said there will be several other meetings in the near future to hurry this project along. Dame also spoke about the upcoming retirement activities for Ops Specialist Ken Guenther.

4. Committee Reports

i. Airport Tenant Relations

Cronquist reported that the Committee met with the car rental agencies and reviewed the airport's proposed lease terms. The agencies are reviewing it now, and Dame said he is confident they will wrap up negotiations by the next board meeting.

ii. Real Estate

Dame reported that the attorney has finished his work on the Valley Hangar Lease and it will be delivered to Brent Seifert for his review by the end of today.

iii. Air Service/Marketing

Dame said the trip to Atlanta to visit with Delta has been scheduled for late February. The Allegiant conference is scheduled for mid-February. The marketing committee has decided to concentrate advertising to Canada for the first few months of 2010.

iv. **New Terminal Development**

Dame introduced Bill Mayo and Bob Linehart from Republic Parking System. Mr. Linehart presented their recommendations for the configuration of the new terminal's parking lot. They emphasized installing two entrance gates in the free 2 hour parking lot and charging a higher than normal parking fee for those that stay longer. Their research indicates that 30% of those surveyed would pay more to park closer. There would be a one way exit out into the main lot. It was also highly recommended that the design include a cashier's booth at the exit and not inside the terminal. Republic Parking said they will negotiate to pay for and install the equipment in exchange for a new contract. Dame reminded Commissioners that there is no planned employee parking in the current terminal design. The addition of the employees to the paid parking lot decreases the capacity for passenger parking.

C. **Old Business**

1. **Contract Extension – Opp Construction - Apron**

Jon Scrapper from Ulteig Engineers reported on an Airport meeting with Greg Opp regarding the apron construction extension request. The construction will not be completed until the summer of 2010; it was originally scheduled to be completed on September 30, and the contract was already extended to November 15th. The contract includes provisions for liquidated damages so the Authority can recover costs incurred because of the extensions. Opp revised their extension request to read that liquidated damages not be assessed to his contract and that they would cover the actual additional expenses themselves. The new time extension is July 15, 2010. Ulteig recommends the extension be approved with this new concession. It was moved by Mutchler and seconded by Cronquist to approve the extension to July 15, 2010 with Opp paying the additional expenses. **Action taken:** Motion carried unanimously.

D. **New Business**

1. **Terminal Change Order**

Dame distributed a change order request from JLG. Several items that were scheduled to be bid out later were moved forward because previous bids were low and there is grant money left to proceed now with these items. Peterson Construction's proposed change in cost would be \$528,058 and the change in schedule would be September 30, 2010. Sun Electric's change order totaled \$62,018 with no contract extension. Sun Electric's change order includes one item that was not in the original design - the installation of additional conduit and underground enclosures for \$55,606. It was moved by Malm and seconded by Mutchler to authorize the change orders from JLG for Peterson and Sun Electric as stated. **Action taken:** Motion carried unanimously.

2. **Replace Operations Vehicle**

Audette described the FAA restrictions that vehicles must follow for weight and balance for runway surface testing. Staff requested purchasing a new 2010 Ford Expedition using the lowest bids from ND and MN. Dame said the current Operations vehicle is the most utilized vehicle on the airport, has 70,000 miles on it and will be passed down to replace another Operations vehicle. His policy is to replace the most important vehicles with new ones and utilize the old ones until no longer feasible. It was moved by Cronquist, seconded by Beyer to approve the purchase of a 2010 Special Service Ford Expedition through the State of North Dakota bid process from Hatton Ford for the price of \$26,900.27. **Action taken:** Motion carried unanimously.

3. **Laptop Computer**

Dame said when he was hired, the Authority had authorized the purchase of a laptop computer as part of his employment contract. He explained that he has found himself in need of one due to his busy travel schedule. He found the best product at a competitive price from Insight Technologies. He

requested that the Authority approve the purchase of an HP Business Notebook 6530b, for use by the Authority Director, in the amount of \$1,382. It was moved by Mutchler and seconded by Malm to approve the purchase of the Notebook laptop from Insight for \$1,382. **Action taken:** Motion carried unanimously.

4. Telephone System

Dame described how the telephone system is failing and needs to be replaced as soon as possible. A telephone system is in the 2010 capital improvement budget, and promises to be portable to the new terminal with little transfer expense. Terminal tenants will be able to utilize our new system, offering them cost savings. The staff is currently in contact with three vendors obtaining quotes and will evaluate them on Friday, January 29, 2010, with hopes of starting the installation shortly thereafter. Staff requested authorization to immediately purchase a replacement system not to exceed \$33,000. It was moved by Cronquist and seconded by Kuhlman to approve the purchase of a replacement telephone system at the Executive Director's authority and discretion within a reasonable range of about 10% to 20% above or below the requested amount. **Action taken:** Motion carried unanimously.

The meeting adjourned at 9:37 a.m.

Respectfully submitted,

Coleen Peterson, Board Secretary

**PROCEEDINGS OF
THE GRAND FORKS REGIONAL AIRPORT AUTHORITY
BOARD OF COMMISSIONERS MEETING**

February 22, 2010

The Grand Forks Regional Airport Authority Board of Commissioners met in its regular session in the Board Room of the Airport Authority on Monday, February 22, 2010 with Chairman Rich Becker presiding. Members present were Commissioners Clark Cronquist, Steve Kuhlman, and Brad Beyer; staff included Patrick Dame, Executive Director, Mary Jo Crystal, Director of Finance/Administration and Rick Audette, Operations and Maintenance Manager.

The meeting was called to order at 8:00 a.m.

A. Reading and Approval of Minutes

1. It was moved by Cronquist and seconded by Kuhlman to approve the January 21, 2010 minutes as written. **Action Taken:** Motion carried unanimously.

B. Reports

1. Financial Report

Mary Jo Crystal reviewed the financial reports and answered questions posed by the Commissioners. She explained that the audit adjustments are not showing on the financial statements.

2. Airport Report

Dame reported on some of the business developments affecting the airport: The Allegiant Air conference was very positive, the car rental agreements are still in negotiations, and his position when he spoke at the UAS meeting concerning restricted airspace.

3. Chairman Report

Chairman Becker said before the next meeting there will be a visit to DigiKey to show the airport's appreciation for their cargo business. He also asked the Board to complete a performance evaluation for Patrick Dame by March 16th.

4. Committee Reports

i. Airport Tenant Relations

Cronquist reported that there is a proposal for change in the Minimum Standards for On-Airport Car Rental Concessions. A public hearing will be held under New Business.

ii. Real Estate

Kuhlman said the Valley Hangar lease is complete and is being reviewed by GFK Flight Support. One issue GFKFS may have is that it is a five-year lease with month-to-month renewals after that. They would like a longer term.

iii. Air Service/Marketing

Dame briefed the Board on information Allegiant gave us about where their GFK passengers come from. It shows a heavy concentration in Winnipeg, and Dame suggested it would be a good idea to spend more on advertising there. The Board concurred.

iv. New Terminal Development

Tom Behm from JLG gave his report on the new terminal project. Of the projects already bid, the utilities and loop road project is 85% complete; the building shell/interior walls are 55% complete; the mechanical and electrical is 18% complete with geothermal well drilling to start in March; and the elevators and escalators are on order. He said to this point we are \$1.5 million under budget. Jon Scrapper from Ulteig reported on the Airport Drive design process. Behm also reported on the upcoming bidding schedule for the civil, interior finishes, jetbridge and baggage handling system. He also gave the Board a LEED update. It would cost \$30-\$60,000 to hire a firm to (LEED) commission the building. Dame explained the funding process for funding the Airport Drive project. He commended JLG and Ulteig for the great job they've done in a very short time on this design.

C. New Business

1. Minimum Standards for On-Airport Car Rental Concessions

PUBLIC HEARING

MINIMUM STANDARDS FOR ON-AIRPORT CAR RENTAL CONCESSIONS

A public hearing was held in the Board Room of the Airport Authority on Monday, February 22, 2010. The topic was "Minimum Standards for On-Airport Car Rental Concessions".

