

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

Thursday, January 16, 1992

The Grand Forks Regional Airport Authority Board of Commissioners met in the Board Room of the Administration Building on Thursday, January 16, 1992 at 8:00 A.M. with Chairman George Unruh, Jr. presiding. Members present were: Jim Weber and Clint Rodningen; and staff: Bob Selig, Steve Johnson, Candi Stjern, and Jackie Heidrich.

APPROVAL OF MINUTES

It was moved by Weber and seconded by Rodningen to approve the minutes of the December 19, 1991 Authority Board meeting with Rodningen asking that his statements concerning DBE utilization be included in Resolution #45-91. ACTION TAKEN: Motion carried unanimously subject to amendment noted.

FINANCIAL REPORT

Stjern presented the financial reports for the month of December 1991. She explained that these are not final year end numbers as there are still some outstanding bills and year end adjustments to be made. Staff expects the 1991 audit presentation to be ready for the February Board meeting.

Rodningen requested a report of the cash flow of the bond fund and a statement of any committed money. Rodningen also requested more detail on Board expenses. Rodningen pointed out that the 1992 budget was planned with a 4.2% CPI increase and the actual increase was only 2.7%. He questioned how this affects the Airport and how the staff addressed this. Selig said reports on these items would be sent to him.

PRESENTATION ON FAA GRANT ASSURANCES


Selig presented a summary of FAA grant assurances. He explained that these items are required as a condition of approval of a grant application under the provisions of the Airport and Airway Improvement Act of 1982 as amended by the Airport and Airway Safety and Capacity Expansion Act of 1987.

RULES, REGULATIONS AND MINIMUM STANDARDS

Rodningen requested that staff bring rules, regulations and minimum standards to the Authority Board meeting for action. Selig explained that we currently do not have written rules but follow the grant assurances. He said he is in the process of writing the minimum standards but currently uses existing commercial operations as a minimum standard. Selig stated that the FAA has samples of minimum standards and he has also received copies of other airports' minimum standards to put together for our use.

ADJOURN

Respectfully submitted,

A handwritten signature in cursive script that reads "Jackie Heidrich". The signature is written in dark ink and is positioned above the printed name and title.

Jackie Heidrich
Board Secretary

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

Thursday, February 20, 1992

The Grand Forks Regional Airport Authority Board of Commissioners met in the Board Room of the Administration Building on Thursday, February 20, 1992 at 8:00 A.M. with Chairman George Unruh, Jr. presiding. Members present were: Hal Gershman and Tim Mutchler; and staff: Bob Selig, Steve Johnson, and Jackie Heidrich.

APPROVAL OF MINUTES

It was moved by Gershman and seconded by Mutchler to approve the minutes of the January 16, 1992 Authority Board meeting as written.
ACTION TAKEN: Motion carried unanimously.

RESOLUTION #01-92
ACCEPT 1991 AUDIT REPORT

Roy Lunde of Brady, Martz & Associates reviewed the 1991 Audit Report with the Board. He explained that the auditor's report on Page 1 states that it is their opinion that the Authority's financial statements are fairly presented. He pointed out that the revenue went from \$2.2 million in 1990 to \$1.97 million in 1991, mainly due to a decrease in fuel sales. He explained that the expenses also decreased.

Lunde stated that Authority's system of internal accounting controls is very good. He also found good controls over the cash receipts and cash disbursements.

Lunde pointed out that there is a State requirement to protect bank deposits to 110% based on the fair market value of the pledged investments. During the audit they did find a period of two months where the pledged investments fell short of this 110% at times. Gershman asked that the paragraph on Page 20 relating to this be rewritten to emphasize that the shortage of pledged investments was not for a two month period, but only at times during that period. Lunde said he will amend this page to clarify that. Unruh requested a report from Stjern explaining the procedures she plans to use to prevent this from happening again. Unruh asked to bring this resolution back to the March meeting for approval after the revision is received from Lunde.

MONTHLY FINANCIAL REPORT

Selig stated that the net revenue before depreciation for the month of January was \$22,619. He explained that Stjern has now classified some of the large yearly expenses such as insurance as prepaid expenses to split that expense over twelve months. Selig

said the commissions and fuel flowage revenues are under budget but the into-plane fees are over budget.

Gershman questioned whether we had looked into refinancing the parking lot loan. He asked to receive a report on this.

SET DATE FOR AUTHORITY BOARD RETREAT

Unruh explained that the last and only Authority Board retreat was held in April 1989. He stated that we are looking at holding another retreat on March 27, 1992 and are currently talking to possible facilitators. A notice will be sent out with a definite date and time.

RESOLUTION #02-92

APPROVE AMENDMENT TO ENGINEERING AGREEMENT W/ULTEIG CONTRACT FOR 8/26

Selig explained that this amendment is a result of cutting back on the scope of the work on 8/26. He said runway 35 will be closed for a maximum of 30 days and we plan to utilize the Air Base for the airlines during this time. Mark Holy, Aero Center 1, said he is all for updating the runway but that there are a lot of operational issues affecting Aero Center, Federal Express, Air Med, etc., and they all need to be involved in a meeting on this. Gershman recommended doing this project during September, which is the slowest month for passenger boardings and cargo. It was moved by Gershman and seconded by Mutchler to authorize the Executive Director to amend the engineering agreement with Ulteig Engineers, Inc. for the runway 8-26 reconstruction project. Total engineering fees are reduced to not-to-exceed \$485,923. ACTION TAKEN: The motion carried unanimously.

RESOLUTION #03-92

APPROVE AMENDMENT TO JOHNSON & LAFFEN CONTRACT

Selig explained that this amendment covers additional work associated with redoing the stairways and other items such as asbestos testing now required by law as well as ramp lighting engineering costs. Unruh questioned how the new hold room design could be more complex than the original plan as it is smaller and keeps the elevators. Selig explained that it is a new design and eliminates the existing stairways, putting new stairways on the outside. Unruh asked that this resolution be held until the next meeting to allow him time to talk with Johnson & Laffen about this amendment. ACTION TAKEN: Held until March meeting.

RESOLUTION #04-92

APPROVE OFF-AIRPORT CAR RENTAL AGREEMENT WITH PRICE KING

Selig explained that this agreement is identical to the off-airport agreement with Dollar Car Rental. Kathy Lind, Manager of National Car Rental, stated that the on-airport car rentals have pushed for these agreements as they were taking away their business and the Airport was not getting any money from it. It was moved by Gershman and seconded by Mutchler to authorize the Executive

Director to execute an off-airport car rental agreement with Price King Car Rental of Grand Forks, ND utilizing the Authority's standard off-airport car rental agreement. Agreement is subject to final review by the Airport Authority's attorney before execution. ACTION TAKEN: The motion carried unanimously.

RESOLUTION #05-92

APPROVE PAYMENT OF NODAK BILLING FOR TERMINAL ELECTRICAL CHARGES

It was moved by Gershman and seconded by Mutchler to authorize the payment of \$75,306.74 to Nodak Rural Electric for terminal building electricity reportedly used between March 1986 and May 1991. Payment of this billing will be shared with the City of Grand Forks in accordance with the payment schedule detailed in Exhibit 1. This resolution is subject to similar action by the Grand Forks City Council. ACTION TAKEN: The motion carried unanimously.

RESOLUTION #06-92

**APPROVE ACCEPTANCE OF RESPONSIBILITY FOR STREET LIGHTING
AT THE INTERSECTION OF HIGHWAY 2 & AIRPORT DRIVE**

Selig explained that it is his understanding that same resolution is also going before the City Council for action. It was moved by Gershman and seconded by Mutchler to authorize the Executive Director to execute an agreement with the City of Grand Forks and the State of North Dakota regarding the street lighting at the intersection of Highway 2 and Airport Drive that includes the following terms: 1) The Airport Authority shall continue to pay the electrical charges for this lighting. 2) The Airport Authority assumes routine maintenance in the way of light bulb replacement and lens cleaning from the City of Grand Forks. 3) The Airport Authority shall pay 50% of the cost of replacing any light poles or light fixtures at the intersection with the City of Grand Forks covering the balance of the costs. Agreement approval is subject to final review by the Authority's attorney before execution. Approval is also subject to the Authority's liability insurer agreeing to cover these lights and the execution of a written agreement between the Authority, City and the State. ACTION TAKEN: The motion carried unanimously.

