

Regular Meeting

Tuesday

January 7, 1992

The regular meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held on Tuesday, January 7, 1992 at 10:30 a.m. in the Airport Boardroom.

The members present or absent were as shown following:

Present: Hentges, Gallagher, Stanton, Cichy and Williams

Absent: None

Others: Stewart

Chairman Williams presiding.

Approved the Minutes of the Regular Meeting Held December 17, 1991:

Mr. Cichy moved to approve the minutes of the regular meeting of the Municipal Airport Authority held December 17, 1991.

Second by Mrs. Stanton.

All members present voted aye and the motion was declared carried.

Approved the Airport Vouchers Totaling \$52,353.66:

Mr. Hentges moved to approve the airport vouchers totaling \$52,353.66.

Second by Mr. Gallagher.

On the call of the roll, members Hentges, Gallagher, Stanton, Cichy and Williams voted aye.

No member being absent and none voting nay the motion was declared carried.

Approved Individual Voucher to Edling Electric:

Mrs. Stanton moved to approve the individual voucher in the amount of \$58,545.00 to Edling Electric for Partial Payment Request No. 3 for electrical work in connection with the security access system, AIP Project No. 3 38 0017 11.

Second by Mr. Cichy.

On the call of the roll, members Hentges, Gallagher, Stanton, Cichy and Williams voted aye.

No member being absent and none voting nay the motion was declared carried.

Mr. Wes Schon, Ulteig Engineers, was recognized and reported on the progress of the security access system project. He stated that the contractor is working on getting the turnstile gates on the eastside operational. He stated that some of the signs included in the project are here but have not been installed. He stated the contractor is working in the terminal building on the doors right now. He stated they are moving slowly but they are working. He stated the computers are also being programmed. He stated that most of the system should be operational by next month. He

Approved Individual Voucher to Edling Electric: (Continued)

stated there are a lot of entities involved in this project and things are moving a little slower than anticipated.

Mr. Parmer asked if we should initiate a time extension of the contract.

Mr. Schon indicated that was included in Change Order No. 2.

Authorized Execution of Consent of Assignment of Lease from Midwest Aviation, Inc. to Victor Gelking:

Mr. Parmer stated there has been a great deal of discussion and a number of communications regarding the assignment of lease from Midwest Aviation, Inc. to Victor Gelking and that Attorney Stewart has been handling the matter.

Mr. Stewart stated the Airport Authority has approved the transfer "in concept" and the process has been complicated because of Mr. Larson's bankruptcy. He stated the bankruptcy trustee has now approved the assignment of lease. He stated there are some past due payments due the Airport Authority which will be deducted from the trust account. There are also past taxes due the County which will be taken care of as well.

Mr. Parmer stated that the Airport Authority's records show the assignment from Red River Transport to Ray Larson but do not show an assignment to Midwest Aviation.

Attorney Stewart stated this was an oversight but will not affect the bankruptcy at all. He indicated this correction would be made to the records.

Mrs. Stanton moved to authorize execution of the Consent of Assignment of Lease from Midwest Aviation, Inc. to Victor Gelking.

Second by Mr. Gallagher.

Mr. Stewart indicated that Mr. Gelking borrowed some money from a third party and they have requested that proper documents be signed in order to protect their interests.

All members present voted aye and the motion was declared carried.

Mr. Gelking was recognized and stated that he would like to build an office on the south side of the hangar sometime in the future and would request some alterations in the fence which would allow the public access to his office and hangar.

Chairman Williams stated those details can be worked out between Mr. Parmer and Mr. Gelking at a later date.

Received Informal Proposals for Painting Certain Walls in the Westside Terminal Building:

Mr. Parmer stated that there are walls in certain areas in the building that need to be repainted. He stated that David Heck, Building Engineer, received three informal proposals as follows:

Barton's Painting	\$2,130.00
Harvey Sell	\$2,510.00
DH Painting & Decorating	\$2,540.00

Mr. Parmer stated that the low bidder, Barton's Painting Service, has done work for us before and if the Authority wishes to go ahead with the painting he would recommend we award the bid to Barton. He added that we may find some additional areas not covered in the bid which will also need repainting.

Chairman Williams stated that as long as they will be here they should take care of whatever painting is needed.

Mr. Parmer stated that we will probably need to see the wall coverings in areas of the car rental agency counters replaced as there has been quite a bit of writing being done on the walls.

Received Informal Proposals for Painting Certain Walls in the Westside Terminal Building:
(Continued)

Mr. Hentges moved to award the painting project to Barton's Painting.
Second by Mrs. Stanton.
All members present voted aye and the motion was declared carried.

Received Traffic Report for 1991:

Mr. Parmer distributed a passenger traffic report for 1991 as well as a report on boardings for airlines in Bismarck, Grand Forks, and Minot. Mr. Parmer stated that our expenses were up this past year and revenue was down but we have not yet had to adjust landing fees and don't know whether we will have to, but we will end the year in a minus factor in that area. He stated that with American Airlines coming in and picking up their share of expenses sometime this year we will possibly see this evened out. He stated he talked to a United representative recently and indicated there would be no adjustment in landing fees at this time.

Mr. Parmer stated that he feels the Airport Authority should look at the freight haulers that are landing in Fargo on a regular basis. Right now we do not charge landing fees to general aviation traffic but once they begin landing on a scheduled basis they should be charged a landing fee.

Mrs. Stanton asked how other airports handle this.

Mr. Parmer stated that the other airports in the state handle the servicing of general aviation traffic so it is easy for them to charge the users a landing fee but we have to rely on the fixed base operator to report any such activity to us. He stated he will do some more research on this and come back to the Airport Authority for further discussion.

Mrs. Stanton moved to receive and file the traffic report for 1991.

Second by Mr. Cichy.

All members present voted aye and the motion was declared carried.

Authorized Attendance at AAAE/AACI Washington Legislative Conference, March 16 18, 1992:

Mr. Gallagher moved to authorize attendance at the AAAE/AACI Washington Legislative Conference, March 16 18, 1992.

Second by Mr. Cichy.

Mr. Hentges stated that he has attended this conference in the past and feels it is a very valuable conference and he will arrange his schedule to be able to attend. He stated there are a number of legislative issues we need to stay on top of and this conference is an excellent opportunity.

All members present voted aye and the motion was declared carried.

Other Business:

Mr. Parmer stated we have not yet moved ahead on filing for the Passenger Facility Charge. He stated that a number of airports have filed but none have been awarded. He explained that the money generated by the PFC comes with many restrictions and the money must be designated for a particular project at the time the Passenger Facility Charge is assessed.

Mr. Parmer stated that we have filed an application with the FAA for changing the request for the Runway 8/26 project, increasing our original request from \$5.5 million to \$6.2 million. He stated we currently have \$2.5 million in our enplanement fund and the rest of the money will have to come from the discretionary funds. He stated that some airports will be trying to replace AIP funds they are not able to get with the PFC money. He stated he would like to see us assess a PFC to finance projects that do

Other Business: (Continued)

not qualify for AIP funding, such as items in the new general aviation area that will not be eligible for federal assistance. He stated he can see the airlines not wishing to see funds assessed their passengers used for general aviation projects. He added that Las Vegas is building a perimeter highway which is not eligible for AIP funding.

Mr. Hentges stated that we need to be familiar enough with the PFC and be able to use it where it fits us.

Mr. Cichy moved to adjourn the regular meeting of the Municipal Airport Authority until the Annual Meeting to be held Tuesday, January 21, 1992, at 10:30 a.m. in the Airport Boardroom.

Second by Mr. Gallagher.

All members present voted aye and the motion was declared carried.

Time at adjournment was 11:02 a.m.

Annual Meeting

Tuesday

January 21, 1992

The annual meeting of the Municipal Airport Authority of the City of Fargo, North Dakota was held on Tuesday, January 21, 1992, at 10:30 a.m. in the Airport Boardroom.

The members present or absent were as shown following:

Present: Hentges, Gallagher, Stanton, Cichy, Williams

Absent: None

Others: Stewart, Bromenschenkel, MacLeod

Chairman Williams presiding.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held January 7, 1992:

Mrs. Stanton moved to approve the minutes of the regular meeting of the Municipal Airport Authority held January 7, 1992.

Second by Mr. Cichy.

All members present voted aye and the motion was declared carried.

Approved Airport Vouchers Totaling \$33,329.57:

Mr. Gallagher moved to approve the airport vouchers totaling \$33,329.57.

Second by Mr. Cichy.

On the call of the roll, members Gallagher, Stanton, Cichy and Williams voted aye.

Absent and not voting: Hentges.

The motion was declared carried.

Approved Individual Voucher to Ulteig Engineers, Inc.:

Mrs. Stanton moved to approve the individual voucher in the amount of \$762.34 to Ulteig Engineers, Inc. for Partial Payment Request No. 8 for engineering services in connection with the Security Access Project No. 3 38 0017 11.

Second by Mr. Cichy.

On the call of the roll, members Gallagher, Stanton, Cichy and Williams voted aye.

Absent and not voting: Hentges.

The motion was declared carried.

Received Communication from DARCO Investments Regarding Extension of Option on Lot in Airport First Addition:

Mr. Parmer stated that the Airport Authority previously approved a six month option on the South 90' of Lot 4 and the North 110' of Lot 5, Block 4 in the Airport First Addition to DARCO Investments. DARCO has now requested an extension of their option for another six month period and has forwarded their check in the amount of \$3,450.00.

Mrs. Stanton moved the Airport Authority approve the extension of the option for an additional six months as requested by DARCO Investments.

Second by Mr. Cichy.

On the call of the roll, members Gallagher, Stanton, Cichy and Williams voted aye.

Absent and not voting: Hentges.

The motion was declared carried.

Hentges now present.

Received Communication from Brett Oemichen Concerning Leasing of Tower Cab Eastside Terminal:

Mr. Parmer stated he received a communication from Mr. Brett Oemichen regarding leasing of the vacant tower cab in the Eastside Terminal. He was representing a group of about six individuals who are interested in renting this space for the purpose of having a place to go at the airport to talk flying with other pilots and to watch aircraft operations at Hector Airport. Their interests are strictly social in nature and they would not be conducting any commercial or for profit enterprise there.

Mr. Parmer stated that he is concerned about the intended use of the space and the question about alcohol on the premises. He requested the Airport Authority delay action on this request until he can get further information.

Mr. Cichy moved the Airport Authority delay action of this request until the Executive Director gets further information on the intent of the prospective tenants.

Second by Mrs. Stanton.

All members present voted aye and the motion was declared carried.

Discussed Preapplication Grant Request for AIP Project 1992:

Mr. Parmer stated that we have submitted a preapplication to the Federal Aviation Administration under the Airport Improvement Program requesting federal participation in the Runway 8/26 project. In addition to Runway 8/26, this project includes a parallel taxiway to Runway 8/26, reconstruction and rehabilitation of Runway 17/35, reconstruction of new signs per Advisory Circular 5340 18C, installation of runway surface sensor system. He explained that right now we are waiting for the FAA to act on the preapplication. He stated that one thing he is concerned about is that the FAA does not issue the grant agreement, even after approval of the project, until bids have been received so that they know the exact cost of the project. In the past they have issued the grant based on our estimate and we always made sure the estimate was high enough to cover any unforeseen costs during the course of the project. They have changed this process as they found that a lot of money was tied up in projects that was not spent.

Mr. Parmer stated that when we submitted the original preapplication to the FAA for Runway 8/26 we received a positive review action but since then have amended the application to include some additional items which increased the cost. He stated the FAA has recently made an off hand remark wondering if we would be able to go to bid on this project by the middle of May. Mr. Parmer stated there would be no way we would

Discussed Preapplication Grant Request for AIP Project 1992: (Continued)

be ready by that time unless we started designing the project right now. He stated that Ulteig Engineers, Inc. has been selected by the Airport Authority but they have not been given direction to proceed. He stated a difficult hurdle to clear is the fact that our request will call for at least \$4 million in discretionary funding. He stated there are a number of elements now pressuring congress to release a lot of the money held in trust to help stimulate the economy. This was probably the reason behind the FAA's asking us if we would be able to go to bid in May.

Mr. Parmer stated that since this is still an "if" situation he asked Mr. Schon what type of authorization they would need to go ahead with the plans, because if the money is not forthcoming and the project is not approved we would be stuck holding a set of plans without a project. He added that we can hang our hat on the previous review action received from the FAA on this project which stated that "this project is eligible for funding by this agency and can compete with similar applications from other airports." Mr. Parmer stated that we have approximately \$2.3 million in our enplanement fund including the 1992 funds, and the remaining \$3.9 would need to come from the discretionary fund, for which every other airport in the country is also vying.

Mr. Parmer stated our preapplication has been submitted and we are now waiting for a review action from the FAA before we can proceed any further. Mr. Parmer stated he would like to see the Airport Authority direct the engineer to move ahead with some of the engineering work. He added that they did some preliminary work last fall.

Mr. Hentges stated we are 99% sure that we will get AIP funding for the project, even if we do not receive any discretionary funding. He stated he feels we should move ahead with getting a proposal from the engineer and look at the cost at that time. He stated that if we are denied discretionary funding we should know how long it would take us to fund the entire project with strictly enplanement funds. He asked how much it would take in engineering fees to get the project ready for bid.

Mr. Schon indicated it should be in the neighborhood of \$200,000.

Mr. Parmer stated that if the FAA denied discretionary funding for this project it would take us another four years to fund the project through our enplanement funds. Right now based on our enplanements and the formula used by the FAA we receive approximately \$900,000 to \$1 million per year in our enplanement fund.

Mr. Parmer stated that engineering costs incurred before the grant is received are eligible for reimbursement, since it is necessary to incur some engineering costs in order to prepare a project for bids. Mr. Parmer stated our next step should be for Ulteig Engineers to work up a contractual document.

Mr. Hentges stated he would like to see Airport Authority direct the Executive Director and Ulteig Engineers to proceed with the necessary steps in order to have the Runway 8/26 project ready for bids in May. He added that he feels we have the funds available to be able to take the chance that we will qualify for discretionary funding and be ready.

Mr. Cichy asked Mr. Schon if they were given the go ahead now could they be ready by May.

Mr. Schon stated they could definitely move ahead on the project. He stated we have been wrestling with the FAA on length and width of the runway but they have been no help on the matter. He stated he met last week with Mr. Heupel in Bismarck on the matter. He stated that as Mr. Parmer indicated, the discretionary funding is a key element. He stated he is not sure if North Dakota has received any discretionary funding this year and if so he does not know for what it is earmarked.

Mr. Schon stated they are ready to begin designing the project. He stated they know what the airport wants as far as length and width and if in the future the FAA requires a change we will address that when it comes up. It seems the FAA does not want to make any decisions ahead of time right now.

Discussed Preapplication Grant Request for AIP Project 1992: (Continued)

Mr. Parmer stated that we have not moved ahead with any major projects in the past couple of years as we were waiting for something to develop in the Airport Industrial Park. Since we have not been able to secure the first tenant in the Industrial Park the FAA felt we should proceed with the Runway 8/26 project.

Mr. Hentges moved that the Airport Authority direct Ulteig Engineers, Inc. to proceed with preparation of the documents necessary to have the 8/26 project ready for bids prior to May 15 and that the Executive Director present to the Airport Authority all of the considerations that need to be made prior to approval, including what direction we will take if discretionary funding is denied. He added that he feels we would have a good chance at obtaining discretionary funding if we are ready.

Second by Mr. Gallagher.

Mr. Parmer stated that if the FAA is not able to come up with all of the discretionary money they will ask us to make this a multi year project, which would take our 1993 enplanement money which would prevent us from moving ahead on any other project in 1993.

Mr. Parmer stated our first step will be to have the contract documents with Ulteig Engineers approved by the Airport Authority and the FAA.

On the call of the roll, members Hentges, Gallagher, Stanton, Cichy and Williams voted aye.

Discussed Modification of Security Fencing in Area of Victor Gelking's Hangar:

Mr. Parmer stated that when the Airport Authority was in the process of approving the assignment of lease on a hangar site from Midwest Aviation to Mr. Victor Gelking there was brief discussion on some modification of the security fencing in order to allow access to Mr. Gelking's hangar without passing through the security fence. He stated he has no problem with approving the change but he stated he does feel the tenant should pay the cost of the modifications as it is at the request of the tenant in order to assist his customers access to his building. Mr. Parmer stated he has not yet checked with Dakota Fence on the cost of the modifications but it is only about 15 feet involved. Mr. Parmer explained that right now the only access to the hangar is through the controlled access points (vehicle gate or two turnstile gates) and Mr. Gelking's customers do not have access cards.

Mrs. Stanton asked who has control of all of the security fencing on the airport.

Mr. Parmer stated the Airport Authority does.

Mr. Hentges stated that on the basis of the Executive Director's recommendation he would move the fencing modifications be approved but that they be done at the expense of the tenant.

Dr. Clif Hamilton was recognized and asked who paid for the fencing modifications that were done near the former shop building which is now leased to Dakota Aero Tech. He stated that if the tenant paid for those modifications then Mr. Gelking should pay for his requested modifications but if the airport paid for those changes the airport should pay for these.

Mr. Parmer stated the shop building is owned by the airport and Mr. Gelking's building is not. The fencing modification was included in an FAA project.

Mrs. Stanton stated it bothers her that we do not have a policy for this type of request and that not all tenants are treated the same.

Chairman Williams stated sometimes changes are made at the request of the airport and sometimes at the request of the tenant.

Mr. Hentges stated if we want a change we pay for it. If a tenant requests a change they pay for it.

Discussed Modification of Security Fencing in Area of Victor Gelking's Hangar:
(Continued)

Mr. Bromenschenkel suggested doing some research on past similar situations and do likewise.

Mr. Gallagher seconded the motion.

On the call of the roll, Hentges, Gallagher, Cichy and Williams voted aye.

Mrs. Stanton voted no.

The motion was declared carried.

Authorized Attendance at the 64th Annual AAAE Conference, May 17 20, Orlando, FL:

Mr. Hentges moved to authorize attendance by the Executive Director and members of the Airport Authority to the 64th Annual AAAE Conference, May 17 20, Orlando, Florida.

Second by Mr. Cichy.

All members present voted aye and the motion was declared carried.

Elected Chairman of the Municipal Airport Authority for Calendar Year 1992, As Per Bylaws:

Mr. Hentges moved to elect Mrs. Jeannette Stanton as Chairman of the Municipal Airport Authority for calendar year 1992, as per bylaws.

Second by Mr. Gallagher.

All members present voted aye and the motion was declared carried.

Elected Vice Chairman of the Municipal Airport Authority for Calendar Year 1992, As Per Bylaws:

Mr. Gallagher moved to elect Mr. Richard Hentges as Vice Chairman of the Municipal Airport Authority for calendar year 1992, as per bylaws.

Second by Mrs. Stanton.

All members present voted aye and the motion was declared carried.

Adopted Resolution of Appreciation to Chairman Williams:

Mr. Cichy offered the following resolution of appreciation and moved its adoption:

WHEREAS, Mr. Tom Williams has just completed a year as Chairman of the Municipal Airport Authority of the City of Fargo, North Dakota, and

WHEREAS, During the year of Mr. Williams's chairmanship the Municipal Airport Authority moved steadily and successfully forward in improving the aviation facilities at Hector International Airport, and

WHEREAS, Mr. Williams has labored diligently and given unsparingly of his time in serving as Chairman of the Municipal Airport Authority.

NOW, THEREFORE BE IT RESOLVED, That the Municipal Airport Authority of the City of Fargo, North Dakota, does hereby commend Mr. Tom Williams for his effective efforts on behalf of the Municipal Airport Authority of the City of Fargo, North Dakota.

BE IT FURTHER RESOLVED, That this resolution be inscribed upon the permanent minutes of the Municipal Airport Authority and a certified copy of the herein resolution be forwarded to Mr. Tom Williams.

Adopted Resolution of Appreciation to Chairman Williams: (Continued)

Second by Mr. Hentges

On the call of the roll, members Hentges, Gallagher, Stanton and Cichy voted aye.

Mr. Williams passed his vote.

The resolution was declared to have been duly passed and adopted.