The meeting was opened by Authority Chairperson Rich Becker at the regular Authority Board Meeting.

A Memo was displayed with the proposed changes and some comments. Commissioner Cronquist briefly described the details of the proposed changes to the Minimum Standards and offered to take comments and answer any questions.

Hadley Freng from Hertz Car Rentals and Shari Storbakken from Avis Car Rentals commented on using the word "precedence" when referring to dual/multiple branding, which is mentioned in the comments section of the memo. The memo says that according to past minutes, dual branding was understood by the Board several years ago, setting precedence, and would not be further acted upon. Freng said he would like to see in the Minimum Standards that the Authority would not allow anything more than dual branding (i.e. multiple branding) unless they are all controlled by the original franchiser. Storbakken agreed, saying that language in writing would protect all concerned. Becker said the Authority's revenue base needs to be protected and asked for guidance on how to proceed. Cronquist said it would be impossible to limit it because corporations make their own business decisions to acquire other brands. Freng said Hertz may be in a position in a

few years to run more than two brands under one name. He said again that he would like to see the issue addressed in either the Minimum Standards or the contract. Dame said he would be concerned about limiting a business through Minimum Standards. He suggested addressing it on a case by case basis as dual/multiple branding happens. Becker said the airport needs to stay in compliance with the ADO. Cronquist moved to accept the proposed changes to the Minimum Standards and authorize the Authority staff to publish the standards after a 30 day waiting period. The motion was seconded by Beyer. Dame clarified that the issue of dual/multiple branding is not included in the Minimum Standards. The Board concurred that this issue will be dealt with in the individual car rental contracts. **Action taken:** Motion carried unanimously.

The public hearing was adjourned.

2. Fuel Farm System Upgrade

Audette described the need for the purchase of a component in the fuel farm system, explaining that it would be the final phase of a previous project. The age of the current hardware has caused the system to fail in fuel polling and quantity accounting. He added that Petrovend is the current system provider and to bid out this remaining component would require a total system change. Beyer moved to approve the purchase of the said system component from Valley Petroleum in the amount of \$14,459.11. Kuhlman seconded the motion. **Action taken:** Motion carried unanimously.

3. Discretionary Payments

Dame recommended the Authority authorize the discretionary payment with the stipulation that it must be contributed to a deferred compensation account for use at retirement instead of a cash payment. The payments are made at the Authority's discretion as a replacement for certain employees' retirement lost when their City defined benefit was taken away and replaced by to Authority's defined compensation plan several years ago. Cronquist said he didn't think the employee can be forced to contribute it to a retirement plan. Becker asked how long these payments would go on. Crystal said some of them go out about 10 years. Beyer and Kuhlman said the payments should all be made now in one lump sum so it's done and over with. Dame and Crystal agreed, and will bring a proposal to that effect to next month's meeting.

The meeting adjourned at 9:12 a.m.

Respectfully submitted,

Coleen Peterson, Board Secretary

**PROCEEDINGS OF
THE GRAND FORKS REGIONAL AIRPORT AUTHORITY
BOARD OF COMMISSIONERS MEETING**

March 18, 2010

The Grand Forks Regional Airport Authority Board of Commissioners met in its regular session in the Board Room of the Airport Authority on Thursday, March 18, 2010 with Chairman Rich Becker presiding. Members present were Commissioners Clark Cronquist, Steve Kuhlman, Tim Mutchler, Gary Malm and Brad Beyer; staff included Patrick Dame, Executive Director, and Rick Audette, Operations and Maintenance Manager.

The meeting was called to order at 8:00 a.m.

A. Reading and Approval of Minutes

1. It was moved by Cronquist and seconded by Kuhlman to approve the February 22, 2010 minutes as written. **Action Taken:** Motion carried unanimously.

B. Reports

1. Financial Report

Patrick Dame reviewed the financial reports and answered questions posed by the Commissioners.

i. Auditor's Report

Brady Martz's Joe Martin gave his annual audit report. He said continuing to implement cross-training wherever possible has been an annual recommendation for our small office. He has seen great improvement last year, however. Cronquist moved to approve the audit report, seconded by Malm. Action taken: Motion carried unanimously.

2. Airport Report

Dame reported on some current airport items: Parking issues, the Airport of the Year Award, the House passing a bill to extend Vision 100 for 3 months. Frank Argenziano from UND announced that their avionics manager, Kirk Peterson, recently won the FAA state, regional and national awards for Avionics Technician of the Year.

3. Chairman Report

Chairman Becker commented on the ND Airport of the Year award and congratulated the airport staff for how smoothly they handle the airport from day to day. He announced a meeting with DigiKey on March 24th, and the upcoming review of Patrick Dame.

4. Committee Reports

i. Airport Tenant Relations

Cronquist reported that the committee is waiting for Hadley Freng from Hertz to continue their contract negotiations. One of the other car rental tenants will be signing the agreement today.

ii. Real Estate

Kuhlman said the Valley Hangar lease is complete and is being reviewed by GFK Flight Support. The final details will be worked out in the next week.

iii. New Terminal Development

Tom Behm from JLG gave his report on the new terminal project, discussing several items with the Commissioners. The geothermal system was being drilled, but the well driller hit an artesian well, so there's been a slight delay while they work through that. Dave McFarlane gave a presentation on the benefits to having the new terminal LEED certified. The cost to the airport after federal funding would be \$13,500. Malm said that money could be better spent somewhere else. McFarlane said the savings would far outweigh the cost. Becker asked staff to check some of McFarlane's references and give a report at the next meeting and a decision will be made then.

C. Old Business

1. Second Reading of the Minimum Standards

Dame said the 30 day waiting period is a few days away, but he recommended voting on the change to the Minimum Standards today to become effective on March 24th barring any further objections. Becker asked the attending car rental managers for their comments. Phil Medina from Hertz commented on the shortage of space in their ready lot due to the recent changes made when the parking lots were reconfigured. He hopes this type of thing will not happen in the future when they move to the new terminal. Cronquist moved to adopt the proposed changes to the Minimum Standards with the effective date of March 24, 2010 if there are no further comments. Malm seconded the motion. **Action taken:** Motion carried unanimously.

2. Discretionary Payments

Dame described some time value tables showing the employee discretionary distributions in lump sum today compared to investing it in increments over time. Kuhlman said these numbers would be correct if the money were a guarantee, but it's not. He suggested that the employee may want to take an offer of less now to have the lump sum and not worry about whether or not these payments will be approved in the future. Kuhlman asked Dame to have Brady Martz prepare a table showing the time value of money to determine what the lump sum payout should be in today's dollars. Mutchler said the board should be careful in how they try to save money. Kuhlman asked if the employees would want to take the lump sum. Dame and the attending employees said they could not make that decision until there is an offer.

C. New Business

1. Insurance Bylaw Change

Dame recommended some new bylaw verbiage concerning the way the airport's insurance provider is selected, written by the airport attorney. This change would allow the airport to select more than one insurance provider. If approved, there is a 15 day public notice period before going into effect. A motion was made by Kuhlman, seconded by Malm, to accept the verbiage and authorize staff to publish the change to the bylaws. **Action taken:** Motion carried unanimously.

2. Insurance Changes

Dame told of his research on neighboring airports' liability insurance limits and his request to our insurance provider for guidance. He recommended increasing GFRAA's limit from \$15 million to \$35 million for the remainder of 2010 at an additional cost of \$5,000. It was moved by Malm and seconded by Mutchler to increase the liability insurance limit to \$35 million as recommended. **Action taken:** Motion carried unanimously.

3. TSA Lease Agreement Extension

Dame recommended the Authority Board authorize the Executive Director to sign the lease agreement with GSA who requested an extension to their TSA lease agreement to the day before the opening of the new airline terminal. It was moved by Malm, seconded by Mutchler to approve the TSA lease extension as stated. **Action taken:** Motion carried unanimously.

