

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

**January 20, 2000**

The Grand Forks Regional Airport Authority Board of Commissioners met in the Board Room of the Airport Authority on Thursday, January 20, 2000. with Chairman Bill Coutts presiding. Those present were: Commissioners Brad Beyer, Clark Cronquist, Tim Mutchler; staff Steve Johnson, Executive Director; Mary Jo Crystal, Dir. of Admin and Finance; Tim Burke, Marketing Coordinator; Todd Hanson, Director of Operations; Gary Baker, Operations Supervisor; Dave Meagher, V&ME Tech. and Bob Wood, County Commission Liasion.

Chairman Coutts called the meeting to order at 8:05.

**A. Approval of Minutes:**

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

**B. Resolutions:**

**1. #01-00 "Matter of Parking Pay Station Lease Agreement"**

Johnson explained that resolution #01-00 is for the parking pay station lease agreement that has been approved with the 2000 budget.

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

**C. Reports:**

**1. Year to Date Financials:**

Crystal reported that the financial statements were prepared before the majority of the month end adjustments were made. The statements show an operating net income of just under \$50,000. There will be more adjustments to the operating fund, which will lower that amount. The capital fund is difficult to look at because of old projects that have not been closed out. The comparative revenue reports show the county revenue at 159% and the city revenue at 73%. Crystal explained that these percentages are due to errors in coding and will be rectified. On the expense side, auditing and accounting fees are under budget because none of the commission generating tenants were audited as projected. Only 33% of the legal budget was spent and maintenance agreements are significantly lower due to a change in an accounting function. Crystal announced that the audit would start February 7<sup>th</sup>.

## **2. Year End Stats:**

Burke reported that enplanements are up approximately 2% over last year. Air traffic activity is up almost 4% primarily due to UND's activity and enplaned cargo is also up slightly. Burke predicts that the slight increases show the beginning of a trend for the year.

## **3. Runway Project Update:**

Steve Synhorst, Ulteig Engineers, explained that the runway project will be phased mainly because the Air Force Base runway will not be available for use until 2001. The two phases consist of the storm sewer construction between 17R - 35L and Alpha Taxiway and the safety area construction off the ends of 17R, 35L and 26. The overlay of 17R - 35L will be the portion completed in 2001. The approach lighting system will be done in 2000. The topography has been completed on the runways with cross-sections done every 100 feet. This will allow for a safety area map to be done for the ADO in Bismarck. The runway has been cored and samples sent in for testing. The testing results show that 6 inches need to be milled off and replaced. Plans and specifications for the storm sewer and safety areas work is 30 - 40 % complete. Advertising for bids will be placed by the 21<sup>st</sup> of February with a bid date set for March 21<sup>st</sup> and an award date set for the March 23<sup>rd</sup> Board meeting.

## **4. Cirrus Design Visit:**

Johnson reported that the visit to Cirrus in Duluth included Commissioners Beyer, Coutts, EDC President Mark Krauseneck and himself. They had a tour and met with Cirrus Design's president Alan Klapmeier. Klapmeier confirmed that they were still interested in building on the airport in the same location previously discussed.

## **5. Upcoming FedEx Visit:**

February 24<sup>th</sup> and 25<sup>th</sup> dates have been tentatively set for a visit to the FedEx operation in Memphis.

## **6. Water Boost Station Engineering Agreement:**

Johnson reminded the Board that they had given him instruction to negotiate for better terms with the agreement that Advanced Engineering and the city put together to upgrade the water boost station. A letter has been received stating that the engineering fee has been reduced by \$1,100. The total now is \$7,500. Johnson has accepted the new terms and has given permission to proceed.

## **7. Y2K Follow-up**

Johnson reported that only two areas needed to be upgraded because of Y2K. The fuel farm software was upgraded and new soft and hardware was purchased for the security system. Operations staff was on duty at midnight during the change over and all systems operated properly. There was a small glitch in the software provided by the bank for the transfer of funds and that has now been rectified.

## **7. Washington DC Legislative Conference:**

Johnson announced that the annual AAAE Washington Legislative Conference is scheduled for March 20 - 22. Board members were encouraged to check their schedules and attend if possible.

#### **8. Imation Foreign Trade Subzone:**

Johnson reported that the application for Imation's Foreign Trade subzone has been filed in Washington and indications are that it will be approved. Johnson is in the process of negotiating with Imation, through a consultant, on the operating agreement between the Authority and Imation.

#### **9. Janitorial Service:**

Thur-O-Clean has given notice that they will no longer be providing services at the airport. After discussions between the director's staff it was decided to hire individuals as Authority employees for janitorial services. The current Thur-O-Clean employees working at the airport will be losing their jobs with Thur-O-Clean and are willing to fill in during the transition.

#### **10. Military/Civic Trip:**

Johnson took a two-day military/civic leader trip sponsored by the refueling wing at the Air Force Base. Approximately 24 leaders from Grand Forks went on the excursion to see some of the military air lift capabilities. The flight included stops at McGuire AFB in New Jersey and Charleston AFB in South Carolina.

#### **11. Director of Operations:**

Steve Johnson introduced Todd Hanson the Authority's new Director of Operations to the Board.

#### **D. Other Business**

##### **1. GA Issues**

Brian Pfeiffer thanked the Authority for the rubber weather stripping that was added to the hangar doors. It has helped prevent snow from getting into the hangars.

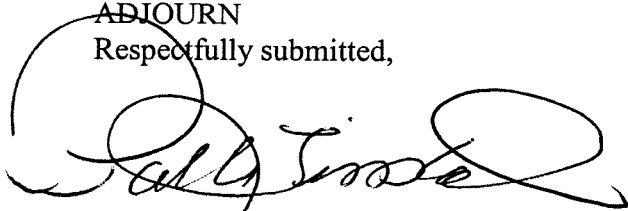
Pfeiffer also asked the Board to consider adding asphalt to the gravel areas between the hangars when the overlay project is being done.

Pfeiffer expressed concerns regarding the rise in GFK Flight Support's fuel prices. Johnson stated that the Authority has the ability to express an opinion, but can only intervene if they become discriminatory and unreasonable.

Meeting adjourned at 9:10

ADJOURN

Respectfully submitted,

A large, stylized handwritten signature in black ink, appearing to read 'Patti Linstad', is written over the typed name.

Patti Linstad, Board Secretary

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

**February 17, 2000**

The Grand Forks Regional Airport Authority Board of Commissioners met in the Board Room of the Airport Authority on Thursday, February 17, 2000 with Chairman Bill Coutts presiding. Those present were: Commissioners Brad Beyer, Clark Cronquist, Tim Mutchler; staff Steve Johnson, Executive Director; Mary Jo Crystal, Dir. of Admin and Finance; Todd Hanson, Director of Operations; Gary Baker, Operations Supervisor; and Dave Meagher, V&EM Tech.

Chairman Coutts called the meeting to order at 8:00 a.m.

**A. Approval of Minutes:**

Cronquist moved approval of the minutes from January 20, 2000. Mutchler seconded. **Action Taken:** Motion carried unanimously.

**B. Resolutions:**

**1. #02-00 "Matter of Airport Beautification Grant"**

Johnson referred to the memo sent to the Board summarizing resolution #02-00. The Authority has budgeted for airport beautification and the Grand Forks Chamber of Commerce Beautification Committee has also adopted a goal of assisting the airport in beautification of the airport entrance. Johnson is requesting that the \$15,000 budgeted be used as a matching share for a \$15,000 grant available from the Chamber Beautification Committee. Johnson stated that \$30,000 might not be enough to finish a proposed project at the entrance. Cronquist suggested that any project undertaken be one that can be completed this year with the available funding and not carry over in anticipation of further funding. After discussion it was decided that any beautification project for the entrance be a "stand alone" project for the year.

Beyer moved acceptance of resolution #02-00. Mutchler seconded. **Action Taken:** Motion carried unanimously.

**C. Reports:**

**1. Year to Date Financials:**

Crystal reported that on the balance sheet under long-term liabilities, lease payables and note payables show notes taken out with the bank to pay for the terminal improvements done last year. These improvements included the ceiling tile and jet bridge power pack. A portion also included a payment to Parking Pay Stations. These improvements will be included in rents billed to Northwest and reflected on the income and expense statement. On the statement of revenues and expenditures the only information provided is current period because of extra work that needs to be done with the new accounting system.

## **2. Vehicle:**

Johnson reported on his vehicle comparison-shopping. The Board directed Johnson to make the decision on which vehicle to purchase.