Other Business:

Mr. Parmer stated that representatives of American Airlines' property division will be in Fargo on Thursday of this week to look over the space in the terminal. He stated they have not yet indicated which space they will want to occupy, that previously leased by Republic Airlines or Continental Airlines. There is also some question yet as to which gate they will be using and whether or not they will be providing their own jetway.

Mrs. Stanton asked what our smoking policy is with regard to the car rental agency counters, as she received a complaint from someone who was a customer of one of the car rental agencies and although they were not able to smoke in that area of the terminal the agent behind the counter was smoking.

Mr. Parmer stated the car rental agency personnel are allowed to smoke in their individual office area but are not supposed to smoke at the counter.

Mrs. Stanton stated that if the car rental agency personnel are writing on the walls and smoking in areas which they are not supposed to maybe it is time someone had a conversation with them.

Mr. Parmer stated the designated smoking areas include the far ends of the departure lounge and the area at the top of the stairs just outside of the departure lounge. He stated he has received complaints about the area just outside the departure lounge being a smoking area as everyone going into the departure lounge must pass through that area.

Mr. Hentges stated he feels we should eliminate the area just outside the departure lounge as a designated smoking area and limit smoking to the two areas in the departure lounge and the restaurant/lounge.

Mr. Gallagher moved to adjourn the annual meeting of the Municipal Airport Authority until the next regular meeting to be held Tuesday, February 4, 1992 at 10:30 a.m. in the Airport Boardroom.

Second by Mr. Hentges.

All members present voted aye and the motion was declared carried.

Time at adjournment was 11:15 a.m.

Regular Meeting

Tuesday

February 4, 1992

The regular meeting of the Municipal Airport Authority of the City of Fargo, North Dakota was held on Tuesday, February 4, 1992 at 10:30 a.m. in the Airport Boardroom.

The members present or absent were as shown following:

Present: Hentges, Gallagher, Williams, Cichy and Stanton

Absent: None

Others: Stewart, Bromenschenkel

Chairman Stanton presiding.

Approved the Minutes of the Annual Meeting of the Municipal Airport Authority Held January 21, 1992:

Mr. Cichy moved to approve the minutes of the Annual Meeting of the Municipal Airport Authority held January 21, 1992.

Second by Mr. Williams.

All members present voted aye and the motion was declared carried.

Approved the Airport Vouchers Totaling \$52,005.04:

Mr. Williams moved to approve the airport vouchers totaling \$52,005.04.

Second by Mr. Cichy.

On the call of the roll, members Hentges, Gallagher, Williams, Cichy and Stanton voted aye.

No member being absent and none voting nay the motion was declared carried.

Beth Neva, Meridian Publishing, Presented Proposal on Airport Publication:

Beth Neva, Meridian Publishing, was recognized and stated that Meridian Publishing is located in Ogden, Utah and they are the largest publisher of full color magazines in the United States and Canada. She stated that she has met with Mr. Parmer and discussed the possibility of distributing one of the magazines at the airport. She stated they have several different magazines with various themes and she would suggest the "Accent on Travel" or "People and Places" publication for the airport. She stated the target market would be travelers coming into town. The cost of the publication is defrayed by the advertisers and Meridian takes care of selling all of the advertisements.

Mr. Parmer stated it is his understanding this would be done at no cost to the

Beth Neva, Meridian Publishing, Presented Proposal on Airport Publication: (Continued)

Airport Authority but that Meridian would use the Airport Authority's name when selling the advertising space.

Ms. Neva stated that they would request the Airport Authority provide them with a letter of introduction which they would use in reaching potential advertisers. She stated that they are responsible for selling the advertising. Ms. Neva stated that the publication is compliments of the airport and the Airport Authority would be able to use the first page. The articles and editorials in the magazines are syndicated and the cover and articles change each month. She stated she feels it would be a good publication relations tool.

Chairman Stanton asked if the magazine would be distributed only at the airport.

Ms. Neva stated that would be up to the Airport Authority but if any mailing was involved the Airport Authority would be responsible for the postage. She stated there is a minimum requirement of 100 copies each month but as the advertising increases so will the number of copies and the size of each issue. She also explained that we could go with a travel issue one month and switch to a sports issue the next.

Mr. Parmer stated that there are a number of publications that are available at the airport now. Each of the two airlines have their own publications as well a numerous local publications available at the Information Center.

Ms. Neva stated this publication would be targeted toward travelers.

Mr. Bromenschenkel stated that Meridian is basically looking for an opportunity to sell advertising because the travel magazine would be promoting travel to other areas.

Ms. Neva stated the Airport Authority would have the inside cover for its use, as well as "Compliments of Hector Airport" on the front cover.

Mr. Williams stated that he would like more time to think about this as this was the first time it has been presented.

Mr. Hentges stated that he does not feel the 100 copy per month distribution would be enough to attract many advertisers, but that would be the responsibility of Meridian Publishing.

Ms. Neva stated it would be up to the Airport Authority how they wanted to distribute the magazine. She stated she can see a lot of people interested in picking up a free publication.

Mr. Williams moved the matter be delayed until we have an opportunity to look into it further.

Second by Mr. Cichy.

All members present voted aye and the motion was declared carried.

Received Communications from Great Plains Claims Concerning Refund of Underground Tank Removal Expense:

Mr. Parmer stated he received a communication from Great Plains Claims as they are involved with the Petroleum Tank Release Compensation Fund for the State of North Dakota. He stated their letter proposes a refund of \$28,453.61. The covered costs totaled \$36,605.92 with the tank owner being responsible for \$5,000 of that and the Compensation Fund pays 90% of the remainder. Mr. Parmer stated that the total cost of the project was \$68,000 and at the time of the project we did not know how much we would be getting back. Mr. Parmer stated the State feels that the landfill charges assessed by the City were excessive. We were charged \$48 per ton to deposit the contaminated soil at the landfill and the State feels the charge should have been in the neighborhood of \$18. Mr. Parmer explained that the State also had some question about the way Master Construction figured the cost and felt there should be some adjustment there, but that would be between the Airport Authority and Master

Received Communications from Great Plains Claims Concerning Refund of Underground Tank Removal Expense: (Continued)

Construction and would not involve the State. Mr. Parmer added that the inspector from the State was present during the removal process so that he was able to direct the contractor on the amount of soil to be removed.

Mr. Parmer stated that the Airport Authority should receive and file this communication and we should expect to receive this amount from the State.

Mr. Cichy moved to receive and file the communication from Great Plains Claims and to approve the refund as outlined.

Second by Mr. Williams.

All members present voted aye and the motion was declared carried.

Discussed United States Postal Service Building Project:

Mr. Parmer stated the United States Postal Service ran an advertisement in The Forum looking for a building site on which to place a postal facility. He stated he has visited with a representative of the Postal Service's real estate department and he looked at a possible site in the Airport Industrial Park. Mr. Parmer stated the Airport Authority would be interested in leasing land in the Airport Industrial Park to the US Postal Service only if there was a need for access to the airfield. He indicated that if they needed access both to vehicles and aircraft the only location that could accommodate them would be in the Airport Industrial Park. He stated that he contacted the FAA regarding leasing to the Postal Service and they are insistent that any development in the Airport Industrial Park have an aviation flavor. He stated he has written to Mr. Forsman from the Postal Service indicating we will need some commitment from them that they do in fact require access for aircraft.

Mr. Parmer stated they are looking for a site of approximately 14 acres and he feels a location south of the National Guard's facility would be a possibility. He stated he would like to see the Airport Authority show interest in pursuing this and we would then need a commitment from the US Postal Service with a requirement for an airport site.

Mr. Parmer stated he discussed with them their need for an aviation location and although they may not feel they need it today the Postal Service owns many of their own aircraft and it may be necessary in the near future.

Mr. Cichy asked Mr. Parmer if we have received approval from the FAA.

Mr. Parmer stated he has had only preliminary conversations with the FAA and they questioned whether or not this would be a revenue producing lease for the Airport Authority and he indicated the land would not be leased to the Postal Service free of charge. He stated that we will need a determination from the US Postal that they definitely need a site on the airport before we can submit it to the FAA for approval.

Mr. Cichy moved to approve the Airport Authority's positive interest in leasing a site in the Airport Industrial Park to the US Postal Service.

Second by Mr. Hentges.

Mr. Parmer stated that if the US Postal Services decides that it is not necessary for them to be located on the airport the Airport Authority may decide it would like to see them locate in the Airport Industrial Park anyway in anticipation of future aeronautical needs and place them in a location to which we will be able to extend taxiway and ramp. The FAA would get involved at that time.

All members present voted aye and the motion was declared carried.

Mr. Gallagher asked who would build the facility.

Mr. Parmer stated the US Postal Service would build their own facility, the Airport Authority would lease the land to them.

Authorized Execution of Lease with US Government on Armory Site and Terminate Existing Lease with the State of North Dakota:

Mr. Parmer explained that the Airport Authority leased a parcel of land in the Airport Industrial Park to the State of North Dakota for the National Guard's armory site. The cost of the facility will be borne by the federal government and they feel they should hold the lease, not the State of North Dakota. He stated he has talked to Fred Karnick in Bismarck and he indicated there is still some indecision as to whether the lease should be with the State or the Federal government. Mr. Karnick stated the Airport Authority should authorize the cancellation of the lease with the State and authorize execution of the Federal lease. Mr. Parmer stated he thought the Airport Authority had already taken care of this matter in November of 1991 when it authorized taking the necessary steps to cancel the current lease and enter into a new lease agreement with the Department of the Army. Mr. Parmer stated it might be well for the Airport Authority to authorize the Chairman to execute the lease with the federal government and cancel the other lease. He stated Attorney Stewart has reviewed the leases and there is no problem with that action.

Mr. Williams moved the Chairman be authorized to execute the lease between the Airport Authority and the Federal government and cancel the other lease if necessary.

Second by Mr. Gallagher.

All members present voted aye and the motion was declared carried.

Received Progress Report on Security Project 3 38 0017 11:

Mr. Parmer stated we have been working on the security project for a few months now and it will be a few more months until it is finished. He stated that most of the gates are operational and tied in with the computer so they are being utilized.

Mr. Joel Kath, Ulteig Engineers, was recognized and stated that all components are here and have been installed. We had set a date of March 1 for the security portion of the project to be completed and a date of February 1 to be substantially complete and that has been met. The period from February 1 to March 1 will be spent fine tuning and working the bugs out of the system so that it is working smoothly. Part of the project will be delayed until spring because of the trenching involved.

Mr. Gallagher asked if there have been any major problems so far.

Mr. Kath indicated we have not run into any major problems, mainly working out the bugs.

Mr. Parmer stated the project also includes some taxiway guidance signs and apparently we received the wrong signs but once the contractor is able to trench in the spring the project should be completed.

Received Engineering Contract Proposal on Proposed Runway 8/26 and Related Work, Approval to be Contingent Upon FAA Acceptance:

Mr. Parmer stated that the Airport Authority discussed at the last meeting the need for an engineering contract because of our application to the FAA for the Runway 8/26 project requesting \$6.2 million in federal funding. The FAA had asked us if we would be ready to go to bid May 15 should funds be available and the only way that would be possible is if we went ahead with an engineering contract.

Mr. Parmer stated that this morning he received the preapplication review action from the FAA and they indicated the project is eligible for funding but it is unlikely that there will be sufficient AIP funding available for the entire project this year. Mr. Parmer stated that we are looking for discretionary funding of approximately \$3 million.

Mr. Parmer stated that Ulteig Engineers has come up with a basic contract and this is for the complete project, including construction inspection, etc. This

Received Engineering Contract Proposal on Proposed Runway 8/26 and Related Work, Approval to be Contingent Upon FAA Acceptance: (Continued)

contract is subject to approval by the FAA. The engineering agreement has a number of phases including, design, construction, and inspection. The total cost for the engineering portion of the project is estimated to be \$585,000.

Mr. Wes Schon, Ulteig Engineers, was recognized and stated that the proposed contract is a standard FAA contract which is made up of five parts. If, for whatever reason, certain portions of the project are not completed then that phase of the contract is not implemented. This is a cost plus a fixed fee contract which means that it is based on their direct billable hours, it is not a lump sum contract. He stated that this project does include other items beside Runway 8/26, such as the Sign Master Plan and the rehabilitation of Runway 17/35.

Mr. Hentges asked if the Airport Authority were to go ahead and authorize the design and if for some remote reason funding were not available and we could not move ahead with the project at this time for what portion of the engineering costs would the Airport Authority be responsible.

Mr. Schon stated the design portion of the engineering costs would be in the neighborhood of \$200,000. He stated they have been working on the project since last fall and have done quite a bit of preliminary engineering. He stated they probably have \$30,000 of work into the project without a contract.

Mr. Parmer stated that if the project goes into two separate years they may eliminate the taxiway from Stage I and put in into Stage II, but whether the engineering is done now or later it doesn't make any difference because it has to be done regardless.

Mr. Hentges stated he feels we should authorize the engineer to proceed and in the event funds are not available for the project from either enplanement funds or discretionary funds that we make provision to pay the engineering costs from our improvement fund.

Mr. Parmer stated that the FAA has indicated that the project is available for funding but that there is not necessarily discretionary funding available and the project may need to be a multi year project requiring our enplanement funds for more than one year. Mr. Parmer stated there has been pressure lately to get Congress to release money that is being held in trust and we are hanging our hat on the possibility that some of these funds will be released and our project will be financed. Mr. Parmer stated any approval of this engineering contract would be subject to the approval of the FAA. He added that engineering costs can be spent before a project is approved and will be eligible for funding once a project moves ahead. Mr. Parmer stated he would recommend approving the engineering contract, subject to the approval of the FAA.

Mr. Hentges moved to approve the contractual engineering agreement with Ulteig Engineers, Inc. subject to the approval of the FAA.

Second by Mr. Cichy.

On the call of the roll, members Hentges, Gallagher, Williams, Cichy and Stanton voted aye.

No member being absent and none voting nay the motion was declared carried.

Received Communication from the Minnesota Department of Transportation on Placement of Airport Directional Signs:

Mr. Parmer stated he received a letter from the Minnesota Department of Transportation regarding a directional sign on County Highway 22 and Junction 75 in Minnesota which we did not place there but was placed by the MN DOT. They are now requesting that we pay \$108 for the sign and that we assume the responsibility for any additional maintenance.

Received Communication from the Minnesota Department of Transportation on Placement of Airport Directional Signs: (Continued)

Mr. Hentges moved to authorize payment in the amount of \$108 to the MN Department of Transportation for the directional sign.

Second by Mr. Williams.

On the call of the roll, members Hentges, Gallagher, Williams, Cichy and Stanton voted aye.

No member being absent and none voting nay the motion was declared carried.

OTHER BUSINESS:

Mr. Parmer stated he had one additional item which he just received involving the transfer of ownership of one of the hangar units in the West Wind Hangar Association from Wings Investment Partnership to Kelly J. Sullivan. The association's land lease with the Airport Authority requires our consent to assignments.

Mr. Hentges moved to approve the assignment of lease, subject to the approval of Attorney Stewart.

Second by Mr. Gallagher.

All members present voted aye and the motion was declared carried.

Mr. Gallagher stated he had read a news article recently about the Passenger Facility Charge and the number of airports that have applied for approval to levy the charge.

Mr. Parmer stated the Airport Authority has discussed this in the past but we have not taken any action on it. The requirement is that we designate the project or projects for which we would use the money. He stated he was under the impression that funds from the PFC could be used for projects on our ALP but not necessarily eligible for AIP funding. He stated he found out that is not correct and any project must be eligible for FAA funding. He stated that this program will lessen the Federal government's portion of airport improvement projects. He stated that we could move ahead with filing the application if the Airport Authority so desired. He stated that larger airports assessing the Passenger Facility Charge will have to give up 50% of their enrollment funds.

Mr. Williams moved to adjourn the regular meeting of the Municipal Airport Authority until the next regular meeting to be held Monday, February 17, 1992 at 10:30 a.m. in the Airport Boardroom.

Second by Mr. Cichy.

All members present voted aye and the motion was declared carried.

Time at adjournment was 11:20 a.m.

Regular Meeting

Monday

February 17, 1992

The regular meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held on Monday, February 17, 1992, at 10:30 a.m. in the Airport Boardroom.

The members present or absent were as shown following:

Present: Gallagher, Williams, Hentges
Absent: Cichy, Stanton
Others: Stewart, Bromenschenkel

Vice Chairman Hentges presiding.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held February 4, 1992:

Mr. Gallagher moved to approve the minutes of the regular meeting of the Municipal Airport Authority held February 4, 1992.

Second by Mr. Williams.

All members present voted aye and the motion was declared carried.

Approved the Airport Vouchers Totaling \$35,081.49:

Mr. Williams moved to approve the airport vouchers totaling \$35,081.49.

Second by Mr. Gallagher.

On the call of the roll, members Gallagher, Williams and Hentges voted aye.

Absent and not voting: Cichy, Stanton.

The motion was declared carried.

Approved the Individual Voucher to Edling Electric:

Mr. Gallagher moved to approve the individual voucher in the amount of \$50,958.90 to Edling Electric for Partial Payment Request No. 4 for electrical construction in connection with Security Project No. 3 38 0017 11.

Second by Mr. Williams.

On the call of the roll, members Gallagher, Williams and Hentges voted aye.

Absent and not voting: Cichy, Stanton.

The motion was declared carried.

Approved the Individual Voucher to Ulteig Engineers, Inc.:

Mr. Gallagher moved to approve the individual voucher in the amount of \$35,896.28 to Ulteig Engineers, Inc. for Partial Payment Request No. 1 for engineering services in connection with Runway 8/26 and Parallel Taxiway Project.

Second by Mr. Williams.

On the call of the roll, members Gallagher, Williams and Hentges voted aye.

Absent and not voting: Cichy, Stanton.

The motion was declared carried.

Approved the Individual Voucher to Gateway Chevrolet:

Mr. Gallagher moved to approve the individual voucher in the amount of \$17,548.99 to Gateway Chevrolet for the purchase of one 1992 Chevrolet 3/4 Ton 4x4 Pickup (bid awarded November 19, 1991).

Second by Mr. Williams.

On the call of the roll, members Gallagher, Williams and Hentges voted aye.

Absent and not voting: Cichy, Stanton.

The motion was declared carried.

Received Communication from David Kane Proposing Purchase of Lot 15, Block 4, Airport First Addition, on a Contract for Deed:

Mr. Parmer stated that Mr. David Kane presently has an option on Lot 15, Block 4, in the Airport First Addition. In a letter dated February 7, 1992, Mr. Kane requested the privilege of exercising the option on this lot, in the name of his nominee, Bison Inn Properties, Inc. They propose to purchase the lot on a contract for deed from the Airport Authority for the balance due, utilizing a 20 year amortization schedule with 10% interest, paying the specials and taxes as they come due with a 24 month balloon payment of the balance. In his letter, Mr. Kane indicated that if he would be unable to secure financing for the project he would sell other properties that he has in order to purchase this land and pay the Airport Authority in full in the next 24 months.

Attorney Stewart stated that he has visited with Mr. Kane and apparently things aren't moving that fast on the project because of the economy.

Mr. Williams moved to approve the sale of Lot 15, Block 4, Airport First Addition to Mr. Kane, as outlined.

Second by Mr. Gallagher.

On the call of the roll, members Gallagher, Williams and Hentges voted aye.

Absent and not voting: Cichy, Stanton.

The motion was declared carried.

Attorney Stewart indicated he would prepare the Contract for Deed.

Received Report on American Airlines Terminal Space Requirements:

Mr. Parmer stated that a delegation from American Airlines was here a couple of weeks ago looking over the terminal and at that time they had not made a final decision on what space they would lease. Mr. Parmer stated that they have gotten back to him and they are requesting the former Frontier space and Gate 4 in the holdroom. He stated that the first tenant installed a jetway at Gate 4 but it is not American's intent to put a jetway there at this time. American will have an aircraft here overnight so they will require parking either at the jetway or some other area on the ramp. Mr. Parmer stated that since we purchased the jetway from Continental Airlines, Northwest Airlines has used the jetway for their overnigher. They do not lease any additional space in the departure lounge but do rent the jetway for \$50 per flight. In looking at the proposed schedule for American Airlines and the current schedule for

Received Report on American Airlines Terminal Space Requirements: (Continued)

Northwest Airlines, there is no problem other than with the overnight flights. American proposes to have an evening arrival of 8:12 and Northwest has an arrival at 8:32, which gives American only about 20 minutes to unload the airplane and move it away from the jetway.