RESOLUTION #07-92

APPROVE ADOPTION OF REVISED DBE PROGRAM

Unruh explained that the Authority's DBE Program has been approved by the FAA. He questioned whether there was anyone present who wished to discuss this program before the Authority Board adopts the program. There were no comments. It was moved by Gershman and seconded by Mutchler to adopt the Airport Authority's revised Disadvantaged Business Enterprise Program as presented to the Airport Authority for review in February of 1992. It is understood that this program has been reviewed by FAA Civil Rights personnel in Chicago and been found acceptable. ACTION TAKEN: The motion carried unanimously.

OTHER BOARD CONCERNS

Gershman stated that as an advertiser in the terminal he would like to request that the wheelchairs sitting in front of the Happy Harry's and Grand Forks Herald's ads be moved. Harley Lind, Northwest Airlines, said he will take care of this problem. Selig explained that the terminal remodeling will provide a closet for the wheelchairs.

Gershman also said he has found the jetway to be cold and needs a space heater. He understands that the Northwest employees had provided a space heater for the jetway and it has worn out. He requested that the Authority provide a replacement heater. Selig said he will take care of this.

TENANT PRESENTATION

Mark Holy, Aero Center 1, presented an overview of his business to the Authority Board and then conducted a tour of his facility.

ADJOURN

Respectfully submitted,



Jackie Heidrich
Board Secretary

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

Thursday, March 5, 1992

The Grand Forks Regional Airport Authority Board of Commissioners met in the Board Room of the Administration Building on Thursday, March 5, 1992 at 4:00 P.M. for a special meeting with Chairman George Unruh, Jr. presiding. Members present were: Clint Rodningen, Hal Gershman and Jim Weber; and staff: Bob Selig, Steve Johnson, Candi Stjern and Jackie Heidrich.

RESOLUTION #08-92
ACCEPT BID ON RUNWAY 8/26 RECONSTRUCTION PROJECT - PAVING

Selig explained that the low bidder for the reconstruction of runway 8/26 was Nodak Contracting. As part of their bid Mutchler Nursery, owned by Board member Tim Mutchler, would do the landscaping work. Selig said he had questioned Nodak as to whether they would still honor their bid price if the Board determined that Mutchler Nursery participating in this contract would be a conflict of interest. They indicated that they would honor their bid price even if they cannot use Mutchler Nursery. Unruh felt that the issue of Mutchler's participation must be discussed as a part of this bid. Weber felt it may be a conflict of interest. Unruh stated that he personally wouldn't do it. He said Selig should check with the attorney for his interpretation of conflict of interest in this case.

Selig distributed copies of the paragraph from the Policies and Procedures Manual dealing with conflict of interest. They reviewed the section titled "Conduct of Commissioners and Employees" concerning direct and indirect interest. Rodningen suggested offering Mutchler the chance to resign from the Board and keep the contract with Nodak Contracting if he should so desire. He feels we just need to act on awarding the contract to Nodak and Mutchler will have to make a decision whether or not to do the work. The Board agreed that we just are awarding the contract now and then notify Mutchler that it would be considered a conflict of interest and he must then decide whether or not to remain on the Board. It was also agreed that conflict of interest should be a topic at the upcoming Board retreat.

Rodningen questioned whether this is a properly called meeting. Selig reviewed the Policies and Procedures Manual concerning special meetings and found that we had met the requirements by notifying all Board members 18 hours ahead of the meeting either by mail or phone.

Rodningen questioned the FAA participation in this project. Selig explained that the FAA covers 90% and the Authority plans to pay their 10% with Passenger Facility Charge money.

It was moved by Gershman and seconded by Weber to accept Nodak Contracting's low bid of \$3,317,290.50 for reconstruction of Runway 8/26 and Taxiway B and rejuvenation of Runway 35L/17R. Award of the contract is contingent on the Authority receiving federal grant funds for the project. ACTION TAKEN: The motion carried unanimously.

RESOLUTION #09-92

ACCEPT BID ON RUNWAY 8/26 RECONSTRUCTION PROJECT - ELECTRICAL

It was moved by Weber and seconded by Gershman to accept Northern Electric Construction's low bid of \$278,135 for electrical work associated with the reconstruction of Runway 8/26 and Taxiway B. Award of the contract is contingent on the Authority receiving federal grant funds for the project. ACTION TAKEN: The motion carried unanimously.

ADJOURN

Respectfully submitted,



Jackie Heidrich
Board Secretary

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

Thursday, March 19, 1992

The Grand Forks Regional Airport Authority Board of Commissioners met in the Board Room of the Administration Building on Thursday, March 19, 1992 at 8:00 A.M. with Chairman George Unruh, Jr. presiding. Members present were: Clint Rodningen, Hal Gershman, Tim Mutchler and Jim Weber; advisory member Bob Wood; travel agent representative Dorothy Radi; and staff: Bob Selig, Steve Johnson, Candi Stjern and Jackie Heidrich.

APPROVE MINUTES

Selig pointed out a wording correction in Resolution #02-92, changing "architectural fees" to "engineering fees". It was moved by Weber and seconded by Mutchler to approve the minutes of the February 20, 1992 meeting as amended and the March 5, 1992 special meeting as written. ACTION TAKEN: Motion carried unanimously.

FINANCIAL REPORTS

Stjern reported net revenue before depreciation for the month of February of \$78,329, which brings us to \$100,948 for the year. The commissions and fuel flowage fees are still coming in under budget, however, the total operating revenue is only 1.16% under budget for the year. She pointed out that Exhibit E indicates that we are doing better than expected for this time of the year. January and February expenses were not as high as anticipated.

**AIRCRAFT MAINTENANCE STUDY PRESENTATION
BY DR. LOWELL GOODMAN**

Dr. Lowell Goodman presented highlights from the "Heavy Maintenance and Aircraft Refurbishing Facility" study he prepared for the Airport Authority and the City of Grand Forks. Several members of City and County government were in attendance. Selig asked the Board members to carefully read this study and feels it should certainly be a topic of the Authority Board retreat next week. He asked that any of the City and County representatives that have any ideas or concerns regarding this project please call or write his office.

**RESOLUTION #01-92
ACCEPT 1991 AUDIT REPORT**

Selig reported that as requested at the last Board meeting, Brady, Martz & Associates made the requested language change on page 20 of the 1991 Audit Report. It was moved by Gershman and seconded by Mutchler to accept the 1991 Audit Report as presented by Brady, Martz & Associates. Resolution also authorizes staff to designate \$150,000 as funded depreciation. ACTION TAKEN: The motion carried unanimously.

**RESOLUTION #03-92
AUTHORIZATION TO AMEND ARCHITECTURAL AGREEMENT WITH
JOHNSON & LAFFEN ARCHITECTS, LTD.**

Selig explained that this item was tabled at the February meeting for additional information and clarification. Since that time Lonnie Laffen has spoken with some of the Board members. It was moved by Mutchler and seconded by Gershman to authorize the Executive Director to amend the architectural agreement with Johnson & Laffen Architects Ltd. for the 1992 terminal expansion project. Total architectural fees are increased to not-to-exceed \$72,690. ACTION TAKEN: The motion carried unanimously.

**RESOLUTION #10-92
TABLE APPROVAL OF LEASE WITH UND FLYING CLUB**

Selig reported that the UND Flying Club has requested this resolution be tabled until the April Authority Board Meeting.

**RESOLUTION #11-92
APPROVE PERMIT PARKING PLAN**

Selig explained that the Permit Parking Plan has gone through the steps required in the Procedure to Adopt Rules & Regulations, including a public hearing held on February 20th. Selig feels it does not solve all the parking problems on the Airport but will help channel users into the correct areas. It was moved by Weber and seconded by Mutchler to adopt the Permit Parking Plan for the control and enforcement of parking in selective lots at the Grand Forks International Airport effective April 1, 1992. ACTION TAKEN: The motion carried unanimously.

