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**PROCEEDINGS OF
THE GRAND FORKS REGIONAL AIRPORT AUTHORITY
BOARD OF COMMISSIONERS
STRATEGIC PLANNING SESSION**

September 24, 2018

The Grand Forks Regional Airport Authority Board of Commissioners met in a strategic planning session in the Board Room of the Byron L. Dorgan Terminal on Monday, September 24, 2018. Present were Chairman Rick Meland and members Karl Bollingberg, Tim Mutchler, Gary Malm, Steve Kuhlman, and Dane Simonson. Absent was Jeannie Mock. Staff attending included Ryan Riesinger, Executive Director, Tanna Aasand, Director of Finance/Administration, and Rick Audette, Operations and Maintenance Manager. Airport Attorney Tim Dittus was also in attendance.

Consultants and engineers attending were Tom Schauer, Steve Synhorst and Nick Enblom from KLJ Engineering. Andrew Zielike from KLJ and John DeCoster, Trillion Aviation, also joined via phone conferencing.

The session commenced at 12:00 p.m.

Ryan Riesinger gave an introduction and some background information.

Tom Schauer presented an update on the Airport Master Plan Study:

- Current Project Status – Identify Preferred Alternative
- Completed Tasks and Upcoming Tasks
- Primary Concerns – Enhanced Safety, Maintain Operational Use, and Increase Airfield Capacity
- Runway Alternatives
- GA Development Considerations
- Passenger Terminal Considerations
- Terminal Apron Development
- Surrounding Land Use
- UND Aerospace Meeting Outcomes
- Strategic Funding Strategies

Riesinger reviewed the Capital Improvement Plan (CIP), where the funding for the runway projects were broken out over the next 8 years. The projects listed will all depend on FAA funding.

Riesinger reported on current status of the Airline Lease Negotiations. Allegiant has requested signatory per turn use, and we're now waiting to see if Delta will sign with that language.

Riesinger gave an update on a possible new tenant in the sort facility vacated by FedEx at 2133 Air Cargo Drive, and other ideas to generate revenue from the building. UND may be interested in taking ownership of the old FedEx Maintenance Building at 2814 Airport Drive, and a price will be determined after future discussions and possibly an appraisal.

The consolidated lease with UND Aerospace expires in 2019, and they have indicated they intend to opt for a 5-year renewal. The lease can be renewed when there are no changes to the terms, but UND is asking for some changes pertaining to their parking lot. Their lease includes the parking stalls, but not the driving lanes in the parking lot. The parking lot is in need of rehabilitation/replacement and increasing enrollment is likely to cause a need for more stalls in the

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near future. The FAA plans to relocate the tower within the next 5 years and this could make more parking available for UND. Discussions will begin soon on the way forward.

In planning for the 4th runway construction years ago, some property was acquired, and the coulee ditch was relocated. A small portion of the property wasn't officially transferred to the airport, and this is in the process of being resolved. There was a question as to how much maintenance we are required to do on the coulee ditch. The opinion of attorney Tim Dittus is to continue what we're doing as long as the water continues to flow freely.

The session adjourned at 3:15 p.m.

Respectfully submitted,

Coleen Peterson, Board Secretary

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

September 27, 2018

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, September 27, 2018, presided by Chairman Rick Meland. Members present were Gary Malm, Karl Bollingberg, and Dane Simonson. Absent were Steve Kuhlman, Jeannie Mock and Tim Mutchler. Staff attending included Ryan Riesinger, Executive Director, Tanna Aasand, Director of Finance/Administration, and Rick Audette, Operations and Maintenance Manager. Airport Attorney Tim Dittus was also in attendance.

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

A. Reading and Approval of Minutes

It was moved by Malm and seconded by Bollingberg to approve the August 23, 2018 meeting minutes as written. **Action Taken:** Motion carried unanimously.

B. Reports

1. Financial Report

Aasand reviewed the financials and pointed out highlights.

2. Director Report

- A newly hired ARFF/Ops employee, Dylan Todd, was introduced.
- A recap of Monday's Strategic Planning Session with board members.
- Upcoming October 25th celebration at GFK, when hockey fans will be flying to Las Vegas for a UND/MN Hall of Fame hockey weekend.
- Allegiant – will be adding more flights this spring. Ryan will be attending the Allegiant Conference in October.
- Marketing – we're shifting to more digital marketing, and will be sending out RFP's soon.
- GFK Operations is expected to be close to breaking the all-time record set in 2012. Paula Wallace, the tower's manager, said weather can have an impact.

3. Chairman Report

Thanked the staff for their work, and Tanna Aasand for her excellent charts within her financial reports.

C. New Business

1. Airline Lease Update / Airline Rates & Charges for 2018

The Airport Authority entered into Airline Lease Negotiations in 2017 and they are currently on-going. A major component of these negotiations is the development of a financial "model" that is fair and transparent for the airlines and allows cost recovery for the airport. There continues to be progress in the negotiations, but we do not have final agreement to date. At the Airport Authority Board meeting on June 28, 2018, the Board extended the existing Airline Rates & Charges until October 1, 2018. Given where we are in the negotiations we recommend keeping the current Airline Rates & Charges in effect until either December 31,

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2018, or a new lease is executed. This will allow for additional time to try to come to an agreement. The 2018 Budget will not be negatively impacted by keeping the current rates. Malm motioned to set the 2018 Rates & Charges for Airline Landing Fee, Terminal Rent, Terminal Use Fee, and Jetbridge Use Fee at the same rates as currently in effect until the earlier of either (a) December 31, 2018, or (b) the execution of a new Airline Operating and Lease Agreement. Bollingberg seconded the motion. **Action taken:** Motion carried unanimously.

2. Approval to Establish New Account at United Valley Bank

Although Alerus Bank is the airport's primary financial institution and they have great service, Tanna Aasand shops interest rates every six months to maximize our return on money market investment accounts and certificates of deposit. She recently received offers from five area financial institutions and of those, United Valley Bank was the highest bidder, offering to pay 2% if we open a money market account with a deposit of \$2M. This calculates to an approximate \$14,000 increase in interest income for one year, as we are currently earning only 1.2% on those funds. To establish an account, the Director of Finance and Administration, Tanna Aasand, and the Executive Director, Ryan Riesinger, need the proper authorization from the board. Karl Bollingberg made a motion to authorize the Director of Finance and Administration and the Executive Director to move \$2,000,000 to United Valley Bank, and authorization to sign the required documents. The motion was seconded by Malm. Bollingberg commended Aasand for her diligence in maximizing the airport's savings income. **Action Taken:** Motion carried unanimously.

The meeting adjourned at 8:30 a.m.

Respectfully submitted,

Coleen Peterson, Board Secretary