Mr. Parmer stated that representatives of American will be here again on Wednesday and he is not sure if any of their plans have changed.

Mr. Parmer stated that as far as the baggage makeup area, when Continental and Republic left, United and Northwest leased additional space. United leased an additional 10'6" in the baggage makeup area and Northwest chose to lease all of the space previously leased to Republic. He stated we will need to make some adjustments in order to give American enough space to operate. Mr. Parmer stated he proposed to leave United as is with 40.5', take 13 or 14 feet from the additional space leased to Northwest Airlines leaving them with 56.5', which would give American Airlines 38'. He stated that all airlines require space in the baggage makeup area but there is a lot of storage back there that shouldn't really be there. He stated the reason it is there is because there is no other space for their ground equipment.

Mr. Ron Balvitsch, Northwest Airlines, was recognized and stated that since Northwest Airlines boards 80% of the passengers in Fargo and they have the most ground equipment he feels they need all of the space they have at the present time. He suggested that some of the former Republic operations space be utilized for American's space needs. He stated that if they lose some of their space they will not be able to keep their equipment inside and if it is stored outside it will be a hardship to them.

Vice Chairman Hentges asked Mr. Parmer if that was a viable option.

Mr. Parmer stated he does not know how equipment could be stored in the operations area. Mr. Parmer stated that he realizes everyone is concerned about space needs. He stated that when we agreed to lease the additional space to Northwest and United it was done so on a temporary basis until another air carrier would need the space. He stated that the reason he suggests leaving the space leased by United in tact is that we have violated United's space ever since moving into this building because the freight pickup/delivery door is adjacent to United's space. Mr. Parmer stated that he does not think Mr. Balvitsch is disputing the fact that American need space but he is just wondering if we could accommodate them by going into the operations space rather than the baggage makeup.

Mr. Gallagher asked if Northwest didn't just take over the space leased to Republic after the merger of the two airlines.

Mr. Balvitsch stated that Northwest paid for the space vacated by Republic for three years as it was still under lease. When that lease expired January 1, 1990 he got permission to lease the baggage claim area space, which is what they need to house their equipment and it would be a hardship on them to give up the space because there is no other place to put the equipment. He stated that American obviously is not going to have that much ground equipment.

Mr. Parmer stated he did not know how much equipment American would have but in reviewing the space with them they felt they needed more space than proposed.

Mr. Balvitsch stated that if a fifth airline were starting service he would understand where there was a need for space but that is not the case as there is other space available.

Mr. Williams asked why argue about it until we know for sure what they need.

Vice Chairman Hentges stated that when there were four airlines Northwest had 60% of the traffic and now with two airlines they are carrying 80% of the passengers so there should be some type of a float system for reserve space depending on enplanements. He stated that in his opinion if Northwest Airlines is going to continue to carry 80% of the traffic they are going to need space. Northwest is going to be a major force in the market for a long time.

Received Report on American Airlines Terminal Space Requirements: (Continued)

Mr. Parmer stated there is a clause in the airline leases about accommodating additional carriers. Even if all of the space was taken and another carrier came in, the present carriers would have to adjust their space to accommodate the new carrier. He stated we are just trying to accommodate everyone.

Vice Chairman Hentges asked if we are moving toward the time when our facility will be inadequate in the baggage makeup area.

Mr. Parmer stated that the baggage makeup area really is quite small. Mr. Parmer stated if Northwest Airlines had a building then they could put their equipment where it belongs.

Vice Chairman Hentges stated that we should make sure that Northwest and United are involved in any discussion about space.

Mr. Parmer stated that American Airlines has a copy of the lease and it is just a matter of filling in the blanks. He stated there is no negotiation necessary as all of the fees are already set.

Review Airport Authority Land Lease Contracts:

Mr. Parmer stated that the farmer leasing airport land, Mr. Arnold Larson, has fallen behind on his payments to the Airport Authority and has not been able to come up with a solution to bring his account to current status. He stated that when the Airport Authority leased some acreage to NDSU they had requested that if any additional land becomes available they would like to lease that as well. Mr. Parmer stated that when the new runway is constructed it will extend into some of the land leased to NDSU. He added that NDSU is aware of this. Mr. Parmer stated that if the Airport Authority cannot come to an agreement with the present tenant it should consider cancelling the lease and allowing NDSU to lease additional land.

Vice Chairman Hentges suggested the Attorney and Executive Director meet with Mr. Larson once more to attempt to resolve the situation as soon as possible. He stated the outstanding amount is a pretty good sum and the Airport Authority needs to protect itself.

Mr. Parmer stated that the Airport Authority did make a firm commitment to NDSU that they always have 40 acres available for their use. They have also shown interest in the land leased to Mr. Bill Heller should he ever retire. He stated that he has made it quite clear to Mr. Larson that this is a serious situation and that we must come up with a solution.

Vice Chairman Hentges stated we need to formalize the resolution attempt by setting deadlines. He suggested the Airport Authority receive a plan from Mr. Larson by its meeting on March 3 and be ready for the appropriate formal action on March 17, 1992.

Mr. Parmer stated that all of the farm leases include a recapture clause so that if the land is needed for airport development the Airport Authority regains possession.

Vice Chairman Hentges suggested the Executive Director and the Attorney determine Mr. Larson's ability and plan to pay.

Mr. Gallagher moved the Executive Director and Attorney be directed to give notice to Mr. Larson requiring a satisfactory plan be received by March 3 or final action to be taken by March 17, 1992.

Second by Mr. Williams.

All members present voted aye and the motion was declared carried.

Adopted Resolution of Appreciation to Mr. Dick Weak, United Airlines:

Mr. Gallagher offered the following Resolution of Appreciation to Mr. Dick Weak, Station Manager for United Airlines, and moved its adoption:

WHEREAS, Mr. Richard Weak, Station Manager for United Airlines at Hector Airport, has announced he will be leaving the position to take over the duties as station manager of the United Airlines operation in Lincoln, Nebraska, and

WHEREAS, Mr. Richard Weak, through his untiring devotion and dedication to duty, has been a credit not only to United Airlines, but to Hector Airport and the entire area it serves, and

WHEREAS, Mr. Richard Weak, in leaving his position at Hector Airport, will leave behind a list of accomplishments and awards that will be difficult to equal by his successor.

NOW, THEREFORE BE IT RESOLVED, that the Municipal Airport Authority of the City of Fargo, North Dakota, does hereby express its heartfelt thanks to Mr. Richard Weak for past services and wishes he and his family well in his new assignment.

BE IT FURTHER RESOLVED, that this resolution be inscribed upon the permanent records of the proceedings of the Municipal Airport Authority and that a certified copy of said resolution be forwarded to Mr. Richard Weak.

Second by Mr. Williams.

All members present voted aye and the resolution was declared to have been duly passed and adopted.

Mr. Williams moved to adjourn the regular meeting of the Municipal Airport Authority until the next regular meeting to be held Tuesday, March 3, 1992, at 10:30 a.m. in the Airport Boardroom.

Second by Mr. Gallagher.

All members present voted aye and the motion was declared carried.

Time at adjournment was 11:01 a.m.

Regular Meeting

Tuesday

March 3, 1992

The regular meeting of the Municipal Airport Authority of the City of Fargo, North Dakota was held on Tuesday, March 3, 1992, at 10:30 a.m. in the Airport Boardroom.

The members present or absent were as shown following:

Present: Hentges, Gallagher, Williams, Cichy and Stanton

Absent: None

Others: Stewart, Bromenschenkel, MacLeod

Chairman Stanton presiding.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held February 17, 1992:

Mr. Hentges moved to approve the minutes of the regular meeting of the Municipal Airport Authority held February 17, 1992.

Second by Mr. Williams.

All members present voted aye and the motion was declared carried.

Approved the Airport Vouchers Totaling \$53,408.98:

Mr. Hentges moved to approve the airport vouchers totaling \$53,408.98.

Second by Mr. Gallagher.

On the call of the roll, members Hentges, Gallagher, Williams, Cichy and Stanton voted aye.

No member being absent and none voting nay the motion was declared carried.

Representatives of 3M Music Presented Proposal for Music in the Terminal:

Mr. Brian Litton, Office Systems, Inc., was recognized and stated that he has visited with Mr. Parmer over the past several years regarding music for the terminal building. He stated that 3M has developed something new and they have a music system that is transmitted over satellite. He explained that there are several types of music available and that many other airports in the area use this system. He stated that for many people waiting at the airport it may be their first time here and familiar music in an unfamiliar environment can have a positive effect. He reviewed the four different programs offered:

1. Ambiance instrumental, traditional music
2. Lite FM all original artists scanning four decades of music
(most widely used)
3. Class Act soft, all instrumental, all original artists,
fresh recordings of classics, easy jazz

Representatives of 3M Music Presented Proposal for Music in the Terminal: (cont.)

4. Best of the Charts Top 40/pop/rock

He stated that other airports in the state using this system are Grand Forks and Minot. He added that Minot is using all four channels and they are able to switch channels whenever they wish. He stated that music eases waiting and makes people feel more comfortable. Mr. Litton stated that Pete Haug (Barnstormer) has expressed an interest in a music system.

Chairman Stanton asked if it would cover the entire terminal.

Mr. Litton stated that would depend upon the hardware, but as far as he knew it would tie in the with present sound system. He stated that after visiting with Mr. Parmer he suggested getting input from the other tenants and they did do a survey of the tenants in the building and the response from them was overwhelmingly positive.

He stated some of those with positive responses were managers from United, Northwest, Avis, Budget and National Car Rental.

Chairman Stanton asked the cost of the system.

Mr. Litton asked first of all if the members favored one channel over another or even more than one channel.

Mr. Cichy stated that he felt it was hard to make a decision without hearing them but it was his opinion that the music be soft so as not to interfere with activity in the terminal.

Mr. Litton stated he received some of the same comments from the other tenants. He added that the "Ambiance" channel is not typical "elevator music" any more, and the "Class Act" channel is also beautiful music.

Chairman Stanton asked about the acoustics in the building.

Mr. Litton indicated there were more than ample speakers in the building to provide excellent coverage.

Mr. Hentges asked if the Executive Director has conducted his own survey of the tenants.

Mr. Parmer indicated he has not but that he could.

Mr. Litton stated the cost of the system is \$55 per month for rental of the dish and receiver. There would also be a one time fee of \$300 \$400 for installation of the dish.

Mr. Parmer stated that he has not talked with the individual tenants recently but shortly after moving into this building he checked with the tenants and at that time they did not see any need for it. If they have changed their mind on the matter they have not told him. He stated he can certainly sit down with the managers and get their feelings.

Mr. Hentges asked how much it would cost for all four channels.

Mr. Litton stated that all four channels would cost \$104/month and they lease the equipment from 3M on five year terms so they in turn ask for a five year term.

Mr. Williams stated he would like to know the feelings of the other tenants.

Mr. Parmer stated he would meet with the tenants and come back with a recommendation.

Mr. Bromenschenkel asked if the paging system would override the music.

Mr. Litton state the music would cut out during announcements.

Mr. Williams moved to refer the matter to the Executive Director for further review and recommendation.

Second by Mr. Cichy.

All members present voted aye and the motion was declared carried.

Received Communication Concerning Passenger Facility Charge:

Authority members received a copy of a communication dated February 18, 1992, from Mr. Bill Syverson, Fargo, encouraging the Airport Authority to inaugurate the Passenger Facility Charge.

Mr. Hentges moved to receive and file the communication from Mr. Syverson.

Second by Mr. Williams.

All members present voted aye and the motion was declared carried.

Approved Assignment of Lease West Winds Condominium:

Mr. Parmer stated there has been another assignment of lease in the West Winds Hangar Condominium which needs the approval of the Airport Authority. He stated that Attorney Stewart has drawn up the lease assignment.

Mr. Williams moved to approve the assignment of lease from Des Moines Tire Company to Arrow Partnership and that the Chairman be authorized to execute same.

Second by Mr. Hentges.

All members present voted aye and the motion was declared carried.

Reviewed Lease Arrangement for American Airlines:

Mr. Parmer stated that Mr. Jesus Gonzales, American Airlines (General Manager Rochester, MN) is here today and can fill us in on some details on American's plans.

Mr. Gonzales was recognized and stated that he will be indirectly in charge of their new station in Fargo. He stated they are tentatively planning on scheduling two flights per day starting May 1. He stated they are in the process of finalizing the architectural/electrical plans for the space formerly occupied by Continental Airlines. He stated that if there are no complications they will be inaugurating service on May 1st. They are planning an introductory flight with the F100 on March 13th.

Mr. Parmer stated that American Airlines now plans to have their own loading bridge in place on Gate 4 in time for their inaugural flight so they will not need the use of the jetway on Gate 3, which is presently used by Northwest Airlines.

Mr. Gonzales stated that it looks like they will be on time with their jet bridge. He stated they are happy to finally start serving Fargo and they hope the community helps them out with traffic.

Mr. Parmer stated that they also have some remodeling plans for the space and those will not be ready until the next meeting. American is working with Foss Associates on the plans and he presented a rough sketch of the proposed changes to the operations area, which are mostly cosmetic. He stated they do have some electrical requirements on the ramp at Gate 4. In the departure lounge at Gate 4, the former Republic ticket lift station is still located there and used by Northwest Airlines. He stated they will have some signage requirements and will also have a mobile counter to service passengers at the baggage claim area. Mr. Parmer stated these changes will be presented to the Airport Authority in more detail at a later date. He stated it is encouraging that American will have their jetway in place as there was some conflict with the evening arrivals of American and Northwest.

Mr. Parmer provided the members with copies of a letter from Mr. F.I. Savage, Corporate Real Estate, American Airlines, outlining their space requirements, as well as his response to him. He stated he also included a copy of a letter he wrote to Mr. Daniel DeBord, Regional Manager, Properties, Northwest Airlines. He stated he has not heard from Mr. DeBord since his letter but he didn't feel Mr. DeBord had any problem with the space adjustments, he was more concerned with the usage of the jetway at Gate 3. Mr. Parmer stated that Attorney Stewart has been in contact with Mr. Savage and has drafted the lease, which is the same as the other carriers. He stated American has indicated no problems with the lease. The term of the agreement will be three

Reviewed Lease Arrangement for American Airlines: (Continued)

years to coincide with the existing leases with the air carriers, expiring December 31, 1994. He stated that at the next meeting everything should be in place and presented to the Airport Authority in more detail.

In answer to a question from Chairman Stanton, Mr. Parmer stated American's schedule is as follows: departing at 8:10 a.m. and 2:00 p.m., and arriving at 10:49 a.m. and 8:12 p.m.

Mr. Cichy asked Mr. Parmer if Mr. DeBord has any reservations about the proposed space adjustments.

Mr. Parmer stated Mr. DeBord indicated he would talk with Mr. Ron Balvitsch after their conversation. Mr. DeBord indicated he was aware of the recapture clause in the lease for the additional space (900 sq. ft) in the baggage makeup area. Mr. Parmer stated that we are recapturing only a small portion of the additional space.

Chairman Stanton asked if that means that everyone is happy with the proposed space arrangements.

Mr. Parmer stated that the local Northwest people would like to maintain the space they have now but it should not cause that much problem to give up some of that additional space.

Chairman Stanton stated that the terminal was built for four airlines and there should be enough room for everyone.

Mr. Steve Nistler, Northwest Airlines, was recognized and stated he talked to Mr. Balvitsch this morning and he had not heard anything different from Mr. DeBord. Mr. Balvitsch wants to keep the same space.

Mr. Parmer stated he has proposed to American Airlines the space he recommends and if the Airport Authority wishes to go against his recommendation that is up to them.

Chairman Stanton stated she thinks there should be enough space down there to accommodate everyone.

Mr. Parmer stated that we accommodated four airlines in the same space before and some of the equipment that is being stored in the baggage makeup area should not even be there. It is a baggage makeup area, not a garage. He stated that after showing American Airlines the proposed space they indicated they would like even more space. They asked about a location to build a facility to store their ramp equipment. Mr. Parmer stated there certainly is area but any facility would have to follow the Airport Master Plan.

Mr. Cichy asked about any space that is not presently being leased.

Mr. Parmer stated that the space not presently being used is office space formerly occupied by Republic Airlines. He stated if that space was leased to one of the airlines that would also be on a temporary basis should a fourth airline begin service to Fargo.

Mr. Gallagher asked about area at the west end of the terminal where maintenance vehicles are presently stored.

Mr. Parmer stated we do not want to involve that area in baggage makeup.

Mr. Gallagher stated it looks as if that is a place to store equipment which is not used very often.

Mr. Bromenschenkel asked if the security cage which was placed there by Republic Airlines, and subsequently taken over by Northwest Airlines after the merger, was going to be taken away from Northwest Airlines, and if so, Northwest Airlines should be compensated for that since it was placed there by Republic Airlines.

Mr. Parmer stated that after Republic's lease expired that became the property of the Airport Authority. Mr. Parmer stated he would try to contact Mr. Dan DeBord again today. He added that the distribution of space in the baggage makeup area as proposed is the best we can do at this time.

Reviewed Lease Arrangement for American Airlines: (continued)

Chairman Stanton asked if two of the members would be willing to review the space and make a recommendation.

Mr. Williams stated that the Executive Director is running the terminal and since he is here on a day to day basis he is in the best position to make a recommendation, not the Airport Authority members.

Chairman Stanton asked what the role of an Airport Authority member is?

Mr. Williams stated it is the responsibility of the Airport Authority to set policy.

Chairman Stanton stated as far as she is concerned that is policy.

Mr. Gallagher stated he still has not gotten an answer concerning the equipment stored at the west end of the building. If this is equipment that belongs to Northwest Airlines and obviously not all of the airlines would have this type of equipment and if Northwest is allowing other airlines to use their equipment we should cooperate with them.

Mr. Nistler stated that Northwest Airlines has leased the space for a number of years and they feel they are entitled to further consideration.

Mr. Williams stated that we have been trying to get another carrier in here and now that they are coming we are going to tell them to operate out of a closet.

Mr. Gallagher stated the terminal was built for four airlines.

Mr. Williams stated he does not know why they can't lease some of the old Republic office space.

Mr. Hentges stated he always strongly looks to the Executive Director's recommendation so the Airport Authority does not get involved in these situations. He stated it is essential to him that we have something in writing from Northwest properties representatives formalizing their response. He stated that we want to accommodate American Airlines but we have a major carrier here now that needs to function. He stated it is essential to him that he knows from Mr. Ron Balvitsch that the final decision is agreeable to all parties.

Mr. Parmer stated that Northwest Airlines will still be able to operate very efficiently.

Chairman Stanton stated that in two weeks the Airport Authority will make a decision and it is up to each member to do their own homework. That is why we have an Airport Authority, to make policy and to make some decisions.

Millie MacLeod Reviewed Plans for Moorhead Airport:

Mrs. Millie MacLeod, member of the Moorhead City Council, was recognized and stated she wished to bring the Airport Authority up to date on Moorhead's plans for an airport. She stated that the question of a Moorhead airport has been discussed for many years. They first started back in 1964, which was before her time on the council, and it has been brought back to the table several times since then. In 1980 there was interest expressed by some of the businesses in the Moorhead Industrial Park wondering where the plans for the airport were so they were brought back again and the plans were updated. At that point they were looking at an area just east of the Industrial Park and within five mile radius of Hector Airport, which was alright at that time. Again, it was in Moorhead township and because of the law in Minnesota at that point they needed concurrence of the Clay County Commission and they were not able to get that because of concern over competition with the Hawley Airport. Again there was interest expressed by general aviation aircraft owners as well as interest in developing the Industrial Park, so now that we have an Economic Development Director the old airport committee from Moorhead and other interested parties decided to resurrect the issue and settle it once and for all. The plans have been updated

Millie MacLeod Reviewed Plans for Moorhead Airport: (Continued)

and in dealing with the FAA it was found that the Fargo Airport Authority has plans to extend the zone from five miles to seven miles so their original site was in conflict and they had to look at other sites still wanting it to be close to the Industrial Park. They moved the proposed site one mile further east, near the site of the now defunct Double D. Their plans are for a general aviation airport with a 3300 foot runway with eventual plans to extend that to 4400 feet. The prime use of the airport would be for small planes but also to accommodate some twin engine planes. Moorhead is the largest city in Minnesota that does not have its own airport. They feel with an airport like this they could also expand related business around the airport. The plan calls for a small office for an FBO, 8 12 T hangars, and a small fuel facility. She stated their biggest problem potential problem at the point is the owner of the Double D now resides on that site. The estimated cost of the airport is \$1.2 million. Moorhead's share after state participation is approximately \$350,000. If everything goes right construction would begin in 1993 and funds would come out of capital improvement funds and they would not have to go before the people for a bond issue. They would buy minimum acreage so the other land around the airport could still be farmed.