**RESOLUTION #12-92
AUTHORIZE PAYMENT TO CITY FOR RETIRED EMPLOYEES HEALTH INSURANCE**

Unruh explained that this is a request by the City for reimbursement to the City's health insurance fund for payments made by retired employees. The money was put into the Airport Fund account but never transferred back to the Health Insurance Fund before the Transfer Agreement was finalized. At the time of the Transfer Agreement the Authority received all the money in that

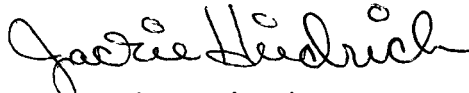
Airport Fund. John Schmisek, Deputy City Auditor, explained that this was simply an overpayment to the Authority at the time of the Transfer and requests reimbursement to the City. It was moved by Gershman and seconded by Mutchler to authorize the payment of \$6,986.87 to the City of Grand Forks for retired employees health insurance premium reimbursement as a part of the 1993 budget. ACTION TAKEN: The motion carried unanimously.

TENANT PRESENTATION

Leonard Hopkins, Assistant Air Traffic Manager, presented a summary of the operation of the FAA Automated Flight Service Station.

ADJOURN

Respectfully submitted,

A handwritten signature in cursive script that reads "Jackie Heidrich".

Jackie Heidrich
Board Secretary

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

Thursday, April 16, 1992

The Grand Forks Regional Airport Authority Board of Commissioners met in the Board Room of the Administration Building on Thursday, April 16, 1992 at 8:00 A.M. with Chairman George Unruh, Jr. presiding. Members present were: Clint Rodningen, Hal Gershman, Tim Mutchler and Jim Weber; advisory member Jack Lien; and staff: Bob Selig, Steve Johnson, Candi Stjern and Jackie Heidrich.

APPROVE MINUTES

It was moved by Weber and seconded by Mutchler to approve the minutes of the March 19, 1992 meeting as written. ACTION TAKEN: Motion carried unanimously.

FINANCIAL REPORTS

Stjern reported net revenue before depreciation for the month of March of \$87,687, which brings us to \$188,636 for the first quarter of the year. Stjern pointed out that included in the expenses for March was the first installment for the Nodak Rural Electric billing error. She also reported that the avgas and avjet sales are up for the first quarter and that five additional advertising signs over the bag belt have been rented.

**RESOLUTION #10-92
APPROVAL OF UND FLYING CLUB LEASE**

Selig explained that the proposed lease with the UND Flying Club is basically our standard ground site agreement with some minimum standards for operating a flying club included. It is a one year lease and can terminate with 180 days notice.

It was moved by Gershman and seconded by Mutchler to authorize the Executive Director to execute the Authority's standard ground site lease with the UND Flying Club for the lease of their clubhouse facility at the Airport. Resolution approval is subject to the final review of the lease agreement by the Authority's attorney.

Rodningen stated that, as everyone knows, he is the President of the Nodak Flying Club and will abstain from voting on this resolution. Rodningen questioned whether the minimum standards included in this lease will be a part of future Airport minimum standards. Selig said they will be incorporated into the Airport's minimum standards. ACTION TAKEN: The motion carried with Rodningen abstaining from voting.

RESOLUTION #13-92
APPROVE PURCHASE OF CONFERENCE ROOM TABLE

Selig explained that he and Unruh had discussed the possibility of trading in the Board conference table for a setup more conducive to open communications. He said they were looking for something similar to the tables used by the Chamber of Commerce and United Hospital. The cost is estimated to be \$5,000. Unruh stated that this was something he asked Selig to look into and was open for comments. Gershman questioned where the money would come from. Selig stated that contingencies has \$15,000. Unruh said this could also be considered as part of the 1993 budget as it is not an emergency item.

It was moved by Gershman and seconded by Mutchler to authorize the Executive Director to trade in the existing conference table and replace it with a new board room layout as proposed by Gaffaney's of Grand Forks in accordance with Scheme C. Cost of this purchase shall not exceed \$5,000.

Rodningen stated that the proposed layout looks like it will take up quite a bit of the room. John Stimpert, Northwest Airlines Station Manager, stated he is concerned with the escalating cost of operating here, quoting an increase in operating costs since 1989 of \$154,000. He said he has a problem with spending \$5,000 for a conference table when the Authority won't spend \$5,000 to help the tenants. Weber stated that he likes the concept but feels \$5,000 is too much to spend on a table when there are other places to use this money on the Airport. ACTION TAKEN: The motion was defeated with Mutchler voting yes and Rodningen, Weber and Gershman voting no.

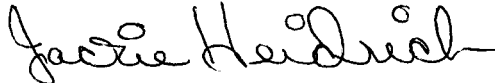
RESOLUTION #14-92
APPROVE BUDGET AMENDMENT FOR AIRPORT MARKETING PLAN

Catherine Ellefson, account executive for Simmons Advertising, presented a proposal for marketing the Airport Authority. She estimated the step-by-step marketing plan to cost \$3,500 and the personal interviews and research to cost \$8,500, for a total initial investment of \$12,000. Ms. Ellefson would return to the May Board meeting with the results of these interviews and a proposed budget for implementing the marketing plan. Selig explained that the interviews will include top Winnipeg travel agents. Unruh pointed out that this project is in direct response

to an item addressed at the Board retreat. It was moved by Gershman and seconded by Weber to approve the expenditure of \$12,000 for the initial research and interview phase to be done by Simmons Advertising. ACTION TAKEN: The motion carried unanimously.

ADJOURN

Respectfully submitted,

A handwritten signature in cursive script, reading "Jackie Heidrich".

Jackie Heidrich
Board Secretary

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

Thursday, May 21, 1992

The Grand Forks Regional Airport Authority Board of Commissioners met in the Board Room of the Administration Building on Thursday, May 21, 1992 at 8:30 P.M. with Chairman George Unruh, Jr. presiding. Members present were: Clint Rodningen, Hal Gershman, Tim Mutchler and Jim Weber; advisory member Jack Lien; and staff: Bob Selig, Steve Johnson, Candi Stjern and Jackie Heidrich.

APPROVE MINUTES

It was moved by Weber and seconded by Mutchler to approve the minutes of the April 16, 1992 meeting as written. ACTION TAKEN: Motion carried unanimously.

FINANCIAL REPORTS

Stjern reported a negative net revenue before depreciation for the month of April of (\$75,493), which brings us to \$113,142 for the year to date. She noted that the operating expenses have been right on budget, with the operating income 2% below budget. Stjern also pointed out that the avgas gallons sold through April are up 8.9% over the same period of 1991 and hopes this trend continues.

SIMMONS ADVERTISING PRESENTATION

Catherine Ellefson and Mary Fisher presented a recap of the research Simmons Advertising conducted with 20 area travel agents. Ms. Ellefson presented an outline of the issues, opportunities, overall airport goals and marketing objectives they developed as a result of this research. A proposed schedule of activities covering June through December 1992 was also presented. Ms. Ellefson reviewed Simmons Advertising's budget totaling \$34,074 for media, public relations, a co-op advertising program, production and agency supervision.

RESOLUTION #19-92
AMEND BUDGET FOR SPECIAL AIR PASSENGER PROMOTION PROGRAM

Selig explained that the original advertising and promotions budget for 1992 was \$20,000. The research portion of Simmons Advertising's project will be \$12,000. Other promotional items have been purchased, as well as implementing a parking lot discount coupon, leaving a current balance of approximately \$6,000. It was moved by Gershman and seconded by Mutchler to authorize the Executive Director to amend the advertising/marketing expense item #5417.01 of the 1992 budget by an additional \$34,074 to cover the special air passenger promotion program. ACTION TAKEN: The motion carried with Rodningen voting no.

RESOLUTION #15-92
ACCEPTANCE OF FAA GRANT OFFER FOR RUNWAY 8-26 PROJECT

Unruh explained that runway 8-26 is the east-west runway, the only one we have, and is in very poor shape so that the FAA considers it an emergency situation. The FAA has agreed to fund the reconstruction with discretionary funding in the amount of \$3.67 million. Unfortunately, the construction process will require the closure of the north-south runway for a period not to exceed 30 days.