4. Change Order #4

Dame said the runway 9R-27L project needs a few items for completion. He reviewed the list of items on the change order and recommended the Authority Board approve Change Order #4 as established by Ulteig Engineering. The total is \$342,243.28, and Jon Scrapper spoke about the concentration of the dirt and the lowering of the manholes, a new clay borrow, and the 6% PCC pavement bonus adjustment that Strata earned. The coulee project was under run, so some of those funds will be moved over to this project. It was moved by Mutchler, seconded by Cronquist to approve Change Order #4 as established by Ulteig. **Action taken:** Motion carried unanimously.

5. Authority to Sign Grant #38

Dame said the grant offer is about to be signed, and his review of the minutes showed he had already been authorized to do so. This was informational in nature only.

6. Amend Ceiling Limit on New Terminal Project

Cronquist said the \$20 million limit that the Board authorized in August of 2007 does not allow for the additional funds that may be spent on the Airport Drive design. Cronquist moved that the new terminal project expenditure be raised to \$23.5 million. Mutchler seconded the motion. Becker recalled that the current limit was \$22.5 million, and there was discussion about what the actual limit is. Malm moved to table the motion, seconded by Mutchler. **Action taken:** Motion carried unanimously.

The meeting adjourned at 10:00 a.m.

Respectfully submitted,

Coleen Peterson, Board Secretary

**PROCEEDINGS OF
THE GRAND FORKS REGIONAL AIRPORT AUTHORITY
BOARD OF COMMISSIONERS MEETING**

April 15, 2010

The Grand Forks Regional Airport Authority Board of Commissioners met in its regular session in the Board Room of the Airport Authority on Thursday, April 15, 2010 with Chairman Rich Becker presiding. Members present were Commissioners Clark Cronquist, Tim Mutchler, Gary Malm and Hal Gershman; staff included Patrick Dame, Executive Director, Mary Jo Crystal, Director of Finance/Administration and Rick Audette, Operations and Maintenance Manager.

The meeting was called to order at 8:00 a.m.

A. Reading and Approval of Minutes

1. It was moved by Malm and seconded by Cronquist to approve the March 18, 2010 minutes as written. **Action Taken:** Motion carried unanimously.

B. Reports

1. Financial Report

Crystal reviewed the financial reports and answered questions posed by the Commissioners.

2. Airport Report

Dame introduced Mike Edwards, a new Authority Operations employee, and reported on some current airport items: Car rental agreements, new terminal restaurant fixtures and agreement, hangar leases, and a meeting discussing UND's future needs.

3. Chairman Report

Chairman Becker commented on the good work of Patrick Dame, their recent visit to DigiKey, the meeting with UND, and the Tower's busy schedule.

4. Committee Reports

i. Airport Tenant Relations

Cronquist reported on the progress of the rental car leases and the consolidated facility plans. Hadley Freng from Hertz made some comments on the progress of their plans for the facility.

ii. Air Service Development

Gershman praised Dame on his willingness to attend all the City Council meetings. He said there needs to be more effort made to get a booth out into the parking lot. Dame reported on his discussions with Republic Parking about setting up a booth at the exit. Gershman reported on the new Delta schedule and the related ad that will appear in the GF Herald. Dame said Regional Elite has taken over the ground handling for Delta, and commented on all the improvements they've made since they've taken over – painting, uniforms, better customer service, etc.

iii. New Terminal Development

Malm commented on the progress of the new terminal. JLG's Tom Behm gave an update on the construction. The well drilling for geo-thermal heating/cooling will cost up to \$40,000 more because of the artesian wells they found as they drilled vertically. The new plan is to drill horizontal wells 40-45 feet deep. Dame recommended that the Board approve this additional spending for the alternate method of well drilling. It was moved by Gershman and seconded by Cronquist to spend up to an additional \$40,000 for well drilling. **Action taken:** Motion carried unanimously. Behm continued by showing some drawings of the new admin office area and asked the Board to comment.

C. Old Business

1. Discretionary Payments

Dame reported on the research done on the time value of money with regard to buying out the employees who have been receiving annual discretionary payments. Brady Martz had advised the airport that the buyout would cost \$38,547.62 in order for the employees to collect the anticipated \$42,000. After discussing this issue with Chairman Becker and member Kuhlman, staff feels it would not be beneficial to buy out the employees and recommended the Authority authorize the 2010 payout of \$6,682. Mutchler moved to authorize \$6,682 in discretionary payments. Cronquist seconded the motion. **Action taken:** Motion carried unanimously.

2. Ceiling Limit on New Terminal Project

Dame read the motion that was carried unanimously at the August 21, 2008 meeting, which raised the new terminal construction cap from \$20 million to \$22.5 million. The motion (tabled) at the March meeting by Cronquist was to raise the cap to \$23.5 million. Dame said that the recent addition to the terminal project, a fully rebuilt Airport Drive, could cost an additional \$2.5-\$3 million dollars. Gershman said the City's approval of the bonds dictates the level that the Authority can spend on the terminal. He cautioned that the City's good will is at stake. Cronquist agreed and suggested moving the cap back to \$20 million because the project is currently running under budget by \$1.5 million. Dame said staff is not making a recommendation on this issue, but if they were, it would be that the capped dollar amount be high enough to accept the additional federal funding that would be coming in, and not necessarily against the bonded funding. Gershman asked where the Airport Drive local funding would come from if not the bonds? Becker said he thinks the bonding numbers were submitted at the \$22.5 million cap rate. He asked what would the impact be on the cap if the Airport Drive project is indeed added to this terminal project? Cronquist said he moved that the \$23.5 cap in March with the misunderstanding that the cap was at \$20 million. Dame said the funding for Airport Drive is still uncertain, but Senator Dorgan has indicated to him that the bill will be done in May of this year. Dame is confident that there will be some discretionary funds available this year, and is optimistic that there will be enough for at least the bumped out portion of Airport Drive. He added that only 1 ½% of the Airport Drive portion would be unfunded (local share). When he asked the City and County to pay for the airport's local share, he meant that the airport would only spend what they needed on Airport Drive, and turn the rest (of what was promised) back to the City and County. He said the City and County has promised to cover the local share of the entire \$2.5 -\$3 million additional cost, but in reality, the additional cost could be as low as \$1.2 million. He said that if necessary, we could go to

the State of ND to get the 1 ½% covered. Becker mentioned the under-run of \$1.5 million of the terminal project, and asked if the Airport Drive addition could be funded using that and still come in under the current cap of \$22.5 million? Dame said there would be funding tables/calculations made when he gets some solid numbers from the FAA. Becker said Cronquist's motion will continue to be tabled until we have those numbers.

C. New Business

1. LEED Certification

Dame commented on the LEED discussion and Mr. McFarlane's presentation at last month's meeting. He said there will be a savings on the terminal project if this LEED Certification process is approved. A motion was made by Gershman, seconded by Mutchler, to approve the study on the HVAC and complete the finalization of the LEED Certification process. Malm said he does not support this motion because he does not believe that McFarlane's plan to keep the terminal building at an even temperature is as simple as he made it sound in his presentation. Behm said the cost would be \$50,000 to hire McFarlane as a commissioned agent to work under JLG as one of the requirements in the LEED Certification process. Dame said the \$50,000 is eligible for federal reimbursement, so the airport's local share would be \$13,500. **Action taken:** Motion carried with 3 ayes (Mutchler, Cronquist, Gershman), and one nay (Malm).

The meeting adjourned at 9:32 a.m.

