

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

January 21, 1999

The Grand Forks Regional Airport Authority Board of Commissioners met in the Board Room of the Authority building on Thursday, January 21 at 8:00 A.M. with Chairman Bill Coutts presiding. Those present were: Commissioners Clark Cronquist, Brad Beyer, Tim Mutchler; Authority Attorney, Don Olson; and staff Steve Johnson, Executive Director; Mary Jo Crystal, Director of Finance and Administration; Gary Baker, Operations Supervisor; Rick Audette, Shift Supervisor; Scott Nelson, Safety Specialist; Dave Meagher, V & M Technician; and Skip Rucinski, Safety Specialist.

A. Approval of Minutes:

Mutchler moved approval of the minutes from December 18, 1998. Beyer seconded.

Action Taken: Motion carried unanimously.

B. Reports:

1. Year to Date Financials:

Crystal reported that not all of the year end adjustments have been done and anticipates that there will be adjustments affecting the operating account. It appears that the year will end with an operating surplus just over \$72,000. In the non-operating revenue, PFC is restricted revenue with the majority of it going to the airline apron project. Some unexpected expenses on the non-operating side contributed to the \$200,000 difference between anticipated net revenue before depreciation and actual.

Crystal also reported that the upgrade to the new accounting software is ongoing. There have been some problems associated with the process and Crystal is working with MIP and Insight Technologies to rectify them.

2. Employee Pension:

Johnson reported that the actuary did not receive the information sent regarding the City's pension plan therefore he does not have any additional information on this agenda item. The information was sent a second time and he anticipated a response by the February Board meeting.

3. Year End Activity Reports:

Johnson presented the year end activity reports. Enplanments were down about 8 ½ % with the Northwest strike contributing to the decline for the months of August, September and October. May and June also show a decline when compared to those same months the previous year because of the heavy flood related traffic in 1997. Air traffic for 1998 is up almost 25% due to UND's increased activity. Cargo stats show decreases of approximately 45%. This number still reflects Winnipeg cargo that had been artificially added to stats in 1997. The 1999/1998 comparisons will reflect a more accurate picture of cargo for GFK.

4. Performance Management:

Johnson reported that the final report from Watson Wyatt has been received. A number of recommendations have been made to include dropping the entire goal process or having a single group goal. He recommended that the personal goals process be discontinued and that one team be formed to include all employees and one group team goal be established. Johnson also recommended that the desired behaviors portion of the process be maintained and that employees still on the step program participate and be eligible for the determined reward. Watson Wyatt suggested that an in-house comparability study on salaries be done. Johnson stated that if the Board agrees the goal and recommendation for monetary reward will be presented at the February Board meeting. Coutts asked if the system of recognizing merit and awarding bonuses would remain as is. Johnson replied that that process would continue but that the desired behaviors portion would be integrated into the process. The recommendation from Watson Wyatt was that we not continue to differentiate performance bonuses but that we make them available to both step and non-step employees.

3. Personnel Manual Revisions:

Johnson explained the process staff used for developing recommended revisions to the Personnel Manual and suggested that changes be accepted by a consent motion.

Beyer motioned that controversial revisions needing discussion be identified and discussed after non-controversial changes. Cronquist seconded. Action Taken: Motion carried unanimously.

OK, ~~300.01C~~ The wording change allows the executive director to extend probation up to an additional six months instead of the 30 day extension that is now allowed.

Beyer motioned to approve 300.01C. Mutchler seconded. Action taken: Motion carried unanimously.

OK, ~~300.01~~^{E?} Recommended change is that the last sentence be moved to the employee benefit section of manual.

Mutchler motioned to approve 300.01D. Cronquist seconded. Action taken: Motion carried unanimously.

OK / **300.01H** Operations employees recommend eliminating words "sole descretion of the executive director" from the paragraph that reads: "Probationary part-time and temporary employees may be terminated at any time at the sole discretion of the executive director".

Cronquist motioned that the sentence read:... "at any time by the executive director". Eliminating "sole discretion". Mutchler seconded. Action taken: Motion carried unanimously.

OK / **300.02** Change is recommended to the second paragraph that now reads: "Compensation of paid full-time and probationary employees.....". to now read... "employees shall be in accordance with the staffing and compensation plan". Also, the last sentence of the second paragraph that reads: "Part-time and temporary employee compensation shall be determined by the executive director as necessary to meet the operational and economic needs of the airport". To now read:... "that the executive director will bring recommendations to the Board"....

Mutchler moved approval of changes. Cronquist seconded. Action Taken: Motion carried unanimously.

OK / **300.04C** Operations' employees' feel the criteria list for filling positions is too long and noted that education criteria was not included on the list. They recommend that at least two items from the criteria list be used in the hiring process. Johnson re-wrote the criteria to better define the hiring criteria.

Beyer moved approval of changes. Cronquist seconded. Action taken: Motion approved unanimously.

OK / **300.04^P** Recommend change is that the wording "background security check" be changed to "employment verification check". This change also differentiates between administrative employees, who don't need to go through the process, and operations employees who need to pass verification.

Cronquist moved approval of changes. Beyer seconded. Action taken: Motion carried unanimously.

OK / **300.05A** Recommended change is to first sentence that now reads: "Supervisory personnel are required to evaluate the work performance of all full-time probationary employees under their supervision". To now read: "Regular and probationary employees..." This phrase would now include part-time employees.

Beyer moved approval of changes. Mutchler seconded. Action taken: Motion carried unanimously.

OK / **300.09** Under termination of employment that now indicates that if an employee is absent from work for three days they are considered to have resigned. The recommendation from Johnson is to delete "automatic resignation" from the wording.

Mutchler moved approval of change. Cronquist seconded. Action taken: Motion carried unanimously.

✓ 300.09D Johnson stated that the wording, "eligible for retirement" is incorrect. Employees are no longer eligible, but can choose to retire whenever they want.

Beyer moved to delete the wording from section 300.09D. Cronquist seconded. Action taken: Motion carried unanimously.

OK ✓ 300.10A Recommended change is to re-word paragraph to eliminate the wording "eight hours, five days a week" to: "Due to the airport's mandated ARFF responsibilities and 24 hour manning of the Operations Center a variety of work day and work hour combinations, within the confines of the Fair Labor Standards Act, may be employed".

Beyer moved to approve changes. Cronquist seconded. Action taken: Motion carried unanimously.

OK / 300.10 B1 Recommended change adds the Marketing Coordinator position as an exempt status.

Beyer moved approval. Cronquist seconded. Action taken: Motion carried unanimously.

OK ✓ 400.01 C3 Recommended change would be the deletion of the requirement that an employee provide a doctors excuse when on sick leave for more than three days. The change would continue to give the Authority the right to request physician input in cases of chronic illness or repeat absences.

✓ Beyer moved approval. Mutchler seconded. Action Taken: Motion carried unanimously.

OK ✓ ~~300.10~~ Recommended change would include temporary employees to the terminology.

Beyer moved approval of change. Cronquist seconded. Don Olson requested that this section be passed pending legal review. Beyer withdrew his original motions and moved to accept the change "pending legal review" Cronquist withdrew his second on the first motion seconded the motion relating to "legal review". Action taken: Motion carried unanimously.

OK / 400.01 E1 Recommended change removes the last sentence that reads: "The executive director, assisted by the director of operations, and director of finance and administration will determine the validity, character, degree and potential duration of any corrective measures and shall confer with the Authority's medical doctor as necessary".

Mutchler moved approval of change. Cronquist seconded. Action Taken: Motion carried unanimously.

OK / 400.01 E2 Recommended change is re-write to specify "a" physician versus "the Authority doctor", and adds reference to completion of the Workers Comp Waiver of Treatment form.

Beyer moved approval. Mutchler seconded. Action taken: Motion carried unanimously.

✓ 400.01 F1 Operations employees recommended changes to wording of administrative leave. The change reflects that the employee will continue to be paid and accrue benefits while on administrative leave. Subsequent to that another section has been added addressing suspension and keeping the two issues separate.

Clark moved approval of changes. Mutchler seconded. Action taken: Motion carried unanimously.