John Stimpert, Northwest Airlines Station Manager, thanked Chairman Unruh and Mr. Selig for meeting with him earlier today to address his concerns relating to the runway closure.

Mark Holy, Aero Center 1, stated that to date Aero Center has not been asked how this project will affect them. He distributed a letter from Mr. Selig to the FAA dated September 10, 1991 stating that Aero Center had been contacted concerning this project. Mr. Holy said he does not object to the project but does object to closing 17/35. He also pointed out that he made an objection to the runway closure at the tenant meeting held on February 27, 1992. His main concern is that using the shorter runway on days of inclement weather could become a safety issue for his aircraft as well as Mesaba and Federal Express.

Rodningen asked whether the PFC (passenger facility charge) program had been approved by the FAA. Selig said the FAA had requested we make some changes, this was done and it has been resubmitted for their review. Rodningen questioned the effect on this project if the PFC program is not approved as those dollars are earmarked to help pay the Airport's share of this project. Selig pointed out that we will use bond money to pay the Airport's share and if the PFC is approved that money would help pay off the bonds. Rodningen asked if any projects were being cancelled or held up because we would be using the bond money. Selig said the fuel farm will be delayed a year, as well as the money set aside for hangars being utilized for this project.

Unruh explained that much discussion has taken place concerning the extra inconvenience and expense to many of the tenants. There has been consideration given to the Authority covering the cost of moving the passengers and luggage to and from the Grand Forks Air Force Base during this construction period. Unruh said they are also considering paying the landing fees incurred by anyone using the Air Force Base and deferring collection of those landing fees from the tenants until 1993, splitting up the payment over that twelve month period.

It was moved by Gershman and seconded by Weber to authorize the Executive Director to accept a grant in the amount of \$3,677,714 for the reconstruction of runway 8-26. ACTION TAKEN: The motion carried unanimously.

RESOLUTION #20-92

APPROVE AGREEMENT CONCERNING EXTRA OPERATING EXPENSES OF TENANTS DURING THE CLOSURE OF RUNWAY 8/26 AND THE USE OF GFAFB

Unruh felt it would be appropriate at this time to discuss a resolution to cover the extra operating expenses incurred by the tenants during the closure of runway 8/26 for the reconstruction. He estimated the total cost to the Airport Authority would be approximately \$35,000 for the transportation of the passengers and luggage. He also suggested implementing the landing fee deferral/reimbursement proposal as detailed above. Mark Holy, Aero Center 1, stated he requests coverage of extra expenses incurred by their business of approximately \$15,000 if they are allowed on the Air Force Base, due to the need for additional mechanics needed to meet their contractual obligations to Federal Express. Unruh stated this proposal has nothing to do with reimbursement of additional salaries incurred by the closing of the runway, but deals with transporting passengers and luggage to take care of our customers. He stated that the Board would consider his request if he submits it in writing.

It was moved by Weber and seconded by Mutchler to authorize the Executive Director to enter into an agreement with the airlines stating that: 1) The Airport Authority will cover the costs of providing passenger and luggage transportation from the Airport to the Air Base during the 30 day closure period as a service to the Grand Forks community; and 2) The Airport Authority will offer to pay for the landing fees charged by the base for relocated users and defer collection of those fees until fiscal year 1993. This will give the users an opportunity to minimize the financial impact for the relocation by spreading the payment of the costs over a 12 month period. ACTION TAKEN: The motion carried unanimously.

RESOLUTION #16-92
REJECT ALL BIDS ON 1992 TERMINAL EXPANSION PROJECT

Unruh explained that the lowest bid received on the terminal expansion project was \$160,000 over the architect's estimate. Lonnie Laffen, Johnson and Laffen Architects, said he felt they tried to do too much in the hold room with one prime contractor and the bidding climate was not as competitive as it has been. He would like to rebid the project in two months and break down the project into smaller projects. Selig stated he has discussed this rebid thoroughly with the FAA and they have no concerns with a rebid. It was moved by Mutchler and seconded by Gershman to authorize the Executive Director, with FAA concurrence, to reject all 1992 terminal expansion project bids submitted on May 19, 1992 and take steps necessary for a rebid of the project later in the year. ACTION TAKEN: The motion carried unanimously.

RESOLUTION #17-92
EASEMENT/QUIT CLAIM DEED FOR HIGHWAY 2 INTERSECTION PROJECT

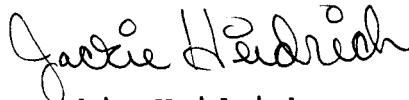
Selig explained that he has checked with the FAA concerning this easement as the State generally prefers to purchase the land and the FAA prefers an easement situation. It was moved by Gershman and seconded by Weber to authorize the Executive Director to execute an easement between the Authority and the North Dakota Department of Transportation authorizing the DOT to utilize 0.574 acres of land as a part of the Highway 2/Airport Drive intersection expansion project as indicated in Exhibits A and B. It is understood that this easement is being conveyed at no cost to the State of North Dakota with the exception of the replacement of security fencing and one vehicle access gate, along with the associated approach and culvert. Resolution also authorizes the Executive Director to execute a quit claim deed that in effect eliminates two (2) Airport property access points off of Highway 2 noted in Exhibits B and C. It is understood that Airport staff has determined that these access points are no longer needed or used as a part of Airport operations. It is understood that the property involved in this easement is for roadway construction. In the event this property is no longer used for State roadway purposes the easement terminates. Resolution is subject to final approval by the Authority attorney. ACTION TAKEN: The motion carried unanimously.

RESOLUTION #18-92
AUTHORIZE DISPOSITION OF SURPLUS PROPERTY

Selig stated that there will be minimum bids expected on some of the auction items. Weber suggested listing the Oshkosh snowblower with the League of Municipalities if it isn't sold at this auction. It was moved by Weber and seconded by Mutchler to authorize Airport staff to advertise for the auction sale and disposition of surplus property as itemized on the attached list. This auction is tentatively scheduled to be held at 6:00 P.M., Wednesday, June 17, 1992. ACTION TAKEN: The motion carried unanimously.

ADJOURN

Respectfully submitted,



Jackie Heidrich
Board Secretary

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

Thursday, June 19, 1992

The Grand Forks Regional Airport Authority Board of Commissioners met in the Board Room of the Administration Building on Thursday, June 18, 1992 at 7:00 P.M. with Chairman George Unruh, Jr. presiding. Members present were: Tim Mutchler, Jim Weber, Clint Rodningen; and staff: Bob Selig, Steve Johnson, Candi Stjern, and Julie Churchill.

APPROVE MINUTES

Unruh stated that he had a correction in the minutes from the May 21, 1992 Board meeting (ref. pg 2, fourth para., fourth line). Unruh quoted "distributed a letter from Mr. Selig stating that Aero Center had been contacted". Unruh questioned this, saying he understood that Holy meant he had not been contacted. Stjern and Selig agreed to check the tape to verify this. It was moved by Mutchler and seconded by Weber to approve the minutes of the May 21, 1992 Authority Board meeting including any correction necessary as pointed out by Chairman Unruh. ACTION TAKEN: The motion carried unanimously.

FINANCIAL REPORT

Stjern presented the May financial reports. Stjern commented that the Authority was doing very well operationally considering the Authority had been competing with Fargo's low air fares. Enplanements were 10% down from May of last year and the parking lot revenue was down, but is expected to turn around. Retail fuel sales were very good. Year to date operating revenue is still 2% under budget with year to date operating expenses running 1.6% under budget.

Stjern explained the reasoning behind the negative cash flow with regards to the sewer payment to the City (it came from Bond money).

**RESOLUTION #19-92
CONGRATULATE AFSS ON RECEIVING AWARD**

It was moved by Mutchler and seconded by Weber for the Grand Forks Regional Airport Authority to extend its congratulations to Bob Fishman, AFSS Manager, and his staff, on the selection of the Grand Forks Automated Flight Service Station as the "National Facility of the Year" by the Federal Aviation Administration.

There was discussion concerning the importance of this award and Chairman Unruh responded by urging the Board to pass this resolution. ACTION TAKEN: The motion carried unanimously.