Respectfully submitted,

Coleen Peterson, Board Secretary

**PROCEEDINGS OF
THE GRAND FORKS REGIONAL AIRPORT AUTHORITY
BOARD OF COMMISSIONERS RETREAT**

May 13, 2010

The Grand Forks Regional Airport Authority Board of Commissioners met for a retreat at Alerus Center Meeting Room 12 on Thursday, May 13, 2010. Members present were Commissioners Rich Becker, Clark Cronquist, Tim Mutchler, Steve Kuhlman, Brad Beyer, Gary Malm and Hal Gershman; staff included Patrick Dame, Executive Director, Mary Jo Crystal, Director of Finance/Administration, and Rick Audette, Operations and Maintenance Manager.

The retreat began at 8:00 a.m. and ended at 4:50 p.m.

Airport Authority staff presented information to the Commissioners and discussed the airport's needs with the aid of a PowerPoint presentation. Commissioners comments were noted.

Working from those comments and discussions, the staff later created a list of action items that was sent to the Board in late May.

The Commissioners were generally pleased with the retreat and suggesting doing this again at least annually.

Respectfully submitted,

Coleen Peterson, Board Secretary

**PROCEEDINGS OF
THE GRAND FORKS REGIONAL AIRPORT AUTHORITY
BOARD OF COMMISSIONERS MEETING**

May 20, 2010

The Grand Forks Regional Airport Authority Board of Commissioners met in its regular session in the Board Room of the Airport Authority on Thursday, May 20, 2010 with Chairman Rich Becker presiding. Members present were Commissioners Clark Cronquist, Tim Mutchler, Steve Kuhlman, Brad Beyer, Gary Malm and Hal Gershman; staff included Patrick Dame, Executive Director and Mary Jo Crystal, Director of Finance/Administration.

The meeting was called to order at 8:00 a.m.

A. Reading and Approval of Minutes

1. It was moved by Mutchler and seconded by Beyer to approve the April 15, 2010 minutes as written. **Action Taken:** Motion carried unanimously.

B. Reports

1. Financial Report

Crystal reviewed the financial reports and answered questions posed by the Commissioners.

2. Airport Report

Dame gave a report and answered questioned posed by the Commissioners.

3. Chairman Report

Chairman Becker spoke about the May 13th retreat.

4. Committee Reports

i. Airport Tenant Relations

Cronquist gave his report on the progress of the rental car leases and the consolidated facility plans.

ii. Real Estate

Beyer and Kuhlman will be meeting with GFK Flight Support tomorrow to discuss some open issues.

iii. Air Service Development

Gershman reported on the recent marketing meetings. The plan is to run ads in Winnipeg radio and on WDAZ TV. The ads will feature Patrick Dame's voice with a personal invitation to fly GFK. Dame reported that staff plans to order logoed luggage grips to promote the airport.

iv. New Terminal Development

Malm said the new terminal construction site tour would take place after today's meeting. He also reported that County Commission made the commitment to use the Grand Forks airport exclusively, for their air travel.

C. Old Business

1. FedEx Agreement Amendment #4

Dame said FedEx has made a request to amend their lease in order to better understand the section involving the CPI. The change does not adversely affect the airport. Malm moved to authorize the Executive Director to sign the Amendment. Mutchler seconded the motion.

Action taken: Motion carried unanimously.

2. Lease Transfer from Evergreen to IASAir

Dame reported on the request from IASAir to transfer the lease agreement for the Evergreen AeroCenter One building to IASAir. Due to a long history of Evergreen's habit of making late payments, there was discussion about leverage to collect from both Evergreen for past payments, and from IASAir in the future. Dame will meet with IASAir later today, and will also contact Evergreen for the money they still owe us. Becker asked Dame to report on these talks at next month's meeting.

3. Resolution 01-10 Alerus Line of Credit Renewal

Crystal reported on the request from Alerus Financial for a resolution to renew the \$900,000 line of credit. She said this provides cash flow if and when the Authority needs it. Malm moved to recuse Gershman from the vote, seconded by Cronquist. Malm then moved to authorize Resolution 01-10 to renew the \$900,000 line of credit with Alerus Financial. Mutchler seconded the motion. **Action taken:** Motion carried unanimously while Gershman was recused.

The meeting adjourned at 8:55 a.m.

Respectfully submitted,

Coleen Peterson, Board Secretary

**PROCEEDINGS OF
THE GRAND FORKS REGIONAL AIRPORT AUTHORITY
BOARD OF COMMISSIONERS MEETING**

June 17, 2010

The Grand Forks Regional Airport Authority Board of Commissioners met in its regular session in the Board Room of the Airport Authority on Thursday, June 17, 2010 with Chairman Rich Becker presiding. Members present were Commissioners Clark Cronquist, Tim Mutchler, Steve Kuhlman, Brad Beyer, and Gary Malm; staff included Patrick Dame, Executive Director and Rick Audette, Operations and Maintenance Manager.

The meeting was called to order at 8:00 a.m.

A. Reading and Approval of Minutes

1. It was moved by Malm and seconded by Cronquist to approve the May 13 and May 20, 2010 minutes as written. **Action Taken:** Motion carried unanimously.
2. It was moved by Cronquist and seconded by Malm to amend the minutes of December 17, 2009 and April 15, 2010. **Action Taken:** Motion carried unanimously.

B. Reports

1. Financial Report

Dame reviewed the financial reports and answered questions posed by the Commissioners.

2. Airport Report

Dame gave a report and answered questioned posed by the Commissioners.

3. Chairman Report

Chairman Becker made a few remarks.

4. Committee Reports

i. Airport Tenant Relations

Cronquist gave his report on the progress of the rental car leases and the consolidated facility plans.

ii. Real Estate

Beyer and Kuhlman said they met with GFKFS and will be discussing their recommendations under New Business.

iii. Air Service Development

Dame reported on the new TV ad and gave an update on marketing ideas.

iv. New Terminal Development

Tom Behm from JLG Architects gave an update on the new terminal construction.

C. New Business

1. GFK Flight Support Requests

A. Access Road Reimbursement – Dame reported on the request from GFK Flight Support to be reimbursed for 2/3 of the original cost of their access road. GFK Flight Support said that prior to the time the road was constructed, they were told that the Authority would reimburse them for 2/3 of the cost of the road. After working with the engineers and contractors to calculate the original cost of GFKFS's access road, it was determined that 2/3 of the original cost is \$85,880, and the Authority recommends that this amount be paid to GFK Flight Support. Dame said this item was not in the 2010 budget.

The new terminal project is designed so that part of this access road will be torn out and reconnected to the terminal driveway.

B. Storm Sewer Connection – Another of GFK Flight Support's requests is to have the Authority connect to their storm drain pipe. They were directed to construct their drain on the East side of their property where it would join the new terminal's drain when it was later constructed. The new terminal's storm drain, when it was recently completed, did not join up to theirs, and was not placed near it. The cost to join the two drains is now estimated to cost either \$12,200 for PVC, or \$16,500 for RCP pipe. Dame said if the Board chooses to move ahead with this project, he recommends getting three quotes. The Authority recommends approval to go ahead with this project. Dame said this project was not in the 2010 budget.

C. Valley Hangar – The Valley Hangar lease was discussed next. The original recommendation was a five year lease with a two year extension, and after that, the Authority may be ready to redevelop that area, or at least reconstruct the taxiways. He said that GFK Flight Support would like to have a 15 year term for the Valley Hangar. If the Authority chooses to redevelop the area after 7 years, GFKFS will pay for the removal or relocation of the hangar. Dame said the Authority would, if/when redeveloping the area, make every effort to solidify federal funding to relocate the building, and that would also be stated in the agreement. The same offer would go to UND for the Leigh hangar should that situation arise. The Authority recommends writing the lease to include the above suggested statement regarding the 15-year lease term and that GFK Flight Support would fund the relocation or removal of the Valley Hangar if the FAA doesn't.