✓ 400.02C Recommended change addresses the issue of suspension taken associated with 400.10 F1.

Beyer moved approval of addition. Cronquist seconded. Action taken: Motion carried unanimously.

✓ 400.03 Change recommended is to better address resignation by absence without permission.

Beyer moved approval of change. Mutchler seconded. Action taken: Motion carried unanimously.

✓ 500.05A Operations employees recommend change to read: "Engaging in activities "on duty" which interfere with the individuals or other employees performance.....".

Beyer moved approval. Cronquist seconded. Action taken: Motion carried unanimously.

✓ 600.06 Operations employees recommend changing the original wording that states: "no one can disclose information confidential to the Authority or in the files except as required by law and then only with the permission of the executive director". They would like the words "and then only with the permission of the executive director" deleted from the text. Johnson recommends it be re-written to: "No employee shall disclose information or documents confidential to the Authority without permission of the executive director or the Authority's attorney".

Cronquist moved acceptance of recommended change. Mutchler seconded. Action taken: Motion carried unanimously.

✓ 700.02ba Policy as is does not address substance abuse reporting regarding the executive director's position. The recommend change addresses a reporting policy for this issue.

✓ Beyer moved acceptance of addition. Mutchler seconded. Action taken: Motion carried unanimously.

✓ 200.02 Operation employees perceive a conflict of interest having the human resources and director of finance and administration positions combined.

After discussion, Cronquist moved to leave 200.02 as currently written. Mutchler seconded. Action taken: Motion carried unanimously.

200.04 Operations employees recommend that text be added to this section to include a collective bargaining process rather than the having the executive director make recommendations to the Board.

OK Beyer motioned to accept 200.04 as re-written. Mutchler seconded. After discussion Johnson recommended that the wording read:...."As part of the staffing and compensation plan presented in accordance with 200.03, the executive director shall recommend, following discussion with employees, a schedule of employees benefits annually to include such benefits as...". Cronquist moved to amend the first motion to include the new language presented by Johnson. Beyer seconded amended motion. Action taken: Motion carried unanimously.

OK / 300.08 Recommended change is to delete the wording... "the executive director may reassign any employee at any time", to: "The executive director, with Board approval may re-assign an employee. Johnson recommended that the wording remain the same since the employees, through the problem solving process, can take this type of issue to the Board. Mutchler motioned to reaffirm the wording of existing text of 300.08 a,b,c & d. Cronquist seconded. After discussion and vote motion carried unanimously.

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/ 300.08b2 Johnson recommended that the existing practice in place be formalized. The current practice pays overtime on any hours worked beyond the employees scheduled day or pays overtime when employees are called in on a scheduled day off regardless of the 40-hour limitation.

OK Beyer motioned acceptance of ~~300.10-b2~~ as re-written to formalize the current practice. Cronquist seconded. Crystal voiced a concern that it would be irresponsible for the Authority to pay overtime just because hours have been worked beyond a schedule when a full 40 hours has not been worked. After discussion and vote motion carried unanimously.

Crystal also requested that compensatory time be addressed in the absence of a formal compensatory time policy.

OK Johnson responded that ~~40b3~~ is philosophically identical to the decision made on overtime. There is a policy on paying overtime for callback hours even if they don't exceed 40 hours. This reflects the policy on callback to reflect what has been done, formalizing an informal policy.

Beyers moved to accept 300.10b3 as re-written. Mutchler seconded. Action Taken: Motion carried unanimously.

/ 600.09 Johnson recommended an amendment be added to this section that pays an employee stuck at home due to weather and any hours that would have been overtime, under the new adopted policy, would not be paid as overtime until 40 hours were reached. Crystal stated that is in conflict with what was just approved. Johnson replied that this is different because under the overtime policy the employee is asked to do something special. In this case neither the airport nor employee is responsible for not being able to report to work. Crystal stated that if overtime is defined as hours worked this would be a conflict. Olson voiced that he has concerns from a legal aspect in that call-back is paid at time and a half and now it is being taken away.

Cronquist moved to terminate the discussion on 600.09 until more information is obtained from the Authority's Attorney and executive director. Mutchler seconded. Action Taken: Motion carried unanimously.

D. Other Business:

1. February 10 & 11 Minneapolis Trip:

Johnson reported that a Grand Forks delegation is going to thank Northwest for flood relief efforts. Other companies in the Minneapolis area will be visited also.

2. Security Violations:

Information has been received from FAA Security that they have closed the file on the security deviations that some of the tenants had.

3. Charlie Apron:

Charlie Apron design is ongoing. There is a small funding glitch due to the fact that Congress only approved the AIP Bill for six months and only awarded six months of entitlements. This issue will come to the Board on the February agenda.

4. UND Storm Water Project:

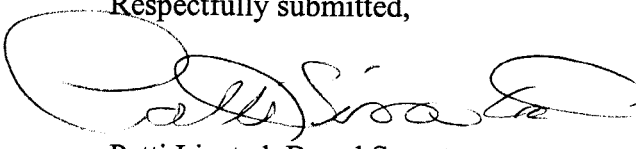
There is a lot of infrastructure items in the section where the lift station is to be located causing some problems, but the engineers feel they can be overcome. Johnson feels that since the Authority is putting in the stormwater system UND should pay to connect their roof drains to the stormwater system.

5. Aero Center One Building

Johnson met with the FAA regarding space rental in the old Aero Center One Building. The cost to fix the area to their specification could run \$20,000 to \$30,000, but would be recovered in about two years of rents.

ADJOURN

Respectfully submitted,



Patti Linstad, Board Secretary

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

March 18, 1999

The Grand Forks Regional Airport Authority Board of Commissioners met in the Board Room of the Authority building on Thursday, March 18 at 8:00 A.M. with Chairman Bill Coutts presiding. Those present were: Vice Chairman Dave Molmen Commissioners Clark Cronquist, Tim Mutchler, and staff Steve Johnson, Executive Director; Mary Jo Crystal, Director of Finance and Administration; Gary Baker, Operations Supervisor; and Skip Rucinski, Safety Specialist.

A. Approval of Minutes:

Mutchler moved approval of the minutes from January 21, 1999. Cronquist seconded. **Action Taken:** Motion carried unanimously.

B. Reports:

1. 1998 Audit:

Ron Johnke from Brady Martz presented the 1998 audit results.

Mutchler recommended that a report be presented to Township Supervisors regarding the use of tax revenues.

Molmen recommended that the 1998 audit be accepted by resolution. Cronquist moved to accept 1998 audit through resolution #03-99. Molmen seconded.

Action Taken: Motion carried unanimously.

Action Item: Molmen requested that in the near future a formal report be given to the Board regarding Y2K progress. Johnson will report to the Board at the April meeting.

2. Update on UND Stormwater Project:

Johnson reported that some minor problems have surfaced regarding the UND Stormwater Project. Steve Synhorst from Ultieg Engineers updated the Board on existing conditions, proposed improvements and recommendations associated with the project. Synhorst recommended that the project start as soon as UND is dismissed to minimize inconvenience to students and staff.

Molmen motioned that the project move forward as proposed with the possibility of adding options, such as the addition of rip rap to the triangle area and a solution to the roof drainage. Frank Argenziano stated that it was the intention of UND to come up with a solution to the roof drainage in order to tie it

into the project. Mutchler seconded. Synhorst stated that they would put the addition of riprap in as an alternate bid for Board review. **Action Taken:** Motion Carried Unanimously.

C. Resolutions:

1. #01-99 Matter of C Apron Bids:

Johnson reported that the pavement condition report completed last summer has some updates to it because of pavement projects that have been completed, but areas of Charlie Apron show ratings of poor and below. Johnson reviewed alternatives A1 and B1 for the project and announced that Valley Contracting was the low bidder. Johnson explained the grant funding entitlement process and said that any shortfall from 1999 would be funded from 2000.

Molmen moved approval of resolution #01-99 to award the entire project. Cronquist seconded. **Action Taken:** Motion carried unanimously.

2. #02-99 Matter of 1999 DBE Goals:

Johnson reported that justification for 11.2% for 1999 DBE goals was sent to the Civil Rights Department at the FAA Regional Office.