Unruh stated he would send a congratulatory letter to AFSS Manager Bob Fishman, and that the Authority should present a plaque at the AFSS award ceremony.

**RESOLUTION #20-92
AMENDMENT TO TERMINAL PROJECT ARCHITECTURAL CONTRACT**

Selig explained that due to the high bids received for the Terminal Project, Johnson and Laffen suggested their firm handle the construction management on the project. Selig stated that in discussions with the FAA on this subject, the FAA encouraged the Authority to consider this option. Selig explained the advantages that go along with having the architect handle the construction management. Selig explained that the Authority has to go out for bids on this project by July 1, 1992, so a decision regarding this subject was needed as soon as possible.

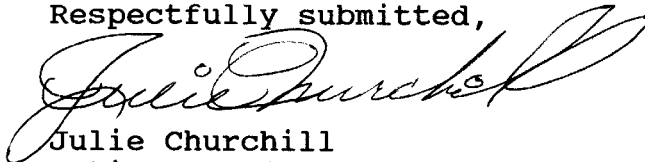
ACTION TAKEN: After much discussion, no resolution was presented for a vote.

FAA SECURITY AND SAFETY INSPECTION REPORT

Selig explained that the Airport recently underwent inspections by FAA Security and FAA Safety divisions. Selig explained that both inspections went very well and that the staff should be congratulated for all their hard work.

ADJOURN

Respectfully submitted,


Julie Churchill
Acting Board Secretary

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

Thursday, July 16, 1992

The Grand Forks Regional Airport Authority Board of Commissioners met in the Board Room of the Administration Building on Thursday, July 16, 1992 at 8:00 A.M. with Chairman George Unruh, Jr. presiding. Members present were: Clint Rodningen, Hal Gershman, Tim Mutchler and Jim Weber; and staff: Bob Selig, Steve Johnson, Candi Stjern and Jackie Heidrich.

APPROVE MINUTES

It was moved by Weber and seconded by Mutchler to approve the minutes of the June 18, 1992 meeting as written. Rodningen questioned why Resolution #20-92 was added at the June meeting but not listed on the agenda since we have told tenants that they must follow a procedure to get an item on the agenda, not just bring it directly to the Board. Selig explained that items relating to projects can come up at the last minute and it is up to the Chair to elect not to amend the agenda if he so chooses. ACTION TAKEN: Motion carried unanimously.

MID-YEAR/JUNE 1992 FINANCIAL REPORTS

Stjern reported a net operating income of \$4,367.96 for the month of June, and net revenue before depreciation of \$88,917. The year-to-date net revenue before depreciation is \$173,015. She stated that June was a good month for fuel sales and parking lot income. She explained that the enplanements for June were at the highest level we have had since August 1989. The year-to-date operating revenues through June 30, 1992 were 1.32% under budget and the year-to-date operating expenses for this time period were 2.07% under budget.

Stjern stated the gross profit on fuel sales is up about \$6,800, or 9.5%, over the same period in 1991, and the into-plane fees, landing fees and terminal rent have also increased, mainly due to United Express. The overall operating revenues are up \$131,382, or about 25% over last year.

Stjern presented graphs comparing 1991/1992 fuel revenues, parking lot income, car rental commissions, and restaurant commissions.

MID-YEAR OPERATIONS SUMMARY

Johnson presented graphs comparing operations for the first six months of 1991 to 1992. Year to date passenger boardings are down approximately 2% but Johnson feels that the July boardings will show a significant increase due to low air fares.

Johnson reviewed fuel purchases by the air carriers and Federal Express.

Johnson presented graphs covering various Airport provided services such as aircraft fuelings, in/out service, and maintenance work orders completed. Crash/fire/rescue operations for the first six months of 1991 were 47 and year to date 1992 has been 36.

DICK OLSON - ECONOMIC DEVELOPMENT CORPORATION

Chairman Unruh introduced Dick Olson, Executive Director of the Economic Development Corporation, who wished to make a short presentation to the Board. Mr. Olson explained that he and Chairman Unruh have met with an aircraft manufacturer who is considering coming to Grand Forks. He expressed to the Board how impressed the client was by Chairman Unruh's attendance at these meetings. Mr. Olson also stated he is in contact with two other aircraft manufacturers and another aviation-related industry and feels that Selig and Unruh have been critical to whatever success he's had so far in dealing with these businesses.

INTRODUCE DAVE MOLMEN

Chairman Unruh introduced Dave Molmen, who will be replacing Gershman whose term expires with this meeting. Unruh stated that Molmen is a highly respected member of the hospital management team and feels he will bring a lot to the Board. Mr. Molmen said he is delighted to be on the team and can't wait to get going.

REPORT ON AAAE CONFERENCE

Rodningen explained that he attended the AAAE Conference in Orlando, Florida in mid-May. Cassette tapes are available from all sessions if anyone is interested in a specific topic and he or Selig can provide the forms to order these. Rodningen reviewed the agenda and summarized the sessions he attended.

RECOGNIZE GERSHMAN

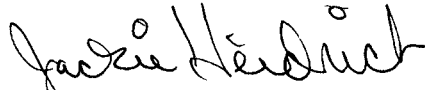
Unruh explained that unfortunately this is Gershman's last Board meeting. Unruh presented Gershman with a plaque commemorating his five years of service to the Grand Forks Regional Airport Authority. Gershman thanked Weber and Unruh for their work with him from the inception of the Authority and Rodningen and Mutchler for their work in recent years. He also thanked the employees stating it has been a fascinating experience and a real privilege, and to feel free to call him if he can be of any help in the future. Weber also thanked Gershman for his work with the Authority and wished him well.

TENANT PRESENTATION

Todd Jacobson, Air Traffic Control Tower, presented a brief summary of the responsibilities of the Grand Forks tower. He then invited any interested parties to tour the tower cab.

ADJOURN

Respectfully submitted,



Jackie Heidrich
Board Secretary

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

Thursday, August 27, 1992

The Grand Forks Regional Airport Authority Board of Commissioners met in the Board Room of the Administration Building on Thursday, August 27, 1992 at 8:00 A.M. with Chairman George Unruh, Jr. presiding. Members present were: Clint Rodningen, Dave Molmen, Tim Mutchler and Jim Weber; and staff: Bob Selig, Steve Johnson, Candi Stjern and Jackie Heidrich.

APPROVE MINUTES

It was moved by Weber and seconded by Mutchler to approve the minutes of the July 16, 1992 meeting as written. ACTION TAKEN: Motion carried unanimously.

FINANCIAL REPORTS

Stjern reported that July turned out to be a great month, with record boardings, resulting in a net operating income of \$1,697. Parking lot receipts set a record for a single month. July net revenue before depreciation was \$12,533, bringing the year-to-date net revenue before depreciation to \$185,549. The year-to-date operating revenues through July 31, 1992 were .29% under budget and the year-to-date operating expenses were 2.12% under budget.

**RESOLUTION #21-92
APPROVE AMENDMENT TO UND LEASE AGREEMENT**

Selig explained that after the death of their mechanic earlier this year, Great Lakes Airlines has reached an agreement with the University of North Dakota to do their aircraft maintenance. UND has requested an amendment to their master facility lease authorizing them to conduct commercial aircraft maintenance for Great Lakes Airlines.

It was moved by Molmen and seconded by Mutchler to authorize the Executive Director to execute an amendment to the Authority's Master Facility Lease with the University of North Dakota authorizing them to conduct commercial aircraft maintenance for Great Lakes Airlines, subject to attorney review. Amendment shall include provisions for UND to pay a commercial operation fee of three percent (3%) of gross fees on all labor, parts, building rent, and all other revenue sources specifically associated with the commercial maintenance being performed on Great Lakes aircraft. Resolution does not authorize UND to provide commercial aircraft maintenance to the general public.

Rodningen questioned whether UND can conduct a commercial operation. Bob Reis, Director of Fiscal Affairs, UND, objects to the use of the term "commercial" as he feels it's more of an educational support function to Great Lakes Airlines in conjunction with their pilot training program. Rodningen felt that if it is an educational function UND doesn't need this lease amendment. Selig stated he brought the amendment to the Board because of this gray area of whether or not it could be considered commercial.