D. SCASD Grant Payment – Dame said that of the original five partners who pledged \$20,000 toward the local share of the Grant, GFK Flight Support is the only one who hasn't paid. Flight Support said that they were not fully reimbursed by the Grant for the first several months of their service to Allegiant, in amount totaling \$22,147.31. GFK Flight Support suggests exchanging checks with the Authority for \$20,000 and calling it even. Kuhlman suggested trying to recover the shortage from DOT, and Dame said he will put in the request. The Authority recommends exchanging checks with Flight Support in the amount of \$20,000 while trying to recoup the shortfall from the DOT. Dame said this item was not in the 2010 budget.

Dame suggested that these items be approved on a line by line basis for the four above requests. He said the access road amount is significant, but the storm drain amount is more manageable. Mutchler asked if the Board should wait for a massaged budget before acting on these items? Dame said he was under the impression that the Board would act on a commitment to pay but did not know the timelines for payment. Kuhlman said these items need to be documented first, then payment terms need to be worked out. A motion was made by Cronquist to accept the

committee's four recommendations (A,B,C & D below). The motion was seconded by Mutchler. Cronquist changed his motion to include creating a payment plan. Mutchler, as second, agreed to the change. A) Reimburse GFK Flight Support for 2/3 of the access road in the amount of \$85,880; B) Pay to connect GFK Flight Support's drain to the new terminal storm drain at an estimated cost of between \$12,200 and \$16,500; C) Write the Valley Hangar lease with a term of 15 years, adding a clause that GFK Flight Support will pay to remove or relocate the hangar should the Authority decide to redevelop the area when the taxiway is replaced. In that case, the Authority would agree to make attempts to get federal funding for the relocation of the hangar; and D) Exchange checks with GFK Flight Support in the amount of \$20,000: Payment by GFK Flight Support for their pledge toward the Grant, and payment by the Authority to replace GFKFS's shortage in revenue for Allegiant service in the first months of the Grant. The Authority will attempt to recoup the shortfall from DOT. Mutchler noted that the Executive Director did not make a recommendation on this motion like he typically does. Malm said the payment plan should appear in next year's budget. Becker asked Brent Seifert if he was satisfied with this motion. Seifert said yes, he is pleased and appreciates this motion. **Action taken:** Motion carried.

2. Terminal Contract Awards

A. Passenger Boarding Bridge – Staff recommends the Airport Authority award Ameribridge the base bid of \$619,765 and Alternative Two in the amount of \$83,250 for a total award of \$703,015; and further award JLG \$37,000 for contract administration and closeouts for a total cost of \$740,015. Rick Audette reported on his recent trip to Ameribridge in Indianapolis with Kris Johnson, where they inspected the two refurbished jetbridges that were bid out. He said the jetbridges look like new and all questionable parts have been replaced. The condition of the interior and exterior was like new.

B. Baggage Handling System – Staff recommends the Airport Authority award the base bid of \$577,000 to G&S Mechanical for the new terminal's baggage handling system; and further award JLG \$37,000 for contract administration and closeouts for a total cost of \$614,000.

C. Redesign of Short/Long Term Parking – Staff recommends authorizing a contract to JLG in the amount of \$19,525 to redesign the new terminal parking lot.

Malm moved to approve awarding the contracts as described above in 2A, 2B and 2C. Mutchler seconded the motion. **Action taken:** Motion carried unanimously.

Dame requested that the Airport Drive portion of the new terminal project be awarded at a later date. The bid we received earlier was for the loop portion of the project, and Strata, the apparent low bidder, said the unit cost could drop if the entire Airport Drive was bid at once. Staff recommends waiting to hear from the FAA about funding the entire Airport Drive portion of the new terminal project. We have 60 days to award the earlier bid, and Dame said that a special meeting may be necessary to award it.

3. Authorization to Bid Terminal Parking

Staff recommended that the Authority authorize the bidding to construct the new terminal parking lot. Dame said the idea is to have the parking lot under construction at the same time as the Airport Drive reconstruction. It was moved by Beyer and seconded by Malm to authorize the bidding of the new terminal parking lot. **Action taken:** Motion carried unanimously.

4. Authority Board Election of Chairman/Vice Chairman

Becker recommended that the election be held at the July meeting, after he hears from the Mayor's office whether or not he is reappointed for a third 5-year term on the Airport Board. A motion was made by Beyer, seconded by Kuhlman, to table the election until the July Board meeting. **Action taken:** Motion carried unanimously.

The meeting adjourned at 8:59 a.m.

Respectfully submitted,

Coleen Peterson, Board Secretary

**PROCEEDINGS OF
THE GRAND FORKS REGIONAL AIRPORT AUTHORITY
BOARD OF COMMISSIONERS MEETING**

July 27, 2010

The Grand Forks Regional Airport Authority Board of Commissioners met in its regular session in the Board Room of the Airport Authority on Tuesday, July 27, 2010 with Vice Chairman Steve Kuhlman presiding. Members present were Commissioners Clark Cronquist, Tim Mutchler, Brad Beyer, Hal Gershman and Gary Malm; staff included Patrick Dame, Executive Director; Mary Jo Crystal, Director of Finance and Administration; and Rick Audette, Operations and Maintenance Manager.

The meeting was called to order at 8:00 a.m.

A. Reading and Approval of Minutes

1. It was moved by Malm and seconded by Cronquist to approve the June 17, 2010 minutes as written. Cronquist asked Coleen to look over her notes again to see if the motion on C1, the GFK Flight Support item, was correctly recorded. If a change is to be made, the June minutes will be corrected and brought back to the Board. **Action Taken:** Motion carried unanimously.

B. Reports

1. Financial Report

Crystal reviewed the financial reports and answered questions posed by the Commissioners. Dame spoke about ARFF costs.

2. Airport Report

Dame gave a report and answered questioned posed by the Commissioners.

3. Committee Reports

i. Airport Tenant Relations

Cronquist gave his report on the progress of the rental car leases and the consolidated facility plans. Dame commented, as did Phil Medina and Hadley Freng from Hertz.

ii. Air Service/Marketing

Gershman reported on the ad campaign and gave an update on air service development.

iii. New Terminal Development

Tom Behm from JLG Architects gave an update on the new terminal construction.

C. Old Business

1. Elections of Authority Board Chairman and Vice Chairman

Gershman nominated Steve Kuhlman as Chairman. Mutchler seconded the nomination. Cronquist moved nominations cease and that the secretary be instructed to cast a unanimous ballot for Steve Kuhlman. Malm seconded this motion. Beyer nominated Hal Gershman as Vice Chairman. Gershman politely declined the nomination. Cronquist nominated Tim

Mutchler, seconded by Malm. **Action taken:** The Authority Board voted unanimously to elect Kuhlman as Chair and Mutchler as Vice Chair for a term of two years.

D. New Business

1. Budget Amendment

Staff reviewed several adjustments to the 2010 budget and recommended that the Authority amend the budget as proposed. It was moved by Beyer and seconded by Malm to approve the budget amendment as proposed. **Action taken:** Motion carried unanimously.

2. Parking Lot Bid Award

Staff had to delay the parking lot bid two weeks and plan to recommend an award at the August meeting.

3. Airport Drive Loop Award

Staff recommended the Authority award the bid to Opp Construction for the Airport Drive Loop project in the amount of \$1,716,000.30; and further accept the grant offer of the Federal Aviation Administration to include this project and the baggage belt systems and passenger loading bridges in the amount of \$3,133,080; and further authorize the Executive Director and Authority Attorney to sign all documents associated with said Federal Grant. Dame said a portion of the local share of the Airport Drive Loop project will be funded by the City and County of Grand Forks. It was moved by Gershman and seconded by Mutchler to approve the bid award, accept the grant offer and authorize signatures as stated in the above recommendation. Cronquist asked about the quality of Opp Construction's work, stating the work on a past project was not done to the Authority's satisfaction. Dame assured the Board that the apron project will not be closed until Opp finishes the project to meet the Authority's satisfaction. **Action taken:** Motion carried unanimously.