Cronquist moved approval of resolution #02-99. Molmen seconded. **Action taken:** Motion carried unanimously.

D. Reports Cont:

1. Year to Date Financials:

Crystal explained that there are several reporting options available since implementation of the new accounting software program. She reviewed some glitches and miscoding that appeared on reports after the transfer of systems. On the revenue side of the monthly report it was discovered that fuel sales were primarily diesel instead of auto gas as reported in the past. The County tax revenue showing 118% is a payment of approximately \$48,000 which should have been designated as a city payment. The expenditure side of the report shows the unemployment insurance at 2000% of budget. Most of that should be in health insurance, with the amount in health insurance going into pension and some of what is in social security going into disability. Advertising shows 286% of budget. Most of these expenditures belong under marketing. Other engineering and project inspection fees show some actuals that are over budget. Crystal explained that under the old system the projects sat on the balance sheet as work in progress. When the transition from the old system to the new took place, projects were moved back into a revenue and expenditure fund, but nothing was budgeted to handle the outstanding projects from last year. Once the older projects are closed they will move from the revenue and expenditure side to the assets side. Crystal also explained what the new system would look like through a statement of activities, revenues and expenditures. Coutts suggested that year to date figures continue to be reported instead of the monthly figures shown on the current report.

2. Personnel Manual Revisions:

Steve reported that the two items the Board ask to be reconsidered and discussed with Don Olson have been resolved. Item 400.01e - Occupation Disability and Injury Leave has been changed to limit payment to 90 days or to the date the employee becomes eligible for disability payments.

Cronquist moved approval of 400.021. Mutchler seconded. **Action taken:** Motion approved unanimously.

Item 600.10-Storm Days previously allowed the Authority to recover from the employees days employees stayed home due to storms or road closings before overtime was paid. That language has been removed and changed to reflect that employees will be paid while at home and overtime paid for where overtime is earned.

Mutchler moved approval of 600.01. Molmen seconded. **Action taken:** Motion carried unanimously.

3. Employee Pension Update:

Johnson reported that communications have been ongoing with the actuarial consultant to determine how much, if anything could be considered a shortfall as a result of converting from the City's defined benefit program to the Authority's defined contribution program. Coutts and Beyer, working as a sub-committee with Johnson, Crystal and the actuary, have exchanged information. Johnson reviewed a worksheet received from the actuary showing a lump sum equivalent to the day of retirement that affected employees would be due under the old retirement system. It also shows the total under the current plan with changes made to ages of retirement. Individuals that were under the 55-age plan have been changed to 62 and those under the 62 plan have been change to 65. Coutts stated that the committee is more comfortable with the information received and that the amounts would be acceptable. The issues now revolve around where responsibility actually lies; if any, how to resolve it, and if the changes in retirement age is an issue with employees. Coutts went on to state that there is no legal liability for the Authority. Molmen asked if the amounts could be added to the existing plan? Crystal stated that the current defined contribution plan could not be changed for a sub group. If changes were made they need to be applicable to all employees. Contributions made by the Authority could possibly be added to the plan by reducing the amount the sub group is required to make. Crystal voiced concerns that whatever the process chosen it be kept as simple as possible for accounting purposes. Johnson added that if a lump sum is paid there is the risk that an employee would leave and take a sum that they had not earned. Cronquist asked if there would be the potential for discrimination if not all employees were included in the payout. Coutts stated that technically wages of certain individuals would be adjusted and what the employees do with it is out of the Authority's hands. Coutts recommended that staff begin to correspond with employees regarding the process. Cronquist asked that staff request that the actuary come up with the amount it would cost to make up the difference as of today.

Action Item: Johnson will go back to the actuary with Cronquist's question and bring the results back to the Board at the April meeting.

E. Discussions:

1. 1999 Goals:

Johnson stated that the 1998 goals process is complete and a report would be given at the April meeting. The tentative goal for 1999 would be improving service to resident businesses and agencies. Businesses on the airport will be surveyed to see if there is a need for improvement in customer service before the goal is implemented. Another possible goal would be airport beautification. This would probably be a better goal for 2000 in order to allow time to budget money for improvements.

F. Other Business:

1. Marketing Coordinator:

Johnson announced that Tim Burke was hired as the Marketing Coordinator and will start April 1st.

2. April Meeting

Johnson requested that April's meeting be an evening meeting. He would like to contact Greg Opp and ask him to attend that meeting in order to discuss the GA parking lot. Brent Seifert stated that he would host the meeting at GFK Flight Support.

3. Snow Removal

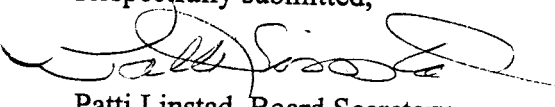
Brian Pfeiffer stated that in his opinion the process of removing the dirt between the t-hangars and taxiways in order to improve the drainage and walkway situation was unsuccessful. The mixture of clay and fine gravel has caused more problems and deposited more FOD on the field. He also stated that he does not think it's any firmer than the previous surface and that the best solution is probably some type of hard surface. Johnson replied that this was a short term fix and that it is in the capital budget for asphalt. This may have to be reassessed and possibly done with concrete when the taxiways in that area are done.

4. Director of Operations position:

Cronquist requested that the Director of Operations position be evaluated before the position is filled. Johnson had sent a memo justifying the position to Cronquist and Coutts per Cronquist's request. Cronquist suggested that all Board members receive a copy of the justification and that it be placed on the April agenda for discussion. Molmen asked if there needs to be a special meeting for the sake of discussion. Johnson stated that he would prefer that a committee be set up instead of bringing it before a full Board for open discussion. Coutts stated that after the memo was distributed he would poll the Board for a decision on what action to take.

ADJOURN

Respectfully submitted,


Patti Linstad, Board Secretary

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

April 15, 1999

The Grand Forks Regional Airport Authority Board of Commissioners met at GFK Flight Support on Thursday, April 15 at 7:00 P.M. with Chairman Bill Coutts presiding. Those present were: Vice Chairman Dave Molmen, Commissioners Clark Cronquist, Tim Mutchler, Brad Beyer and staff Steve Johnson, Executive Director; Mary Jo Crystal, Director of Finance and Administration; Tim Burke, Marketing Coordinator; Gary Baker, Operations Supervisor; and Skip Rucinski, Safety Specialist.

A. Approval of Minutes:

Cronquist moved approval of the minutes from March 18, 1999. Molmen seconded. **Action Taken:** Motion carried unanimously.

Johnson introduced the new Marketing Coordinator, Tim Burke.

B. Reports:

1. Year to Date Financials:

Crystal reviewed the balance sheet for the first three months of the year. On the comparative revenue to budget report there was a coding error regarding taxes. On the comparative expenditure report there was an error in the auto gas posting. In revenue expenditures, operating and non-operating, year to date income is just under \$3,500. The non-operating income is negative.

2. 1998 Goals Results:

Johnson reviewed the 1998 goal results stating that 184 safety recommendations have been identified by the work group. Johnson explained the process used to arrive at the bonus amounts based on the money set aside by the Board in the budget. Every team met their team goals with those goals representing 50% of the total points. Johnson stated that he feels that this has been one of the more successful efforts undertaken and asked that bonus payments be awarded to the employees based on the point calculations.

Molmen moved awarding the payment. Beyer seconded. **Action Taken:** Motion carried unanimously.

3. 1999 Goal Survey Results:

Johnson reminded the Board that improving customer service had been discussed as a possible goal for 1999. The Board had suggested that a survey of tenants be done in order to determine if there is a need for

improvement in customer service. Johnson reported that twelve service providers were surveyed and the results show that the over all average is 4.5, which is between good and excellent. Based on the results of the test survey Johnson asked if customer service is a goal that should be pursued for 1999.

Coutts asked if there was an alternate back up goal? Johnson replied that airport beautification was also discussed as a possible goal, but the lack of money set aside in the budget for improvements would be a hindrance.

Molmen stated that he felt customer service could be improved on since not all service providers were surveyed and there could be variability with just one or two scores changing. Molmen suggested that along with those stated on the test survey staff look at other areas of customer service that could be measured.