ACTION TAKEN: The motion carried with Rodningen voting no.

WELCOME DAVE MOLMEN, NEW BOARD MEMBER

Chairman Unruh welcomed Dave Molmen who is beginning a five year term as an Authority Board member. Mr. Molmen explained that he is the Associate Vice-President of Medical Affairs at United Hospital and is very pleased to be a part of the Authority Board.

RESOLUTION #22-92 AWARD BID ON 1992 TERMINAL BUILDING PROJECT

Selig explained that when this project was first bid in June the bids came in too high and the Authority Board chose to rebid in the fall. These bids came in \$123,000 less than the June bids. Weber questioned whether the same plans were bid both times. Selig said they were, with several alternates bid this time to enable the Authority to cut the project down if necessary, but he doesn't see any need to do that. It was moved by Weber and seconded by Molmen to award the following bids on the 1992 Terminal Expansion Project and authorize the Executive Director to enter into construction contracts with the associated firms:

<u>BID TYPE</u>	<u>FIRM/CONSTRUCTION</u>	<u>BID</u>
1) General	Community Contracting	\$529,893.00
2) Mechanical	C.L. Linfoot	69,700.00
3) Electrical	Bergstrom Electric	147,920.00
4) Boarding Bridge	Jetway Corp.	264,422.25

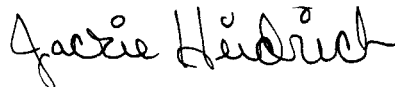
Award of bids is contingent on the Authority's acceptance of an FAA grant funding. ACTION TAKEN: The motion carried with Rodningen abstaining from voting.

GFAFB OPERATION COMPLETE

Unruh presented a letter from John Stimpert, Northwest Airlines Station Manager, thanking the Airport Authority employees for their help in loading and unloading the luggage at the Grand Forks Air Force Base during the runway closure period. Unruh thanked Mr. Stimpert and congratulated everyone on a job well done during this operation. Selig said he appreciates Mr. Stimpert's comments but feels it was a team effort and Northwest employees worked just as hard.

ADJOURN

Respectfully submitted,



Jackie Heidrich
Board Secretary

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

Wednesday, September 9, 1992

The Grand Forks Regional Airport Authority Board of Commissioners met in the Board Room of the Administration Building on Wednesday, September 9, 1992 at 8:00 A.M. with Chairman George Unruh, Jr. presiding. Members present were: Clint Rodningen, Dave Molmen, and Tim Mutchler; and staff: Bob Selig, Charles Korsmoe, Candi Stjern and Jackie Heidrich.

Selig explained that this is a 1993 Budget working session and no Authority Board action will be taken today. The 1993 Budget will be presented at the September 17, 1992 Authority Board meeting for approval.

Selig reviewed the 1993 Operational Budget highlights:

- Net revenue before depreciation \$47,275
- Operating revenue increases 13.74%, primarily because of bookkeeping changes
- Hangar cost center now called building cost center
- Operating expenses increased 3.44%
- Consumer Price Index (CPI) increase of 2% for fee adjustments but will use actual Nov. '91 - Nov. '92 CPI
- 3% merit wage increase for full-time employees
- Landing fees increase 1.27%
- ARFF fees increase 5.56%
- Terminal rent decreases 4.65% due to change from Authority employee janitorial to contract janitorial
- New in/out fee for aircraft of \$3/round trip
- Budget expenditure of \$99,500 for special marketing and promotion effort

Selig presented the following Airport-funded Operational Capital Projects list:

- Lease buyout of 1989 Buick	\$6,000
- Avgas tank probe & telemetry	5,000
- 2 handheld radios	1,200
- Computer upgrade & software enhancements	43,025
- Circuit fault finder	2,000
- Terminal landscaping	5,000
- Concrete floors for T-hangar (1st set, will budget more in 1994)	15,000
- Blueprint cabinet	<u>600</u>
	\$77,825
- Fuel Farm - funding source unknown at this time; project will be presented to Board for final approval during the first quarter of 1993 and will require debt of some sort.	

Selig introduced Greg Sorum who has been working with the Authority as a consultant in the development of the computer system enhancements. Mr. Sorum explained that the amount budgeted will purchase five additional computers and upgrade the network server to make it faster and more capable, make sure all the software in place is installed in accordance with license agreements, produce major changes in the accounting system, additional training for any new systems that are purchased, as well as purchasing the proper systems for backing up the information. Unruh pointed out that a firm specializing in Airport computer software demonstrated their product for the staff a few months ago and that package was priced at \$80,000+.

Selig reviewed the Grant-Funded Capital Budget that includes the following:

- Airfield signage and marking completion
- 3 radio handsets for rescue vehicles
- T-hangar taxiway
- Self-propelled runway broom
- G.A. ramp - future development

Unruh questioned whether we would be required to bid the computer upgrade. Selig felt we would have to get at least three informal bids.

Unruh commended Stjern on a nice budget package. Molmen said it was very easy to follow.

Unruh questioned the \$3 in/out fee. Rodningen felt it would be easier to increase the hangar rent than to do all the bookkeeping work involved in keeping track of each aircraft's activity and then going through the billing process. Unruh asked whether it is worth the amount of money the in/out fees would raise to cause problems with the general aviation tenants and agreed it would be easier to increase hangar rents. Selig said he will put together a proposal on increasing the hangar rent instead.

The Board discussed the marketing and promotion program budget. Selig explained that the \$99,000 expense budgeted is covered by a transfer from funded depreciation. Selig stated that the \$37,000 promotion budget for 1992 got the program started and Simmons plans to build on that program in 1993. After much discussion Selig said he will meet with Simmons and try to get a more definite marketing plan for 1993.

ADJOURN

Respectfully submitted,



Jackie Heidrich
Board Secretary

**PROCEEDINGS OF
THE GRAND FORKS REGIONAL AIRPORT AUTHORITY**

BOARD OF COMMISSIONERS MEETING

Thursday, September 17, 1992

The Grand Forks Regional Airport Authority Board of Commissioners met in the Board Room of the Administration Building on Thursday, September 17, 1992 at 8:00 A.M. with Chairman George Unruh, Jr. presiding. Members present were: Clint Rodningen, Tim Mutchler and Jim Weber; and staff: Bob Selig, Steve Johnson, Candi Stjern and Jackie Heidrich.

APPROVE MINUTES

It was moved by Weber and seconded by Rodningen to approve the minutes of the August 27, 1992 and September 9, 1992 meetings as written. ACTION TAKEN: Motion carried unanimously.

FINANCIAL REPORTS

Stjern reported that August was another good month for the Airport Authority, with boardings over 11,000. The parking lot also had another record month in revenues. There was a net operating deficit of \$384 for the month, which was good considering we collected no landing fees or ARFF fees for twelve days in August while the Grand Forks Air Force Base was used. The year-to-date operating revenues through August 31, 1992 were .6% over budget and the year-to-date operating expenses were 3.5% under budget.

Rodningen questioned whether we should borrow the funds to pay for FAA projects and then charge the interest against the projects. Selig explained that interest is not a reimbursable expense under FAA guidelines.

OLD BUSINESS

Rodningen questioned the status of hangar agreements and the rules and regulations. Selig explained he is still working on the rules and regulations and will be getting them out after the attorney has completed his review.

Mutchler asked how the traffic lights are working out at the intersection of Highway 2. Selig said they were just installed and became operational earlier this week but he plans to notify the media to publicize their installation. Mutchler stated that he didn't feel the light stayed green long enough when crossing Highway 2.

**RESOLUTION #23-92
APPROVE 1993 BUDGET**

Selig explained that the budget packets the Board received have not been adjusted to reflect the marketing program. He suggested budgeting \$61,000 as outlined in Simmons Advertising's 1993 proposed budget and reducing the advertising budget from \$20,000 to \$10,000, resulting in a budgeted net revenue before depreciation for the year of approximately \$2,000 instead of \$53,000. After much discussion on the marketing program, it was decided that the Board would budget \$61,000 as suggested by Selig and requested that Simmons Advertising representatives be present at the October 1992 Board Meeting to answer questions about the proposed 1993 program.

Selig said the staff converted the in/out fees to hangar rent, resulting in an increase of \$12 per month per hangar.