4. Authority to Bid Airline Terminal Close-up

Staff estimates that the Authority may have to spend \$500,000 to prepare the new terminal building for winter by adding a gas line for heat, painting for exposed steel and other miscellaneous items, exterior overhead doors, soffits and ceilings, plus \$50,000 for project administration and closeouts. The recommendation would be to use bond funding for this portion of the project. It was moved by Gershman and seconded by Cronquist to authorize staff to bid the building close up project. **Action taken:** Motion carried unanimously.

5. Authority to Sign and Accept the FAA Grant for eALP

Dame reported that the Authority was selected by the FAA to participate in a national pilot program to create an electronic airport layout plan (eALP). The total project will cost \$657,895 and will be funded by a federal grant at 95% and our local share of \$32,895 (5%). Dame said we were chosen for this award because of the state-of-the-art Geographic Information System (GIS) that the Authority and Steve Johnson put in place here several years ago. Staff recommends the Authority accept the FAA grant for the eALP and further authorize the Executive Director and the Authority Attorney to sign all documents associated with the grant. It was moved by Beyer and seconded by Malm to accept and authorize signing the FAA grant for the eALP program. Dame said our engineers, Kadrmas, Lee and Jackson, will be involved in this project. **Action taken:** Motion carried unanimously.

6. Zavorol Tree Removal Contract Approval

Dame said the final phase of the English Coulee Diversion project included hiring Zavorol and Sons to remove and properly dispose of a group of trees along a portion of airport property for \$24,000. Dame gave his approval to proceed with this work on June 15, 2010. The work is eligible under the project and will be included in the current grant amount. It was moved by Cronquist and seconded by Mutchler to ratify the verbal approval given by the Executive Director for the tree removal along 15th Street in the amount of \$24,000. **Action taken:** Motion carried unanimously.

7. Authority to Sign the Business After Hours Agreement for September 2011

Staff made a recommendation to authorize signing an agreement to have a Chamber of Commerce Business After Hours event in September 2011 to showcase the new terminal building. Beyer moved to authorize, seconded by Gershman. **Action taken:** Motion carried unanimously.

8. Authority to Sign TSA Funding Agreement

The Transportation Security Administration (TSA) previously approved funding to cover the costs associated with the Checked Baggage Inspection System (CBIS) that is part of the baggage handling system. The TSA funding agreement, which is being negotiated, will fund approximately \$553,000 of the CBIS costs. The finalized agreement amount will be reported to the Board upon completion of the agreement. Staff recommends authorizing the Executive Director and the Authority Attorney to sign the finalized TSA Office of Security Technology funding agreement. Malm moved to authorize the signatures, seconded by Gershman. **Action taken:** Motion carried unanimously.

9. & 10. Approval of Policies and Authorization of 4th Lead Position

Staff provided three draft policies for the Board to review, which included 1) following the federal standards for a 40 hour work week, 2) following the state's rules for being on-call and 3) changes in policy for when employees are called back for emergencies. Dame said these issues were discussed with the Board at the retreat last May. He added that money saved in overtime by adopting these policies would be used toward the salary of a needed fourth Operations Lead position. Staff recommended approving these policy changes and adding a fourth Operations Lead position to the staff. It was moved by Gershman and seconded by Malm to approve the policy changes and to add a fourth Operations Lead position to the staff. Cronquist asked about the discussions with the employees. Dame said the termination of the "72 Hour Rule" was an issue with a couple of employees. He said he believes those and other questions brought up by employees have been resolved. **Action taken:** Motion carried unanimously.

Gershman moved to adjourn and the meeting adjourned at 9:25 a.m.

Respectfully submitted,

Coleen Peterson, Board Secretary

**PROCEEDINGS OF
THE GRAND FORKS REGIONAL AIRPORT AUTHORITY
BOARD OF COMMISSIONERS MEETING**

August 19, 2010

The Grand Forks Regional Airport Authority Board of Commissioners met in its regular session in the Board Room of the Airport Authority on Thursday, August 19, 2010 with Chairman Steve Kuhlman presiding. Members present were Commissioners Clark Cronquist, Tim Mutchler, Brad Beyer, and Gary Malm; staff included Patrick Dame, Executive Director; Mary Jo Crystal, Director of Finance and Administration; and Rick Audette, Operations and Maintenance Manager.

The meeting was called to order at 8:00 a.m.

A. Reading and Approval of Minutes

It was moved by Cronquist and seconded by Malm to approve the July 27, 2010 minutes as written and the June 17, 2010 minutes as revised. **Action Taken:** Motion carried unanimously.

B. Reports

1. Financial Report

Crystal reviewed the financial reports and answered questions posed by the Commissioners.

2. Airport Report

Dame gave a report and answered questioned posed by the Commissioners. Dame announced that Karl Bollinger has been appointed by the mayor to serve a five-year term on the Authority Board. He said Mr. Bollinger has a conflict on the third Thursday of each month and could not attend today's meeting. A motion was made by Gershman and seconded by Cronquist to move the regular Authority Board meetings to the second Thursday of each month starting in September of 2010. **Action taken:** Motion carried unanimously.

3. Committee Reports

i. Real Estate

Kuhlman said the Valley Hangar lease with GFKFS is very close to being signed. Dame said the airport attorney is working on the UND Aerospace Foundation leases.

ii. Air Service Development

Gershman and Dame reported on their plans to team with the EDC and CVB to place an advertisement in the Delta Sky magazine. The magazine is featuring North Dakota in an upcoming issue.

C. New Business

1. Airline Terminal Parking Lot Bid Award

Dame reported on the bids received for the construction of the new terminal parking lot, and how they compared to the estimates. He explained the reasoning behind his recommendation to award the bid. He and Ulteig and JLG's representatives answered questions posed by the Board. It was moved by Mutchler and seconded by Cronquist to award the bid from Strata Corporation in the

amount of \$1,968,419; and further award the soft cost contract to JLG Architects in the amount of \$90,000 for a total of \$2,058,419 for the construction of the Airline Terminal Parking Lot; and further authorize the Executive Director to sign all documents associated with the contract. **Action taken:** Motion carried.

2. Car Rental Facility Presentation

Board members reviewed drawings and renderings for the proposed consolidated car rental wash facility. The car rental agency representatives who were present answered questions posed to them, and commented on their positions regarding counter lease agreements. Gershman moved to authorize the Executive Director to work with the car rental agencies and give final approval for the siding and the layout of the new car rental facility. Mutchler seconded the motion. **Action taken:** Motion carried unanimously.

3. Contract Amendment for Runway Project

Dame reviewed a change order for the runway project and answered questions posed by Commissioners. It was understood that the funding for the change order will be included in the federal funding for the project at 95%. It was moved by Cronquist and seconded by Malm to authorize the change order for Strata Corporation for the Runway 9R-27L project in the amount of \$91,631.32; and further award the design fees and construction services to Ulteig Engineers in the amount of \$54,000; with the understanding that the local share is \$7,282.00. **Action taken:** Motion carried unanimously.

The meeting adjourned at 9:14 a.m.

Respectfully submitted,

Coleen Peterson, Board Secretary

**PROCEEDINGS OF
THE GRAND FORKS REGIONAL AIRPORT AUTHORITY
BOARD OF COMMISSIONERS MEETING**

September 23, 2010

The Grand Forks Regional Airport Authority Board of Commissioners met in its regular session in the Board Room of the Airport Authority on Thursday, September 23, 2010 with Chairman Steve Kuhlman presiding. Members present were Commissioners Clark Cronquist, Karl Bollingberg, Brad Beyer, and Hal Gershman; staff included Patrick Dame, Executive Director; Mary Jo Crystal, Director of Finance and Administration; and Rick Audette, Operations and Maintenance Manager.

The meeting was called to order at 8:00 a.m.

A. Reading and Approval of Minutes

It was moved by Cronquist and seconded by Bollingberg to approve the August 19, 2010 minutes as written. **Action Taken:** Motion carried unanimously.