Mrs. MacLeod stated the proposed site is in Glyndon Township and they have been working with township officials. So far their planning money has been matched by the State of Minnesota (2/3, 1/3). They are still not locked into construction and the decision is yet to be made by the city council. She stated that the Fargo Airport Authority will probably be getting some calls on the matter and she wanted them to be apprised of the details. She added that she plans to continue to update the Fargo Airport Authority as they move along. She stated they have already received inquiries from interested FBO operators.

In response to a question from the board, Mrs. MacLeod stated the traffic control would be handled by the Fargo tower. She added that they do plan to have a lighted facility but never plan to have their own control tower. She stated they are working with Minn Dak and the FAA on that.

Mr. Hentges stated that he looks forward to that growth and development for Moorhead but as Hector Airport moves ahead with its development the Airport Authority would appreciate being made aware of any conflicts in advance. He stated that the funding for the Moorhead airport is local so we are not in competition with them for any federal funding.

Mr. Parmer stated he has received some calls about the airport already but he does not plan on getting involved in the debate. He stated that people have asked him if Hector Airport is saturated as far as general aviation and his answer to them is that we have a Master Plan and we are going to develop a new general aviation area. Right now there is no place for additional facilities in the general aviation area but with the construction of the cross wind runway it will open up 100 acres for general aviation development. He added that Hector Airport will continue to develop with or without Moorhead's airport.

Mrs. MacLeod stated that is their point also. In 1977 there was talk about a joint Airport Authority and she worked to promote that. She stated the reason that fell through was because of the opposition from some of the close neighbors on the North Dakota side. She sees Moorhead's airport as a compliment to Hector Airport, not a conflict.

Mr. Bromenschenkel asked if Mrs. MacLeod felt it was time to open up talk about a regional airport authority.

Millie MacLeod Reviewed Plans for Moorhead Airport: (Continued)

Mrs. MacLeod stated that from her personal perspective she had no problem with that but she felt that Fargo would first need to get support from its own neighbors before approaching the Minnesota communities.

Chairman Stanton stated there was also some conflict with funding, bonds and other issues.

Mrs. MacLeod added that if there are any further questions please feel free to contact her.

Mr. Williams moved to adjourn the regular meeting of the Municipal Airport Authority until the next regular meeting to be held Thursday, March 19, 1992 at 10:30 a.m.

Second by Mr. Hentges.

All members present voted aye and the motion was declared carried.

Time at adjournment was 11:35 a.m.

Regular Meeting

Thursday

March 19, 1992

The regular meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held on Thursday, March 19, 1992 at 10:30 a.m. in the Airport Boardroom.

The members present or absent were as shown following:

Present: Hentges, Gallagher, Stanton

Absent: Williams, Cichy

Others: Stewart, MacLeod

Chairman Stanton presiding.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held March 3, 1992:

Mr. Hentges moved to approve the minutes of the regular meeting of the Municipal Airport Authority held March 3, 1992.

Second by Mr. Gallagher.

All members present voted aye and the motion was declared carried.

Approved the Airport Vouchers Totaling \$49,947.00:

Mr. Gallagher moved to approve the airport vouchers totaling \$49,947.00.

Second by Mr. Hentges.

On the call of the roll, members Hentges, Gallagher and Stanton voted aye.

Absent and not voting: Williams, Cichy.

The motion was declared carried.

Approved the Individual Voucher to Ulteig Engineers, Inc.:

Mr. Hentges moved to approve the individual voucher in the amount of \$442.48 to Ulteig Engineers, Inc. for Partial Payment Request No. 9 for engineering services in connection with FAR Part 107.14 Security Update, Project No. 3 38 0017 11.

Second by Mr. Gallagher.

On the call of the roll, members Hentges, Gallagher and Stanton voted aye.

Absent and not voting: Williams, Cichy.

The motion was declared carried.

Approved the Individual Voucher to Ulteig Engineers, Inc.:

Mr. Hentges moved to approve the individual voucher in the amount of \$15,937.44 to Ulteig Engineers, Inc. for Partial Payment Request No. 2 for engineering services in connection with Runway 8/26 and associated items.

Second by Mr. Gallagher.

On the call of the roll, members Hentges, Gallagher and Stanton voted aye.

Absent and not voting: Williams, Cichy.

The motion was declared carried.

Received and Filed Statement of Operations for the Month of January 1992:

Mr. Gallagher moved to receive and file the Statement of Operations for the Month of January 1992.

Second by Mr. Hentges.

All members present voted aye and the motion was declared carried.

Reviewed American Airlines Plans for Terminal Space:

Mr. Parmer stated that American Airlines has retained the services of Foss Associates for renovations to their space in the terminal. He stated that Mr. Mark Foss and representatives of American Airlines were present to give further details.

Mr. Mark Foss was recognized and stated that the American properties representative is Mr. Peter Bjostad and with him are two other representatives, Mr. Jesus Gonzales, who will be the interim general manager, and also Kari Acre.

Mr. Foss stated that the main changes will be in the electrical and communications areas but that they will also cover the signage requirements.

Mr. Joel Kath, Ulteig Engineers, was recognized and stated that in order to get the site operational for American Airlines the main part of the electrical changes will be behind the scenes in the existing office space and they will be putting a computer system at the ticket counter by the gate. The only change that will affect the aesthetics will be some recessed lighting at the ticket counter area to highlight their sign. He stated the partitions in the office area will remain the same. American will be bringing in some modular furniture we will connect power to that for the computer equipment. He stated that contractors will be coming in this afternoon to walk through the space in order to prepare bids. Mr. Kath stated there will also be some exterior electrical changes on the ramp. He stated there is an existing wireway which now have a few Northwest Airlines receptacles and they will be adding some receptacles for American. He stated there is nothing else cosmetic, mostly conduit.

Mr. Parmer stated the electrical receptacles being used by Northwest Airlines were formerly used by Republic. He stated that American shows that they will have nine pieces of equipment requiring power.

Mr. Foss showed the proposed plan for the ticket counter area along with photos of other typical American Airlines facilities. He stated the back wall signage is pretty standard. He stated that American is requesting approval of signage along the west wall in their gate area. The other airlines do not have this type of sign because the other gate areas are mostly windows. Mr. Foss stated that on behalf of American Airlines he is requesting the Airport Authority's approval of their signage. The remodeling in the former Frontier Airlines space will be mainly painting and replacing ceiling tile. Mr. Foss stated that the cost for all electrical and general construction is estimated to be just over \$40,000. Bids will be received March 25 with construction to be completed by April 23 so that American can be ready to start service May 1.

Reviewed American Airlines Plans for Terminal Space: (Continued)

Mr. Parmer stated that he wants the Airport Authority to understand that the space in the baggage makeup area as shown in this proposal was on the basis of his recommendation. He stated following the last meeting he sent an excerpt of the minutes to Mr. Dan DeBord, Northwest Airlines, and asked him to review them and contact him if he had any different recommendation. Mr. Parmer stated he has not heard anything further from Mr. DeBord. He called Mr. DeBord this morning but he was not available. Mr. Parmer stated Mr. Trey Savage, American Airlines Properties, told him the other day that he has talked to Mr. DeBord and that Mr. DeBord indicated he had no problem with the space changes.

Mr. Hentges stated he assumes that the Executive Director has followed the proper channels in this process but before proceeding with any changes he wants to be sure that the local manager and his people are able to work with this arrangement. He stated that the Airport Authority wants to do what it can to make other space available to Northwest Airlines if it is needed.

Chairman Stanton asked if the signage and space proposals are to be considered as one package proposal.

Mr. Parmer stated that the space proposal, in the form of exhibits, is part of the lease arrangement prepared by Attorney Gary Stewart and have been forwarded to American Airlines and he was informed that Mr. Crandall, President of American Airlines, had put his stamp of approval on the Fargo project, including the installation of a jetway at Gate 4.

Chairman Stanton stated that the Airport Authority has had some concern about the needs of Northwest Airlines and how they were going to be handled.

Mr. Steve Nistler, Northwest Airlines, was recognized and stated he was representing Mr. Balvitsch and that they wish to keep the additional space they are leasing but if they are not able to keep the entire area they will be removing the security cage and relinquish all of the space.

Mr. Parmer stated that he understands, as does Mr. DeBord, that Mr. Balvitsch would like to keep the additional space, but the space allocation changes will not hamper Northwest Airlines' operation in the baggage makeup area.

Mr. Gallagher stated the matter seems to be less than clear. He does not understand Mr. Nistler's comment about the cage.

Mr. Nistler stated that Mr. Balvitsch talked to Mr. DeBord and he indicated to Mr. Balvitsch that he could keep the security cage area.

Mr. Hentges asked if the former Republic office space which is not presently occupied would be made available to Northwest Airlines if they need it.

Mr. Parmer stated that American Airlines may request to lease some of that space on a temporary basis for storage.

Mr. Hentges stated that he would like to see us go through the overall back area and review what is being stored there.

Mr. Parmer stated that is a big point. There is a lot of equipment that shouldn't be there.

Mr. Hentges stated that possibly the Airport Authority staff has some equipment stored there that could be stored elsewhere.

Mr. Parmer stated that our equipment is stored on the west end and it is equipment used for the maintenance of this building.

Mr. Hentges stated that is Mr. Parmer's responsibility and he does not want to get into that. He stated that the Airport Authority wants to accommodate everyone and he would like to think we could do that.

Chairman Stanton stated the sense of the Airport Authority is that we want to be fair to all airlines and she doesn't know why that can't be accomplished without much ado.

Reviewed American Airlines Plans for Terminal Space: (Continued)

Mr. Parmer stated he felt he was being fair.

Chairman Stanton stated she gets the impression that Northwest Airlines is not pleased with the arrangement.

Mr. Hentges moved the Airport Authority accept the Executive Director's recommendation and along with that there would also be an effort to get everyone's consent to the arrangement.

Chairman Stanton asked if that was a "may" or a "shall" because if Mr. Hentges wants this motion to mean something that should be a condition of the motion.

Mr. Hentges stated he relies on the Executive Director to get together with representatives of Northwest and American.

Chairman Stanton stated she understands that there is not a lot of time but she does not understand why the availability of space should be such a problem when we accommodated four airlines before. She added that the motion includes that Mr. Parmer work out the arrangement with Northwest and American. Chairman Stanton asked for a second to the motion.

Mr. Gallagher stated that in other words we are approving the recommendation of the Executive Director.

Chairman Stanton stated with the reservation that the arrangement be worked out with all parties.

Mr. Hentges stated that it is not a condition in the fact that if it doesn't get worked out that we don't go ahead. We should make a good faith effort with the parties involved and see if there are some things that could be adjusted without delaying the project and to resolve everyone's concerns. If they cannot be resolved we have to go ahead with the project.

Mr. Gallagher asked if we could split the proposal and approve only the signage portion.

Mr. Parmer stated it is all part of one agreement, including exhibits identifying various areas, and this agreement has been forwarded to American Airlines and approved by them.

Mr. Gallagher stated that we don't have any agreement. He asked about the podium at Gate 4.

Mr. Parmer stated that Northwest Airlines took over that podium when Republic's lease expired but they do not have a lease on that space. He stated he has talked with Mr. Balvitsch about relocating that podium. Northwest Airlines is not leasing Gate 3 but have been using the area as they are renting the jetway at Gate 3 for one overnight flight. Mr. Parmer stated that American Airlines is putting communications equipment at the Gate 4 position. If Northwest Airlines wishes to put a new ticket station in place at Gate 3 then the Airport Authority will have to determine if Northwest should lease the gate space. This space would lease for approximately \$34,000 per year.

Chairman Stanton asked what would happen if Northwest Airlines removed the security cage.

Mr. Parmer stated that American Airlines would have to build a new one. He stated that the purpose of that cage should be to secure property. He stated that Northwest Airlines is using it for storage. He stated they already have a cage in their area that is secure.

Mr. Hentges stated he is sure the airlines would like a friendly, cooperative relationship as sometimes they rely on each other, and he would like to think that things will work out. Mr. Hentges stated he sees this as all or nothing.

Mr. Parmer stated that in his recommendation American Airlines ends up with the smallest portion of space in the baggage makeup area.

Mr. Hentges repeated his motion.

Mr. Gallagher stated he would like the Executive Director to report back at the next meeting.

Reviewed American Airlines Plans for Terminal Space: (Continued)

Mr. Parmer stated we need a decision today so that American can proceed.

Mr. Hentges stated that Mr. Balvitsch will be back before any changes are started.

Chairman Stanton stated she hopes this can be settled within a couple of days and if it is not, depending what happens with this motion, we may have to meet again. She stated that this should be able to be settled peacefully and she does not look at the airlines as being the problem. She asked if Northwest and American has talked about the space.

Mr. Bjostad indicated that the properties people have had discussions.

Mr. Hentges stated that his motion included that the Executive Director address the concerns the best he can.

Chairman Stanton stated that if this matter cannot be settled amicably among all of the parties the Airport Authority may have to meet again and settle it once and for all. She stated she does not want to hold up American. They are anxious to be here and we are anxious to have them. She stated we have enough space to accommodate everyone.

Mr. Foss stated that the only change in their proposal that involves the security cage is to make the doors more operable and to furnish locks.

Mr. Gallagher seconded the motion by Mr. Hentges.

Mrs. Stanton stated that this motion definitely has a sense of Mr. Parmer working this out with Northwest and American so that the space requirements of both airlines be met.

All members present voted aye and the motion declared carried.

Chairman Stanton added that if this matter is not settled we may have to call another meeting.

Reviewed Farm Contract Leases:

Attorney Stewart stated that he and Mr. Parmer were assigned the task of working with Mr. Arnold Larson on a payment arrangement with securities for the amount due on his farm lease for 1992 and scheduled payments for past due amounts.

Mr. Parmer stated that in their discussions with Mr. Larson he also requested an extension of this agreement and Attorney Stewart felt that should be a separate agreement.

Attorney Stewart stated they had not negotiated an extension but that can be done and a separate agreement drafted.

Mr. Hentges stated that if Mr. Larson can meet his obligations we would extend the agreement under fair terms.

Mr. Hentges moved to approve the recommendation of the Executive Director and the Attorney as to the resolution of the obligation of Mr. Arnold Larson.

Second by Mr. Gallagher.

All members present voted aye and the motion was declared carried.

Discussed Window Recaulking Westside Terminal:

Mr. Parmer stated he does not have any final figures for repair yet but we have had problems with the windows leaking in some areas. He stated the recaulking might have to extend the entire length of the building. He stated he will get final figures for the next meeting but he estimates but that an approximate cost is \$6,000 8,000.

Mr. Gallagher moved to authorize the Executive Director to get the best bid possible and proceed without delay.

Second by Mr. Hentges.

On the call of the roll, members Hentges, Gallagher and Stanton voted aye.

Absent and not voting: Williams, Cichy.

Mr. Hentges now absent.

Received Notice of North Dakota Air Cargo Feasibility Study Final Report Meeting:

Mr. Parmer stated the Airport Authority has received notice of the North Dakota Air Cargo Feasibility Study Final Report Meeting which will be held on Friday, March 27 in Bismarck. Mr. Parmer stated he plans to attend and then also meet with Milt Heupel, FAA, regarding Runway 8/26 the same day. Mr. Parmer stated that the FAA has indicated to Wes Schon, Ulteig Engineers, that Congress is talking about a supplemental appropriation to the AIP Program and the discretionary dollars will be dictated as to what comes out of that congressional action. He added that we are looking for \$4 million in discretionary funding.

Other Business:

Mr. Parmer stated that Beth Neva, Meridian Publishing, is present to answer any questions the Authority members may have about her recent proposal for an airport publication.

Chairman Stanton stated she felt it would be best if there were more members present so they postponed meeting with Ms. Neva until the next meeting when more members are present.

Chairman Stanton adjourned the meeting of the Municipal Airport Authority until the next regular meeting to be held Tuesday, April 7, 1992 at 10:30 a.m. in the Airport Boardroom. Time at adjournment was 11:03 a.m.

Regular Meeting

Tuesday

April 7, 1992

The regular meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held on Tuesday, April 7, 1992 at 10:30 a.m. in the Airport Boardroom.

The members present or absent were as shown following:

Present: Hentges, Gallagher, Cichy, Stanton
Absent: Williams
Others: Stewart, Bromenschenkel, MacLeod

Chairman Stanton presiding.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held March 19, 1992:

Mr. Gallagher moved to approve the minutes of the regular meeting of the Municipal Airport Authority held March 19, 1992

Second by Mr. Hentges.

All members present voted aye and the motion was declared carried.

Approved the Airport Vouchers Totaling \$37,147.23:

Mr. Cichy moved to approve the airport vouchers totaling \$37,147.23.

Second by Mr. Gallagher.

On the call of the roll, members Hentges, Gallagher, Cichy and Stanton voted aye.

Absent and not voting: Williams.

The motion was declared carried.

Received Letter from North Dakota Army National Guard Regarding Armory Road Extension:

Mr. Parmer stated that he received a communication from Col. Ronald Gangness, Director of Facilities Engineering, North Dakota National Guard, dated March 31, 1992, requesting the Airport Authority consider an extension of the 31st Street NW which was upgraded to an asphalt road bed to facilitate access to the National Guard Organizational Maintenance Shop (OMS) constructed on airport property in 1989. They are in the process of preparing the bid documents for the Fargo Armed Forces Reserve Center which will be located west of the existing OMS. Vehicular parking/circulation requirements imposed by the size of this facility necessitates an additional entrance, approximately 265' south of the current termination of 31st Street. This extension is being requested to provide access from 31st Street to this additional entrance as noted on the enclosure C2.1. Construction of this facility is scheduled to be

Received Letter from North Dakota Army National Guard Regarding Armory Road Extension:
(Continued)

completed mid summer 1993. It is also requested that the condition of the existing portion of 31st Street NW be verified by proper authority. Some deterioration of the edges has been reported. Their concern is that the existing damage is not accelerated by heavy equipment activity during construction of the Fargo Armed Forces Reserve Center.

Mr. Parmer explained that we leased a parcel of ground in the Airport Industrial Park to the North Dakota Army National Guard for their maintenance facility and they plan to put their helicopter maintenance facility to the east of that. Water and sewer were run to the site and we also approved the roadway off County 20 to the facility. The total cost of the project was about \$420,000, of which the Airport Authority invested \$232,000, \$103,000 from the Fargo Community Development Fund, \$85,000 from the City General Fund. Since that time the Airport Authority has leased a parcel of ground to the Army for their armory site. The FAA viewed this as a non aeronautical use of the land and required that the Airport Authority return \$26,000 to the FAA (since they participated in the purchase of the land) which will be done when Project 3 38 0017 11 is finalized. Mr. Parmer stated that when the Airport Authority extends into that area we will be extending the road for future clients in the Airport Industrial Park.

Mr. Gallagher asked Mr. Parmer if this meets his approval.

Mr. Parmer stated that he anticipated this request and when we get another client in the Industrial Park the roadway would be extended eventually anyway. Mr. Parmer stated that a decision is not necessary today because construction of the facility will be completed in the summer of 1993. He added that we may want to wait until they are finished with their construction project before extending the roadway as the heavy construction equipment could damage the roadway.

Mr. Hentges moved to receive and file the communication from the North Dakota National Guard and to authorize the improvements as requested.

Second by Mr. Cichy.

On the call of the roll, members Hentges, Gallagher, Cichy and Stanton voted aye.

Absent and not voting: Williams

The motion was declared carried.