Coutts recommended that the planning for airport beautification be a goal also. It was decided to work on enhancing customer service and plan for a beautification goal for 2000.

4. Y2K:

Johnson reported on the status of systems and areas that the staff has looked into regarding the Y2K situation.

C. Discussions:

1. GA Parking Lot

Johnson reported that last year Opp Construction's bid was accepted for a new GA parking lot south of the Rydell hangar. Another idea has surfaced for a potential location and Opp is ready to begin construction and will build at either location. The only potential additional cost from moving the location would be the return of the slotted culvert to the supplier with a possible restocking fee. There is also the matter of survey work for the alternate location, but Ulteig Engineering reported that very little would be required in the new location. The original location is south of the Rydell hangar, adjacent to the fuel farm. The new location proposed is the area leased by GFK Flight Support just east of their facility on the non-secure side of the fence. Both areas would have 19 parking spaces.

Clint Rodnigen voiced concerns about putting in a parking lot and requested that concrete be added to the t-hangar areas that now have gravel. Beyer asked for comments regarding changing sites. Concerns were voiced regarding the use of the new sight by Flight Support and potentially filling all the parking spaces. Rucinski stated that Minkota Power prefers that the lot stay where first proposed and explained that snow removal from the new location would take more manpower and be time consuming. He added that snow removal is already done at the Rydell site and the addition of concrete would add to the esthetics of the area since it is seen from Airport Drive. Beyer referred to Brent Seifert's letter regarding airport customers using Flight Support that need parking in that area.

Beyer motioned that the project be moved to the GFK Flight Support area and that the executive director enters into negotiations with Flight Support to release the land from their lease. Cronquist seconded.

Action taken: Motion carried unanimously.

2. Car Rental Concessions:

Johnson reported that talks are on going regarding a new car rental maintenance facility and cost estimates have been obtained from architects. The question has been raised as to how agreements would be entered into with the car rental agencies to help pay back the cost of the building. The question has also been asked as to whether or not the existing agencies will want to enter into an agreement if in the next year or two the concession go out on bid. Johnson suggested that if the facility were to be built, now would be the time to put the concessions out on bid. He also posed the question as to whether or not the car rentals or the Authority should build the facility.

Jim Hansen representing AVIS voiced concerns regarding the financial impact a new facility would have stating that AVIS can not afford, nor do they want a new facility at this time. Molmen stated that a meeting will need to be set up with the car rental concessions and a decision made as to what and when should be done regarding the existing buildings. He suggested that staff meet with the car rental agencies and come up with a long-term strategy to address these issues.

Blain Brandon from Cherry Auto asked if the issue is tabled and voiced interest in putting an operation on the airport. He asked if the concessions would be placed out on bids even if the facility were not built. Johnson replied that right now there is no space available. Coutts recommended that discussions continue with existing agencies as Molmen has suggested and that Cherry Auto work with the executive director regarding options.

3. Pension Short Fall:

Johnson reported that there had been another meeting with the pension attorney. Issues discussed in the meeting were how payments should be labeled and assuring that the resolution was written so as to not obligate the Board to make subsequent payments. The Actuary suggested that the Board consult with Don Olson regarding any potential discrimination issues. Olson stated that under the Equal Pay Act discrimination can take place if it is not a gender related discrimination.

Molmen moved to make payments to individuals involved on the basis suggested by the Actuary for 1999 and to not bind any future Board. Beyer seconded. Coutts suggested that the executive director and the attorney prepare a written resolution for the Board's action at the next meeting. Molmen withdrew his original motion and substituted Coutts' suggested motion. Beyer asked if payments would be decreasing or increasing over the years. Johnson replied that they would be holding steady for approximately 15 years and then start dropping rapidly. **Action taken:** Motion carried unanimously.

D. Other Business:

1. AIP Legislation

Johnson reported that the AIP Legislation that allowed entitlement money through the end of March has been extended to the end of May. Johnson expects that another \$100,000 in entitlements will be awarded.

2. City Council Meeting

Johnson announced that next Monday night there is a City Council meeting to discuss the landfill issue. The State Health Department is going to attend the meeting and answer questions as to why the landfill has to be moved. Johnson stated that he will be attending and requested that a Board member attend.

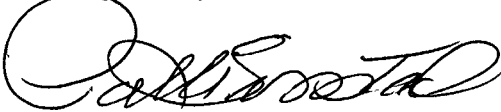
3. GFK Wanna-Be-Program

Brent Seifert requested support for GFK's Wanna-Be-Program to be held May 20th. Johnson recommended that the Marketing Coordinator meet with Brent and discuss possibilities.

Brian Pfeiffer thanked the Board for having an evening meeting and stating that over 30 letter were sent to individuals encouraging them to attend the evening meetings.

ADJOURN

Respectfully submitted,

A handwritten signature in cursive script, appearing to read 'Patti Linstad', written over a circular stamp or seal.

Patti Linstad, Board Secretary

PROCEEDINGS OF
THE Grand Forks REGIONAL AIRPORT AUTHORITY
BOARD OF COMMISSIONERS MEETING

May 28, 1999

The Grand Forks Regional Airport Authority Board of Commissioners met in the Board Room of the Airport Authority on Thursday, May 28, 1999 at 8:00 A.M. with Chairman Bill Coutts presiding. Those present were: Commissioners Clark Cronquist, Tim Mutchler, Brad Beyer and staff Steve Johnson, Executive Director; Mary Jo Crystal, Director of Finance and Administration; Gary Baker, Operations Supervisor; and Dave Meagher, VEM Technician.

A. Approval of Minutes:

Cronquist moved approval of the minutes from April 15, 1999. Beyer seconded. **Action Taken:** Motion carried unanimously.

B. Resolutions:

1. #04-99 "Matter of Discretionary Transition Payment"

Johnson reminded the Board that at the April meeting the matter of making discretionary transition payments was approved, and the Board requested that a formal resolution be drafted by the Authority's attorney and the Pension Attorney. Cronquist stated that according to the minutes of the last meeting payment had not been approved. After review of the previous minutes Coutts stated that adoption of resolution #04-99 would be formal approval. Mutchler moved approval of resolution #04-99. Beyer seconded. Cronquist asked for an explanation of the total amount. Crystal replied that it was the present value of total payments. Cronquist also asked if there was a commitment for future payments. Johnson explained that only one year was obligated and future payments could be stopped at any time. Johnson mentioned that there might be another pension issue coming before the Board at some point regarding the accommodation of certain job classifications (ARFF) that require significant physical activity. That group may need to be recognized as having a different retirement situation. Johnson stated that if physical standards testing is required for particular jobs then he feels that their career duration may need to be researched and compared to lesser physically demanding positions.

Action Taken: Motion carried with Mutchler and Beyer voting for and Cronquist voting against.

2. #05-99 "Matter of UND Storm Water Drainage"

Johnson reported that there was only one bid submitted (from Nodak Contracting) for the project. \$200,000 was originally budgeted for the project. That estimate was raised to \$250,000 during the design phase. The current bid price is at \$280,000. Cronquist motioned to reject the bid. Mutchler seconded. After discussion Mutchler withdrew his second to the first motion and Beyer moved to accept Nodak's bid. Mutchler seconded.

Action Taken: Motion carried unanimously.

C. Reports:

1. Year to Date Financials:

Crystal stated that she is providing four different statements including the balance sheet, statement of revenues and expenditures/income statement, comparative revenue and expenditure to budget and revenue and expenditures by funds. Crystal suggested that the statement of revenues and expenditures/income statement be dropped from the reporting since it is similar to the comparative revenue and expenditure to budget statement and can be confusing. Net operating income through the first four months is negative of approximately \$54,000. Crystal also reported that landing fees are down. Beyer asked why landing fees were down. Johnson will research the subject and report back to the Board. On the expenditure side there are some high percentages due to the payment of one-time payments. Cronquist asked if it was possible to get year to date budget instead of total budget. Crystal will present that option in future reports.

