

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

May 15, 2025

The Grand Forks Regional Airport Authority Board of Commissioners met in its regular session in the Board Room of the Byron L. Dorgan Terminal on Thursday, May 15, 2025, presided by Chair Simonson. The Members present were Tony Hodny, and Tim Mutchler. Members present via Microsoft Teams were Steve Kuhlman, Rick Meland, Rebecca Osowski, and Mark Rustad. Also present were Mead & Hunt's Steve Synhorst (via Teams), Josh Brelje (in person), Airport Attorney Tim Dittus, UND's Dean Robert Kraus and Jeremy Roesler. Staff attending included Ryan Riesinger, Executive Director, Krista Gravseth, Director of Finance and Administration, Joey Castiglione, Director of Operations and Maintenance, Scott Nelson, Maintenance Supervisor, Carter Portman, Airport Intern and Katie Olson, Administrative Assistant.

The meeting was called to order at 8:00 a.m. Confirmed quorum and initiated the approval of minutes by Chair Simonson.

A. Reading and Approval of Minutes

1. Approval of Minutes

- a) Chair Simonson asked for a motion to approve the minutes from April 24, 2025, as written. A motion was made by Hodny to approve the minutes from April 24, 2025, as written. The motion was seconded by Mutchler to approve the minutes from March 27, 2025, as written.

Action Taken: Motion carried unanimously.

- b) Chair Simonson asked for a motion to approve the minutes from May 19, 2025, Special Session as written. A motion was made by Mutchler to approve the minutes from May 19, 2025, Special Session as written. The motion was seconded by Hodny to approve the minutes from May 19, 2025, Special Session as written.

Action Taken: Motion carried unanimously.

B. Reports

1. Financial Report

- a) Gravseth presented the April financial report and noted that Delta and Allegiant load factors were below forecast, resulting in lower enplanements. Delta landings were 91 versus the forecast of 90, and Allegiant was forecasted at 23 but came in at 21, totaling 112 landings for April. Year-to-date forecasted enplanement was almost 37,000 but came in just over 34,000. Airlines had roughly 70% load factors, down from the forecast. The decision was made to pull the full \$400,000 ARPA grant earlier in the year to earn interest. Year-to-

date revenue was \$1.8 million versus a budget of \$1.795 million, slightly above budget by \$11,000. April revenue was roughly \$107,000 above forecast. Year-to-date expenses were \$1.469 million versus \$1.462 million, slightly over budget by \$7,000. April expenses were above budget by \$22,000. Restaurant commissions were up slightly over last year, following the trend of a busier March and tapering down in April. The commissions were right about budget for April. Car rentals were down \$132,000 versus \$143,000 from last year, correlating with lower load factors. Parking lot revenue was down slightly but close to budget for April, with a year-to-date decrease of \$28,000. Fuel flowage had a strong month, slightly under last year but above the anticipated amount for April. The breakout by tenants showed UND and Applied were close to their targets.

2. Director Report

- a) Riesinger announced that the bids for the first phase of the primary runway reconstruction project were opened, with all bids coming in well below the engineer's estimate. Gowan Construction was the low bidder at \$15.8 million, compared to the engineer's estimate of \$24.6 million. Bid Schedule 1 covered civil work only, Bid Schedule 2 covered electrical work only, and Bid Schedule 3 combined both. The low bid for the combined schedule was \$15.8 million, significantly under the estimate.

Bid alternates included options for lime-treated or cement-treated subgrade and paved runway shoulders. The low bid for the cement-treated subgrade with paved shoulders was \$15.8 million, \$8 million under the estimate.

The bids will be reviewed by Mead & Hunt, and the capital improvement program will be adjusted. The contractors must hold their bids through October, awaiting FAA discretionary funding information. A trip to DC is planned to push for maximum discretionary funding.

- b) Riesinger provided an update on the legislative session, the airport will receive \$20 million in state funding for the first two phases of the runway project. The original ask was \$30 million, but it was reduced to \$20 million during the legislative session.

The \$20 million will be processed through the North Dakota Aeronautics Commission as a reimbursement program. The airport must submit expenses and then be reimbursed by the state.

The legislative session was challenging, with cuts made due to dropping oil revenue forecasts. The total ask for three generational airport projects in the state was reduced from \$120 million to \$90 million.

With the lower bids, the airport may not need to request additional funds in the next legislative session. The funding situation will be reviewed annually based on continuing bid packages and project progress.

- c) Riesinger and Joey attended a US Highway 2 stakeholder meeting with the county, city, MPO, airport, and Ulteig. The group discussed various options for improving the intersection, including roundabouts and interchanges. The roundabout options were estimated at around \$6 million, while the interchange options were closer to \$30 million. The DOT expressed concern that the interchange estimate might be low, especially since the work might not be done for another eight years.
- d) Riesinger informed the board that the airport's fire department voted to unionize, with training and equipment being the primary concerns. The board expressed concerns about the unionization and its potential implications. The airport's fire department voted to unionize, with 7 out of 8 employees voting in favor.

The board expressed concerns about the unionization, with some members disagreeing with the decision. They were worried that the unionization might lead to other issues beyond training and equipment. Riesinger noted that the airport meets all federal and FAA requirements for training and equipment.
- e) Riesinger updated the board on the city's review of the airport authority, emphasizing the importance of remaining an independent airport authority. The board members expressed their support for keeping the airport separate from the city. The City's Todd Feland has scheduled AE2S' Ryan Graf to be here tomorrow morning to meet with GFK Administration for document requests.
- f) Riesinger announced a meeting with SkyWest headquarters on June 26th to discuss the small community air service development grant and the potential for a United branded service to Denver. Due to this meeting the 5th Annual GFK Invitational Golf Outing will be rescheduled.

3. Chairmans Report

Chair Simonson thanked the board, UND, and Mr. Dittus for the extra time and effort and short turn around time from today and the Special Session Meeting.

C. New Business

1. Approval of UND Lease and Agreement

At a Special Board meeting held May 9th, 2025, the Airport Authority Board of Commissioners approved the UND Lease and Agreement Letter of Intent and directed the Executive Director and Legal Counsel to prepare a draft of the new UND Lease and Agreement. We have been able to prepare the draft in conformance with the Letter of Intent and UND has approved of it. It is attached.

If we approve this Lease and Agreement, the only other remaining condition is a review by the North Dakota University System Chancellor. Once they approve, UND would be authorized to sign and the demolition for their project could begin.

EXECUTIVE DIRECTOR'S RECOMMENDATION: A motion to approve the UND Lease and Agreement and authorize the Executive Director to execute the document.

A motion was made by Mutchler to approve the UND Lease and Agreement and authorize the Executive Director to execute the document. The motion was seconded by Kuhlman to approve the UND Lease and Agreement and authorize the Executive Director to execute the document.

Roll Call Vote:

Hodny: Aye
Kuhlman: Aye
Meland: Aye
Mutchler: Aye
Osowski: Aye
Rustad: Aye
Simonson: chairing the meeting

Action Taken: Motion carried unanimously: Lease and Agreement approved, pending approval from the Chancellor of the North Dakota University System.

The meeting adjourned at 9:05 a.m.

Respectfully submitted,
Katie Frownfelter
GFRAA Administrative Assistant