Reviewed Runway 8/26 and Associated Projects:

Mr. Parmer stated that he and Mr. Wes Schon, Ulteig Engineers, met with the FAA in Bismarck last week regarding the Runway 8/26 project. Mr. Schon drafted minutes of the meeting and Mr. Parmer distributed those to Authority members. Mr. Parmer stated that we have discussed at great length with the FAA the design of the runway as there is some discrepancy with our plan for the runway to be 100' x 5800'. He stated that cost seems to be the FAA's concern. In addition to Runway 8/26 and the parallel taxiway this project includes some reconstruction and rehabilitation of Runway 17/35, construction of new signs and installation of runway surface sensor system. Total estimated cost of the project is \$6,893,000. After Project 3 38 0017 11 has been completed we will have \$2.3 million in our enplanement fund and we are asking the FAA for about \$3.5 million of discretionary dollars. There isn't any money available in the discretionary fund right now. Everyone is looking to Congress to appropriate more money from the trust fund for jobs creation. If that would happen we would have a good chance of getting this project financed. Mr. Milt Heupel, FAA, pointed out that we must be realistic and if there are no discretionary funds available we have to

Reviewed Runway 8/26 and Associated Projects: (Continued_

look at what we can do with a \$2.5 to \$3 million project. Our design right now calls for 100' wide and 5800' long and the Airport Authority has gone on record as wanting 100' wide. He stated that Mr. Heupel indicated that after the final analysis we may have to shorten the length of the runway in the first stage development and we would possibly be able to justify the 100' width. If funding for the entire project is not available a major concern will be the area between Taxiways A and B. There is a lot of work and cost involved and that portion of the project alone will be approximately \$2 million. Mr. Parmer stated that right now we are not sure what will happen. We do not want to go in between the taxiways with a project that is going to require us to tear it up and redo it a few years down the road. We are hoping that enough dollars will come forth so that we can do a job that will really mean something. Construction of this runway will cause some problems for the air carriers as they will have to operate from the Taxiway Alpha and those have not yet been cleared up. In talking with the airlines last summer Northwest indicated they had no problem with that but United indicated there would be a problem for them. We have not made formal application to the airlines for this. He stated he also talked briefly with American Airlines on the matter but they have not given him any indication either way as they were not familiar with the project.

Mr. Parmer stated that before any general aviation development in the northeast corner of the airport begin we must have this new runway/taxiway system to serve the area.

Chairman Stanton asked when we will know if funding is available.

Mr. Parmer stated that a few months ago the FAA asked us if we would be ready to go to bid May 31, and we told them that we would and directed the engineer to proceed.

Chairman Stanton asked how much more the additional 25' width would cost.

Mr. Parmer stated the estimate on 75' x 5800' was \$5.2 million and the application for 100' x 5800' shows \$5.5 million, so the difference would be \$300,000.

Mr. Schon stated if the runway was ever widened in the future we would have to tear out all of the lights, signs, nav aids, besides disrupt the whole intersection again. He stated that the FAA is willing to go with the 100' at this time if the runway is shortened and he felt that was a fair proposal.

Mr. Parmer stated that no action by the Airport Authority is required today but this was simply a report to update the Authority.

Received Letter from Mr. Steve Adams Concerning Runway 8/26:

Mr. Parmer stated he received a letter from Mr. Steve Adams with concern about the construction of Runway 8/26 and the closing of Runway 13/31. Mr. Parmer stated that Mr. Adams is present to address the board.

Mr. Steve Adams was recognized and stated that his main concern was the closing of Runway 13/31 which would mean those with general aviation aircraft in the present general aviation area would have to taxi about a mile and a half to get to and from their hangars.

Mr. Parmer stated that Runway 8/26 is not something that the Airport Authority just established. He stated that Runway 8/26 was on our first master plan which was adopted in 1969 and accepted by the Board of City Commission. It was also at that time that the Airport Authority was created in order to implement the plan. This plan was done after much study and public hearings on the project. Once the plan was completed it was approved by all governmental entities involved. He stated that when the plan was brought to the planning commission the cross wind runway was about 1,000 ft. further south and had about a ten degree difference in

Received Letter from Mr. Steve Adams Concerning Runway 8/26: (Continued)

alignment. He stated the area south of Edgewood Golf Course was being developed at that time and the planning commission asked if the runway could be moved 1,000 ft. to the north and rotated ten degrees. A wind coverage analysis was made at that time and although it was a little less than Runway 13/31 it wasn't something that created a great deal of problem. Mr. Parmer stated that after a number of years the Airport Authority was pressured by the FAA to update the Master Plan to see where projections are going and to see what changes should be made and is now waiting the final stamp of approval. Mr. Parmer stated that should we be able to finance the Runway 8/26 project as we designed it and we were able to start construction this year it does not mean that we will have to close Runway 13/31 as soon as 8/26 is opened. Runway 13/31 can stay there as long as it does not interfere with any other development, and it hasn't, but we have to start something in the new northeast general aviation area because there is no more land available in the present general aviation area for development. Mr. Parmer stated we get inquiries about building new general aviation hangars and there is no space available. He stated that approximately 120 acres has been designated for the new general aviation development in the northwest area.

Mr. Adams asked what was going to happen to the existing general aviation hangars when the new general aviation area is developed and Runway 13/31 is closed. He asked if those hangars could stay there.

Mr. Parmer stated that of course they would stay there. He stated that Runway 13/31 will not have to be closed right away. He stated that our Master Plan continues to show that both Runway 13/31 and 3/21 will be closed. If those runways were to need any repair we would have to do it at our own cost because the FAA would not participate. Mr. Parmer stated that when Runway 13/31 is closed, and he cannot even guess when that will be, those with hangars in the southeast corner will have to taxi to Runway 8/26. He stated there is no question that Runway 13/31 is a very convenient runway for the existing general aviation traffic and Runway 8/26 will be a very convenient runway when development begins in the northeast. He stated he feels Mr. Adams' main concern is when we are going to close 13/31 and I cannot tell him that. He could tell him, however, that when Runway 8/26 is opened we will not close 13/31 right away.

Mr. Adams stated he was concerned that they will have enough warning when the runway is closed.

Mr. Parmer stated that the FAA is anxious for us to move ahead with this project. We have delayed it for the past few years because of possible development in the Airport Industrial Park, but the FAA would not move ahead with development there until we have a tenant in the Industrial Park. He stated that the FAA has given Runway 8/26 a higher priority than the Airport Industrial Park. He stated that right now we have approximately \$2.3 million in our enplanement fund. Funds are allocated every year and can be carried over for a three year period. If you do not use them after the three years you can lose the funding and we are in that position right now. He stated we will not lose the funding because we will have a project. A portion of the balance in our enplanement fund is from 1990. He stated that we presently receive approximately \$1 million per year in enplanement funds but this is the last year of the present authorization so in Congress's new bill there may be some adjustments. We won't get any less and it may be more. Another thing we will be confronted with is the Passenger Facility Charge. Assessments by larger airports require them to turn back up to 50% of their enplanement money which goes to the discretionary fund. We could assess a passenger facility charge and not lose any of our enplanement funds. Dallas/Fort Worth has recently withdrawn their application for a PFC because of their county passing legislation for a local tax.

Discussed Scheduled Service Fees on Freight and Passenger Activity:

Mr. Parmer stated that in the past few years we have had an increase in freight activity on the eastside. We have never charged a landing fee to these freight haulers. We are also seeing more activity in small aircraft passenger traffic such as AirVantage's scheduled flights, some which operate through United Airlines. Mr. Parmer stated that he would like to survey some other airports in the area to see how they handle landing fees for this type of traffic. He stated he would get some further information and report back to the Airport Authority.

Other Business:

Mr. Ron Balvitsch, Station Manager for Northwest Airlines, was recognized and stated he was wondering what kind of closet they are left to operate out of since he has heard nothing other than rumors from contractors as to what little space they are going to have left and he is wondering where they are at this point.

Chairman Stanton asked Mr. Parmer where the situation stands.

Mr. Parmer stated that Mr. Balvitsch indicated to him that if they could not keep all of the additional space they were leasing he did not want any of it.

Mr. Balvitsch stated he was willing to negotiate but apparently there isn't anything to negotiate that is where they stand. They don't get anything. He stated that a very viable situation would be that if part of the space is going to be taken away then if the cage that American is going to build were turned the opposite direction with an access door on their operations side, but if none of that works then he guessed that Northwest gets nothing.

Mr. Parmer stated that there will be space available after American builds their cage and if Northwest wishes to lease that they can.

Chairman Stanton stated that after the last meeting it was decided the matter of space for Northwest and American was to be settled in a way that was fair to everyone.

Mr. Parmer stated that Northwest Airlines was leasing an additional 30 feet and after leasing 13' to American there are 17' left for Northwest to lease, with the exception of the five foot jog for American's cage.

Mr. Hentges asked about the positioning of American's cage as Mr. Balvitsch suggested. He asked if that is feasible with American's plans.

Mr. Parmer stated that American's project engineer is coming in today and he would talk to him about that.

Mr. Hentges stated he hopes there is communication among all parties involved.

Mr. Balvitsch stated the only information he has been getting is rumors from the contractor.

Mr. Hentges stated that the Executive Director should be the source of information. Northwest should not be relying on conversations downstairs.

Chairman Stanton stated this is the third or fourth meeting at which this matter has been discussed and it is soon going to be time for that space to be in use. If it cannot be settled among the two airlines and the Executive Director then the Airport Authority will have to have a special meeting.

Mr. Cichy asked if the cage in the Republic space had been removed.

Mr. Balvitsch indicated it had.

Mr. Cichy asked Mr. Balvitsch where he was at as far as space compared to when Republic was here.

Mr. Balvitsch indicated he did not know.

Other Business: (Continued)

Chairman Stanton asked Mr. Parmer to let Mr. Balvitsch know what space is available in the baggage makeup area.

Mr. Balvitsch stated if it is just a little sliver of space it's of no use to them.

Mr. Parmer stated there is an additional 17' available to Northwest Airlines out of the 30' in the old Republic space, with the exception of the jog for the cage.

Mr. Balvitsch stated that if the cage is turned the space would be useable to Northwest Airlines.

Mr. Hentges asked if the cage could be moved.

Mr. Parmer stated there was going to be no need for a new cage to be constructed until Northwest removed the cage, as he maintains that the cage removed by Northwest Airlines was the property of the Airport Authority, as indicated in the lease.

Chairman Stanton asked who was the owner of the cage.

Mr. Balvitsch stated they built the cage and were leasing the space on which it was constructed.

In answer to a question from Chairman Stanton, Attorney Stewart stated that the matter of the cage is a factual dispute. The lease states that the Airport Authority has two options when a tenant vacates the premises, 1) ask the tenant to remove the improvement, or 2) improvement becomes the property of the Airport Authority.

Mr. Balvitsch stated he was asked to move the podium Republic Airlines built at Gate 4 and they were asked to remove that. Everything that they built they have had to take out.

Chairman Stanton stated it is clear that the Airport Authority wants everyone treated fairly and the same, period.

Mr. Parmer stated everyone is treated the same as there is the same clause in every airline lease.

Mr. Balvitsch stated that depends on how they are administered. Mr. Balvitsch stated he remembers very distinctly when the airlines asked permission to put up signs and no airline was permitted to put up any signs and now American is permitted to put signs wherever they want.

Mr. Parmer stated there was never an item on an agenda from the airlines requesting to place signs in the departure lounge.

Mr. Bromenschenkel stated he would have to disagree as he was involved.

Chairman Stanton stated it doesn't make any sense that none of the other airlines would not have placed signs if they were permitted. She stated if they allowed she is sure the other airlines would have placed signs. It can't be that American thought of this all by themselves this time. She is sure Northwest, Republic and the others would have thought of it but they couldn't have them.

Mr. Cichy stated he feels Mr. Bromenschenkel's comments would be noteworthy at this point.

Mr. Bromenschenkel (former Republic Airlines station manager) stated that Republic wanted a sign and they were denied.

Mr. Hentges asked if we were talking about signs at the ticket counters.

Mr. Balvitsch stated they were talking about signs in the boarding area.

Chairman Stanton stated that things had better be settled fairly and if they aren't being then the Airport Authority will have to meet and settle them.

Mr. Balvitsch stated that he wants to point out that things are not being treated fairly. He stated they do not want any signs now but when they did want them they couldn't have them. He stated that if he cannot get useable space he will not rent any additional space and he will park his equipment in the tug concourse for which he will not be charged rent.

Other Business: (Continued)

Mr. Parmer stated the tug concourse is presently leased to all carriers so they are paying rent.

Mr. Hentges stated this matter has to be able to be worked out. It cannot be an open ended, non resolvable discussion at the end of a meeting. Mr. Parmer and Mr. Balvitsch need to get together and resolve the matter so that everyone's needs are met.

Chairman Stanton stated if the matter is not resolved we will have a special meeting.

Mr. Parmer stated the matter is resolved. It was approved at the last meeting and the leases have been signed.

Mr. Hentges stated that he feels the request made by Northwest Airlines to move the cage should be pursued to see if it is a reasonable request.

Mr. Bromenschenkel stated he feels it would be to American's advantage to turn the cage.

Mr. Parmer stated he knows it will cost more money.

Mr. Gallagher stated that if it satisfies our lessees then the Airport Authority should pay the difference.

Mr. Cichy stated he concurred.

Chairman Stanton stated she agreed.

Mr. Hentges stated that if turning the cage makes the space more useable for Northwest then all we are asking is to make the suggestion to American's engineer and contractor and make that point for Northwest. If there are additional costs involved for the change order then it is the consensus of the Airport Authority that we will pay for it.

Mr. Parmer stated if American agrees with the change that is fine, but if American cannot or does not want to change it then it will be built the same as the one that was removed.

Mr. Hentges stated that representatives of American were present at a previous meeting and indicated they would work with Northwest Airlines.

Mr. Gallagher stated that all we can do is try.

Chairman Stanton stated that we would give it another fair shot or we may be back here.

Mr. Hentges moved to adjourn the regular meeting of the Municipal Airport Authority until the next regular meeting to be held Tuesday, April 21, 1992, at 10:30 a.m. in the Airport Boardroom.

Second by Mr. Cichy.

All members present voted aye and the motion was declared carried.

Time at adjournment was 11:27 a.m.

Regular Meeting

Tuesday

April 21, 1992

The regular meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held on Tuesday, April 21, 1992 at 10:30 a.m. in the Airport Boardroom.

The members present or absent were as shown following:

Present: Williams, Cichy, Hentges

Absent: Gallagher, Stanton

Others: Stewart, Bromenschenkel, MacLeod

Vice Chairman Hentges presiding.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held April 7, 1992:

Mr. Williams moved to approve the minutes of the regular meeting of the Municipal Airport Authority held April 7, 1992.

Second by Mr. Cichy.

Mr. Bromenschenkel stated he would like to comment on Page 40 of the minutes regarding a previous request by the airlines to place signage in the departure lounge. He would agree with Mr. Parmer that there was never an agenda item with a request by the airlines for signage in the departure lounge. That request was made in a meeting with Mr. Parmer, Mr. Bill Cowman and other architects. The airlines requested signs in the departure lounge but Mr. Cowman stated that would not fit in with the sign plan. He stated the airlines did ask but their request was rejected. He stated he wished to make that point clear.

All members present voted aye and the motion was declared carried.

Mr. Parmer introduced the general manager for American Airlines, Mr. David Dion, as well as the new station manager for United Airlines, Mr. James Gordon.

Approved Airport Vouchers Totaling \$26,759.56:

Mr. Cichy moved to approve the airport vouchers totaling \$26,759.56.

Second by Mr. Williams.

On the call of the roll, members Williams, Cichy and Hentges voted aye.

Absent and not voting: Gallagher, Stanton

The motion was declared carried.

Approved Individual Voucher to Ulteig Engineers, Inc.:

Mr. Cichy moved to approve the individual voucher in the amount of \$18,556.35 to Ulteig Engineers, Inc. for Partial Payment Request No. 3 for engineering services in connection with Runway 8/26, Parallel Taxiway and Associated Items, Project No. 3 38 0017 12.

Second by Mr. Williams.

On the call of the roll, members Williams, Cichy and Hentges voted aye.

Absent and not voting: Gallagher, Stanton

The motion was declared carried.

Received Communication from National Weather Service Concerning Site Survey Report for ASOS Installation and Authorized Execution of License for Use of Real Property:

Mr. Parmer stated the National Weather Service sent him an approved site survey report for the ASOS (Automated Surface Observing System) installation at Hector Airport. The ASOS site survey report includes a description of the project in some detail and a listing of comments that they received and their resolutions. This report will also serve as a technical contract document for the site preparation and installation contractor. The license for the use of real property serves as an agreement between the Government and the property owner allowing the Government to install and operate the ASOS equipment.

Mr. Williams asked if this was a long term agreement.

Mr. Parmer stated the initial agreement is for 15 years unless terminated sooner.

Mr. Parmer stated the Airport Authority must authorize execution of the license agreement.

Mr. Cichy moved to receive and file the communication from the National Weather Service and that the Airport Authority authorize execution of the license agreement.

Second by Mr. Williams.

On the call of the roll, members Williams, Cichy and Hentges voted aye.

Absent and not voting: Gallagher, Stanton

The motion was declared carried.

Received Communication from Northwest Airlines Requesting Approval to Incorporate New Corporate Identity Upgrade Program:

Mr. Parmer stated that Northwest Airlines is requesting approval of their Corporate Identity Upgrade Program. Mr. Parmer stated they provided detailed information showing the proposed changes. These are basically changes in signage on the jetway and ticket counter area.

Mr. Williams moved to receive and file the communication from Northwest Airlines and to approve the proposed Corporate Identity Upgrade Program.

Second by Mr. Cichy.

All members present voted aye and the motion was declared carried.

Reviewed Signage Requirements on Runway 8/26 Project as Outlined in FAA Advisory Circular 150/5340 18C:

Mr. Parmer stated he would like to bring the Airport Authority up to date on the runway/taxiway signage requirements enacted by the FAA, which are incorporated in the Runway 8/26 project. He stated that we are on a deadline to implement these changes. Mr. Parmer stated that Mr. Wes Schon, Ulteig Engineers, is here to explain just how extensive these changes will be.

Mr. Schon was recognized and stated that there were basically three types of signs prior to the new circular. The FAA now requires a fourth type of sign which

Reviewed Signage Requirements on Runway 8/26 Project as Outlined in FAA Advisory Circular 150/5340 18C:

will announce runway locations. He stated that every runway intersection is required to have a sign, but if you use a runway as a taxiway or a land and hold short operation you must have a sign on both sides. Along with the sign requirements there have been some changes in the runway and taxiway markings.

In answer to a question from Mr. Cichy, Mr. Schon stated that these are FAA requirements and we have no choice but to implement them. He stated that the airport has to have a committee made up of a number of individuals representing various interests who will develop a plan. The FAA's push is standardization so that someone landing at any airport in the country will see the same signs. Mr. Schon stated the estimated cost for these changes will be \$60,000 for Runway 8/26 and \$80,000 for the existing airfield. He stated they are able to utilize some of the existing signage by just replacing panels.

Mr. Parmer stated that the original advisory circular received was 24 pages and dated July 21, 1991, and the FAA issued change number one dated November 13, 1991 which consisted of 17 pages. He stated that the FAA will not approve any sign plan which does not show who participated in the development of the plan and who was represented at the committee meetings. He stated that we have had conversations with the Airline Pilots Association and the Air Transportation Association and we want to invite them here to a meeting in the next week or ten days as soon as we have the plan finalized. He stated we would review the 8/26 project at the same time.

Mr. Schon stated that he has heard direct comments that the FAA is working on additional runway/taxiway lighting features that will improve safety. The FAA feels the problem of runway incursions is continuing and they want to do what they feel is necessary to correct that. Mr. Schon added that all airports, even general aviation airports, will be required to comply to some extent.

Mr. Parmer stated that these changes are part of the 8/26 project and we still do not know if the project has been approved, and we will not know that until the money has been appropriated. He stated that we will have some project although we are not sure to what extent the project will be.

Mr. Hentges asked if we are ready to go to bid in May.

Mr. Schon stated they plan to advertise May 11 for a bid date of June 2.