2. 1999 Goals:

Johnson reported that a committee was formed to formulate the goals and rework the key behaviors grade sheet. Once the committee puts everything together the entire work group will review it and add input. Tenants were polled a second time and asked about areas where improvement is needed or more can be done. Twelve were sent out with a few responding so far. Calls will be made to the others to speed up the process. The beautification goal has also been discussed. The committee is leaning towards emphasizing key behaviors over team goals in the final performance equation.

3. GA Parking Lot:

Johnson reported that a meeting will be set up with Ulteig Engineering and Opp Construction to review the project changes. An agreement was signed by GFK Flight Support and the Executive Director amending GFK's lease removing that particular portion of property.

D. Discussions:

1. Three Year CIP:

Johnson reviewed the three-year CIP and reported that it has been sent to the ADO in Bismarck.

E. Other Business:

1. Terminal Ceiling Renovation:

Johnson reported that consultation with Johnson and Laffen will begin after the 1st of June. He anticipates having a report for the June Board meeting.

2. ACI Meeting:

Johnson announced that he, Mutchler and Coutts would be attending an ACI Commissioners meeting in California June 2nd through June 5th.

3. Terminal Wall:

One of the suggestions presented to the Authority was to de-emphasize the two empty ticket counters in the terminal. One suggestion is to construct a temporary wall blocking the area from view. This would also provide wall space to hang items that the Chamber and Economic Development would like displayed in the terminal. Johnson asked the Board to accompany him to the terminal to look at the potential project after the meeting.

4. Larivee Property Trees:

Mutchler asked the status of the trees on the Larivee property. Johnson replied that the plan was to let them sit and dry and then burn them. There is interest in using the property for a small tree nursery. Negotiations are taking place regarding that option.

ADJOURN

Respectfully submitted,



Patti Linstad, Board Secretary

PROCEEDINGS OF
THE Grand Forks REGIONAL AIRPORT AUTHORITY
BOARD OF COMMISSIONERS MEETING

June 17, 1999

The Grand Forks Regional Airport Authority Board of Commissioners met in the Board Room of the Airport Authority on Thursday, May 28, 1999 at 8:00 A.M. with Vice Chairman Dave Molmen presiding. Those present were: Commissioners Clark Cronquist, Brad Beyer and staff Steve Johnson, Executive Director; Mary Jo Crystal, Director of Finance and Administration; Gary Baker, Operations Supervisor; and Dave Meagher, VEM Technician.

A. Approval of Minutes:

Cronquist moved approval of the minutes from May 28, 1999. Beyer seconded. **Action Taken:** Motion carried unanimously.

B. Reports:

1. Year To Date Financials:

Crystal stated that there are two options available in presenting the reporting format that the Board has requested. One option would be to dump the budget for 1999 and re-entered it monthly or the second option is to wait until 2000 and begin the reports at that time. Clark suggested that the reporting formats remain as is for the remainder of 1999 and start with the new reporting formats in 2000.

Crystal reported that the net income in the operating fund is approximately \$5,600 and the net income in the capital fund is \$286,000. The revenue in the debt service fund is \$167,000 with the total principal and interest obligations in that fund at \$435,000.

2. Terminal Ceiling:

Johnson reported that he met with Lonnie Laffen of Johnson Laffen and discussed the terminal ceiling options. There will be a bidding document prepared outlining the project and mailed to a list of contractors familiar with this type of work. Bids may be ready to bring to the Board at the July meeting for acceptance. Johnson explained that with a project this small bids could be obtained a number of ways to include direct solicitation. The project needs to be \$50,000 or larger before a more in depth bid process is required. Cronquist asked why the Authority can't conform to public policy when a project is under \$50,000 and eliminate the architectural or engineering fees by hiring the contractor directly. Molmen suggested that the bidding policy be reviewed.

3. Resolution #06-99 "Approval of Change Order on C Apron Reconstruction Project"

Johnson stated that the change order policy limits approval by the executive director to \$2,500. He suggested that the change order policy be reviewed and the amount raised to eliminate the necessity of

numerous change orders coming to the Board. Johnson reviewed the change order for the Charlie Apron Reconstruction project and requested approval.

Beyer moved approval of #06-99. Cronquist seconded. **Action Taken:** Motion carried unanimously.

4. Fire Hydrant

Johnson reported that the Grand Forks Fire Marshall has requested that a fire hydrant be placed in the UND area now that the parking lot is under construction. Engineering estimates for putting in a hydrant came in at \$12,500. Johnson explained that there is no benefit in doing the hydrant now because the process would involve boring and pushing the line through. This can be accomplished with the pavement in place. After discussion it was decided that the hydrant would be put on hold.

5. House Resolution 1000/Air 21:

Johnson reported that the House of Representatives passed House Resolution 1000/Air 21. The next step is for the Senate to bring their version to the Conference Committee in July. Approval will double the amount of AIP money awarded and allow airports to raise PFCs to \$6.00.

6. GA Parking Lot:

Opp Construction has started work on the GA parking lot. There will be pavement by Flight Support and gravel in the original location.

7. State Grant Application:

The State Grant Application has been submitted requesting \$179,000. Johnson will travel to Bismarck on the 29th to give a presentation and attend the meeting.

8. July Board Presentations:

Pat Downs and economic development director, Mark Krauseneck will attend the July Board meeting to talk about economic development and the airport's role in economic development.

Tim Burke, Marketing Coordinator will present the airport statistics and report on marketing issues at the July meeting.

9. Co-Mingling of Fuel:

Johnson stated that the process has begun to start co-mingling fuel on the airport.

10. Fly ND Program Meeting:

Johnson reported that he, Burke and a travel agent went to Minneapolis to meet with Northwest regarding the Fly ND Program. There will be a public announcement made on Monday by the Aeronautics Commission and Dorgan's office regarding the program.

11. CAS Interns:

Johnson announced that two airport management interns have been hired for the summer.

12. Director of Ops Selection Process:

Johnson asked if any of the Board members were interested in being involved in the selection process for the Director of Ops. Resumes have been received and phone interviews will be conducted next week.

13. Engineering Selection Process:

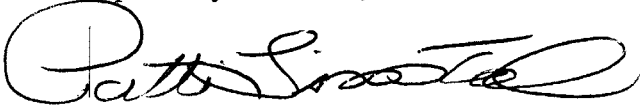
The three-year contract with CMT is up the end of this year therefor the engineering selection process will begin within the next 60 days. Cronquist asked if the engineering process is bid. Johnson stated that it is put out on a request for proposals and advertised nation wide. Three are chosen after a review process and the best qualified chosen from those three.

14. FAA AFSS Rent Agreement:

Notice has been received from the FAA stating that they are going to hold the Authority to wording in the Grant Agreement that ultimately gives them free rent in their building indefinitely.

ADJOURN

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Patti Linstad".

Patti Linstad, Board Secretary

PROCEEDINGS OF
THE Grand Forks REGIONAL AIRPORT AUTHORITY
BOARD OF COMMISSIONERS MEETING

July 15, 1999

The Grand Forks Regional Airport Authority Board of Commissioners met in the Board Room of the Airport Authority on Thursday, July 15, 1999 at 8:00 A.M. with Chairman Bill Coutts presiding. Those present were: Commissioners Dave Molmen, Brad Beyer and staff Steve Johnson, Executive Director; Mary Jo Crystal, Director of Finance and Administration; Tim Burke, Marketing Coordinator; and Gary Baker, Operations Supervisor.

A. Approval of Minutes:

Molmen moved approval of the minutes from June 17, 1999. Beyer seconded. **Action Taken:** Motion carried unanimously.

B. Resolutions:

1. #07-99 "UND Stormwater change Order"

Johnson reported that the one item on the change order requiring Board approval is the placing of geo-textile fabric under the pavement for \$7,100. This addition was made necessary due to moisture and the lack of proper preparation when the first concrete was laid.

Beyer motioned acceptance of resolution #07-99. Molmen seconded. **Action Taken:** Motion carried unanimously.

At this time Chairman Coutts moved agenda item #1 under discussions up on the agenda.