## **3. Avgas Fuel Pricing Survey:**

Johnson reported that in response to Brian Pfeiffer's concern regarding fuel prices at GFK Flight Support twelve airports in the region were surveyed for avgas pricing. Coutts added that he asked Johnson to respond to the fuel price concern to make sure that the Authority was doing all that could be done without interfering in Flight Support's business. Indications are that GFK Flight Support is the highest of those surveyed. The information was passed on to Brent Seifert at Flight Support and he responded by stating that Flight Support quotes prices differently than others but is willing to fall in line with what the standards are. Brent also pointed out the impact inventory might have with regards to how others charge for fuel. Lesser-priced gas in inventory is sold before the higher priced therefor the higher prices are not reflected immediately. Brent also stated that their prices are impacted heavily by airport fees. He provided names of FBOs that are close to the Grand Forks region whose gas prices are higher. Johnson requested information from the ND State Aeronautics Commission regarding fees charged at the larger ND airports. Grand Forks does have the highest ground site rents, GA fuel flowage fees and commission rates. Johnson provided the Board with the documents that control the airport service provider's fees and encouraged the Board to review it. He also mentioned that the FAA requires that an airport maintain sufficient pricing control over businesses on the airport that offer goods and services to the public. Johnson stated that there is not a definition of sufficient control, therefore he does not know if Authority leases and agreements have sufficient control over pricing decisions. The FAA also requires that language in agreements with FBOs state that they need to be fair and reasonable and not unjustly discriminatory. Johnson also provided the Board with an extract from the minimum standards that states that the Authority reserves the right to start up a fuel business. Johnson added that the Authority's minimum standards requirements substantially drive the payback of Flight Support's investment. Mutchler stated that he feels Seifert has provided the information needed and that due to the Authority's standards GFK Flight Support is operating to the best of it's ability. Coutts added that the Authority needs to be careful before delving into someone's business practices unless there is evidence of unfair or unreasonable practices. Beyer asked Seifert if business was lost due to prices. Seifert responded that there is to some degree, but not significantly. Johnson will follow up with Brian Pfeiffer to make sure that he has all the appropriate information. (Note: Pfeiffer was present during this discussion.)

## **4. Construction Award:**

Johnson reported that Crawford, Murphy, Tilley; Valley Contracting, and the airport were awarded the 1999 Excellence in Concrete Award for the rehab project on Charlie Apron.

## **5. Employee Appreciation:**

Johnson announced that the Employee appreciation dinner, held last month at GF Goodribs, was a success.

## **6. Janitorial Services:**

Johnson reported that the custodial application process has ended, but that no one has been hired yet. He also announced that Safety Specials Robert Behm would be leaving and that position would also be advertised. It is his intention to advertise locally since advertising nationally has not produced much interest in the past.

## **D. Discussions:**

### **1. Washington DC Legislative Conference:**

Johnson reported that the DC trip has been set up. Coutts, Mutchler and he will visit with the legislators during this visit.

### **2. FedEx Visit:**

Johnson reported that arrangements for a visit to FedEx in Memphis have been completed. There is a meeting set up with FedEx officials' Thursday night, with a tour and meetings planned for Friday.

### **3. Comments:**

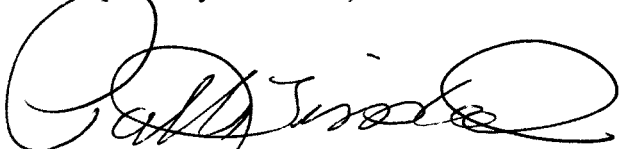
Brent Seifert thanked Johnson and the Board for their fairness in dealing with the fuel pricing issue. He also reassured the Board that Flight Support has no intention of gouging on pricing.

Brian Pfeiffer also thanked the Board for addressing the fuel management concern. He stated that the information presented was very interesting and informative with regards as how the Authority fits into the scheme of things.

Meeting adjourned at 8:35 a.m.

ADJOURN

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Patti Linstad", written over a large, loopy flourish.

Patti Linstad, Board Secretary

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

**March 16, 2000**

The Grand Forks Regional Airport Authority Board of Commissioners met in the Board Room of the Airport Authority on Thursday, March 16, 2000 with Chairman Bill Coutts presiding. Those present were: Dave Molmen, Vice Chair; Commissioners Brad Beyer, Clark Cronquist, Tim Mutchler; Authority Attorney, Don Olson; staff Steve Johnson, Executive Director; Mary Jo Crystal, Dir. of Admin and Finance; Tim Burke, Marketing Coordinator; Todd Hanson, Director of Operations; Gary Baker, Operations Supervisor.

Chairman Coutts called the meeting to order at 8:05 a.m.

**A. Approval of Minutes:**

Cronquist moved approval of the minutes from February 17, 2000. Mutchler seconded. **Action Taken:** Motion carried unanimously.

**B. Reports:**

**1. 1999 Audit Report:**

Ron Johnke from Brady Martz reviewed the 1999 audit report. Johnke reported that numbers presented are a fair representation of the Airport Authority for the year ending December 31, 1999.

**2. Year to Date Financials:**

Crystal reported that on the balance sheet there was a lot of reconciliation's done for the year because of the new accounting system. There is one adjustment that is not reflected on the current statement that accounts for the large deficit. The negatives in capital budget and debt service should be removed, put into the fund balance and shifted to operating. The balance sheet has been expanded under the recommendation of Brady Martz.

**3. Marketing Program Update:**

Burke explained that a current article in the GF Herald reporting enplanments was not accurate. Enplanments are higher than reported with year to date over last year up 4 1/3%.

Mary Sheavey from Simmons Advertising updated the Board on the airport identity package. Sheavey outlined the three principal objectives focused on in the process. Sheavey presented a proposed logo, which would be a part of the identity package. Also presented was the proposed tagline, "Make the Connection". Burke recommended that the new logo and tagline be used as soon as possible. He added that the first addition of the travel agent newsletter will be sent today via email or fax. Burke and Simmons are also proposing a June 15<sup>th</sup> airport showcase to be held at GFK Flight Support. The showcase is being planned to

familiarize the greater Grand Forks business community with airport services. There is also a tentative plan to use World Perk mile coupons in partnership with travel agents. Also planned for the near future are print advertisements, highlighting the overall good value of leisure travel, radio commercials and the use of billboard signs with make the connection logo and web site address.

#### **4. Nodak Flying Club:**

Johnson explained that he received a letter from Seifert, Vice President of GFK Flight Support asking a series of questions regarding Nodak Flying Club. In his letter he is requesting that these issues be addressed at the next meeting of the GF Regional Airport Authority Board. Johnson met with Paul Hanson; President of Nodak Flying Club to address some of the questions brought up by Seifert. Johnson reviewed a letter that he sent to the Board members, Seifert and Hanson with regards to this issue. The first question posed by Seifert and addressed in Johnson's letter is whether or not Nodak Flying Club is authorized to provide flight/ground instruction to the general public and if so do they pay commission fees on these revenues? Johnson responded that Nodak Flying Club is not authorized to furnish commercial aviation services to the general public as part of its Use Agreement and therefore would not be paying commission fees to the Authority. Johnson referred to an advertisement in the Club newsletter advertising ground training flight instruction being conducted at the Cirrus facility. He feels this ad may have precipitated the questions asked by Seifert. Johnson explained that the Club did advertise within its own organization the availability of the ground school at the Cirrus facility. One of the Club members did charge and did profit from that ground instruction, but the Club did not profit from the training. Johnson explained that since this training was not held on airport grounds he is not certain if it was a violation of the operating agreement or minimum standards governing flying clubs. It's the Club's position that because the event took place off the airport it's not controlled by the Agreement. After discussion with Don Olson, Johnson explained that it is uncertain as to what extent the Use Agreement with the Club allows them to conduct commercial activity off the airport. Johnson and Olson will continue to research this issue. The second assertion made by Seifert is that Nodak Flying Club is conducting flight instruction. Hanson explained to Johnson during their meeting that the Club keeps a list of instructors who are authorized to provide flight instruction to club members in club aircraft. The limitation is that instructors are not allowed to charge students for instruction, nor may there be any obligation by the student to pay the instructor, nor may the instructor receive any credit against either the flight time in the Club or dues in the Club as a result of conducting the instruction. Johnson stated that there is a disconnect between the airport's minimum standards, dealing with flying clubs, and the operating agreement with Nodak Flying Club. The Minimum Standards appear to allow the flying club members to receive flight instruction from qualified instructors in the Club as long as there is not financial obligation associated with the training. The Use Agreement with Nodak Flying Club appears to limit flight instruction in Club aircraft only to instructors authorized to conduct commercial pilot training. Seifert also asserts that Nodak Flying Club is providing aircraft rental and because it does not pay commissions to the Authority on the revenues from that rental this practice is discriminatory. Johnson explained that Nodak Flying Club is not authorized and does not rent aircraft to the general public and therefore is not bound to pay commissions to the Authority. Airport management recognizes that the practice of allowing the Club to lease its aircraft does cloud this issue. The industry standard for flying clubs is to own the aircraft by the members in equal shares. The members are then using the aircraft as owners as opposed to renters or lessees. Unless a lease arrangement is structured so that all members are equal lessees, paying equally for their access to the aircraft, such a lease agreement could be construed to be a rental agreement. Nodak Flying Club will provide copies of the leases and Olson and Johnson will review the leases and will form an opinion on how they apply to the situation. Seifert also requested that the Authority consider standards for aircraft leasing. Johnson stated the process to develop a leasing standard would be initiated. Johnson proposes that a written notice be served to Nodak Flying Club that the Authority wishes



to terminate its Airport Use Agreement in 60 days, but to extend the notice as necessary to complete the following process: Rescind section 4 of the Minimum Standards since flying clubs are not commercial operators and should not be regulated by minimum standards and adopt a section of rules and regulations dealing specifically with flying clubs. Johnson explained that he and Olson would prepare a draft section of rules and regulations for flying clubs. He and Olson will also meet with Seifert and Hanson to work on the draft. As long as progress is ongoing the process will continue. Once the process is complete, the official procedure for the adoption of rules, regulations and standards will be implemented and the final rules and regulations approved by the Board.