B. Reports

1. Financial Report

Crystal reviewed the financial reports and answered questions posed by the Commissioners.

2. Airport Report

Dame gave a report and answered questioned posed by the Commissioners.

3. Chairman Report

Chairman Kuhlman announced an upcoming meeting with FedEx officials. Karl Bollingberg was welcomed as the newly appointed Commissioner to the Airport Authority Board.

4. Committee Reports

i. Tenant Relations/Real Estate

The car rental agreement addendums were signed and implemented September 15th, raising their commissions by 1.5%. The car rental ground leases are not yet signed. The Ray Hangar lease with the UND Aerospace Foundation is being amended to consolidate it with two other leases, the Leigh Hangar and Hangar 1. GFK Flight Support has signed the Valley Hangar lease.

ii. Marketing/Air Service Development

Marketing RFPs will be solicited before the end of the year. The current agreements expire December 31st. Dame is working with the newest Allegiant scheduler to try to get another destination from Grand Forks, hopefully Orlando. There has been a lot of positive feedback on Delta's seven flight schedule and Allegiant's flights have all been full. There was speculation that Delta's pricing for GFK is consistently equal to FAR and the leakage to Fargo has lessened. Enplanements are on track to be 117,000 for 2010, far above the Executive Director's goal of 110,000. Kuhlman suggested putting thank you notes on passengers' windshields during nice weather months. He also urged GFKFS to

work hard to make sure the visiting sports teams are encouraged to fly into GFK when visiting Grand Forks, and not to FAR to be bussed here.

C. New Business

1. Republic Parking Contract Proposal

Dame reported on the investment offer from Republic Parking to cover the entire cost of equipment and a new revenue control system, fully installed, for the new terminal's parking lot. In exchange, they request a ten year contract extension beginning January 1, 2014. A representative from Republic Parking, Bill Mayo, was available to answer questions. Mayo said the new parking lot is designed to have four long-term entrances and two-short term entrances with both lots being connected. A wide lane down the middle ends with two exit options: A cashier booth and an automated TICO (ticket-in-card-out) lane, with room for more lanes if needed. It was moved by Gershman and seconded by Bollingberg to accept the Republic Parking offer as stated; and to further authorize the Executive Director to sign all documents associated with the agreement. **Action taken:** Motion carried.

2. Terminal Project Amendments

Dame described three project amendment requests. He, along with Jon Scraper from Ulteig Engineering and Tom Behm from JLG Architects answered questions posed by the Board.

- A) Airline Terminal Change Order Beyer moved to authorize a change order to Grant 36 to Peterson Construction in the amount of \$52,147; and further authorize the addition of \$75,000 to CL Linfoot's contract for heating the building over the winter; and further authorize the Executive Director to sign all documents associated with the change order. Cronquist seconded the motion. Dame explained that is in fact a movement of these items from a future package into the current construction contracts, and not an addition to the overall project cost. **Action taken:** Motion carried unanimously.
- B) Terminal Road Amendment Gershman moved to ratify the decision of the Executive Director to approve a necessary change in the new S-curved road that FedEx will use with their semis, costing an additional \$22,927.75. Bollingberg seconded the motion. **Action taken:** Motion carried unanimously.
- C) Terminal Contract Extension Gershman moved to authorize the extensions of the Peterson Construction contract to 12/15/10 and the Opp Construction contract to 6/1/11. Beyer seconded the motion. **Action taken:** Motion carried unanimously.

3. Terminal Resolution

The Airport Authority Board of Commissioners reviewed Resolution #02-10: "Resolution of the Grand Forks Regional Airport Authority Adopting the Name of the New Grand Forks International Airport Airline Terminal." Gershman moved to adopt Resolution #02-10 naming the new terminal the "Byron L. Dorgan Terminal". Gershman's motion was seconded by Beyer. **Action taken:** Motion carried unanimously. A press conference will be held this afternoon to announce this decision.

4. FAA Rental Agreement

Cronquist moved to approve a five-year lease agreement with the FAA for the Airway Facilities building at a rate of \$40,852.32 per year, with an amendment allowing a COLA to be

applied to all services and utilities over the life of the lease. Bollingberg seconded the motion. **Action taken:** Motion carried unanimously.

5. DBE Acceptance

After hearing a report from Crystal, Beyer moved to approve the Authority's ACDBE Program and Goal document which covers a three-year term starting 2010, and to authorize the Board Chairman to sign it. The motion was seconded by Gershman. **Action taken:** Motion carried unanimously.

6. First Reading of Amendment to the GFRAA Board Of Commissioners Organizational and Policy Manual, Section 100:05 – Meetings.

Cronquist moved to approve the first reading to change Section 100:05-Meetings to state that regular meetings are to be held on the fourth Thursday of each month. The motion was seconded by Bollingberg. **Action taken:** Motion carried unanimously.

7. First Reading – 2011 Budget

Dame and Crystal reviewed the 2011 budget and answered questions posed by the Board. It was moved by Beyer and seconded by Bollinger to approve the first reading of the 2011 budget. **Action taken:** Motion carried unanimously. A special meeting for the second reading will be planned for October 7th at 10:00 a.m.

8. Other: Haying Agreement

Dame explained the current haying agreement with Johnson Stock Farm, and how it benefits the airport. It was moved by Gershman and seconded by Bollingberg to approve the renewal of the Haying Agreement with Johnson Stock Farm from Sharon, ND, for a term of 3 additional years. **Action taken:** Motion carried unanimously.

The meeting adjourned at 10:10 a.m.

Respectfully submitted,

Coleen Peterson, Board Secretary

**PROCEEDINGS OF
THE GRAND FORKS REGIONAL AIRPORT AUTHORITY
BOARD OF COMMISSIONERS MEETING**

October 7, 2010

The Grand Forks Regional Airport Authority Board of Commissioners met in a special session in the Board Room of the Airport Authority on Thursday, October 7, 2010 with Chairman Steve Kuhlman presiding. Members present were Commissioners Clark Cronquist, Karl Bollingberg, Gary Malm and Brad Beyer; staff included Patrick Dame, Executive Director, Mary Jo Crystal, Director of Finance/Administration and Rick Audette, Operations and Maintenance Manager.

The meeting was called to order at 10:00 a.m.

1. Airport Report

Patrick Dame gave an update on the parking lot and road construction project.

**2. Second Reading of Amendment to the GFRAA Board Of Commissioners
Organizational and Policy Manual, Section 100:05 – Meetings**

Bollingberg moved to approve the amendment to the GFRAA Board of Commissioners Organizational and Policy Manual, Section 100:05 to change the meeting to the fourth Thursday of each month. Beyer seconded the motion. **Action taken:** Motion carried unanimously.

3. Budget 2011

Dame and Crystal reviewed the proposed 2011 Authority Budget with the Commissioners. There were discussions about health insurance premiums, landing fees, the new terminal project, airport revenue resources, advertising, and the upcoming needs for operations. It was moved by Cronquist and seconded by Malm to approve the proposed budget for 2011. **Action taken:** Motion carried unanimously.

The meeting adjourned at 11:25 a.m.

Respectfully submitted,

Coleen Peterson, Board Secretary

**PROCEEDINGS OF
THE GRAND FORKS REGIONAL AIRPORT AUTHORITY
BOARD OF COMMISSIONERS MEETING**

October 28, 2010

The Grand Forks Regional Airport Authority Board of Commissioners met in its regular session in the Board Room of the Airport Authority on Thursday, October 28, 2010 with Vice-Chairman Tim Mutchler presiding. Members present were Commissioners Clark Cronquist, Karl Bollingberg, Brad Beyer, Gary Malm and Hal Gershman; staff included Patrick Dame, Executive Director via telephone conferencing; and Mary Jo Crystal, Director of Finance and Administration.

The meeting was called to order at 8:00 a.m. New Business was brought to the top of the agenda.