D. Discussion:

1. Water Boost Pump Station:

Johnson explained that an additional pump needs to be installed at the pump station in order to increase water flow and static water pressure to the airport. One option would be to negotiate with the city engineering department to develop a project to install the hardware necessary. A second option would be for the Board to decide that obtaining the water pressure needed is a city of Grand Forks utilities responsibility.

Dick Westcott explained how the system works now versus how it will work once additional pumps are installed. Coutts stated that he has had calls from the Board members not present and both expressed disappointment with the situation and questioned whether adequate pressure should be a City responsibility or Authority responsibility. Westcott stated that pressure throughout town is not adequate and that most places, depending on the size of the facility, have their own pumps in order to provide adequate pressure.

Beyer motioned to have Johnson continue negotiations with the City to put in place the necessary pumps. Molmen seconded. **Action Taken:** Motion carried unanimously.

C. Reports:

1. Year To Date Financials:

Crystal reported that the operating fund has a net income of approximately \$38,000. The capital fund net income of \$137,000 and the debt service fund has revenues at \$191,000 with obligations expected to be at \$435,000. There will be approximately \$250,000 remaining from the sale of the bonds for the cargo apron project. The project is at about \$970,000 and the bond proceeds plus the interest to date are about \$1.2 million. In reviewing the bond document it appears that unused money will be transferred over to the debt service fund and used to retire the bond.

2. GF Economic Development:

Johnson Introduced Pat Downs and Mark Krowseneck from the GF Economic Development Corp. to update the Board on economic development efforts and the airport's role. Downs stressed the importance of the airport to economic growth in the region. Suggested areas for the Authority to concentrate on to help the EDC would be to update the Master Plan and develop print materials outlining services and potential development sites available at the airport. Downs also stated that the EDC would like to see Cirrus and FedEx expand and stated that they are still interested in the development of an air cargo facility. Coutts suggested Authority and EDC members visit Cirrus in Duluth sometime in the near future. Downs suggested that the airport visit Cirrus in mid to late August and discuss their potential growth plans.

3. Airport Statistics:

Burke reported that cargo landed weights are down. He will be meeting with Bob Bednarz to discuss the matter. In the future UPS numbers will also show on the report. Air traffic operations is up about 6 ½ percent with total enplanements down approximately 2%. Burke also explained that he would be looking at how charter flights are being reported. He feels they are not being reported accurately and regularly.

Burke also reported that he has started working with Simons/Flint Advertising to develop a marketing plan that specifically addresses enplanement issues. He is hoping that by the beginning of September the research will be done and a recommendation presented.

4. Terminal Ceiling Project:

Johnson reviewed the terminal ceiling replacement project status. The bid package was ready to mail, but it was discovered that the tile chosen is no longer available and there is not a style available that will fit the current grid system. He will be meeting with a factory representative next week to discuss other possible options. Beyer questioned the decision to paint the existing grid versus replacing it since it is outdated.

5. Director of Ops:

Johnson reported that the position has been advertised, approximately 20 resumes have been received, reviewed and categorized. Six candidates were chosen for phone interviews, and out of those six two had taken other positions, two did not meet all the qualifications and the remaining two candidates will be

brought in for interviews. One of the candidates chosen to interview violates the current nepotism policy. Crystal addressed how industry is looking at nepotism policies and how the ND State and federal guidelines address it.

After discussion Molmen moved to replace section 600.01 titled "Nepotism" with the title "Favored Treatment" to include three statements, subject to attorney review: "No employee or applicant will receive favored treatment as the result of a familial or personal relationship with another employee. No employee may participate in the selection process or facilitate in any manner the hiring of a member of his/her family by the Authority. No person may be hired into a position within the Authority where he/she is immediately supervised by, or is the immediate supervisor of, a family member. Beyer seconded. **Action Taken:** Motion Carried unanimously.

D. Discussions Cont.:

2. Change Order Policy:

Johnson recommended that section 200.02 of the Organizational Policy Manual be amended to raise the limit allowed the executive director to approve changes from \$2,500 to \$5,000. Johnson summarized the proposed changes to the text.

Molmen moved approval of the changes. Beyer seconded. **Action Taken:** Motion carried unanimously.

3. Winnipeg Trip:

Johnson announced that the Board has been invited to Winnipeg to look at the parking system at the airport. The dates available are August 20th, 26th, 27th. The Board will be polled to see which date works.

4. Parking Enforcement Survey:

Johnson reported that Fargo sent out a survey to airport managers on parking controls in front of airport terminals. Grand Forks appeared to be in the mainstream with its policies.

5. Air Base Runway Rehab:

Johnson received information from the Air Base that there is the likelihood that they will get the money to rehab their runway next year. Their project will be done in phases and prohibit us from using it during the airport's overlay project. During the engineering selection process potential engineers will need to know that the project will have to be done without interruption to service. One option would be to work at night.

6. FAA Safety Certification Inspection:

Johnson announced that the annual FAA safety certification inspection has been completed. The only area of concern was the swamp area off the east end of Runway 8-26. The FAA mandates that there be 600 feet of flat adequately drained ground off the end of a runway to support the passage of aircraft. Johnson stated that this area will need to be bought up to FAA standards by August of next year.

7. Air 21:

Coutts asked if legislation "Air 21" passed the House. Johnson explained that the Senate will look at it next week. The Senate bill does not include the provisions for the PFC increase so if it passes Senators will need to be contacted requesting the adoption of the PFC portion of the bill. Johnson has solicited the support of major ND managers and will be sending a letter of support.

8. Parking Meters:

Molmen asked the option of placing a row of parking meters in the parking lot was still being considered. Johnson stated that he was under the assumption that next year's non-air project would be parking improvements to include the possibility of a row of meters.

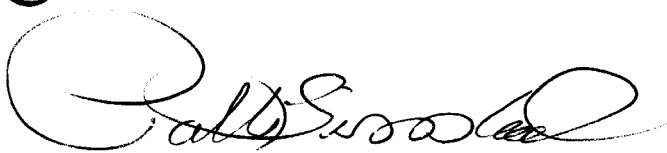
9. Airline Steps

Baker announced that we have been designated as a diversion airport and as a result of that Northwest will provide full-size airline steps.

Johnson introduced the interns Andrew Solsvig and Michelle Schmitz.

ADJOURN

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Patti Linstad", written in dark ink.

Patti Linstad, Board Secretary

PROCEEDINGS OF
THE Grand Forks REGIONAL AIRPORT AUTHORITY
BOARD OF COMMISSIONERS MEETING

August 19, 1999

The Grand Forks Regional Airport Authority Board of Commissioners met in the Board Room of the Airport Authority on Thursday, August 19, 1999 at 8:00 A.M. with Chairman Bill Coutts presiding. Those present were: Commissioners Brad Beyer, Clark Cronquist and staff Steve Johnson, Executive Director; Gary Baker, Operations Supervisor and Dave Meagher, V&ME Tech.

A. Approval of Minutes:

Cronquist moved approval of the minutes from July 15, 1999. Beyer seconded. **Action Taken:** Motion carried unanimously.

B. Resolutions:

1. #08-99 "Matter of Amendment to Policy Manual/Section 200.02" (2nd reading)

Johnson reported that at the July meeting the suggested amendments to the Purchasing Policy were approved. During the process of implementing changes it was discovered that the suggested changes needed to be given to the Board ten days prior to the meeting. If the Board does not receive the information ten days prior to the meeting a second vote has to be taken. Johnson presented the changes and requested a second vote.

Beyer motioned acceptance of resolution #08-99. Cronquist seconded. **Action Taken:** Motion carried unanimously.

2. #09-99 "Matter of Water Boost Station Engineering Agreement"

Johnson reminded the Board that they had directed him to proceed in discussions with the City to make necessary changes to meet the airports needs regarding the water boost station. The City is proposing hiring Advanced Engineering to prepare the drawings bid documents, and solicit bids. Advanced Engineering is requesting \$8,700 to do this work. The contract would be with the city but the city will not proceed until they have an agreement with the Authority to get reimbursed for the cost. The \$8,700 includes the engineering design to install pressure pumps and flow sensor. Johnson stated that he is uncomfortable with the cost because it appears to include trouble-shooting efforts associated with the original installation. Johnson requested permission from the Board to either proceed with the engineering agreement or to negotiate with the city regarding the engineering firm's fee.