Receive Communication from Air Transport Association of America:

Mr. Parmer stated he has had conversations with representatives of the Air Transport Association of America (ATA) regarding the construction of Runway 8/26 which will affect Runway 17/35. He stated he has also received a communication from them dated April 7, 1992. He explained that the construction of Runway 8/26 involves a lot of work about 2,000 feet south of the north threshold. He stated we had planned to use the west parallel taxiway as an air carrier runway during this construction period. We have done this for projects in the past and all we were required to do was number it but now we will be required to paint and mark it as a runway. He stated we have had informal talks with the air carriers. United and American are not familiar with the condition of the taxiway, but Northwest has used it before. He stated he does not anticipate any problem but it's just a matter of getting the FAA to approve it. Taxiway "A" is 100' wide with 35' shoulders, although they are not weight bearing shoulders, and it could be used as a VFR, daylight operation.

Mr. Parmer stated the letter from the ATA requests that we displace the threshold on Runway 17. He stated we cannot get into a situation where the airlines say they are going to cancel operations to Fargo until the project is finished, we need to come up with a plan which will enable them to operate. He stated that hopefully they will

Receive Communication from Air Transport Association of America: (Continued)

look at Taxiway "A" and find it sufficient from which to operate. Although it is a little narrower than the main runway it is 9500' long. The military has used it before and they only problem they have is that there is no barrier on the taxiway. They have talked about placing a barrier on either end of Taxiway "A" but he is not sure the air carriers want to be taking off over that barrier. He added that the military could do their flying somewhere else. He stated that he and Mr. Schon are going to talk to Mr. Paul McGraw, ATA, sometime today and try to set up a time for a meeting.

Mr. Schon stated that we also want to repair and reseal Runway 17/35 so it will have to be closed at some time.

Mr. Parmer stated that we could probably work around that since there are some areas where there are only three or four joints that have to be taken out and replaced. He stated he did not know the timing on some of these things and there are only seven hours from the last air carrier arrival to the first departure in the morning.

Mr. Schon stated that the areas that need repair and resealing are distributed throughout the length of the runway and at this point in time the idea was that if this time is acceptable and as long as the runway is closed we can get it there and make all of the repairs at the same time. He stated there are over 200,000 lineal feet of joints on 17/35 and because there are only seven hours in which they would be able to work at night and with 36 miles of joints he is requesting a period of 60 days to complete the project. He stated we have the option of putting up with acute pain for a short duration or chronic pain for a long duration.

Mr. Williams moved to receive and file the communication from the Air Transport Association of America.

Second by Mr. Cichy.

All members present voted aye and the motion was declared carried.

Received Report on Automatic Teller Machine Usage:

Mr. Parmer stated that the Chamber's Hospitality Committee has discussed the use of the automatic teller machine at their meetings each month and First Bank Fargo has provided them with a report on the usage of the machine. Mr. Parmer stated that use of the machine has not lived up to expectations and a representative of First Bank has indicated he would like some decision from the Airport Authority within the next 90 days as to what it would like to do about the machine. He stated the machine has received only about 800 transactions per month and it takes about 2,700 transactions per month for them to break even. He stated with usage at the current level it would cost the Airport Authority about \$672.00 per month to operate the machine.

Mr. Cichy stated that it appears at this time the travelling public is not in demand of this service.

Mr. Parmer stated there is no question that the machine is a convenience for those who use it but there aren't enough people using it. He stated he put this item on the agenda for the information of the Authority members as First Bank will be looking for a decision from the Airport Authority in the next 90 days.

Mr. Dion, American Airlines, stated he was surprised to see a machine here and that is one of the first things he did when he got off the airplane was use the machine.

Mr. Williams stated it is an expensive benefit for a few people. He asked Mr. Parmer what he was suggesting.

Mr. Parmer stated he would suggest we wait the maximum 90 days before a decision has to be made. He added that he did not know how to increase the usage.

Mr. Williams suggested we prolong the matter and see if the addition of another

Received Report on Automatic Teller Machine Usage: (Continued)

airline will make any difference, although he didn't think it would.

Mr. Hentges stated that the cash machine is in a prime spot of the building and maybe we could negotiate with First Bank and exchange some free advertising at that spot for the use of the machine.

Mr. Williams moved to adjourn the regular meeting of the Municipal Airport Authority until the next regular meeting to be held Tuesday, May 5, 1992 at 10:30 a.m. in the Airport Boardroom.

Second by Mr. Cichy.

All members present voted aye and the motion was declared carried.

Time at adjournment was 11:08 a.m.

Regular Meeting

Tuesday

May 5, 1992

The regular meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held on Tuesday, May 5, 1992 at 10:30 a.m. in the Airport Boardroom.

The members present or absent were as shown following:

Present: Hentges, Gallagher, Williams, Cichy, Stanton

Absent: None

Others: Bromenschenkel, MacLeod

Chairman Stanton presiding.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held April 21, 1992:

Mr. Hentges moved to approve the minutes of the regular meeting of the Municipal Airport Authority held April 21, 1992.

Second by Mr. Cichy.

All members present voted aye and the motion was declared carried.

Approved the Airport Vouchers Totaling \$46,402.34:

Mr. Hentges moved to approve the airport vouchers totaling \$46,402.34.

Second by Mr. Cichy.

On the call of the roll, members Hentges, Gallagher, Cichy and Stanton voted aye.

Absent and not voting: Williams

The motion was declared carried.

Approved Individual Voucher to Edling Electric:

Mr. Hentges moved to approve the individual voucher in the amount of \$28,566.58 to Edling Electric for electrical construction in connection with FAR 107.14 Security Access Project No. 3 38 0017 11.

Second by Mr. Gallagher.

On the call of the roll, members Hentges, Gallagher, Cichy and Stanton voted aye.

Absent and not voting: Williams

The motion was declared carried.

Received and Filed Statement of Operations for the Month of February 1992:

Mr. Gallagher moved to receive and file the Statement of Operations for the Month of February 1992.

Second by Mr. Hentges.

All members present voted aye and the motion was declared carried.

Received Communication from Clif Hamilton, Jr. on Transfer of Lease from Clif Hamilton, Jr. to Paul Larsen:

Mr. Parmer stated he receive a communication dated April 23, 1992 from Clif Hamilton, Jr. advising of the purchase of a unit in the Big Blue Hangar Association by Paul Larsen. Transfer of the lease from Clif Hamilton Jr. to Paul Larsen will be effective 5 15 92, subject to the approval of the Airport Authority.

Mr. Parmer stated it is not a requirement of their lease that the Airport Authority approve transfers but the Airport Authority should be advised of any changes in ownership.

Mr. Hentges moved to receive and file the communication and to acknowledge the sale.

Second by Mr. Cichy.

All members present voted aye and the motion was declared carried.

Mr. Pete Haug, The Barnstormer, Discussed Restaurant Space Requirements:

Mr. Parmer stated that Mr. Pete Haug, manager of the Barnstormer, is here today to discuss space needs for the restaurant.

Mr. Pete Haug was recognized and stated that if they were just running the airport restaurant operation their space would be adequate, but with the additional airline catering duties their kitchen area is inadequate. There are a lot of carts involved in catering and they do not have adequate storage for them so they are all over. He added that the area they use for preparing the food is too small. Mr. Haug stated that if United plans to add two flights this summer they will really be taxed for space. Mr. Haug presented some photographs of the kitchen area.

Mr. Parmer stated that the recent announcement that United was adding two direct flights to Denver was incorrect. They are just changing their schedule so that one of the flights will not stop in Sioux Falls but go non stop to Denver.

Mr. Haug stated that the way they are operating presently they do not meet fire codes.

Mr. Williams now present.

Mr. Hentges stated that there is some space on the first floor that Northwest has relinquished.

Mr. Haug stated he does not have any specifications on the amount of space needed but he would like to work with the Airport Authority on some plans for the future. He stated if the airlines ever get to the point where they will require hot meals something will definitely need to be done. Mr. Haug added that the elevator they use is meant for passengers, not for the carts, and there should really be a freight elevator. He stated that he is not making a specific request at this time but just wanted the Airport Authority to be aware of the situation so they can start thinking about what could be done.

Chairman Stanton stated she feels Mr. Haug and Mr. Parmer should get together and discuss the options.

Mr. Pete Haug, The Barnstormer, Discussed Restaurant Space Requirements: (Continued)

Mr. Parmer asked Mr. Haug if he had any personal feelings about what should be done.

Mr. Haug stated they need both preparation and storage area. He stated their main need for space is for the staging area and storage space for carts.

Mr. Hentges asked Mr. Haug if it was very likely that in the future another firm might outbid The Barnstormer on these catering contracts.

Mr. Haug stated he feels it is very unlikely that someone off the airport premises would want to transport the food from another location. He stated another factor is the cost of the type of truck required to transport the food to the aircraft. He stated he just checked into the cost of a new truck and it was over \$50,000. He stated their truck needs some repairs but if the truck is out for repairs it would mean shutting down the catering service for several flights.

Mr. Haug stated that what is really needed is an extension to the restaurant. He added that right now most of the storage for the airline catering is in the Eastside Terminal, which is not a problem at this time.

Chairman Stanton stated that Mr. Parmer and Mr. Haug should get together and discuss the possible options.

Mr. Haug recommended that the Airport Authority members take a tour through the restaurant to get a better idea of what he is talking about.

Mr. Cichy moved that Mr. Parmer and Mr. Haug get together to discuss the situation and possible options.

Second by Mr. Williams.

All members present voted aye and the motion was declared carried.

Approved Plans and Specifications on AIP Project No. 3 38 0017 12, Runway 8/26, Parallel Taxiway, Runway 17/35 Rehabilitation, New Signage System, and Authorized Advertisement for Bids:

Mr. Parmer stated that we have not yet received word from the FAA on whether or not funds are available for the Runway 8/26 project. Mr. Parmer stated that if funds become available we have to be ready to move ahead with the project. Earlier this year the FAA asked us if we would be ready to receive bids on the Runway 8/26 Project by the first of June. He stated the plans and specifications have been prepared by Ulteig Engineers and the Airport Authority now needs to approve the plans and specifications and authorize advertisement for bids. He stated that he and Mr. Wes Schon are meeting later today with representatives of the Air Transport Association, local FAA representatives as well as various airport tenants to review our signage plan. We will also be reviewing the Runway 8/26 project with them as during construction of the project we will be asking the airlines to use the west parallel taxiway as a runway. He stated that Mr. Schon is here to review the plans and specifications with the Airport Authority so that they can be approved and advertisement for bids can be authorized.

Mr. Wes Schon, Ulteig Engineers, was recognized and stated that they have gone back and forth with the FAA on the project as far as the length and width of Runway 8/26 and since they have not given final approval we are going to have two contracts, one for the civil work (paving, grading) and the second for the electrical work (lighting, signs, runway sensor system). The civil plan will be split into three schedules because we do not know what funds are available, those will be:

- (1) Work between existing Taxiways A & B
- (2) Runway extension to the east
- (3) Rehabilitation of Runway 17/35

Approved Plans and Specifications on AIP Project No. 3 38 0017 12, Runway 8/26, Parallel Taxiway, Runway 17/35 Rehabilitation, New Signage System, and Authorized Advertisement for Bids: (Continued)

Mr. Schon stated that even after we open the bids we shouldn't be surprised if things have to be juggled around a bit in order to work with the funding available, so that will be the difficult part. The electrical portion should be done the same way but it is so difficult to try to second guess with the electrical so we are just going to bid one project and modify afterwards, based upon the money available. He stated it is easier to redesign afterwards knowing how much money is available rather than putting out three sets of alternatives.

Mr. Parmer stated, with regard to funding, that everyone is looking at Congress to appropriate additional funds this year on a jobs creation basis. There was an article in the paper the other day where the House Ways and Means Committee appropriated \$300 million out of the trust fund for this purpose. He stated that is the first step in many steps before the actual appropriation is approved, but that is one hurdle crossed. Mr. Parmer stated that even though the FAA will not say so he feels they are a little optimistic on additional funding because of the deadline they have asked us to meet.

Mr. Hentges asked how long we are going to have to ask the contractor to hold his bid until we are ready to begin with the project.

Mr. Schon stated that we typically have been asking for 60 days and in some instances have asked for up to 90 days. He stated this project is in the \$5 million neighborhood and that is a lot to ask a contractor to hold for too long, but we will need at least 60 days. Mr. Schon stated that Mr. Parmer had mentioned that the FAA asked if we would be ready to go to bid by the first of June, and we will be, but we are also ahead of the FAA in a number of areas. He stated that Mr. Milt Heupel (FAA Bismarck) was in Chicago recently and the FAA people in Chicago are just now asking questions that should have been asked before the plans and specifications were drawn, such as how much it would cost to widen and strengthen the taxiway. Mr. Schon stated what he is saying is don't be surprised if changes are made after we have accepted bids. He stated the bids will be based on unit prices so we will not be at a risk of price changing. He stated that even though the plans right now show the taxiway at 50' it is possible it may be 75' with heavier pavement.

Mr. Gallagher moved to approve the plans and specifications for the Runway 8/26 Project and authorize advertisement for bids.

Second by Mr. Williams.

On the call of the roll, Hentges, Gallagher, Williams, Cichy and Stanton voted aye.

No member being absent and none voting nay the motion was declared carried.

Reviewed Meeting Dates for May and June:

Mr. Parmer requested that the next meeting be scheduled for Tuesday, May 26, and that meeting dates in June be the 9th and 23rd (second and fourth Tuesdays).

Mr. Hentges moved to approve those meeting dates for May and June.

Second by Mr. Cichy.

All members present voted aye and the motion was declared carried.

Mr. Parmer asked the board members if they wanted to continue meeting at 10:30 am rather than 4:00 pm.

It was the consensus of the board that they preferred to continue meeting at 10:30 am.

Mr. Schon stated that bid opening for the Runway 8/26 project would be at 10:30 a.m. on Tuesday, June 9.

OTHER BUSINESS:

Mr. Williams asked if the monthly passenger boarding report could be revised to include load factor percentages as well as actual passenger counts, as that information would mean more.

Mr. Parmer indicated that should not be a problem.

Mr. Gallagher brought up the subject of a possible site for the post office's proposed facility. He stated it is his understanding that the post office wants to own land rather than lease.

Mr. Parmer stated that he just talked to Mr. Milt Heupel, FAA, on that subject and the FAA purchased airport land in conjunction with the Airport Authority for airport development and protection. He stated we had a situation last year involving a site for the National Guard Armory. We leased land to the State which they felt was for a non aeronautical use and the FAA required a refund of their share of the fair market value of the land. Mr. Parmer stated that even though the post office may not have an aviation requirement at this time they know they will in the future. Mr. Parmer stated that if the FAA no longer owned the land and the post office did require a ramp for access to the taxiway the FAA would not build a ramp on land owned by someone else.

Mr. Parmer stated that a recent article in the Airport Report stated that President Bush signed an executive order encouraging state and local government to sell public assets as a way of raising revenue. Examples of the infrastructure assets that could be sold included airports. The order directs federal officials to cooperate with local governments that plan to sell these assets. In addition, the order relaxes federal improvement practices to allow local governments to keep more of the proceeds from the sale of the assets purchased with federal assistance. He stated he brought this article to Mr. Heupel's attention but he was unaware of this order, so that may change the entire ballgame. Mr. Parmer stated he cannot figure out how they are going to spend money on property for which we do not have title in fee simple.

In answer to a question from Mr. Cichy, Mr. Parmer stated the Post Office has asked for a 16 acre site for a 100,000 square foot building. He stated that now they are talking about a 150,000 square foot building and the 16 acres would not include any space for a ramp, the 16 acres would be just for the building and vehicle parking areas. He stated there are still many items to be discussed, not only at this level but many other levels.

Mr. Hentges stated he has done some work with the post office and he know they are able to lease land. Mr. Hentges asked about fair market value. If the FAA paid \$2,000 an acre for the land and the current fair market value is \$20,000 an acre, how much is the FAA's share?

Mr. Parmer stated that the fair market value appraisal we got on the armory site last year was \$6,000 an acre.

Mr. Hentges stated he also received a letter from the owner of land directly east of the airport indicated she plans to sell the property. Mr. Hentges stated he just wished to bring this to the attention of the Airport Authority as a matter of information in the event the Authority was interested in purchasing the land.

Mr. Hentges moved that the communication from Mrs. Heiden be received and filed.

Second by Mr. Gallagher.

All members present voted aye and the motion was declared carried.

Other Business: (Continued)

Mr. Parmer stated we might be interested in the land but there are a lot of improvements on the land and we would not be interested in those.

Chairman Stanton stated that if the post office is interested in a site on the airport at this time she feels we should lease it to them rather than selling it so that we are able to maintain control.

Mr. Gallagher stated he felt it was important that we keep informed about what is going on with this matter.

Mr. Gallagher moved to adjourn the regular meeting of the Municipal Airport Authority until the next regular meeting to be held Tuesday, May 26, 1992 at 10:30 a.m. in the Airport Boardroom.

Second by Mr. Hentges.

All members present voted aye and the motion was declared carried.

Time at adjournment was 11:15 a.m.

Regular Meeting

Tuesday

May 26, 1992

The regular meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held on Tuesday, May 26, 1992, at 10:30 a.m. in the Airport Boardroom.

The members present or absent were as shown following:

Present: Hentges, Gallagher, Williams, Cichy, Stanton

Absent: None

Others: Bromenschenkel

Chairman Stanton presiding.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held May 5, 1992:

Mr. Williams moved to approve the minutes of the regular meeting of the Municipal Airport Authority held May 5, 1992.

Second by Mr. Cichy.

All members present voted aye and the motion was declared carried.

Approved Airport Vouchers Totaling \$53,627.67:

Mr. Hentges moved to approve the airport vouchers totaling \$53,627.67.

Second by Mr. Cichy.

On the call of the roll, members Hentges, Gallagher, Williams, Cichy and Stanton voted aye.

No member being absent and none voting nay the motion was declared carried.

Approved Individual Voucher to Ulteig Engineers, Inc.:

Mr. Hentges moved to approve the individual voucher in the amount of \$29,227.22 to Ulteig Engineers, Inc. for Partial Payment Request No. 4 for engineering services in connection with Runway 8/26, Project No. 3 38 0017 12.

Second by Mr. Cichy.

On the call of the roll, members Hentges, Gallagher, Williams, Cichy and Stanton voted aye.

No member being absent and none voting nay the motion was declared carried.

Received and Filed Statement of Operations for the Month of March 1992:

Mr. Hentges moved to receive and file the Statement of Operations for the Month of March 1992.

Second by Mr. Gallagher.

All members present voted aye and the motion was declared carried.

Received Communication from Lt. Col. Tom Vierzba Concerning Extending Hangar and Office Agreements for Faker Program, and Addressing Requested Improvements:

Mr. Parmer stated that the National Guard Bureau Faker Program will enter into a agreement with a new contractor for the period of October 1992 to September 1997. He stated that our existing lease with the Faker Program will expire in March 1993. Mr. Parmer stated that with the continuation of the program they will request that the lease be extended. Mr. Parmer stated that one problem that never has been resolved is the floor in the hangar. The aggregate has popped through the polyurethane covering and besides looking bad it is causing problems for them. We have met with the contractor and he was going to go to the supplier and try to find out what happened. He stated we know what happened but have to decide how we are going to take care of it. He stated he did not want to put in a new covering if the same thing is going to happen again, and we don't have any assurances that it will not happen again. Mr. Parmer stated that we will be coming forth with some type of recommendation in the not too distant future that will alleviate that problem.

Mr. Parmer stated that Lt. Col. Vierzba also mentioned a number of improvements in the office space in the Eastside Terminal, most of which will be performed by their own people. They are also requesting that the Airport Authority install new carpet. He stated he has not received any figures on replacement of the carpet but if the Authority wishes he can do that and report back at the next meeting.

Mr. Williams moved to receive and file the communication from Lt. Col. Vierzba and that it be referred to Mr. Parmer for action.

Second by Mr. Hentges.

All members present voted aye and the motion was declared carried.

Received and Filed Notice of Annual Certification and Safety Inspection by the Federal Aviation Administration:

Mr. Parmer stated that he received a notice of our annual Certification/Safety Inspection to be conducted May 28 & 29. He stated that we have a new inspector, John B. Lott, and that although he has had telephone conversations with him he has never met him. Our previous inspector, Richard Duckworth, retired May 1. The inspection will basically consist of going over everything outlined in our Airport Certification Manual. Mr. Parmer stated that any of the Airport Authority members are welcome to come out and meet Mr. Lott.