A. New Business

1. Airline Terminal

It was moved by Cronquist and seconded by Malm to authorize the funding of 90% of JLG's design of the kitchen in the new terminal at a cost of \$30,000; and further authorize a change order for the new administration offices at a cost of \$13,597. **Action taken:** Motion carried.

It was moved by Gershman and seconded by Malm to award Phase 8 interior package to Peterson Construction in the amount of \$1,012,490 and administration to JLG in the amount of \$260,000 for a total of \$1,272,490; and further authorize the Executive Director and Authority Attorney to sign all documents associated with Phase 8 contract award. **Action taken:** Motion carried.

2. Vehicle Fuel Concession

Dame recommended the Airport Authority authorize staff to install our fuel sign to bring attention to the fuel that we have available for the public's purchase. He said this is an untapped source of revenue. Gershman asked if the revenue income would be worth losing the good will of some of the community's businesses. Gershman suggested either putting the fuel concession out for bid, advertising to just airport employees, or doing nothing. Beyer moved to take no action on promoting the sale of fuel to the public. Gershman seconded the motion. There was a suggestion to make mention of the fuel availability in the airport newsletter. **Action taken:** Motion carried unanimously.

3. Carpet Expense for Old AFSS Building

Dame said the old AFSS building is being cleaned up and prepared for the new lease that will soon be signed by UND. Their portion of the building will need new carpeting and the walls need to be cleaned. The estimate for new carpeting is \$18,500 and the padded walls will cost about \$1,300 to clean. It was moved by Bollingberg and seconded by Cronquist to approve these expenditures for carpeting and cleaning the walls of the building. **Action taken:** Motion carried unanimously.

4. Marketing Contract Extension

Gershman moved to extend the existing marketing contract that we have with Clear Channel and Mid-Continent by one year. Malm seconded the motion. **Action taken:** Motion carried unanimously.

B. Reading and Approval of Minutes

It was moved by Gershman and seconded by Bollingberg to approve the September 23, 2010 minutes and the October 7, 2010 minutes as written. **Action Taken:** Motion carried unanimously.

C. Reports

1. Financial Report

Crystal reviewed the financial reports and answered questions posed by the Commissioners.

2. Committee Reports

i. Tenant Relations/Real Estate

Cronquist reported on some of the newer developments on the terminal project. Gershman said the turning radius portion of the state highway that leads onto Airport Drive needs to be fixed. He moved to send an email to the governor about the dangerous condition of a state owned roadway. Gershman then retracted his motion. It was moved by Beyer and seconded by Bollingberg to hire someone to do a patch in that portion of the road and send the bill to the state. Cronquist suggested sending a notice to the head of the DOT that we are repairing the radius, with a copy mailed to the governor. **Action taken:** Motion carried unanimously.

ii. Marketing/Air Service Development

Gershman asked when the next SCASD grant application can be submitted. Dame replied that will be submitted next summer. There will be an enplanements record set at GFK in about 2 weeks, and Delta has agreed to give away two free tickets as a prize for the record breaking passenger. There are plans to advertise this very soon. Gershman said the marketing budget is spent for this year but in 2011 he suggests marketing heavily in southern Manitoba. Dame said that he hopes to have one or two Flight Information Display System (FIDS) companies in to present their proposals to the board at either the November or December board meetings. Gershman suggested that JLG keep the board informed about the design of the kitchen. He also asked Tom to find an appropriate place for a large digital billboard at the airport. Dame said he's working on some landscaping and design options for the center of the roundabout.

The next meeting date will be on Wednesday, November 24th, the day before Thanksgiving.

The meeting adjourned at 8:52 a.m.

Respectfully submitted,

Coleen Peterson, Board Secretary



**PROCEEDINGS OF
THE GRAND FORKS REGIONAL AIRPORT AUTHORITY
BOARD OF COMMISSIONERS MEETING**

November 24, 2010

The Grand Forks Regional Airport Authority Board of Commissioners met in its regular session in the Board Room of the Airport Authority on Thursday, November 24, 2010 with Chairman Steve Kuhlman presiding. Members present were Commissioners Clark Cronquist, Karl Bollingberg, Brad Beyer, Tim Mutchler, Gary Malm and Hal Gershman; staff included Patrick Dame, Executive Director; Mary Jo Crystal, Director of Finance and Administration; and Rick Audette, Operations and Maintenance Manager.

The meeting was called to order at 8:02 a.m.

A. Reading and Approval of Minutes

It was moved by Malm and seconded by Mutchler to approve the October 28, 2010 minutes as written. **Action Taken:** Motion carried unanimously.

B. Reports

1. Financial Report

Crystal reviewed the financial reports and answered questions posed by the Commissioners.

2. Committee Reports

i. Tenant Relations/Real Estate

The Ray Hangar lease with the UND Aerospace Foundation that is being consolidated with two other leases, the Leigh Hangar and Hangar 1, is still in Terri Clark's (UND) hands.

ii. Marketing/Air Service Development

Gershman reported on the recent marketing meeting where they discussed 2011 ad placement. There was great PR on the recent record breaking passenger event. A thank you letter from the board to Delta will be written. Dame said a quarterly customer appreciation event – cookies and coffee – is being planned. We have thank you notes being distributed through the parking lot attendant. Allegiant is still doing well and GFK Flight Support reported on some of their new seating procedures. Dame reported that Allegiant wants their computers installed at the ticket counters. He hopes that plan results in a lease agreement with them.

C. New Business

1. Insurance and Legal Services Award

It was moved by Gershman and seconded by Beyer to accept the recommendation of the selection committee to use Wings Insurance as the commercial liability insurance provider for the airport; Vaaler Insurance for the property, casualty and other liability insurance; and Camrud, Maddock, Olson and Larson, Ltd the legal services for the airport. **Action taken:** Motion carried.

2. Terminal Project Bid Award/Rejection

Dame said the new terminal project engineers have recommended rejecting certain bids because they would be less expensive after the winter season, and would not affect the outcome. They also recommended awarding the finish grading and turf project to Robinson Excavating. Mutchler moved and Malm seconded the motion to reject the bids for the sidewalks, security fence and apron access road; and award the finish grading and turf project to Robinson Excavating; and further authorize the Executive Director to sign all documents associated with the grading and turf project. **Action taken:** Motion carried unanimously.

3. Human Resources (HR) Contract

Dame described the airport staff's need for a neutral person to handle the human resources duties of the airport. Staff recommends the Airport Authority approve a contract with Moody Consulting to take over the Authority's HR duties. Moody would update the current policy manual and would also work to improve morale among the employees. The contract is flexible and can be cancelled at any time. The 2010 budget would have to be amended by \$2,880 and the 2011 budget would have to be amended by \$37,440 to include the Moody contract expense. It was moved by Mutchler and seconded by Gershman to approve the Moody contract and amend the 2010 and 2011 budgets to reflect the new expense. **Action taken:** Motion carried unanimously.

4. UND Lease Agreement for AFSS Building

Bollingberg moved to approve a new lease agreement with UND for the western half of the old AFSS building at a rate of \$47,357.36 per year, with CPI to be applied annually starting in 2012 for the life of the lease. Malm seconded the motion. **Action taken:** Motion carried unanimously.

5. Other

At the September meeting, the board authorized a change order on Peterson Construction's contract for \$52,147. A portion was left out for some parts and staff recommends an amendment to cover the additional cost of \$1,260, for a total of \$53,407. Cronquist moved to approve the amendment to cover the \$1,260 additional cost to the Peterson contract. The motion was seconded by Beyer. **Action taken:** Motion carried unanimously.

6. Other

Brent Seifert announced a new start up business at the Grand Forks International Airport and introduced Ben Dorman, one of the principals of Valley Med Flight. Dorman described the new air ambulance service and Gershman suggested a press release. Dorman was welcomed and congratulated.

The meeting adjourned at 8:38 a.m.

Respectfully submitted,

Coleen Peterson, Board Secretary