Beyer motioned to authorize Johnson to work with the city to reduce the Authority's share of the engineering project. Cronquist seconded. **Action Taken:** Motion carried unanimously.

C. Reports:

1. Terminal Ceiling Project

Johnson reported that he and Lonnie Laffen would be looking at a ceiling tile made by Armstrong specifically for terminal buildings but suspects the cost will be high. Cronquist asked if something could be done with the dim lighting in the terminal along with the ceiling project. Johnson will check with the Northwest employees regarding the lighting and report back to the Board.

2. Engineering Selection Schedule

Johnson stated that the ad for engineering proposals will appear in the GF Herald and AAAE newsletter August 31st. Firms wanting to respond will have to have their information in by September 20th. Three will be chosen from the proposals received and interviews set up for the week of October 11th. Johnson requested that two Board members be on the interview team. He hopes to also include an airport manager from one of the North Dakota airports and the director of ops candidate.

3. Jetway Ground Power Unit Replacement

Johnson reported that the ground power unit for jetway #2 has failed. He explained the difficulty in maintaining the system because of its age and lack of available parts. Therefore, a complete power unit has been ordered and will be shipped on August 30th. The operating agreement with Northwest allows the Authority to make capital improvements to the terminal and under certain circumstances bill costs back to northwest as terminal rent. Arrangements are being made with the bank to secure a loan.

4. Director of operations Position:

Johnson announced that the candidate chosen has declined the offer. Ads have been resubmitted and the process has started over.

5. Security Inspection

The last security inspection resulted in several of the tenants being sited for violations. The Authority was also cited for a violation at the Charlie apron construction site. Letters will be written to the FAA explaining the various situations.

6. Grant for Charlie Apron

Johnson announced that an additional \$191,000 in grant money was awarded for the Charlie Apron project. Approximately \$45,000 of airport money has been spent on the project.

7. Disaster Drill

The triennial disaster drill will be held on Wednesday, August 23rd from 12:30 p.m. until 2:00 a.m. The drill will be a simulated explosion in the terminal. All mutual aid agencies will be involved.

D. Discussion:

1. Winnipeg Parking System Visit:

Johnson announced that the trip to Winnipeg to view the Parking Pay Station System will be August 27th.

D. Other Business

Beyer asked if the issue of how next year's runway overlay project would be handled has been resolved. Johnson replied that nothing has been decided at this time.

Beyer also asked about the lack of tie downs on Charlie Apron. Johnson explained that the wing tie downs on the far west edge were not removed for the project but that five of the tie downs were placed in construction joints and will have to be taken out and repositioned.

Beyer asked what the Authority's responsibility is towards fire protection at UND/CAS. Johnson stated that the Authority's responsibility is to provide infrastructure. If it is decided that there is not enough protection the Authority will probably need to provide it.

ADJOURN

Respectfully submitted,



Patti Linstad, Board Secretary

PROCEEDINGS OF
THE Grand Forks REGIONAL AIRPORT AUTHORITY
BOARD OF COMMISSIONERS MEETING

September 16, 1999

The Grand Forks Regional Airport Authority Board of Commissioners met in the Board Room of the Airport Authority on Thursday, September 16, 1999 at 8:00 A.M. with Chairman Bill Coutts presiding. Those present were: Commissioners Brad Beyer, Clark Cronquist, Tim Mutchler and staff Steve Johnson, Executive Director; Mary Jo Crystal, Director of Administration and Finance; Gary Baker, Operations Supervisor and Rich Audette, Shift Supervisor.

A. Approval of Minutes:

Beyer moved approval of the minutes from August 19, 1999. Cronquist seconded. **Action Taken:** Motion carried unanimously.

B. Resolutions:

1. #10-99 "Matter of Foreign Trade Sub-Zone in Wahpeton, ND"

Johnson reported that a consultant representing the Imation Corporation contacted the Authority about the possibility of establishing a foreign trade sub-zone for the exclusive use by Imation in Wahpeton. Johnson has discussed the issue with Grand Forks Economic Development officials and Jim Steinke, foreign trade zone manager. The consensus from those discussions is that there would not be a down side for Wahpeton having a sub-zone. Resolution #10-99 allows for the first phase of establishing the sub-zone.

Cronquist moved for adoption resolution #10-99. Mutchler seconded. **Action Taken:** Motion carried unanimously.

C. Reports:

1. Year to Date Financials

Crystal explained that there was a misposting of revenue into the operating fund. Rather than a positive \$57,944 it should be \$51,556. A large portion of that surplus is due to the open director of operations position. The net income in the capital fund is negative \$539,000. A portion of that is due to the outstanding federal request that will be submitted by the end of next week. The debt service fund revenue to date is \$183,000. There is a principal and interest payment due October 1. The debt service fund will be subsidized from either reserves or from the operating fund. The fuel storage fees are just now getting to a point where they are equal to the payment. The PFCs are holding true but there will be some subsidizing of that bond.

Coutts asked about the decline in landing fees. Crystal stated that without looking at that area specifically she did have details on the decline other than she was aware that the FedEx numbers were down. A factor that could be entering into the equation would be a Northwest equipment change. The use of regional jets instead of the DC9s would enter into it since the DC9s were budgeted for. Mutchler asked if FedEx

expected their landed weights to turn around and how significant the lower weights are. Johnson explained that landing fees have nothing to do with the weight of the freight but rather the weight of the plane. Johnson stated that he would check into the matter. Crystal mentioned that everything would be scrutinized when information starts coming together for next year's budget.

2. Engineering Selection Schedule:

Johnson reported that with Board approval he has identified individuals to sit on the engineering selection committee. The committee would be made up of Johnson, Coutts, Beyer, Frank Argenziano, and Gene Kraus, Air Force Base Airfield Manager with Cronquist and Crystal as alternates.

3. Tri-Annual Emergency Drill - "Night Hawk":

Rick Audette, Shift Supervisor, recapped the scenario that played out for the drill. He stated that there was an overwhelming response to the drill in that all mutual aid agencies responded. The downside was that there were limited areas of participation and some minor communication breakdowns. Operations will arrange to work with the agencies that did not get to participate during the drill. Audette stated that for the most part the drill was a success. Johnson recognized Audette as the key person in the planning and carrying out of the exercise.

4. UND Master Lease:

Johnson reported that meetings have continued with UND on updating the master ground site lease.

5. Water Boost Station:

Johnson stated that he and Cronquist met with Advanced Engineering. Johnson will be meeting with Ken Vein to discuss the engineering agreement portion of it. Mutchler asked about the fire suppression capabilities. Audette reported that fire hydrant testing is ongoing and that flows on the UND side of the airport are more than adequate. Flows continue to be down on the remainder of the airport. Johnson explained that there appear to be some differences in pipe diameter near the terminal explaining some of the flow problems.

6. FAA Security Violations:

Johnson reported that responses to the letters of correction regarding security violations have been sent to the FAA and three of the four cases have been closed. There has not been a response to the violation regarding the contractor allowing access to the Charlie Ramp.

7. Terminal Lighting:

Johnson reported that he has checked with Northwest Airlines and they feel the counter lighting is adequate.

8. Air Force Base Runway Status:

Johnson spoke to Gene Craus and the feeling is that the Air Base will receive money for their runway project. When engineering interviews are conducted it will be assumed that the base runway will not be available to us. The question of how our overlay project will be handled will enter into the engineering selection.

D. Other Business

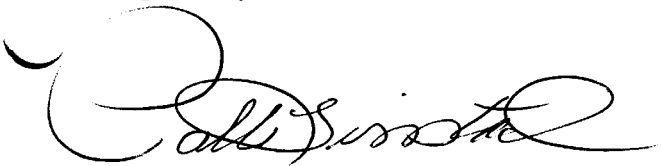
1. Executive Director Employment Agreement:

Coutts called for a vote approving the employment agreement between the Authority and Steve Johnson. Beyer moved acceptance of the contract as submitted. Mutchler seconded. **ACTION TAKEN:** Motion carried unanimously.