Coutts asked how the outstanding writ of mandamus enters into this issue. Olson stated that the writ of mandamus action would probably cease if all parties could come to a consensus on an agreement as to the operation of the flying club at the airport. Molmen emphasized that this process go forward with the understanding that the agreement with the flying club be extended until the process is complete. Coutts ask for a commitment from the parties involved to work to resolve these issues. Seifert stated that the Board has that commitment from Flight Support

Molmen put the process in a form of a resolution, moving adoption of the procedure outlined by Johnson, to proceed with due haste, working out the issues and coming up with the best solution to the satisfaction of all parties concerned. This process includes the understanding that the agreement with the flying club be extended as long as the process is on going and progress made. If the agreement is to be terminated it must be done with the concurrence of the Board. Mutchler seconded. **Action Taken:** Motion carried unanimously.

#### **5. FedEx Visit:**

Johnson reported that he, Coutts, Mutchler and Burke met with FedEx officials in Memphis. They had the opportunity to discuss the ongoing relationship between FedEx and the airport and to encourage them to expand their facility. The lack of parking space for employees and the spillover of equipment onto airport property was also discussed. There was a verbal commitment by FedEx to extend their lease which comes up for renewal in March 2001.

#### **6. FAA Reauthorization Bill:**

Johnson announced that the FAA Reauthorization Bill has passed the House and Senate. This will mean that the airport will receive almost twice the amount of entitlement dollars. Johnson stated that the issue of raising PFCs to \$4.50 to generate the matching share for entitlement dollars will probably come before the Board in the near future.

#### **B. Discussions:**

No discussion items at this time.

Meeting adjourned at 9:20 a.m.

Respectfully submitted,

  
Patti Linstad, Board Secretary

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

**April 20, 2000**

The Grand Forks Regional Airport Authority Board of Commissioners met in the Board Room of the Airport Authority on Thursday, April 20, 2000 with Chairman Bill Coutts presiding. Those present were: Commissioners Brad Beyer, Clark Cronquist, Tim Mutchler; and staff Steve Johnson, Executive Director; Mary Jo Crystal, Dir. of Admin and Finance; Tim Burke, Marketing Coordinator; Todd Hanson, Director of Operations; Gary Baker, Operations Supervisor.

Chairman Coutts called the meeting to order at 7:00 p.m.

**A. Approval of Minutes:**

Cronquist moved approval of the minutes from March 16, 2000. Mutchler seconded. **Action Taken:** Motion carried unanimously.

**B. Reports:**

**1. Year to Date Financials:**

Crystal pointed out that the beginning number for accounts payable on the balance sheet is the amount that is being rebated to Northwest. This number will remain on the balance sheet but decrease monthly as allocations are paid to Northwest. The comparative revenue budget report shows a miscoding of \$188,000 to the county that should be in the city.

**2. Year to Date Stats:**

Burke reported that year to date enplanments are up 6 ½% over last year. Cargo numbers are up almost 28% over last year due mainly to FedEx activity. Operations are up substantially attributable to UND activity.

Burke announced that the Authority will have a luncheon introducing the marketing plan for the airport, May 18<sup>th</sup> at the Westward Ho. On June 15<sup>th</sup> the Authority will host the Chamber of Commerce Business Showcase. The showcase will be held in GFK Flight Support's hangar from 5:00 – 7:00 p.m.

**3. PFC Amendment:**

Johnson reported on the FAA Reauthorization Bill that authorizes airports to increase passenger facility charges from \$3 per passenger to \$4.50 per passenger. Johnson requested the Board authorize staff to submit an amendment to the 1998 aircargo PFC application raising the per passenger charge to \$4.50. Crystal explained that the money can be collected early, but the bond cannot be paid in advance. This will generate interest on the money collected and that this interest will need to be tracked. Cronquist suggested that questions be asked regarding the ramifications of interest collected on this money. It was decided to do the preliminary preparation/research for the PFC amendment and bring it the Board before it's submitted.

#### **4. Runway Project Status:**

Steve Synhorst, Ulteig Engineers, reported that the FAA would install a new approach lighting system in the 35L-safety area during the project. The project will also include work on the VOR road and grading on the wet area off of Runway 26. Beyer asked how far the grading of the wet area would extend. Synhorst replied that it would be graded out approximately 600 feet. Grading of this area was not included in the original project but the FAA has issued a mandate to have surveying done and prove that runway safety-way areas are within standards. The localizer and support building will also be moved out of the Runway 35L-17R safety area. A storm sewer will be installed between the main runway and the main taxiway. The total estimate for the project, including engineering costs, is now at \$2.27 million. This is \$426,000 over the original and is not the final estimate. Synhorst proposes putting the project out on bids with each portion of the project being priced out like an individual project. The ad will be placed in the Herald April 27th, with bid opening scheduled for May 17<sup>th</sup>, and a recommendation to the Board at the May 18<sup>th</sup> Board meeting. Ulteig will work with the ADO to see if there is more money available. If there is not enough money to finish the project Synhorst recommended that some of the infield storm sewer be done during next year's runway overlay project. The key areas needing to be done at this time are the safety areas that FAA Certification addresses. Johnson added that the fencing along Highway 2, west of Airport Drive, up to FedEx would be replaced. The corner by the sign will be cut back approximately 350 feet short and angled to provide for a potential observation/parking area.

#### **5. Flying Club Rules & Regulations:**

Johnson reported that he has drafted a proposed rules and regulations package that addresses flying clubs. He met with Paul Hanson and Brent Seifert and discussed the proposed rules and regulations in depth. Johnson is requesting additional information from the FAA regarding their stance on issues of rules and regulations. Once he receives this information he will meet with Paul and Brent again. Coutts stated that this issue needs to be placed on the agenda for the May meeting.

Clint Rodingen stated that he was informed that the UND flying club was trying to get started again and asked if these rules and regulations will pertain to them or just the Nodak Flying Club. He also posed the questions as to why approval was needed by the FAA for the proposed rules and regulations when they had already approved the current rules and regulations. Johnson replied that airport rules and regulations have not in the past addressed flying clubs and that there is language in the Nodak operating agreement that is contradictory to the FAA order that describes flying clubs. There is also language in the current Nodak Flying club agreement that appears to be contradictory with the airport's minimum standards. It is the Authority's intent to write an initial set of rules and regulations dealing with flying clubs, using the current operating agreement, the FAA order and the minimum standards as input. Johnson also stated that the University of North Dakota has officially notified the Authority that the UND Flying Club was defunct. The money that was in their accounts was turned back to the University general fund.

#### **6. Beautification Grant:**

Johnson announced that the city has allocated \$1,000 to the airport for beautification. They are reluctant to commit more until they see a master plan. Funds from the city will be matched two for one by the airport for a total of \$3,000. The Grand Forks Park District, with airport assistance, will work on the master plan and complete three demonstration projects. These demonstration projects will include landscaping around the airport sign, landscaping the point of the parking lot, and landscaping one built-up berm along Airport

Drive. Mutchler suggested exploring the possibility of landscaping with rock, timbers and artificial plants. Johnson replied that if the demonstration projects work, and there is a master plan, other money will be donated by the city for further beatification projects. There have been two meetings with the park district agronomist and the demonstration projects have been laid out. Airport tenants have been invited to the meetings, but have shown little interest.

**B. Discussions:**

No discussion items at this time:

**C. Other Business:**

**1. Alternative Air Service:**

Johnson stated that other air service alternatives are being explored with the assistance of the North Dakota Aeronautics Commission. This item will appear on the agenda as things progress.

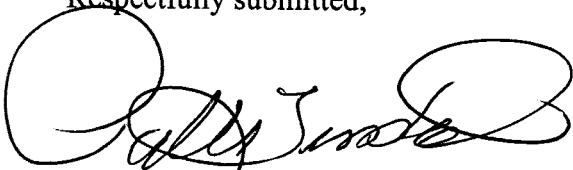
**2. FOD**

Brian Pfeiffer explained that he continues to encounter FOD on the taxiways. He explained that this consists mainly of small rocks. The area of the fuel farm gate is where most of the FOD is appearing. Part of the problem stems from the gravel that was put on the south side of the Rydell hangar that's used for GA parking. Rock, sand and gravel is dragged onto the road in front of the gate by vehicles and when fuel trucks, pilots, and cargo trucks enter this area they bring the FOD in with them. Pfeiffer suggested some type of hard surface be placed in this area to eliminate a potentially dangerous situation. Pfeiffer also stated that operations is very responsive to requests for cleaning the taxiways.

Brian also thanked the Board for continuing to conduct periodic evening meetings.

Meeting adjourned at 8:05 p.m.

Respectfully submitted,

A handwritten signature in black ink, appearing to read "Patti Linstad", written over a large, loopy circular flourish.