Mr. Hentges moved to receive and file the notice of annual certification/safety inspection.

Second by Mr. Williams.

All members present voted aye and the motion was declared carried.

Received Copy of Notice to American Airlines with Authorization to Dump Sanitary Sewage into the Sanitary Manhole by the Maintenance Shop:

Mr. Parmer stated that American Airlines requested authorization to dump sanitary sewage in a sanitary manhole at the airport. Mr. Parmer stated that American received temporary permission from the Community Health Center in their letter of May 1, 1992, and they have also received permanent approval from Mr. Bob Welton, City Engineer for Utilities in his letter dated May 14, 1992.

Chairman Stanton asked if this procedure is the same for all airlines.

Mr. Parmer stated that American Airlines is the only airline in Fargo making this request.

Mr. Williams moved to receive and file the communications from the Community Health Center and the City of Fargo Public Works/Engineering.

Second by Mr. Gallagher.

All members present voted aye and the motion was declared carried.

Approved Installation of Eight Foot High Cedar Fence in the Area North of 19th Avenue, Separating Airport Property from Private Property:

Mr. Parmer stated that last fall the Airport Authority directed him to get estimates for the installation of fencing to hide the private property at the corner of 19th Avenue and the airport access road. Mr. Parmer stated the proposed dimensions of the fence would be 225 feet of 8 foot high cedar fencing. He stated the bids he received ranged from \$2,569.50 to \$4,000.00. Mr. Parmer stated that because of the difference in price he checked with the low bidder to make sure they were bidding on the same fence. Mr. Parmer stated the only other suggestion he would have is to extend the fence and also run it east and west.

Mr. Williams stated he feels the Airport Authority should start proceedings to buy that property.

Chairman Stanton asked if the fence would need to be approved by the city. She stated she was not aware of the various ordinances concerning fences.

Mr. Bromenschenkel stated the only concern would be property lines.

Mr. Williams move to proceed with the installation of the cedar fencing as per low bid received, and that we review the area after installation to see if we wish to extend the fence at that time.

Second by Mr. Cichy.

Mr. Bromenschenkel asked if the bid price would be good for any extension also.

Mr. Parmer indicated he would check into that.

There was some discussion on the style of fence and whether to go with continuous boards on one side or alternating boards on both sides.

Mr. Bromenschenkel stated that if the fence is placed near the property line the better looking side must be facing the other property.

Chairman Stanton stated it is hard to tell what the fence looks like by the description in the bid. She stated we just want to make sure it is a nice looking fence.

Mr. Parmer indicated he would check with the low bidder (American Fence and Fabrication) about the alternating board fence.

On the call of the roll, members Hentges, Gallagher, Williams, Cichy and Stanton voted aye.

No member being absent and none voting nay the motion was declared carried.

Received Request from United Airlines for Placement of AirVantage Sign Behind Their Ticket Counter:

Mr. Parmer stated that AirVantage has one daily departure from the Westside Terminal to Minneapolis (Monday Friday) and operates through United Airlines. Mr. Parmer stated that Mr. Jim Gordon, General Manager for United, has requested permission to hang a sign behind their ticket counter indicating AirVantage's flight.

Mr. Williams moved to approve the request from United Airlines to place an AirVantage sign behind their ticket counter.

Second by Mr. Cichy.

All members present voted aye and the motion was declared carried.

Received Request from Graphic Exhibits for Additional Advertising Display Case on Ground Floor:

Mr. Parmer stated he received a request from Graphic Exhibits, Inc. to place another display case on the lower level. The area they proposed is the wall beyond the United ticket counter. They have a new customer that would like to lease for one year a case to display antique music boxes. Mr. Parmer indicated the case would be similar to the Maintenance Engineering and American Crystal Sugar cases presently on display.

Mr. Cichy moved to approve the request from Graphic Exhibits for a one year lease on a display case for antique music boxes.

Second by Mr. Williams.

All members present voted aye and the motion was declared carried.

Authorized Filing Letter of Support with Department of Transportation Requesting Permanent Authority for American Airlines to Use Commuter Slots for Jet Aircraft Certificated for 110 Seats or Less:

Mr. Parmer stated that when the Department of Transportation authorized American Airlines to convert some of their commuter slots at O'Hare International Airport it basically allowed American to use those slots for jet aircraft carrying 110 passengers or less rather than the previous 75 or less for commuter slots. The original petition from American asked for permanent approval but the Department of Transportation gave temporary approval for a period of two years. American Airlines is now going back to the Department of Transportation asking that the authorization be permanent and they are asking for letters of support from airports and private citizens.

Mr. Cichy moved the Chairman and Executive Director be authorized to sign the letter in support of American Airlines to the Department of Transportation.

Second by Mr. Gallagher.

All members present voted aye and the motion was declared carried.

Mr. Gallagher moved to adjourn the regular meeting of the Municipal Airport Authority until the next regular meeting to be held Tuesday, June 9, 1992 at 10:30 a.m. in the Airport Boardroom.

Second by Mr. Hentges.

All members present voted aye and the motion was declared carried.

Time at adjournment was 10:59 a.m.

Regular Meeting

Tuesday

June 9, 1992

The regular meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held on Tuesday, June 9, 1992, at 10:30 a.m. in the Airport Boardroom.

The members present or absent were as shown following:

Present: Hentges, Gallagher, Williams, Stanton

Absent: Cichy

Others: Stewart

Chairman Stanton presiding.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held May 26, 1992:

Mr. Hentges moved to approve the minutes of the regular meeting of the Municipal Airport Authority held May 26, 1992.

Second by Mr. Gallagher.

All members present voted aye and the motion was declared carried.

Approved the Airport Vouchers Totaling \$31,598.36:

Mr. Hentges moved to approve the airport vouchers totaling \$31,598.36.

Second by Mr. Williams.

On the call of the roll, members Hentges, Gallagher, Williams and Stanton voted aye.

Absent and not voting: Cichy

The motion was declared carried.

Approved the Individual Voucher to Construction Bulletin:

Mr. Gallagher moved to approve the individual voucher in the amount of \$212.00 to Construction Bulletin for the advertisement for bids for Project No. 3 38 0017 12, Runway 8/26.

Second by Mr. Williams.

On the call of the roll, members Hentges, Gallagher, Williams and Stanton voted aye.

Absent and not voting: Cichy

The motion was declared carried.

Approved Individual Voucher to Forum Publishing Company:

Mr. Gallagher moved to approve the individual voucher in the amount of \$216.66 to Forum Publishing Company for the advertisement for bids for Project No. 3 38 0017 12, Runway 8/26.

Second by Mr. Williams.

On the call of the roll, members Hentges, Gallagher, Williams and Stanton voted aye.

Absent and not voting: Cichy

The motion was declared carried.

Received and Filed Statement of Operations for the Month of April 1992:

Mr. Williams moved to receive and file the Statement of Operations for the Month of April 1992.

Second by Mr. Gallagher.

All members present voted aye and the motion was declared carried.

Received Bids for the Construction of Runway 8/26, Parallel Taxiway, and Associated Items (Project No. 3 38 0017 12):

Mr. Wes Schon, Ulteig Engineers, was recognized and explained that the project was bid in two parts: 1) general construction work, and 2) electrical work.

Bids were opened and read as follows:

ELECTRICAL WORK

Edling Electric.....	\$621,700.00
Fargo Electric Construction	\$696,515.00
Moorhead Electric	\$643,359.00
Engineer's Estimate.....	\$635,600.00

GENERAL CONSTRUCTION

Northern Improvement Company.....	\$5,379,001.00
Engineer's Estimate.....	\$5,300,780.00

Mr. Gallagher moved the bids be referred to the Executive Director and project engineer for review and recommendation.

Second by Mr. Williams.

On the call of the roll, members Hentges, Gallagher, Williams and Stanton voted aye.

Absent and not voting: Cichy

The motion was declared carried.

Mr. Parmer reviewed the financing of the Runway 8/26 Project. He explained that we have submitted an application to the FAA for federal funding in the amount of \$6.2 million. He stated that after receiving these bids that amount will be lowered slightly. He stated that we currently have enplanement funds in excess of \$2 million and we are trying to get the balance of the money for the project from the discretionary fund. He stated the project was bid in phases in case there are delays due to financing.

Received Communication from Dan Currier Proposing Payment Schedule for Lot in Airport First Addition:

Mr. Parmer stated he received a communication from Mr. Daniel Currier (Currier Company/Darco Investments) regarding their option to purchase the South 90' of Lot 4 and the North 110' of Lot 5, Block 4, Airport First Addition. His letter indicated their desire to purchase these lots with the following payment schedule:

07 01 92	\$10,000.00
01 01 93	\$25,000.00
07 01 93	\$27,000.00 (Approximate)

Mr. Hentges moved to approve the payment schedule as outlined, subject to final approval by Attorney Stewart.

Second by Mr. Williams.

On the call of the roll, members Hentges, Gallagher, Williams and Stanton voted aye.

Absent and not voting: Cichy

The motion was declared carried.

Received Communication from AirVantage Requesting to Lease Air Carrier Counter Space in the Terminal:

Mr. Parmer stated he received a communication dated May 28, 1992, from Mr. Brent Skillman, AirVantage, requesting to lease a limited amount of airline counter space in the Westside Terminal. Anticipated space required would be approximately 8' x 10'. Since AirVantage does not check luggage, they do not anticipate a need for space in the baggage area. The office will remain at their current location across the field so no office space would be needed.

Mr. Parmer stated that AirVantage is presently working with United Airlines for their flights departing from the Westside Terminal so he does not understand the reason for this request, unless the relationship between AirVantage and United is not going to continue. Mr. Parmer stated that Mr. Gary Woessner, a representative of AirVantage, was present at the meeting to answer any questions.

Mr. Parmer stated that he would like to see the Airport Authority delay action on this request at this time and that it be referred to he and Attorney Stewart and possibly a member of the Authority for further review. He stated it looks like there will be a lot of activity with commuter airlines in the near future.

Mr. Woessner was recognized and stated that AirVantage wants to provide more service. He stated that they also have flights leaving Valley Aviation and a lot of those passengers are coming to the Westside Terminal so to cut down on confusion they could check in here and then be transported to Valley.

Mr. Parmer stated that AirVantage also has a freight hauling operation and he has some concerns about any of that type of activity on this side of the field on the air operations area. He stated that the FAA just completed an inspection on that very area and they were very concerned about non badged personnel being on the air operations area.

Mr. Woessner stated that the only two employees that would need access to the ramp already have badges.

Mr. Hentges moved to receive and file the communication from AirVantage and that the matter be referred to the Executive Director and Attorney Stewart and that they report back to the Airport Authority at the next meeting.

Second by Mr. Williams.

All members present voted aye and the motion was declared carried.

Discussed Great Lakes Airlines Commuter Operation:

Mr. Parmer stated that when the agenda was drafted he anticipated receiving a communication from Great Lakes Airlines. He stated that communication was not received. He stated that Great Lakes Airlines will be operating as United Express and the general manager for United Airlines, Mr. Jim Gordon, is present and he asked Mr. Gordon to bring the Airport Authority up to date on this matter.

Mr. Jim Gordon was recognized and stated that representatives of Great Lakes Airlines are coming next Tuesday, June 16, to discuss the details of the ground handling and that he would have more information after that. He stated that this is a relatively new development and United Airlines is excited about it.

Received Communication from Advanced Amusements Reviewing Game Room Operation:

Mr. Parmer distributed a communication from Mr. Eugene Sieben, Advanced Amusements, addressed to the Airport Authority members, dated June 8, 1992. Mr. Parmer stated that Advanced Amusements has operated the game room for the past several years and in their original proposal they included a minimum guarantee to the airport of \$11,041.00 or 40%, whichever is greater. In 1988 Mr. Sieben requested the guarantee be lowered to \$9,464.35 because of the decrease in boardings and the Airport Authority granted that reduction. He stated that Mr. Sieben is again requesting the guarantee be lowered. Mr. Parmer stated that since Mr. Sieben does not feel he has a legal contract with the Airport Authority he would recommend taking steps to solicit proposals.

Mr. Sieben was recognized and stated that he would like to see the guarantee based on passengers boarded. He stated that if boardings would have stayed the same as those on which he based his original proposal he would have come within \$38 of the guarantee. Mr. Sieben added that part of the statistics quoted in his letter will show what a good job they did in the game room. Commissions paid to the airport from the game room came out to \$49 per square foot.

Mr. Gallagher asked if that is the going rate in the industry .

Mr. Sieben stated he was not sure as most game room revenue is based on percentages. He stated he feels if the Airport Authority received a percentage of the game revenue with the guarantee based on an amount per passenger, the airport's revenue would increase along with boardings and it would also be fair to the game operator.

Mr. Parmer stated he has a problem with the guarantee being based on passengers. He stated that most vendors base commission on a percentage of the gross, as do other operators at the airport. He added that other game room operators would have their own ideas on how the airport should be compensated.

Mr. Sieben stated that he has been advised by his legal counsel that there was no valid legal contract for the last year and he does not feel he owes the additional \$2,664.52.

Mr. Hentges stated that even though the original contract has expired he was still operating on a month to month basis. He stated the matter should be turned over to the Executive Director and Attorney Stewart.

Mr. Williams stated he feels we need to have a contract and possibly it is time to open it up for bids. Mr. Williams stated there are really two questions here, 1) does Advanced Amusements owe the Airport Authority the additional revenue and 2) should the Airport Authority take bids on the game room operation?

Mr. Sieben stated he has not operated profitably under the terms of the contract. He stated he was caught in the airline economic crunch and it cost him a lot of money.

Received Communication from Advanced Amusements Reviewing Game Room Operation:
(Continued)

Mr. Hentges stated his experience has been that even if a contract is on a month to month basis the rent stays the same, unless otherwise negotiated, so he feels Advanced Amusement owes the money. He stated he would agree with the Executive Director that it should not be based on passengers. All other tenants in the building operate on a percentage of gross revenue.

Mr. Sieben stated that percentage does not mean anything if the games are not making any money.

Mr. Hentges stated that if we were to go to bids for the game room operations we would certainly get some different perspectives from other vendors and it could be that Mr. Sieben's proposal may be the best. He stated that he would like the Executive Director to be able to work this out with Mr. Sieben.

Mr. Williams moved the matter be referred to the Executive Director for his recommendation on soliciting proposals for the game room operation and that he confer with Attorney Stewart regarding the amount owed by Advanced Amusements.

Second by Mr. Gallagher.

All members present voted aye and the motion was declared carried.

Authorized Filing of Request for State Airport Aid with the North Dakota Aeronautics Commission for the Runway 8/26 Project:

Mr. Parmer stated that the State of North Dakota has changed their program of aid to air carrier airports in the state. Previously the State distributed the allocated funds based on enplanements so the airport boarding the most passengers received the greatest percentage of the funds. The air carrier airports in the state must now request the funds and they must be designated for a certain project. He stated that we must make a personal presentation to the North Dakota Aeronautics Commission at their meeting on June 29. Mr. Parmer stated that they will be allocating \$300,000 and he would like to request funds for the Runway 8/26 project in the neighborhood of \$100,000. He stated that they will probably have requests far in excess of money available. Mr. Parmer stated that he does not think we should sit back and allow them to distribute the \$300,000 without Fargo requesting part of it.

Mr. Gallagher moved to authorize filing a Request for State Airport Aid with the North Dakota Aeronautics Commission for the Runway 8/26 Project.

Second by Mr. Hentges.

All members present voted aye and the motion was declared carried.

Other Business:

Mr. Parmer stated he received a request from Mr. Mark Beiriger to provide Sky Cap service at the airport. He stated that Mr. Beiriger worked as a Sky Cap under the previous operator. Mr. Parmer stated that we are probably going to run into the same problem as we did with the last operator and that is wanting to run the operation for the summer months only. Mr. Beiriger did indicate that he would be able to cover all of the departing flights with the exception of the last flight in the evening.

Chairman Stanton stated she did not see any problem with this. She stated that as far as running only for the summer months that is the kind of business it is.

Mr. Gallagher moved to authorize Mr. Parmer to do as he wishes with the Sky Cap service.

Second by Mr. Hentges.

All members present voted aye and the motion was declared carried.

Other Business: (Continued)

Mr. Parmer distributed passenger traffic reports for the month of May, including a report from the North Dakota Aeronautics Commission showing boardings for all of the air carrier airports in the state. Mr. Parmer stated that in May we boarded in excess of 25,000 people which exceeded our all time high from July 1986 by 2,000 passengers or 8.7%. May 1992 exceeded May 1991 by almost 12,000 passengers for an 88% increase. A lot of the passengers boarded in May would possibly have boarded at other locations but boarded in Fargo because of the introductory fares offered by American Airlines and matched by the other carriers.

Mr. Parmer stated that last month Mr. Williams asked for load factors along with the boarding figures. He stated that in May the load factors were as follows:

Northwest.....	79%
American.....	62%
United.....	40%

Mr. Parmer noted that United has to share their airplane with Sioux Falls so they are more limited in available seats.

Mr. Hentges moved to adjourn the regular meeting of the Municipal Airport Authority until the next regular meeting to be held Tuesday, June 23, 1992 at 10:30 a.m. in the Airport Boardroom.

Second by Mr. Gallagher.

All members present voted aye and the motion was declared carried.

Time at adjournment was 11:20 a.m.

Regular Meeting

Tuesday

June 23, 1992

The regular meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held on Tuesday, June 23, 1992, at 10:30 a.m. in the Airport Boardroom.

The members present or absent were as shown following:

Present: Hentges, Gallagher, Williams, Cichy, Stanton

Absent: None

Others: Stewart, Bromenschenkel

Chairman Stanton presiding.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held June 9, 1992:

Mr. Cichy moved to approve the minutes of the regular meeting of the Municipal Airport Authority held June 9, 1992.

Second by Mr. Williams.

All members present voted aye and the motion was declared carried.

Approved the Airport Vouchers Totaling \$40,936.37:

Mr. Hentges moved to approve the airport vouchers totaling \$40,936.37.

Second by Mr. Gallagher.

On the call of the roll, members Hentges, Gallagher, Williams, Cichy and Stanton voted aye.

Absent and not voting: None

The motion was declared carried.

Approved Individual Voucher to Ulteig Engineers, Inc.:

Mr. Hentges moved to approve the individual voucher in the amount of \$39,375.38 to Ulteig Engineers, Inc. for engineering services in connection with the Runway 8/26 Project No. 38 0017 12.

Second by Mr. Cichy.

On the call of the roll, members Hentges, Gallagher, Williams, Cichy and Stanton voted aye.

Reviewed Runway 8/26 Project:

Mr. Parmer stated that at the last meeting the Airport Authority accepted bids for the Runway 8/26 project and the application has been submitted to the FAA. He stated we still have not heard anything from the FAA as to their participation in the project. He stated that the amount we are requesting from the FAA is approximately \$6 million. Mr. Parmer stated he talked with Mr. Milt Heupel this morning and they still do not have any word. He stated that one factor causing the hold up is that the FAA still has not cleared the environmental assessment report completed by Coffman Associates, which was part of the Airport Master Plan Update. He added that report has been sitting on someone's desk at the FAA since last July. He stated the FAA has indicated they are working on it and plan to have that process completed in the next few days. The environmental assessment must be approved prior to even discussing a grant.

Mr. Parmer stated that there are number of people concerned about the project. The Air Transport Association wants to know when we are going to ask them to start operating on Taxiway A. He stated that whatever happens it looks like we will have to change how we wanted to do the project. First we wanted to do the section between the two taxiways and that is what will require closing Runway 17/35 and using Taxiway A as a landing and take off runway. The further it is delayed the shorter the daylight operations are going to be and both Northwest and United have operations after 10:00 p.m. Mr. Parmer stated that Mr. Paul McGraw, ATA, has advised all of the airlines that it looks like that portion of the project might have to be delayed until 1993 and he indicated he agreed with that. Mr. Parmer stated that yesterday he and Wes Schon met with the contractor, Northern Improvement, and Mr. Schon will brief the Authority on that meeting. Mr. Parmer stated that we are going to have a project, we just don't know to what extent it will be. We have about \$2.4 million in our enplanement fund but it doesn't cover the project. He added that we cannot go to a multi year project because this is the last year of the current legislation. Congress is presently working on the authorization for the next five years. He stated we know that is going to happen but we cannot actually allocate money until that legislation is passed. Mr. Parmer stated we have not even sat down with the FAA to discuss what we are going to do with the money that they will finally allocate. He stated that he feels we will possibly end up constructing the 2700' of Runway 8/26 that lies east of Taxiway B and the area between the taxiways next year. He asked Mr. Schon to advise the Airport Authority of the discussion of the meeting with Northern Improvement.