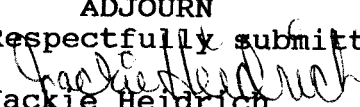
Weber questioned whether we are justified in raising the parking lot fees. Selig said he feels we need to keep pace, as the fees haven't been increased since 1989. He stated that this increase will only result in increased revenue of approximately \$12,000 per year. He also explained that Jewell Dougherty of Republic Parking stressed that administratively they are trying to get away from handling silver, by raising the maximum long-term daily rate from \$3.75 to \$4.00.

It was moved by Weber and seconded by Mutchler to adopt the 1993 Operating and Capital Budgets for the operation of the Grand Forks Regional Airport Authority and the Grand Forks International Airport as presented. ACTION TAKEN: The motion carried unanimously.

**RESOLUTION #24-92
APPROVE 1993 DBE GOALS**

Stjern explained that in accordance with the revised DBE Program adopted last year, she recommends an overall contracting goal of 20.1% and a concession leasing goal of 15.7%. Unruh questioned whether we can achieve these goals. Stjern said that we have met the concession leasing goal for the past two years, but historically we don't meet the contracting goal. She explained that the electrical portion of the 1993 terminal project does have a good possibility of using a DBE contractor. Rodningen requested that the Board receive year end reports detailing the actual DBE participation accomplished. It was moved by Mutchler and seconded by Weber to adopt the Disadvantaged Business Enterprise (DBE) goal for 1993 FAA grant projects of 20.1% and Airport leasing goal of 15.7% in accordance with FAA requirements and guidelines, subject to FAA approval. ACTION TAKEN: The motion carried unanimously.

ADJOURN

Respectfully submitted,

Jackie Heidrich
Board Secretary

PROCEEDINGS OF
THE GRAND FORKS REGIONAL AIRPORT AUTHORITY
BOARD OF COMMISSIONERS MEETING
Wednesday, September 23, 1992

The Grand Forks Regional Airport Authority Board of Commissioners met in a special Board Meeting on Wednesday, September 23, 1992 at 7:30 A.M. with Chairman George Unruh, Jr. presiding. Members present were: Jim Weber, Clint Rodningen, Dave Molmen, and Tim Mutchler; and staff: Bob Selig.

RESOLUTION #25-92
ACCEPT FAA GRANT OFFER FOR 1992 TERMINAL EXPANSION PROJECT

It was moved by Weber and seconded by Molmen to authorize the Executive Director to accept a grant in the amount of \$594,621.00 for the 1992 Terminal Expansion Project. ACTION TAKEN: The motion carried unanimously.

Airport Executive Director Robert Selig informed the Authority Board that the FAA had recently advised that they had used approximately \$200,000 of 1992 entitlement funds for the Runway 8-26 project without informing the Airport Authority. As a result, the 1992 Terminal Expansion Project will require two grants. The second grant is being processed at this time with funds for this grant coming from the Airport's 1993 entitlements. Jim Weber inquired as to whether staff was sure that we would receive this second grant. Selig advised that the FAA had already committed to the use of 1993 grant funds in this fashion.

ADJOURN

Respectfully submitted,



Jackie Heidrich
Board Secretary

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

Thursday, October 22, 1992

The Grand Forks Regional Airport Authority Board of Commissioners met in the Board Room of the Administration Building on Thursday, October 22, 1992 at 8:00 A.M. with Chairman George Unruh, Jr. presiding. Members present were: Clint Rodningen, Tim Mutchler, Dave Molmen and Jim Weber; Advisory member Jack Lien; and staff: Bob Selig, Steve Johnson, Candi Stjern and Jackie Heidrich.

APPROVE MINUTES

It was moved by Weber and seconded by Rodningen to approve the minutes of the September 17, 1992 and September 23, 1992 meetings as written. ACTION TAKEN: Motion carried unanimously.

FINANCIAL REPORTS

Stjern reported that September enplanements were up 20.5% over September 1991. The net revenue before depreciation for the month was a negative \$159,378, due to a bond payment of \$168,786 on the 1990 bond issue. The year-to-date net revenue before depreciation is \$66,747. The year-to-date operating revenues through September 30th were 1.4% over budget and the year-to-date operating expenses were 1.9% under budget.

**RESOLUTION #26-92
APPROVAL TO PROCEED WITH MARKETING PLAN**

Catherine Ellefson of Simmons Advertising presented a brief overview of the proposed marketing program as included in the 1993 Budget.

She explained that the proposals and recommendations for the 1993 marketing plan include the following issues: economy, market, Canadian market, travel agents, competition, services, and the terminal construction to be completed in April 1993. Simmons feels these are the main objectives of the marketing program: maintain passenger load of 100,000 annually, increase Canadian traffic 30% (5,000 passengers) by December 1993, and achieve 50% participation in a travel agent/Airport co-op advertising program.

Simmons recommends the following strategies: 1) Hold a January kick-off with the area travel agents and present the 1993 marketing plan. 2) Develop a co-op advertising program for travel agents and tourism organizations. 3) Develop an incentive program to encourage travel agents to sell Grand Forks first when talking to clients. 4) Continue to advertise in the Winnipeg Free Press with the long-term parking coupon. 5) Utilize billboard advertising.

6) Conduct focus group research to evaluate services and explore opportunities with separate focus groups done for business and leisure travelers.

Simmons presented a budget for 1993 of \$61,400 as included in the Authority's 1993 budget.

Unruh stated that he is still concerned with someone making visits to the travel agents. Selig said that he hopes to be able to do this at least once by the end of the year.

Weber felt that he would like to see what objectives are accomplished in 1992 before approving this program for 1993. He also explained that he is not convinced that spending \$60,000 does any good, but that low fares bring in the passengers.

Rodningen felt this plan may be going too far and could consider cutting back.


It was moved by Molmen and seconded by Mutchler to authorize Simmons Advertising to proceed with the development of the slide show presentation, travel agent dinner, co-op advertising plan and travel agent incentive plan with a year-end review of the 1992 objectives to be presented to the Board in January 1993. ACTION TAKEN: The motion carried unanimously.

**RESOLUTION #27-92
AWARD BID FOR RUNWAY BROOM**

It was moved by Molmen and seconded by Rodningen to authorize the Executive Director to accept the bid by Kodiak Northwest in the amount of \$195,879 for the purchase of a runway broom. Award of the contract is contingent on a positive Kodiak visitation report by Airport staff and offer and acceptance of an FAA grant. ACTION TAKEN: The motion carried unanimously.

ADJOURN

Respectfully submitted,


Jackie Heidrich
Board Secretary

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

Thursday, November 19, 1992

The Grand Forks Regional Airport Authority Board of Commissioners met in the Board Room of the Administration Building on Thursday, November 19, 1992 at 8:00 A.M. with Chairman George Unruh, Jr. presiding. Members present were: Clint Rodningen, Tim Mutchler and Jim Weber; Advisory member Bob Wood; and staff: Bob Selig, Steve Johnson, Candi Stjern and Jackie Heidrich.

APPROVE MINUTES

It was moved by Weber and seconded by Mutchler to approve the minutes of the October 22, 1992 meeting as written. ACTION TAKEN: Motion carried unanimously.

FINANCIAL REPORTS

Stjern reported that the year to date passenger enplanements are up 7.9% over last year.

Stjern stated that the net operating income for October was \$5,570 and the net revenue before depreciation for the month was \$134,418. The year-to-date net revenue before depreciation is \$201,164. She explained that the major areas where the operating revenue is coming in over budget are Into-Plane Fees, Commissions and Parking Lot Receipts.

**RESOLUTION #28-92
CONFIRMATION OF PROFESSIONAL SERVICES PROVIDERS FOR 1993**

Chairman Unruh explained that we have gone through the selection process for professional service providers for 1993 and this Committee has submitted their recommendations. Rodningen requested that this Resolution be tabled until December to have more time to talk about some of the issues surrounding the selection process. Mutchler, who served on the Selection Committee, stated he would go along with tabling the Resolution so other Board members would have time to talk to the candidates. Weber agreed with this. ACTION TAKEN: Tabled to December.