Patti Linstad, Board Secretary

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

**May 25, 2000**

The Grand Forks Regional Airport Authority Board of Commissioners met in the Board Room of the Airport Authority on Thursday, May 25, 2000 with Chairman Bill Coutts presiding. Those present were: Vice Chairman Dave Molmen, Commissioners Brad Beyer, Clark Cronquist, Tim Mutchler; and staff Steve Johnson, Executive Director; Mary Jo Crystal, Director of Finance and Administration; Tim Burke, Marketing Manager; Todd Hanson, Director of Operations; Gary Baker, Operations Supervisor and Dave Meagher VMT.

Chairman Coutts called the meeting to order at 8:05 a.m.

Steve Johnson introduced Doctor Bruce Smith, John D. Odegard SAS Dean and Dennis Potter, GF City Planning Director.

Todd Hanson introduced Doug Kamrowski the Authority's new safety specialist.

**A. Approval of Minutes:**

Mutchler moved approval of the minutes from April 20, 2000. Beyer seconded. **Action Taken:** Motion carried unanimously.

**B. Resolutions:**

**1. 05-00 "Matter of Runway Project Phase 1 Bids"**

Johnson reported that bids were opened May 24<sup>th</sup> for phase I of the runway project. Four bids came in with the low bidder being ICS. The low bid total is 1,682,674 which is under both the engineering estimate and budget.

Molmen moved adoption of resolution #05-00. Cronquist seconded. **Action Taken:** Motion carried unanimously.

At this time agenda item 3 under reports was moved up.

**C. Reports:**

**3. Capital Improvement:**

Johnson reviewed the airport's three-year capital improvement plan submitted to the FAA and then recognized Doctor Smith for comment.

Doctor Smith reported that enrollment for next fall is expected to be up by 125 students. In addition, SAS is expecting the delivery of 13 new Piper aircraft with an option for another five by the end of the year. Also, over the course of the next five to seven years the airlines are expecting a shortage of 12 to 14 hundred pilots a year. Due to the increased activity at SAS and the future demand for pilots that will trickle down to the school, Smith proposed that there be a push to get the new parallel runway done sooner than anticipated. Dana Siewert explained the crosswind situation and how it effects their flying time. He also added that the helicopter program is expecting a large growth which creates concern when mixed with fixed wing airplanes in a small confined area.

#### **1. Year to Date Financials:**

Crystal reported that the net income in the operating fund for the past four months is just over \$65,000. Some of those funds will be used to supplement the debt service fund. The net income in the capital fund is just over \$125,000. The reason the capital fund income is low is that the prep work for the project has been funded out of local dollars.

#### **4. Flying Club Rules & Regulations Update:**

Johnson explained that he has met with Brent Seifert and Nodak Flying Club representatives. Correspondence has been exchanged with Irene Porter at the ADO. Progress is being made but the involved parties are not any closer to an agreement. The termination date for the flying club's operating agreement has been extended for 60 days. Molmen stated that ideally the process would be to look at proposed rules and regulations in a month after which would be a comment period with a public hearing scheduled for July or August. Cronquist requested that board members have a copy of the proposed rules and regulations before any meeting to discuss them in order to review them. Coutts stressed that the 30 days is not mandatory and if more time is needed it should be taken in order to keep the process going in the right direction.

#### **5. Water Boost Station:**

Johnson reported that the principle behind the boost station was to enhance water flows to the Air Base. The Authority decided to use the opportunity to increase water flows for the airport and paid \$100,000 for the work needed for the airport. After the boost station was finished there were a couple of problems that surfaced. There was not adequate fire flows and the static pressure was not adequate for building fire suppression system needs. The city has solved the fire flow problems but the static problem is ongoing. Johnson referred to the city's proposal to fix the low static pressure problem that has already gone out for bids. They are proposing that the problem can be fixed for \$37,600 and that the airport pay for the fix. The city would be asked to allow for payment of 50% this year and 50% next.

Molmen moved adoption of a resolution (#06-00) to approve the \$37,600 to complete the project. Mutchler seconded. **Action Taken:** Motion carried unanimously.

#### **2. GF Planning & Zoning:**

Dennis Potter reviewed the current zoning status of the area surrounding the airport. If the airport wants to put residential building restrictions on the property around the airport negotiations would have to be interred into with the city and county. Potter suggested that Johnson meet with he and Gary Malm from the county commission to initiate dialog regarding this issue. Coutts suggested that Johnson proceed with the

discussion process and report as necessary. Brent Seifert asked if the city sales tax applies to operations on the airport since it is in city limits. Dennis Potter replied that the question would be best referred to John Schmezik, city finance director.

**E. Other Business:**

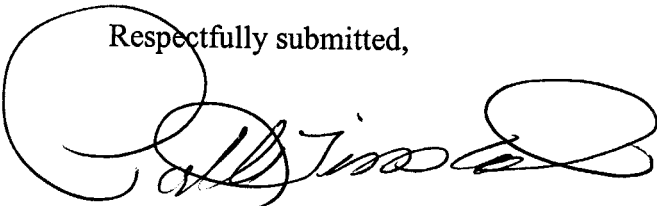
Johnson reported that an engineer representing the city regarding the new water plant planned for west of the AMTRAC station contacted him. He was inquiring about treatment lagoons and the proximity to the airport. Johnson will remain in touch with them.

Beyer asked about the landfill status. Johnson replied that the attorney representing the city has applied for a permit to build a new landfill. There has not been a date set for a hearing. Cronquist stated that the township where the proposed landfill is to be built has an ordinance against the building of a landfill.

Bill Vasek, Nodak Flying Club member, commented that significant progress is being made in the drafting of proposed rules and regulations for flying clubs. He recommended that appropriate time be taken in the drafting process so as to avoid constant rewrites. Sue Vacek, Nodak Flying club member, stated that she feels there is some confusion regarding the public hearings and proposed rules and regulations. Vacek explained that the flying club submitted a proposed version of rules and regulations to Johnson and asked him to share them with the Board. Vacek voiced concerns about getting the proposed rules and regulations to the Board before the public hearing.

Meeting adjourned at 9:10 a.m.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Patti Linstad", is written over a large, loopy circular flourish.

Patti Linstad, Board Secretary

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

**July 20, 2000**

The Grand Forks Regional Airport Authority Board of Commissioners met in the Board Room of the Airport Authority on Thursday, July 20, 2000 with Chairman Bill Coutts presiding. Those present were: Vice Chairman Dave Molmen, Commissioners Clark Cronquist, Tim Mutchler; Authority Attorney Don Olson and staff Steve Johnson, Executive Director; Mary Jo Crystal, Director of Finance and Administration; Tim Burke, Marketing Manager; Gary Baker, Operations Supervisor; Dave Meagher VMT and Rick Audette, Shift Supervisor.

Chairman Coutts called the meeting to order at 8:04 a.m.

Chairman Coutts noted for the record that the date printed on the agenda, July 21, 200 is wrong.

**A. Approval of Minutes:**

Cronquist moved approval of the minutes from May 25, 2000. Molmen seconded. **Action Taken:** Motion carried unanimously.

**B. Reports:**

**1. Year to Date Financials:**

Crystal reported that the net income in the operating fund for the first six months is just under \$62,000. The net income in the capital fund is \$451,000 and the net income in the debt service is \$41,000. In June the bond cash fund was closed out for the air cargo apron and funds were transferred into the debt service fund.

**2. Year to Date Stats:**

Burke reported that enplanments are up over last year which has been the trend every month to date. Regionally, all major airports in North Dakota are up in enplanements. Cargo totals are up over last year and operations are up due mainly to increased UND activity.

**3. Water Boost Station:**

Johnson reported that the city council approved the contingency plan to split the payment on the water boost station between the years 2000 and 2001. The contractor has notice to proceed.



#### **4. Operations Radios:**

Johnson explained that the public safety entities have converted to 800-megahertz trunked radios. Because of this change airport operations has lost the ability to communicate with these groups when they are on the airport. Johnson stated that operations is requesting the purchase of two Motorola 800 megahertz radios for a cost of approximately \$3,500. Molmen asked if two radios would be sufficient. Audette replied that with current staffing two radios would be sufficient but if additional personnel were added more radios would be needed. He added that the current radios can relay through the 911 system but is not an effective way of communicating in an emergency situation. Cronquist asked if the radios had been bid out. Audette explained that Motorola owns all of the trunking receiver systems and everything is Motorola. Johnson explained that this request is coming to the Board because it is an unbudgeted capital expense and stated that purchasing radios would not impact the budget. Cronquist moved for the purchase of two radios. Molmen seconded. **Action Taken:** Motion carried unanimously

#### **5. Open Records Information Requests:**

Johnson explained that over the years there have been discussions about what materials are available for the public to request and receive. The Attorney General's opinion has always been referred to but is combined with the Open Meetings Act and is about 450 pages. Johnson developed a three-page procedure to be used internally for guidance on what can and can't be released to the public. Johnson stated that most of the new document was word for word with the Attorney General's manual. The procedure also includes costs to the public for making and mailing copies. Olson will review the policy before it goes into effect.