2. AFSS Letter of Appreciation:

Joe Morgan presented a letter of appreciation to the operations employees for their cooperation in the areas of security, safety and related issues. AFSS had a national evaluation this summer that went well due in part to the cooperation of the operations employees.

Meeting Adjourned at 8:40 a.m.
Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Patti Linstad", written in black ink.

Patti Linstad, Board Secretary

PROCEEDINGS OF
THE Grand Forks REGIONAL AIRPORT AUTHORITY
BOARD OF COMMISSIONERS MEETING

October 21, 1999

The Grand Forks Regional Airport Authority Board of Commissioners met in the Board Room of the Airport Authority on Thursday, October 21, 1999 at 7:00 P.M. with Chairman Bill Coutts presiding. Those present were: Commissioners Brad Beyer, Clark Cronquist, Tim Mutchler and staff Steve Johnson, Executive Director; Mary Jo Crystal, Director of Finance and Administration; Tim Burke, Marketing Coordinator; Gary Baker, Operations Supervisor; Rick Audette, Shift Supervisor; and Safety Specialists Scott Nelson, Garry Dugan, Rick Wockovich, Wayne Wetzel.

Chairman Coutts called the meeting to order at 7:05 P.M.

A. Approval of Minutes:

Cronquist moved approval of the minutes from September 16, 1999. Mutchler seconded. **Action Taken:** Motion carried unanimously.

B. Resolutions:

1. #11-99 "Matter of Engineering Firm Selection"

Johnson reviewed the process that took place regarding the selection of an engineering firm. Ulteig Engineers finished first in the scoring. All of the firms have been contacted and informed that the selection would not be official until the Board adopted resolution #11-99. Johnson thanked the participants for their role in the process.

Beyer moved for adoption resolution #11-99. Mutchler seconded. **Action Taken:** Motion carried unanimously.

2. #12-99 "Matter of Terminal Ceiling Bids"

Johnson stated that he felt that a resolution is not necessary for this bid since it is a budgeted capital item and came in under the budgeted amount. Three bids were received with the low bid coming in at \$17,268. The contract has been signed and the materials are on the way. The contract requires that GF Glass and Paint complete the project no later than December 15, 1999.

C. Reports:

1. Year to Date Financials

Crystal reported that the operating fund is generating a surplus due to the open director of operations position and other expenditures that have not occurred. The net income in the capital fund is showing a negative \$596,000. Crystal pointed out that in the capital fund the federal revenue isn't hitting the income statement, but dropping into the fund balance. The income statement shows that the capital fund is negative,

but there is \$539,000 that dropped into the fund balance. The deficit in that fund is actually only \$57,000. The debt service fund revenues are not keeping up with projected bond payments. Coutts asked about landing, ARFF and terminal rents. Johnson replied that he and Crystal looked at these areas and it appears that some budgeting assumptions were made last year in error.

2. Budget Review

Johnson and Crystal reviewed the proposed 2000 budget, capital list, and fee schedules. Johnson explained that this was a preliminary look at the budget and if need be a special board meeting could be called for further review. The budget will appear on the November 18, 1999 agenda for approval.

3. Security issues:

Johnson stated that there is no report at this time due to lack of information.

4. Water Boost Station:

Johnson reported that the alternate proposal from the city engineering department on the fees for the improvements to the boost station has not been received. He and Cronquist met with the assistant city engineer and he agreed that there is room for reconsideration on the original fees. Johnson will sign the agreement when he receives it based on the resolution passed at the last meeting.

5. Director of Operations Position:

Johnson announced that Todd Hanson has accepted the offer for the position of director of operations. Hanson who is currently in Washington State, was the previous manager of the Jamestown, North Dakota airport. He will begin work the first week of January, 2000.

6. Executive Director's Vehicle:

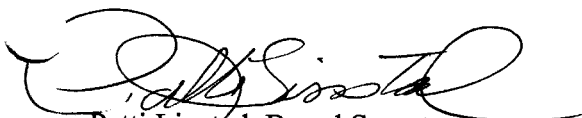
Johnson reported that the lease on the vehicle owned by the Authority that he drives is up at the end of October. It is his intention to turn the vehicle back in and purchase a standard mid-range, four-door sedan. Cronquist suggested that Johnson look at program vehicles. Johnson will bring this item back to the Board when he has more information.

D. Other Business

1. Parking Lot Changes:

Johnson explained that he is having second thoughts regarding reconfiguring the parking lot and adding meters. He is concerned that the meters would cause similar problems that are almost solved regarding front curb congestion.

Meeting Adjourned at 8:03 P.M.
Respectfully submitted,



Patti Linstad, Board Secretary

PROCEEDINGS OF
THE Grand Forks REGIONAL AIRPORT AUTHORITY
BOARD OF COMMISSIONERS MEETING

November 18, 1999

The Grand Forks Regional Airport Authority Board of Commissioners met in the Board Room of the Airport Authority on Thursday, November 18, 1999 at 8:00 A.M. with Chairman Bill Coutts presiding. Those present were: Dave Molmen, Vice Chairman; Commissioners Brad Beyer, Clark Cronquist, Tim Mutchler and staff Steve Johnson, Executive Director; Mary Jo Crystal, Director of Finance and Administration; Tim Burke, Marketing Coordinator; Gary Baker, Operations Supervisor; and Dave Meagher, VMT.

Chairman Coutts called the meeting to order at 8:04 A.M.

A. Approval of Minutes:

Cronquist moved approval of the minutes from October 21, 1999. Mutchler seconded. **Action Taken:** Motion carried unanimously.

At this time agenda item #1 under reports was moved up.

#1. Market Research Presentation:

Simmons Advertising reviewed the results of their research and survey conducted over the past months. Burke reported that after January 1, 2000 the marketing plan for the airport would be announced.

B. Resolutions:

1. #12-99 "Matter of 2000 Budget"

Johnson reviewed changes made to the budget since the last meeting. One of the changes included an increase in the CPI from 2.4 to 2.8. Fees will increase by 2.8 and Johnson recommend that the across the board salary increase be reflective of the 2.8 CPI rate. The pension short fall payment for 2000 was omitted from the original budget but has now been added. There were also salary adjustments made to reflect changes after the consultant reviewed the compensation study. Cronquist ask what comparisons were done when considering increases. Johnson explained that the three groups looked at were the safety specialist the shift supervisors and the vehicle and equipment maintenance technician. Airports with comparable jobs and city job descriptions were looked at. Johnson stated that the printed compensation plan presented today does not reflect his recommendation to raise one employee from a wage grade 19 to 20. Johnson is still looking at that position and will bring it back to the Board if further changes are recommended.

Molmen moved for adoption of resolution #12-99. Mutchler seconded. **Action Taken:** Motion carried unanimously.

C. Reports:

1. Year to Date Financials

Crystal reported that the operating fund is showing a net income. The capital side continues to be difficult to evaluate due to old projects that need to be closed out. The revenue stream going into the debt service fund is not keeping pace with bond payments. Johnson added that it looks like a payback will be going to Northwest due to the income in the operating fund.

2. Year to Date Operating Stats:

Burke reported that passenger enplanements are up approximately 2% for the year. The first half of the year shows a substantial drop in enplaned cargo, but the last couple of months are showing a rebound mainly due to FedEx activity. Burke reported that he met with Bob Bednarz, FedEx Regional Manager, regarding the impact the Amazon.com deal with Acme Electric would have on FedEx. There will be a big impact on FedEx, but not on the airport since the airport generates revenue from landed weight. The only way the airport would notice an impact is if more FedEx flights came in. Burke also reported that operations are up primarily due to UND activity.

D. Other Business:

1. Aviation Explorers

Johnson reported that the airport is sponsoring an Aviation Explorer post. There will be a kick-off membership meeting December 1st.

2. Upcoming Travel:

Johnson is working with Economic Development in coordinating a trip to Duluth to visit the Cirrus Corporation. There is also a trip to Memphis planned for February to visit FedEx.

Meeting Adjourned at 8:40 A.M.

Respectfully submitted,



Patti Linstad, Board Secretary