RESOLUTION #30-92
AMENDMENT TO UND LEASE AGREEMENT FOR LINE MAINTENANCE
BUILDING

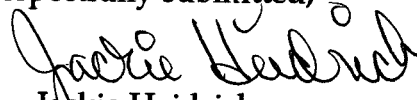
Selig explained that the work UND is doing to their Line Maintenance Building, the old Federal Express building, is in response to Fire Marshall action. Since the Fire Marshall feels the use of the building has changed he has required installation of a sprinkler system and ventilation system. UND anticipated none of this work when preparing their budget and as a result has requested that the Authority pay for the improvements and they will reimburse the Authority. It was moved by Mutchler and seconded by Weber to authorize the Executive Director to execute an amendment to the above-mentioned lease agreement that provides for the expenditure of an amount not to exceed \$47,000 from Authority reserves for improvements to property leased by the University of North Dakota. The lease agreement amendment shall further provide for reimbursement of Authority funds by the University of North Dakota over a ten year period at 8% interest. An amortization schedule detailing the exact payment of principal and interest on a monthly basis is attached to the amendment. ACTION TAKEN: The motion carried unanimously.

RESOLUTION #32-92
PURCHASE OF ABOVE GROUND FUEL STORAGE TANK

Selig explained that the Authority's avgas tank is as old as the UND tank that recently was found to be leaking. As it takes approximately a week to install a new tank, Selig feels installing this above ground tank now will insure that avgas continues to be available should a leak develop before the new fuel farm is installed next year. Selig stated that the bid from Hobbs for the tank was lower but we had to estimate the electrical portion for their bid as they wouldn't provide an estimate and Valley Electric's bid was firm. It was moved by Weber and seconded by Mutchler to authorize the Executive Director to purchase a temporary 12,000 gallon above ground fuel storage tank from Valley Electric of Grand Forks at a cost of \$7,855. The Valley price includes provisions for a buy-back in one year for \$3,200. ACTION TAKEN: The motion carried unanimously.

ADJOURN

Respectfully submitted,


Jackie Heidrich
Board Secretary

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

Friday, December 4, 1992

The Grand Forks Regional Airport Authority Board of Commissioners met in the Board Room of the Administration Building on Friday, December 4, 1992 at 3:00 P.M. with Chairman George Unruh, Jr. presiding. Members present were: Tim Mutchler, Jim Weber, Clint Rodningen, and Dave Molmen; and staff: Bob Selig, Steve Johnson, Candi Stjern and Jackie Heidrich.

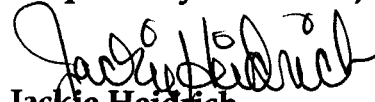
**RESOLUTION #33-92
APPROVE LEASE WITH INDUSTRIAL RESOURCE CORPORATION**

Unruh stated that this special meeting is to consider a lease with Industrial Resource Corporation, known as Cirrus. Selig explained that the resolution authorizes the Airport Authority to enter into a lease for an aircraft manufacturing facility with a twenty (20) year term with two five-year options to renew for a total of thirty (30) years. Selig also explained that the conditions of the lease included a personal guarantee from Lessees backed by a combined net worth in an amount equal to three (3) times the total cost of completing the building. Rodningen questioned whether a public entity can use a personal guarantee in lieu of a performance bond. Selig said he will look into this. It was moved by Weber and seconded by Molmen to authorize the Executive Director to execute an agreement with Industrial Resource Corporation for the purpose of constructing an aircraft manufacturing facility at the Grand Forks International Airport. The document is basically the Authority's standard ground site lease modified to include a five (5) year rent abatement schedule to assist the Lessee in offsetting its start-up costs. Authority approval is conditioned upon: 1) The approval of a bank financing package for the project. 2) Documentation demonstrating the legal existence of Lessee as a valid North Dakota Corporation including the identity and officers. 3) Personal guarantees be received from Lessees that are backed by a combined net worth, in excess of all exemptions, in

an amount equal to three (3) times the total cost of completing the construction of the building and associated improvements on leased premises, prior to beginning construction activities. 4) Verification is obtained that personal guarantees are acceptable for use by a public body. ACTION TAKEN: The motion carried unanimously.

ADJOURN

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Jackie Heidrich".

Jackie Heidrich

Board Secretary

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

Thursday, December 17, 1992

The Grand Forks Regional Airport Authority Board of Commissioners met in the Board Room of the Administration Building on Thursday, December 17, 1992 at 8:00 A.M. with Chairman George Unruh, Jr. presiding. Members present were: Jim Weber, Dave Molmen, Clint Rodningen and Tim Mutchler; and staff: Bob Selig, Steve Johnson, Candi Stjern and Jackie Heidrich.

APPROVE MINUTES

It was moved by Weber and seconded by Molmen to approve the minutes of the November 19, 1992 meeting as written. ACTION TAKEN: Motion carried unanimously.

It was moved by Molmen and seconded by Weber to approve the minutes of the December 4, 1992 special meeting as written. ACTION TAKEN: Motion carried unanimously.

FINANCIAL REPORTS

Stjern reported that the year-to-date passenger boardings are up 7.85% over the same period in 1991. The net revenue before depreciation for the month of November was \$7,137. The year-to-date net revenue before depreciation is \$208,302. The operating revenues through November 30, 1992 were 2.3% over budget and the year-to-date operating expenses for this time period were 2.7% under budget. Stjern also noted that Republic Parking has operated the parking lot for a full twelve months now and the gross receipts are up 17% over the previous twelve months while it was operated by APCOA. However, the net revenue to the Airport is up 38.5% over 1991, for a total net increase of \$47,387.

RESOLUTION #28-92
CONFIRMATION OF PROFESSIONAL SERVICE PROVIDERS FOR 1993

Unruh pointed out that the legal and engineering service providers went through the selection process this year. It was moved by Molmen and seconded by Weber to confirm the Executive Director's appointment of the following professional service providers for 1993: Legal Services - McElroy, Camrud, Maddock and Olson, Ltd. ; Engineering Services - Webster, Foster & Weston; Architectural Services - Johnson and Laffen, Inc.; Banking Services - First National Bank of ND; Certified Public Accounting Services - Brady Martz & Associates; Treasurer - Candi Stjern; and Secretary - Jackie Heidrich. The above appointments are made in accordance with Section 100.07 of the Authority's Operational and Policy Manual. Accordingly, the Executive Director may designate a person or firm to serve in the capacity of any of the above positions in the event of conflicts of interest, in situations requiring specific experience, or any situation involving the absence of a confirmed service provider. The Chairman and Vice-Chairman shall be immediately notified of such designations.

Rodningen questioned how we define the scope of what these service providers do. For example, he knows that Ulteig Engineering did some work on the Cirrus project and the fuel farm when Webster, Foster & Weston was the appointed engineering provider for the year. Selig explained that when the service provider does not have the ability or is unable to perform the needed service we have the ability to select an alternate. Selig cited the example of using a different attorney as bond counsel when we issued the bonds. Selig pointed out that Ulteig was hired by Cirrus for the work they have done on that project.

Rodningen moved to amend the resolution to require the confirmation of the Chairman and Vice-Chairman in any case where the Executive Director designates a person or firm other than those selected as the professional service provider for the Authority. It was seconded by Molmen. ACTION TAKEN: The motion carried unanimously.

Rodningen requested that he receive the criteria for any future selection process at least two months in advance.

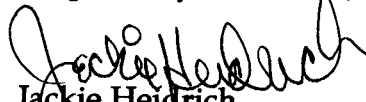
RESOLUTION #34-92
ACCEPT GRANT OFFER ON PASSENGER BOARDING BRIDGE

Selig explained that we have not received the grant offer to date but feels it is imminent. It was moved by Weber and seconded by Molmen to authorize the Executive Director to accept the FAA grant offer in the amount of \$217,417 for the purpose of purchasing and installing a passenger boarding bridge for Gate 1. ACTION TAKEN: Motion carried unanimously.

Rodningen thanked Selig and Julie Arel for their help on Nodak Flying Club's Tree of Hope Program. He felt it went very well.

ADJOURN

Respectfully submitted,


Jackie Heidrich
Board Secretary