#### **6. Parking Pay Stations:**

Bill McKay of Parking Pay Stations Management (PPM) reported on the insolvent status of Parking Pay Stations (PPI). PMI has taken over the management of PPI and they are ready to go ahead with installation of the system. Johnson explained that advanced payments are being requested in order to get equipment installed. Cronquist asked how long it would take to complete the project. McKay replied that if parts were available it would take approximately two weeks. After discussion it was decided that McKay and Johnson continue discussions with input from Olson.

### **B. Discussions:**

#### **1. Open Records Requests Policy:**

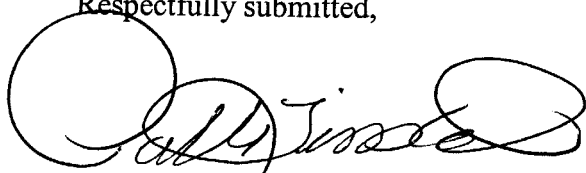
Coutts explained that records are open by law and that requests for information would be honored. Bill Vacek stated that he was surprised at the timeliness of this agenda item because he had just requested information. Johnson explained that until the procedure is effective, requests would be granted free of charge.

## 2. Parking Control:

Brent Seifert asked if the Board would consider relaxing the restriction of parking in front of the terminal. Johnson stated that the area in front of the terminal is a loading zone and explained the definition of a loading zone according to city code. Seifert suggested that vehicles be allowed to park if the driver is present and vehicles could be moved promptly in an emergency situation. Johnson explained that during the month of July anybody that gets ticketed in front of the terminal is also given a form that asks basic questions. If the form is filled out for the month of July tickets are voided. Vacek suggested expanding to four lanes in front of the terminal permitting double parking and two lanes for traffic.

Meeting adjourned at 9:45 a.m.

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**

**August 17, 2000**

The Grand Forks Regional Airport Authority Board of Commissioners met in the Board Room of the Airport Authority on Thursday, August 17, 2000 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; Todd Hanson, Director of Operations; Gary Baker, Operations Supervisor; and Dave Meagher VMT.

Chairman Coutts called the meeting to order at 8:03 a.m.

**A. Election of Officers:**

Beyer moved to postpone elections until Coutts re-appointment to the Board was finalized and all members were present. Cronquist seconded. **Action Taken:** Motion carried unanimously. Johnson stated that Coutts is authorized to act in the capacity of chair until re-appointed and re-elected.

**B. Approval of Minutes:**

Mutchler moved approval of the minutes from July 20, 2000. Cronquist seconded. **Action Taken:** Motion carried unanimously.

**C. Reports:**

**1. Purchase of High Pressure Cascade System:**

Johnson reported that the Manvel Fire Department requested that the airport participate with them in the purchase of a high-pressure system for filling self-contained breathing apparatus air tanks. The total cost of the equipment is just under \$3,000 with the Authority's share approximately \$1,500.00. The Authority currently has a low-pressure system, but will need high-pressure capability once it converts to new equipment in the near future.

Dave Meagher stated that as the president of the Manvel fire department board he is unaware of the Manvel Fire Department's intention of requesting participation from the Authority.

Cronquist moved to have staff proceed with the shared purchase of a high-pressure system contingent on negotiations with the Manvel Fire Department. Beyer seconded. **Action Taken:** Motion carried unanimously.

**1. Year to Date Financials:**

Johnson reported that due to the absence of Crystal there would be no formal report. He stated that expenses and revenues were in line with the budget and if Board members had subsequent questions they should contact Crystal.

## **2. Flying Club Rules & Regulations:**

Johnson reported that there has been a pre-trial conference regarding the Writ of Mandamus and that the case would probably go to trial in December. Johnson followed up with Irene Porter regarding some of the informal complaints lodged against the Authority by Flight Support. She has reviewed the information and will be communicating with all parties shortly.

## **3. Parking Pay Stations:**

Johnson referred to recent correspondence from Bill MacKay responding to concerns about the original agreement. Olson stated that he could not give unconditional approval of the agreement until he spoke to MacKay's attorney. He feels that there should be some documentation from creditors giving the status of the original company. Olson also believes that the Authority should have a release from the original contract with PPI and that PPI will probably want a release from the Authority regarding PPI's obligations under the old agreement. There should also be some documentation that PPI has transferred assets to PMI. Olson suggested that if the Board moves forward with the agreement that it be done contingent on his final review and concurrence.

Cronquist moved approval to proceed with the agreement contingent on Olson's recommendations. Mutchler seconded. **Action Taken:** Motion carried unanimously.

## **4. Construction Update:**

Hanson updated the Board on construction and reported that the project is on schedule and on budget. He invited Board members to tour the construction project after the meeting.

## **5. Parking Enforcement Questionnaire:**

Johnson explained that only a small fraction of individuals receiving tickets chose to fill out and return the questionnaire. A number of comments on the questionnaires returned included suggestions for adding another lane and/or parking meters. Johnson checked with Ulteig Engineering on creating a row of angled parking and adding meters. Ulteig's estimate was for \$148,269.00.

## **C. Discussions:**

### **1. Landfill Permit Extension**

Johnson reported that the City of Grand Forks is asking the State of North Dakota for an extension on the landfill permit. The current permit was extended for one year, which expires in November. The health department and city officials are also going to get the FAA's opinion and eventually the FAA will ask the Authority for its stand on the issue. Coutts suggested that Johnson formally ask Northwest and airport users for their opinion on extending the permit.

Meeting adjourned at 8:37.

Respectfully submitted,



Patti Linstad, Board Secretary

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

**October 19, 2000**

The Grand Forks Regional Airport Authority Board of Commissioners met in the Board Room of the Airport Authority on Thursday, October 19, 2000 at 7:00 P.M. with Vice Chairman Dave Molmen presiding. Those present were: Commissioners Clark Cronquist, Tim Mutchler and staff Steve Johnson, Executive Director; Mary Jo Crystal, Director of Administration and Finance; Todd Hanson, Director of Operations; Tim Burke, Marketing/Communications Manager; Bob Wood, GF County Liaison; Gary Baker, Operations Supervisor; Shift Supervisors Rick Audette, Ken Guenther, Jerry Aase; Safety Specialists Scott Nelson, Butch Litzinger, Rick Wockovich, Gary Ewing; Skip Ruciniski, Maintenance Specialist and Dave Meager, VMT.

7:15 p.m. - Vice Chairman Molmen requested that agenda items under Other Business and Reports be given until quorum is reached with the late arrival of Mr. Mutchler.

**E. Other Business:**

**1. Terminal Parking Issues:**

Hal Gershman addressed the Board regarding the issue of parking patrol in front of the terminal. He cited a couple of incidents of rudeness by the officers. He suggested that a task force be formed to focus on this issue. He also suggested that the parking enforcers be trained as public relations advocates for the airport and city.

**C. Reports:**

**1. Year to Date Stats:**

Burke reported that enplanements for August and September were down compared to the same time last year but that over all quarter end enplanements are up over 5% compared to last year. Enplaned cargo numbers are down approximately 1 1/3% with deplaned cargo up almost 8%. Operations year to date are up 5 1/2%.

Burke also reviewed the ad campaign that has begun. The theme of the campaign is to stress the convenience and value of flying from Grand Forks. The primary target is the leisure traveler, which constitutes the largest passenger leakage from GFK.

**2. Year to Date Financials:**

Crystal reported that the operating fund through September was showing a surplus of just under \$150,000 with the capital fund just over \$350,000. Debt service was at \$122,000 but debt payments were due on October 1<sup>st</sup> and as a result there is now a negative balance in the debt service fund. The revenue and expenditures statement shows some line items have close to a negative balance. These are explained by one

time unexpected expenditures such as fuel farm and jet bridge repairs. In the non-operating revenue there was a miscoding of the city and county tax revenue. After corrections both of these are on budget.

### **3. Flying Club Rules and Regulations:**

Johnson explained that the ADO in Bismarck is changing managers and information submitted regarding the flying club rules and regulations has not been acted on. Johnson has discussed this with the interim manager and has a commitment that this issue will not sit for another 60 days.

### **4. Regional Air Service Conference:**

Johnson reported on the regional air service conference, sponsored by the Denver International Airport, he attended in Jackson Hole Wyoming. The purpose of the meeting was to work towards air service development for communities that don't have service into Denver. As the meeting progressed the agenda turned to how improvements could be made for those already flying into Denver. Only a small portion of time was spent discussing those who do not have air service into Denver. Johnson shared information with Sky West and will remain in contact with them to explore any opportunity available to GFK.

### **5. AFB Use Agreement:**

Johnson stated that four meetings have taken place with the ~~Air~~ <sup>AF</sup> Force base and one with tenants discussing use of the air base during next years overlay project. The formal request to use the base has been submitted. The letter of agreement is being drafted and should be completed the first week in November.

**7:40 p.m.** Arrival of Mr. Mutchler and call to order of official business:

#### **A. Approval of Minutes:**

Cronquist moved approval of the minutes from August 17th. Mutchler seconded. **Action Taken:** Motion carried unanimously.

#### **B. Resolutions:**

##### **1. #07-00 "Matter of First National Bank Agreement Regarding Parking Paystations"**

Crystal explained that the resolution is retroactively approving the Airport Authority's establishment of a checking account at First National Bank with Bill MacKay of Parking Paystations Management Inc. as sole signator. Just under \$84,000 was transferred into the account as agreed to by the executive director, past Authority chairman and legal council. Johnson stated that this process had been previously agreed to contingent on legal council's concurrence. Cronquist questioned having Mr. MacKay as sole signator on the account. Johnson explained that Bill MacKay of PMI is following through with the agreement entered into with PPI. A number of options were discussed on how to pay for the parts needed to complete the project. MacKay felt that it would be cumbersome to have the Authority write checks for approximately 150 parts to 70 different suppliers, some of which would only be for a few dollars. Writing checks for only the large items or giving MacKay a check to deposit in his account was also discussed. It was believed that there would be some isolation of the money if kept in a US checking account protecting it from any creditors of PPI. Mr. MacKay has provided financial statements and a written agreement to complete the

project from personal funds if necessary. Some parts have been shipped and are in storage on the airport. The system should be up and running by Christmas.

Mutchler moved approval of resolution #07-00. Cronquist seconded. **Action Taken:** Motion carried unanimously.

## **2. 08-00 “Matter of Runway Construction Project Change Order”**

Hanson reviewed the change order for the runway construction project.

Mutchler moved to approve resolution #08-00. Cronquist seconded. **Action Taken:** Motion carried unanimously.

## **3. #09-00 “Matter of FedEx Lease Extension”**

Johnson announced that FedEx is extending their lease for two five-year periods. Their only request was that language in the renewal agreement allow for re-negotiation of the lease in the event that the existing building is added on to or a new building built. These changes would be an amendment to the language of the resolution as it stands now.

Cronquist moved approval of resolution #09-00 as amended with concurrence of <sup>counsel</sup>~~council~~. Mutchler seconded. **Action Taken:** Motion carried unanimously.

## **C. Discussion:**

### **1. 2001 budget Review:**

Johnson reviewed the 2001 proposed budget and explained potential changes.

Molmen raised the issue of completing the observation tower. Johnson explained that there are two options with regards to this issue. FedEx is interested in moving the tower and using it for their operations or complete the project as planned in 2002 with AIP money. This item will be brought to a future meeting.

After a review of proposed budget changes to employee benefits Dave Meagher passed out a petition signed by some employees requesting no changes to current employee benefits.

Brian Pfeiffer asked if hard surfacing of the t-hangar area is provided for in the budget. Johnson replied that this project would be part of an AIP project for 2003. Pfeiffer also asked about hard surfacing of the GA parking lot south of the Rydell hangar. Johnson stated that next year there could be the potential to complete that during the runway project. He will discuss the possibility with the engineers.

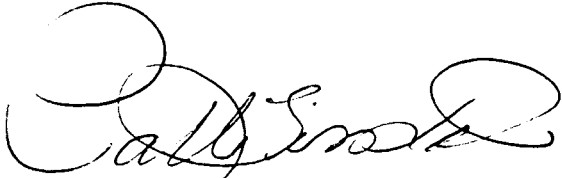
Molmen recapped earlier items discussed before formal session.

#1. Johnson and Molmen will draft wording for a resolution to be presented at the next meeting recognizing Bill Coutts service to the Authority.

#2. A task force will be formed to study the parking enforcement situation. Johnson announced that he and Beyer, per Beyer's request, have scheduled a meeting with the parking patrol officers and GSSC for Tuesday at 1:00 in the Authority Board Room.

Brian Pfeiffer asked who was representing the city at the Board meetings. Molmen replied that Bob Brooks is the city liaison.

Meeting Adjourned at 9:35 p.m.  
Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Patti Linstad". The signature is fluid and stylized, with a large initial "P" and a long, sweeping underline.

Patti Linstad, Board Secretary



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

**November 16, 2000**

The Grand Forks Regional Airport Authority Board of Commissioners met in the Board Room of the Airport Authority on Thursday, November 16, 2000 with Vice Chairman Dave Molmen presiding. Those present were: Commissioners Clark Cronquist, Tim Mutchler, Brad Beyer, Rich Becker and staff Steve Johnson, Executive Director; Mary Jo Crystal, Director of Finance and Administration; Todd Hanson, Director of Operations; Tim Burke, Marketing/Communications Manager; Gary Baker, Operations Supervisor; and Dave Meagher VMT; Skip Ruscinski, Maintenance Specialist; Shift Supervisors Rick Audette and Jerry Aase; and Safety Specialists Wayne Wetzel, Gary Ewing and Doug Kamrowski.

Vice-Chairman Molmen called the meeting to order at 8:05 a.m.

**A. Introduction of New City Appointed Board Member**

Molmen introduced Rich Becker the new city appointed Authority commissioner.

**B. Election of Officers:**

Vice-Chairman Molmen called for nominations for the chairman position.

Cronquist nominated Tim Mutchler for the position of Authority Chairman. Beyer seconded: **Action Taken:** Motion carried unanimously.

Mutchler took possession of the chair seat to lead the remainder of the meeting.

Mutcher called for nominations for the vice-chair position.

Molmen nominated Beyer for the position of vice-chair. Cronquist moved nominations cease and a unanimous ballot be cast for Beyer. Molmen seconded. **Action Taken:** Motion carried unanimously.

**C. Approval of Minutes:**

Mutchler asked for approval of board minutes for the October 19, 2000 meeting. Johnson noted misspelling of counsel in the second paragraph under the title "Matter of FedEx Lease Extension", item #3. Beyer moved to approve the minutes of October 19<sup>th</sup> with the noted change. Cronquist seconded. **Action Taken:** Motion carried unanimously.

**D. Resolutions:**

**1. #10-00 "Matter of Recognizing Bill Coutts for Contributions to the Authority":**

Johnson read the draft resolution recognizing former board member Bill Coutts for his contribution to the Authority. Cronquist moved approval of resolution #10-00. Molmen seconded. **Action Taken:** Motion carried unanimously.

**2. #12-00 "Matter of PFC Amendment":**

Johnson explained that approximately six months ago discussions took place to amend the current Passenger Facility Charge application. The amendment would raise the PFC fee collected from \$3 per passenger to \$4.50 per passenger. This is consistent with the new AIR 21 legislation that has been signed into law. The procedure on how to amend applications was not available from the FAA until recently and therefore, is now being brought before the board again. The Authority's approved application with the FAA at this time is for Air Cargo Project. Johnson requested that the Board give approval to amend the application in order to collect the maximum allowable rate for that project. Any future additional applications will come before the Board for approval.

Molmen moved adoption of resolution #12-00. Beyer seconded. **Action Taken:** Motion carried unanimously.

**3. #13-00 "Matter of 2001 Budget":**

Johnson reported that there is one item that has changed since the draft budget was proposed. Based on the last CPI index the cost of living increase will be 3.5% instead of the 4%, which had previously been proposed.

Johnson re-capped the changes to employee benefits proposed in the draft budget and referred to the petition signed by some of the employees requesting to keep benefits as is. In a conversation with Hal Gershman, one of the original board members, Hal recalled that the initial Authority benefits matched the city's benefits. He also recalled the board pledging to the employees at the time that pay and benefits would remain equal to, or better than those of city employees would. He stressed that the Authority at the time felt these measures were necessary to appease some city council members who were not in favor of the creation of the Authority Board without assurances along those lines. Johnson went on to explain that the city has the same sick leave payback that was in place when the Authority was established.

Proposed changes to the health insurance plan would require an employee to co-pay 50/50 if the employee chooses to cover a spouse or children through the Authority's health insurance if that spouse or children is covered through another employer. If the employee chooses double coverage, at increased cost to the Airport Authority, there would have to be premium payment participation by the employee to the Authority. If they choose to decline coverage under the spouses' plan and select the Authority's only, there would not be a co-pay split.

The proposed budget would also allow for the continued purchase of uniforms but not the maintenance.

The only other proposed budget item was to lower the qualifying period for disability insurance from 90 days to 30 days.

Molmen asked what the cost of laundering uniforms was. Johnson replied that the savings would be approximately \$5,600 if uniforms were not laundered but continued to be furnished and replaced as needed. Johnson also stated that it's not just a cost issue but the responsibility of managing the contract. Jerry Aase raised the issue of professional laundering versus home laundering stating that professional cleaners are able to remove stains such as grease and oil. Dave Meagher stated that laundering uniforms by employees puts an added burden on households.

Skip Rucinski addressed the issue of the sick leave payback and suggested the possibility of revising the program instead of dropping it.

Molmen motioned to accept proposed recommendation regarding health coverage and leave the sick leave payback program as is. Beyer seconded.

After further discussion on the sick leave pay back issue Molmen suggested that future discussions continue with regards to this issue and restated the motion to adopt the health insurance coordination of benefits proposal and reject the sick leave payback proposal.

**Action Taken:** Motion carried unanimously.

Beyer motioned to leave the previous uniform policy in place. Cronquist seconded. **Action Taken:** Motion carried unanimously.

Johnson reported that airline fees would be affected by the current discussions. He proposed that fixed numbers for landing fees, ARFF fees, and terminal rent be adopted in order to get the information to the airlines but that future proposed fees will be less than can be charged under the current agreement. Becker asked why lesser fees would be charged and if it makes a difference as to the number of scheduled flights? Johnson replied that charging lesser fees generates goodwill but wasn't sure if it affect scheduled flights. Becker asked if it should be made known that the Authority is trying to be reasonable and fair. Johnson proposed that the landing fees for next year be charged at \$1.25 instead of the \$1.27 calculated for in the budget. That represents a 7.5% increase over the current year for approximately an \$8,000 increase. Johnson also proposed that ARFF fees increase to .72 cents and the terminal rent fee charges be set at \$16.00 per square foot which calculates to a 5% increase.

Johnson also reported that there are some outstanding salary issues that will affect the calculation of airline fees. There will be a complete package finalized for the December meeting.

Molmen moved to approve capital improvements and fees as proposed. Cronquist seconded. **Action Taken:** Motion carried unanimously.

Molmen recommended that before the next meeting discussions be entered into with Johnson regarding his contract renewal and performance review. Mutcher will address the issue.

#### **4. #14-00 "Matter of Refinancing Loans with Kansas State Bank and Toyota":**

Crystal recommended that the Parking Paystations and Toyota loans be repackaged locally through Wells Fargo. The interest rate would drop from 7.5% to 6.58%. Cronquist motioned to approve resolution #14-00. Becker seconded. **Action Taken:** Motion carried unanimously.

## **E. Reports:**

### **1. Year To Date Financials:**

Crystal reported that the operating fund is showing \$167,000 revenue. Funds will be transferred from the operating fund to the debt service fund which is showing \$258,000 negative balance. The capital fund is showing a balance of \$277,000. There is no unusual activity on the statement of revenue and expenditures. Becker requested time to meet with Crystal to review the budget and airport finances.

### **2. Parking Enforcement:**

Johnson reported that after the last parking meeting involving Beyer, Johnson, staff and GSSC the best solution would be to possibly provide 15 to 30 minutes of free parking in the lot and resign the front of the terminal to state immediate unloading and loading only. The consensus was to try the recommendations but to first find out what the financial impact of free parking would be. The information has not come from Republic Parking at this time. Johnson is forming a task force to research options for the terminal front parking situation. Two meetings will be held. The first meeting will be an informational meeting with the second meeting being a brainstorming/idea-sharing meeting.

### **3. Parking Paystations:**

Hanson reported that progress is being made but as of yet he does not have a fixed delivery date on some major components. The engineering portion of the infrastructure and groundwork has gone to bid with bids opened yesterday. Based on that bid estimate WFW proposes that the bid not be accepted. Hanson recommends that the re-bid be done in March of 2001 with a May construction time frame. The bid price was 300% of estimate and 50% over the budgeted amount for the infrastructure.

Molmen moved to reject bids. Cronquist seconded. **Action Taken:** Motion carried unanimously.

Cronquist asked if any system parts have been received. Hanson replied that one small package has been received but that it is the intent of Parking Paystations to have the complete assembled system come at one time. Cronquist asked how much money has been taken from the account. Crystal replied that there is approximately \$316 remaining. Johnson recommended that Hanson travel to Winnipeg next week to meet with Bill MacKay and assess the situation.

### **4. FedEx Lease:**

Johnson reported that the attorney approved the drafted FedEx agreement. It has been sent to Memphis for signature.

### **5. Marketing Efforts:**

The marketing blitz has begun and the new newsletter sent. Mutchler asked if anything could be done about Hector Airport advertising in the Grand Forks Herald.

### **6. Temporary Use Agreement:**

Johnson stated that the temporary use agreement with the AFB has been finalized and sent to the Pentagon for signature.

**7. Wildlife Study:**

The wildlife study reports that the airport is full of wildlife hazards. Hanson will be writing the wildlife management plan to deal with the hazards. It cited the city's sewage lagoon as the number one threat to airport safety. This information has been passed on to the city.

**8. Adjacent airport property:**

Johnson was approached by a landowner owning land adjacent to the airport for possible purchase of the property. He recommended an ad hoc committee to explore the possibility. Cronquist and Becker will work with Johnson on this issue.

**F. Discussions:**

No discussion items.

**G. Other Business:**

**1. Nodak Flying Club Issue:**

Clint Rodingen requested financial assistance from the Authority for the club's attorney regarding the Writ of Mandamus issue scheduled for trial December 6th.

Molmen asked if the Authority's attorney has passed on any information on how the Writ of Mandamus case is coming. Johnson replied that he is aware that Olson is preparing for trial but can't address current happenings or resolutions with regards to dismissal. Sue Vacek stated that the issue is moving towards trial since the date for dismissal has passed. Molmen requested that a special meeting be held including the attorney before the trial date of December 6<sup>th</sup>. Becker asked why this has come to a litigation situation. Johnson replied that efforts have been on going for three years to resolve the differences between GFK Flight Support and Nodak Flying Club.

After further discussion it was decided to call a special Board meeting to involve our attorney for information purposes.

Meeting adjourned at 9:50 a.m.

Respectfully submitted,



Patti Linstead, Board Secretary

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

**November 28, 2000**

The Grand Forks Regional Airport Authority Board of Commissioners met in the Board Room of the Airport Authority on Tuesday, November 28, 2000 with Chairman Tim Mutchler presiding. Those present were: Vice Chairman Brad Beyer; Commissioners Clark Cronquist, Rich Becker, Dave Molmen; Attorney Don Olson and staff Steve Johnson, Executive Director; Todd Hanson, Director of Operations; and Gary Baker, Operations Supervisor.

Chairman Mutchler called the meeting to order at 8:05 a.m.

**A. Pending Litigation Update:**

Don Olson, Authority Attorney introduced Pat Morley representing GFK Flight Support and Warren Stokes, representing the Nodak Flying Club.

Olson explained the Mandamus action and the reason behind the allegations. The case has been ongoing for years and has now been presented to municipal court on the basis of violation of the rules and regulations and minimum standards. Municipal court declined to accept the case because it is pending in district court. The main issue appears to be the question of the flying club leasing airplanes from its members. There is an FAA Order that states that planes used in flying clubs must be owned by the flying club or by its members who have a significant equity interest in the airplane and that the ownership interest of the members is equal. The Order is very clear in stating that the airplane must be owned by the members or owned by the non-profit corporation. The operating agreement that the flying club has with the Authority provides for the flying club to lease airplanes. The leases have generally been one-year leases, but all of the leases are subject to termination by either party with a 30-day notice. Which brings those leases down to a short-term lease because either party without cause can terminate the lease.

Olson also explained that the Authority is ready to address the issue of leasing aircraft even though the FAA order is clear requiring ownership. The North Dakota FAA manager has said that an exclusive lease for a period of more than one year is acceptable. From an enforcement standpoint the Authority is left with the Order citing ownership as the option versus North Dakota FAA officials stating that leasing is acceptable if its an exclusive lease for more than one year.

Olson feels that if brought before a district judge the judge will rule that this is an FAA Order and should be interpreted by the FAA.

Olson also stated that flying lessons have been an issue in the past and could also be brought up again. Investigations into allegations of misuse of flying lesson regulations by the flying club have been inconclusive. There has only been one substantiated occurrence of commercial activity by a flying club member.

Olson reported that the Authority is prepared to go before the judge and explain that it is not clear on whether or not a flying club must own or can lease an airplane. There has not been factual evidence sufficient enough to deem whether or not the flying club has violated anything.

Mutchler asked Olson to expand on Irene Porter's interpretation of the FAA Order. Olson replied that she received advice from the national FAA office and that her advice to the Authority was based on that advice. Olson quoted from Porter's letter dated May 12, 2000: "The Federal Aviation Administration has determined that an exclusive lease of an aircraft or aircraft for a flying club is equal to the flying club owning their aircraft provided the lease contains the following conditions....." Olson explained that it is impossible to tell an equipment lease from an installment sale. Molmen asked Olson to summarize the conditions that Porter is referring to. Olson read further that, "Aircraft must be leased and be available for members usage for the entire time that the flying club's hours of operations are in effect. If there are no set hours of operations the lease must be for the full 24 hour period". Sub-part A states that this will allow all members the opportunity to utilize the aircraft for their personal use and enjoyment only. Sub-part B reads that the lease needs to be for a minimum of one year or the same time period as members' dues are established for. Sub-part C states that the flying club, not an individual, must be named as lessor (Olson believes Porter meant lessee) of the airplane. The guidelines of FAA Order 5190.6A Airport Compliance Requirements, page 11, paragraph g, clarify the question with respect to lease payments and members payments. All members of the flying club would need to pay equally towards the base lease fee for the hours of operation that the aircraft is leased for. If the lease incurs an additional fee for hours of usage the hours of usage would need to be paid initially by the flying club, but then could be charged to each individual member based on their usage of the airplane.

Johnson explained that in drafting rules and regulations he is not clear on what a base lease is and has not had further communication on it from the FAA. Molmen asked if the agreement that the Authority has with the flying club is being enforced as it stands and whether it complies with the regulations of the FAA and how will the judge act on this without knowing the stance of the FAA.

Becker asked if the other legal representatives could voice their view on the issue. Morley stated that GFK Flight Support's issue with Nodak Flying Club is that they are conducting commercial activities on the airport, which is in violation of their agreement. Members give flight instruction on aircraft that are not owned by the club. Morley also stated that he disagrees with the statement made by Olson, that you can't fault the flying club for the actions of its members. Morley quoted from the Minimum Standards, page 29, paragraph 4.07 "A flying club that violates any of the forgoing including violations by one or more members will be required to terminate all operations at the airport". Section 4.06 also states that the flying club is responsible for the action of their members. Morley is prepared to prove that Nodak Flying Club has conducted commercial activity on the airport in violation of the Minimum Standards and their agreement and that it is the view of GFK Flight Support that the entire case could be terminated completely if the Board would require compliance with the regulations.

Warren Stokes stated that the only issue he sees being raised by the plaintiff is the issue of commercial activity. He doesn't see anything in the pleading referring to ownership of an aircraft and doesn't believe it will be an issue considered by the judge. The term ownership is a legal term meaning the exclusive use of something. The Nodak Flying Club has been operating since 1965 in the same manner with regards to the leasing of airplanes. If the FAA comes out to say that leases are not allowed this becomes a different issue, but at this time the FAA has given the Board suggestions for minimum standards but stress they want airports to foster and encourage aviation.

Clint Rodingen pointed out that section 1.02 of the Minimum Standards states that exclusive leases are permitted. Section 104.E states that flying club members can sell goods back and forth.

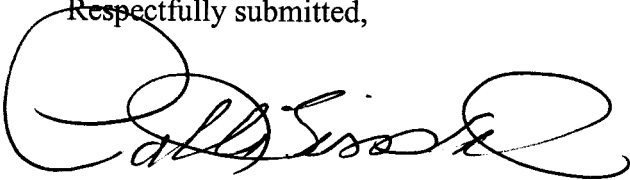
Molmen asked if the hours logged on airplanes are exclusive. Rodingen replied, "Absolutely".

Cronquist asked how the flying club got into the court case? Olson replied that they were added as a party midway through the process by Flight Support. Olson feels it was necessary in order to get all the parties involved in the process.

Olson suggested that parties involved agree to abide by the decision made by the FAA.

Meeting adjourned at 9:10 a.m.

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**

**December 21, 2000**

The Grand Forks Regional Airport Authority Board of Commissioners met in the Board Room of the Airport Authority on Thursday, December 21, 2000 with Vice Chairman Brad Beyer presiding. Those present were: Commissioners Clark Cronquist, Rich Becker, Dave Molmen and staff Steve Johnson, Executive Director; Mary Jo Crystal, Director of Finance and Administration; Todd Hanson, Director of Operations; Tim Burke, Marketing/Communications Manager; Gary Baker, Operations Supervisor; Dave Meagher VMT; Skip Ruscinski, Maintenance Specialist; Jerry Aase, Shift Supervisor and Garry Dugan, Safety Specialist.

Vice-Chairman Beyer called the meeting to order at 8:18 a.m.

Johnson introduced Bruce Smith, Dean of the John D. Odegard School of Aerospace Sciences.

**A. Approval of Minutes:**

**1. November 16, 2000**

Cronquist moved approval of the minutes from November 16th. Becker seconded. **Action Taken:** Motion carried unanimously.

**2. November 28, 2000**

Cronquist moved approval of the minutes from November 28<sup>th</sup>. Becker seconded. **Action Taken:** Motion carried unanimously.

**B. Resolutions:**

**1. #13-00 "Matter of 2001 Budget":**

Johnson reported that the only remaining items to be approved for the 2001 budget is the staffing and compensation plan consisting primarily of salaries, benefits and authorized positions. This includes compensation reviews that were not completed in the previous year. Becker asked why the cost of living amount had changed from the previous draft budget. Johnson replied that in October/November the CIP index showed approximately a 4% increase in the cost of living. When the final CIP report came in the increase was at 3.5%.

Becker moved approval of resolution #13-00. Cronquist seconded. Becker asked if there were updates or changes from the last review that should be brought the Boards attention. Johnson reported that the runway project for 2001 would be downsized. It originally included wetland mitigation but there will not be money available from the FAA for the mitigation. That project will be reduced from 5.4 million to 4.34 million, which reduces the Authority's contribution by \$100,000.

**Action Taken:** Motion carried unanimously.

**C. Reports:**

**1. Year To Date Financials:**

Crystal reported that the operating fund continues to run a net income as does the capital fund through November. The debt service fund is running a shortfall. It appears that the operating revenues will be close to projections when the year closes. The current year actual, after transfers, is at approximately \$1.9 million in revenue with the budget just over \$2 million.

Johnson requested that item 2 under discussions be moved up on the agenda to accommodate Dean Bruce Smith.

**D. Discussion Item #2: Second E/W Runway:**

Johnson gave background information regarding the proposed east/west runway. The runway is scheduled to be added north of runway 35L, but it is preferred by UND and ATCT that it be located south of the utility/UND runway. Johnson explained that the reason for pushing the project ahead to 2002 is that it would not greatly impact the capital improvement plan. There has also been some private discussion with individuals in East Grand Forks about the idea of an East Grand Forks airport operated by the Authority. If the Authority were able to declare an airport in East Grand Forks as a GA reliever it would be eligible for federal funding. Becker asked what the likelihood would be of obtaining FAA discretionary funds for this project. Johnson replied that with UND's help the probability of building a runway at the airport is high.

Dean Bruce Smith explained that the climate is good right now, due to increased enrollments and support from the North Dakota Senate and House, to obtaining funding without a match. Johnson added that the airport would have to contribute some funding because the master plan and airport layout plan will have to be updated and an environmental assessment done.

It was recommended that a task force be organized to begin planning. Becker stated that since time is critical he recommended that Johnson start immediately with discussions and not wait for another board meeting. Johnson explained that he is requesting approval to go ahead with doing the project in 2002 and to verify that the board is in agreement in not pursuing the East Grand Forks option.

It was mutually agreed to by the Board to pursue an E/W runway at the airport with a pledge from Dean Bruce Smith to help with resources. Becker requested considering starting the project in 2001 with completion in 2002.

**C. Reports (Cont):**

**2. Parking Enforcement:**

Johnson reviewed the ideas that the parking task force came up with. He recommended that three of the suggestions be considered for options to the parking enforcement situation. 1) installing parking meters; 2) changing the signage in front of the terminal indicating specific time limit and possibly requiring parked vehicles be attended; 3) complimentary parking time in the parking lot. The least expensive of these would be changing the signage and offering free parking in the lot. Molmen moved to

allow 15 minute free parking in the lot. Cronquist seconded. It was decided after discussion to allow free parking for the first 15 minutes. **Action Taken:** Motion carried unanimously.

#### **D. Discussions (Cont):**

##### **1. Parking Paystations:**

Bill MacKay gave an overview of the Parking Paystations history. He explained that some of the systems components that worked with the current software are becoming obsolete and will eventually be unavailable. Parking paystations does not own the software that will work with new components. There is a software upgrade available for \$15,000. Once this fee is paid the software is owned. Cronquist asked where our system was at this point. Hanson replied that the airport's system is in the warehouse in Winnipeg but installation has been put on until the infrastructure work is rebid in the spring. Becker asked if the \$15,000 is negotiable. MacKay responded that he is not sure if the fee is negotiable but that payment may possibly be spread out over a period of time. Cronquist asked how long this offer would last. Mackay explained that he thinks the offer may only be available for 60 days. Molmen suggested that this proposal be brought back to the Board at a later date. Johnson recommended against installing exit lane controller at the toll pay lane. The only advantage of doing this now is that a software conversion fee will be saved if it decided to go to a fully automated system.

Johnson explained that MacKay is requesting that the Authority release his personal guarantee. This will be brought to the attorney for review.

##### **2. Executive Director's Contract Renewal:**

Beyer stated that with the Board's concurrence he and Mutchler would go into negotiations with Johnson. Molmen motioned to begin the process of the executive director's contract negotiations and evaluation. Becker seconded. **Action Taken:** Motion carried unanimously.

#### **D. Other Business:**

##### **1. Nodak Flying Club Attorney Fees:**

Clint Rodingen asked for the status of the Nodak Flying Club's request for assistance with attorney fees with regards to the Writ of Mandamus. Johnson stated that it is his recommendation that Nodak Flying Club's attorney fees not be paid by the Authority. Becker asked if there had been any word on when the FAA would reach a final decision. Johnson replied that he does not know if GFK Flight Support had resubmitted the paperwork to the ADO. Molmen motioned to not pay attorney fees for Nodak Flying Club. Becker seconded the motion. After discussion, and with Molmen's concurrence, Becker amended the original motion bringing the matter back to the Board after options, other than payment of legal fees, were explored. Cronquist seconded the amended motion. **Action Taken:** Motion carried unanimously.

##### **2. Jet Bridges:**

Beyer referred back to a previous discussion regarding the jet bridges and asked if they were in good enough condition that additional money would not have to be budgeted for. Hanson explained that he and Meagher have discussed budgeting for an upgrade package in 2002.

Beyer also requested that information be gathered and presented on obtaining covered walkways for the smaller aircraft.

Meeting adjourned at 10:10 a.m.

Respectfully submitted,

A handwritten signature in cursive script, appearing to read "Patti Linstad". The signature is fluid and stylized, with large loops and a clear, legible name.

Patti Linstad, Board Secretary