Mr. Schon stated that this will be a two year project no matter how we phase it. He stated they set up phasing in their plan which was all tied to funding. He stated in their meeting with Northern he asked them if the phasing was switched around if they would still be interested in the project for the prices they bid and they verbally indicated they would. Mr. Schon stated it is now a matter of waiting for everything to come through from the FAA. He stated he talked to Milt Heupel this morning and he is working on the project. He stated it could all pull into place very quickly and Mr. Heupel asked how long the contractor will hold his bid. Mr. Schon stated we have a 60 day hold on the bid and he is sure Northern would hold it even longer than that.

Mr. Hentges stated we need to find out exactly why that environmental assessment report has been held up in the FAA for so long. He stated the clock is running and if that is what is holding up the project then something needs to be done.

Mr. Schon stated there has been communication from us through a number of channels indicating that this project is taking place. He stated that Northern Improvement received a call from Coffman Associates regarding their landfill and that is one area covered by an environmental assessment so it is apparent someone is working on it but it is unfortunate it isn't done by now.

Reviewed Runway 8/26 Project: (Continued)

Mr. Hentges stated he thinks we need to find out why and if necessary dip into our resource of clout.

Mr. Parmer stated that he thinks what happened as far as review of the environmental assessment is that the FAA is reviewing the environmental assessment for airports in the entire region. He stated that the FAA are the ones who asked if we could go to bid on the project by June 1.

Mr. Schon stated this is a gamble for the airport because if the environmental assessment does not receive a finding of no significant impact and they come back with concerns that cannot be resolved there would be a lot of things left hanging. He stated they have proceeded on the assumption that everything will be okay.

Mr. Hentges stated that the politics of the discretionary funding concern him and that we need to be riding herd on that daily as we are running out of days on the calendar.

Mr. Schon stated we can work on the east portion of the runway up until freeze up without any interference with the active airport.

Mr. Parmer stated that we will continue to be in contact with the FAA on a day to day basis.

Directed Airport Authority Attorney to Draft Resolution Setting Landing Fees for Scheduled Freight and Passenger Operations:

Mr. Parmer stated that we conducted a survey of airports in the area and it seems that we are the only airport not assessing landing fees to scheduled general aviation freight and passenger operators. Mr. Parmer stated that before we can take any action on assessing the fees we need a resolution setting the fees and he would request that the Airport Authority instruct Attorney Stewart to draft a resolution setting landing fees for these operations. Mr. Parmer stated the fees charged by other airports range from \$2.75 to \$10.00 per operation.

Mr. Gallagher moved the Airport Authority direct Attorney Stewart to draft a resolution setting landing fees for scheduled freight and passenger operations.

Second by Mr. Cichy.

All members present voted aye and the motion was declared carried.

Mr. Parmer indicated he would report back to the Airport Authority on the matter at the next meeting so the Authority can enact the fee.

Received Communication from AirVantage Outlining Terminal and Ramp Space Requirements:

Mr. Parmer stated that following the last meeting he and Attorney Stewart met with representatives of AirVantage. AirVantage is presently operating one departure in the morning which is handled through United Airlines. He stated he talked with Mr. Brent Skillman, AirVantage, yesterday afternoon. Mr. Parmer stated that at one point they requested to lease counter space in the terminal and he thinks they still have that idea in the back of their mind but he is not sure they are going to operate that way. He stated as far as he knows they are going to continue to work through United. Mr. Parmer stated their one request for that flight is to be able to enter the west security gate to load and unload freight. He stated that since we have moved into this terminal all of the freight pickup has been done outside of the secured area and granting this request would be a deviation from normal procedure. He stated we reviewed the area at the west end of the ramp and at various times there is a lot of traffic there and is a congested area. He stated we would not be able to give AirVantage an assigned parking spot because of the changes in arrivals of airlines.

Received Communication from AirVantage Outlining Terminal and Ramp Space Requirements:
(Continued)

He stated they understand this and it seems to be agreeable to them. He stated we could approve this type of operation on the condition that if it does not work it can be cancelled at a moment's notice. He stated that if it interferes with the operations of the air carriers it will be cancelled immediately.

Mr. Williams moved to approve the request from AirVantage for access to the westside ramp for loading/unloading freight from their aircraft, with the stipulation that if their operation in any way interferes with the air carriers it will be cancelled at a moment's notice.

Second by Mr. Gallagher.

Mr. Ron Balvitsch, Northwest Airlines, was recognized and stated that he would oppose that since the ramp is a secured area right now. He stated that Mr. Dave Dion, American Airlines, feels the same and they would like to go on record as opposing this request.

Mr. Dave Dion was recognized and stated that the area in which AirVantage would be located is adjacent to their ramp space and they have enough problems the way it is with private aircraft parking there.

Chairman Stanton asked the managers if they would be willing to try it knowing it would be cancelled in a moment's notice if it does not work.

Mr. Dion indicated he would go along with that.

Chairman Stanton stated that Mr. Parmer will keep a handle on the operation and if there are any problems it will be discontinued immediately.

Mr. Parmer stated he understands the airline managers' concerns and this operation will be monitored very closely. He stated that AirVantage has indicated that they will need only one employee to be badged and there will be only one vehicle on the ramp. He stated he would agree with the airlines' position because the only people we have allowed on the ramp other than airline service personnel are the mail truck drivers and that has worked out quite well.

Chairman Stanton stated she feels the motion protects the airlines in that if it does not work it will not continue.

Mr. Parmer stated this is not something he endorses one hundred percent but we could take a look at it.

In answer to a question from Mr. Hentges, Mr. Parmer explained that the AirVantage passengers presently go through security and escorted to the aircraft from the stairway by United Airlines personnel. If AirVantage would no longer operate through United they would gain access to the aircraft from the ground level through the commuter gate, escorted by AirVantage personnel.

Mr. Bromenschenkel asked if the FAA has approved that.

Mr. Balvitsch stated another matter that needs to be discussed is the AirVantage passengers going through the security check point. He stated that the airlines pay International Total Services for that service and they have not received payment for any of AirVantage's passengers.

Mr. Parmer stated AirVantage should be handled the same as Mesaba.

Mr. Parmer stated that after the last FAA security inspection they discussed the matter of general aviation aircraft parked on this ramp. He stated that the FAA requires that airports allow general aviation pilots access to the terminal but not necessarily on the air carrier ramp. In the past we have been required to escort general aviation pilots and passengers back to their aircraft but now the FAA is saying that we must also escort them from their aircraft to the building, but we cannot do that unless we know in advance that an aircraft has clearance to park there.

Received Communication from AirVantage Outlining Terminal and Ramp Space Requirements:
(Continued)

Mr. Hentges indicated he has some problems with AirVantage's request but if the airlines are agreeable to giving it a try he would go along with it.

Mr. Dion asked if it would still be only one operation per day.

Mr. Gary Woessner, AirVantage, was recognized and stated that they will continue with the 8:30 a.m. departure and 6:20 p.m. arrival. He added that the passengers on their other flights are confused about where to go to board the plane so they want counter space for them to check in here and then transport them to Valley Aviation.

Mr. Gallagher asked if there is any alternative to this plan.

Mr. Parmer stated the only alternative is to operate everything on the eastside. He stated that AirVantage would be opposed to that as they feel they would not get the exposure they need.

Mr. Ron Bavlitich stated they hear comments every day from people who are upset because Northwest does not know where passengers should go to board the AirVantage flight. He stated he would think it would be a whole lot simpler if they operated from one location.

Pat Rutten, United Airlines, was recognized, and stated that she feel some of the confusion has been eliminated since the sign was placed at the United counter.

Chairman Stanton stated we should try this and see where it goes, as Mr. Parmer will have a handle on it.

On the call of the roll, members Hentges, Gallagher, Williams and Stanton voted aye.

Mr. Cichy voted no.

The motion was declared carried.

Mr. Hentges stated he voted yes on the condition that this arrangement gets the approval of the air carriers. Chairman Stanton the motion states that if it does not work it will not continue.

Received Update on Game Room Operation:

Mr. Parmer stated that at the direction of the Airport Authority at its last meeting, he and Attorney Stewart met with Mr. Gene Sieben, Advanced Amusements and his attorney to resolve the matter of Advanced Amusement's agreement to run the game room operation. Mr. Parmer stated that Mr. Sieben is proposing to tie the annual guarantee to the airline passenger boardings. He stated that as far as he is concerned that is not a guarantee, as it would fluctuate with the boardings. He stated he is sure there are other game operators in the city that would like to provide the service to the airport and he feels it may be time to solicit bids for the operation of the game room. He stated it is possible that Mr. Sieben's proposal will be the best.

Chairman Stanton asked if any of the other revenue we receive is based on boardings.

Mr. Parmer stated that normally commission on game revenue is based on a percentage.

Mr. Sieben stated that his original proposal was based on a twelve month period with 232,000 boarding passengers and boardings have gone down since then.

In answer to a question from Mr. Hentges, Mr. Sieben stated his guarantee for the period August 1990 to July 1991 was \$9,464.35 and they have already paid \$6,799.83, leaving a balance due of \$2,664.52.

Mr. Hentges asked Mr. Parmer what he felt was the simplest and fairest way.

Mr. Parmer stated he feels it should be based on a percentage of gross dollars with a guarantee.

Received Update on Game Room Operation: (Continued)

Mr. Hentges suggested the Airport Authority extend the agreement with Advanced Amusements for one year with a \$10,000 minimum guarantee or 25% of the gross, whichever is greater.

Mr. Parmer stated that our agreement with Advanced Amusements has expired and there are other game operators that would like to provide the service to the airport and he feels it is time we solicit bids.

Chairman Stanton stated the problem with taking bids on the game room operation again is that she knows nothing about video games and how much they should be making.

Mr. Williams stated that he feels for the square footage of the building that is involved he feels we are well paid. He added that we are arguing about pennies.

Mr. Sieben stated he does not have any problem with the game room going out for bids again. He does have a problem with the amount the Airport Authority billed him for the guarantee for the last period.

Chairman Stanton stated that as far as she is concerned that is a separate issue.

Mr. Hentges stated that if Mr. Parmer has a problem with tying the guarantee to boardings he is okay with that.

Chairman Stanton stated she also has a problem with tying the guarantee to the number of boardings.

Mr. Parmer stated that basing the guarantee on boardings is not a solid guarantee as boardings fluctuate.

Attorney Stewart stated that there does not seem to be a consensus and asked Mr. Sieben if he would be willing to finish the year based on the same guarantee.

Mr. Sieben stated that at one point Mr. Parmer indicated he would like to change the term on the game room operation to January December rather than August July.

Attorney Stewart stated we could extend Mr. Sieben's agreement for 18 months which would put us on a calendar year term.

Mr. Hentges moved the Airport Authority enter into a new lease agreement with Advanced Amusements through December 1993, based on his present operating agreement.

Second by Mr. Cichy.

All members present voted aye and the motion was declared carried.

Approved Acquisition of Forklift from State Surplus:

Mr. Parmer stated that he has been advised of a 4000 lb. capacity forklift available from the State of North Dakota Surplus Depot for \$2,500.00. He stated that he has put a "hold" on the piece of equipment and is requesting authorization from the Airport Authority to purchase it.

Mr. Gallagher moved to authorize the purchase of the forklift from the State Surplus Depot.

Second by Mr. Cichy.

On the call of the roll, members Hentges, Gallagher, Williams, Cichy, and Stanton voted aye.

No member being absent and none voting nay the motion was declared carried.

Approved Installation of AT&T Fax Machine in Terminal Building:

Mr. Parmer stated that he met with a representative of AT&T recently regarding replacing the telephones they have in the terminal building. In addition, they are also introducing a fax service and would like to install a machine in the terminal. He stated we have made our machine available to the public in the past but this machine would be in the terminal building.

Approved Installation of AT&T Fax Machine: (Continued)

Mr. Gallagher moved to approve the installation of a fax machine by AT&T in the terminal building.

Second by Mr. Hentges.

All members present voted aye and the motion was declared carried.

Adopted Resolution of Appreciation to Mr. Howard Graber:

Mr. Cichy offered the following Resolution of Appreciation to Mr. Howard Graber and moved its adoption:

WHEREAS, the Airport Authority has learned of the upcoming retirement of Howard "Just Give Me The Facts Man" Graber, and

WHEREAS, Howard "Just Give Me The Facts Man" Graber has covered the meetings of the Airport Authority for many years, and

WHEREAS, Howard "Just Give Me The Facts Man" Graber could always be counted on to give complete and accurate stories to his listening public, and

WHEREAS, Howard "Just Give Me The Facts Man" Graber has labored long and hard in his chosen profession and is deserving of a lengthy retirement.

NOW THEREFORE, BE IT RESOLVED that the Airport Authority of the City of Fargo does hereby thank Howard "Just Give Me The Facts Man" Graber for his unselfish and keen interest in the activities of the Airport Authority and wish he and his family well in his retirement.

BE IT FURTHER RESOLVED, that this resolution be inscribed upon the permanent records of the proceedings of the Municipal Airport Authority and that a certified copy of said resolution be forwarded to Mr. Howard "Just Give Me The Facts Man" Graber.

Seconded by Mr. Hentges.

On the call of the roll, members Hentges, Gallagher, Williams, Cichy and Stanton voted aye.

No member being absent and none voting nay the motion was declared to have been duly passed and adopted.

Mr. Graber stated the he has appreciated the honesty and cooperation he has received from the Airport Authority over the years.

Mr. Williams moved to adjourn the meeting of the Municipal Airport Authority until the next regular meeting to be held Tuesday, July 7, 1992 at 10:30 a.m. in the Airport Boardroom.

Second by Mr. Gallagher.

All members present voted aye and the motion was declared carried.

Time at adjournment was 11:22 a.m.

Regular Meeting

Tuesday

July 7, 1992

The regular meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held on Tuesday, July 7, 1992 at 10:30 a.m. in the Airport Boardroom.

The members present or absent were as shown following:

Present: Hentges, Gallagher, Williams, Stanton

Absent: Cichy

Others: Stewart, Bromenschenkel, MacLeod

Chairman Stanton presiding.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held June 23, 1992:

Mr. Gallagher moved to approve the minutes of the regular meeting of the Municipal Airport Authority held June 23, 1992.

Second by Mr. Williams.

All members present voted aye and the motion was declared carried.

Approved Airport Vouchers Totaling \$32,437.43:

Mr. Williams moved to approve the airport vouchers totaling \$32,437.43.

Second by Mr. Gallagher.

On the call of the roll, members Gallagher, Williams and Stanton voted aye.

Absent and not voting: Hentges, Cichy

The motion was declared carried.

Received and Filed Statement of Operations for the Month of May 1992:

Mr. Gallagher moved to receive and file the Statement of Operations for the Month of May 1992.

Second by Mr. Williams.

All members present voted aye and the motion was declared carried.

Cancelled Lease with Red River Radio Amateurs for Space on 6th Floor of the Eastside Terminal Building:

Mr. Parmer stated that there are three items on the agenda relating to this matter. He stated that he has already talked with someone from Red River Radio Amateurs and they have already moved out of the six floor, which they were using on a gratis basis. He stated they may come back with another request for space in the future but right now they are not sure what they are going to do.

Mr. Hentges now present.

Mr. Williams moved to cancel lease with Red River Radio Amateurs for gratis space in the Eastside Terminal.

Second by Mr. Gallagher.

All members present voted aye and the motion was declared carried.

Considered Authorizing Use of Tower Cab by Red River Amateurs:

Mr. Parmer stated that the Red River Radio Amateurs are not even sure they want to use the tower cab space so the Airport Authority will not need to take any action today. He stated there was a group of pilots interested in leasing the space and the Airport Authority delayed action on their request until further information was received on the intended use. Mr. Parmer stated someone from that group had noticed this item on the agenda so they are still interested in leasing the space. Mr. Parmer stated he would get back to them to discuss the Airport Authority's concerns.

Considered Leasing 6th Floor of Eastside Terminal Building to Claircom Communications:

Mr. Parmer stated he met last week with a representative of Claircom Communications which is a firm that installs ground to air telephone systems around the country. He stated they inspected the area available, both the office space in the Eastside Terminal for their equipment and the antenna structure would be placed on the old tower cab. He stated they prepared a lease agreement which he reviewed and also referred to Attorney Stewart. Mr. Parmer stated that since receiving that draft of the lease they have added a couple of paragraphs. He stated that all of the leases we have with tenants in the Eastside Terminal contain a clause providing that if the Airport Authority should ever want to demolish that building for any reason it can do so and not have any financial responsibility to tenants with long term leases. He stated he advised them of this clause and they wanted a provision that the Airport Authority would assume the cost to relocate and Mr. Parmer indicated that would not be acceptable to the Airport Authority.

Mr. Parmer stated that the Airport Authority can approve this agreement with Claircom Communications, subject to the review and approval of Attorney Stewart, since he has not seen their revised agreement. He added that the lease is for a three year term and they requested nine additional three year terms but that he feels it should be cut down to four additional three year terms. He added that there are automatic rent increases included.

Attorney Stewart asked about any other sites Claircom Communications might have in mind.

Mr. Parmer stated that as far as he knew we were the only site in North Dakota between here and Dickinson.

Attorney Stewart stated that he knows that Claircom Communications has also been negotiating with the Housing Authority for a site in Fargo.

Considered Leasing 6th Floor of Eastside Terminal Building to Claircom Communications:
(continued)

Mr. Gallagher moved to approve the lease agreement with Claircom Communications, subject to the approval of Attorney Stewart.

Second by Mr. Hentges.

On the call of the roll, members Hentges, Gallagher, Williams and Stanton voted aye.

Absent and not voting: Cichy

The motion was declared carried.

Reviewed AirVantage Space Requirements:

Mr. Parmer stated that at the last meeting the Airport Authority discussed space requirements for AirVantage and at that time AirVantage was operating through United Airlines. Mr. Parmer stated that since then United and AirVantage have ceased their operating agreement. He stated he talked with Mr. Brent Skillman, AirVantage, and they plan to continue their flights but all passengers will leave from the general aviation area. They would still like to lease counter space in the Westside Terminal because passengers will still be checking in here but will be transported to the eastside for boarding. He stated AirVantage will no longer be operating any of their flights on the westside ramp.

Mr. Parmer stated that Attorney Stewart has drafted a lease which is strictly on a month to month basis and will be effective July 1. Mr. Parmer stated that their request now is for counter space only.

Attorney Stewart stated that everything looks to be in order as long as we have an early termination clause in the agreement.

Mr. Hentges moved to approve the lease with AirVantage for counter space in the Westside Terminal, as outlined.

Second by Mr. Williams.

On the call of the roll, members Hentges, Gallagher, Williams and Stanton voted aye.

Absent and not voting: Cichy

The motion was declared carried.

Reviewed Request for North Dakota Aeronautics Commission Funding for Runway 8/26 Project:

Mr. Parmer stated that sometime ago the North Dakota Aeronautics Commission advised us that they had \$291,000 to distribute to the air carrier airports around the state for projects approved by the FAA. He stated that we requested \$100,000 for our Runway 8/26 Project and made the required presentation to the Aeronautics Commission at their meeting. He stated that the requests received by the Aeronautics Commission were far in excess of the funds available but he was pleased to advise the Airport Authority that we will receive \$59,640. Cities receiving funds (in order of amount) were Grand Forks, Fargo, Devils Lake, Bismarck, Minot, Jamestown, Williston).

Mr. Williams moved to receive and file the communication from the Aeronautics Commission.

Second by Mr. Gallagher.

All members present voted aye and the motion was declared carried.

Reviewed Request for North Dakota Aeronautics Commission Funding for Runway 8/26 Project:
(Continued)

Mr. Parmer stated that as far as a progress report on the Runway 8/26 Project, for which bids were received June 9, we still have not received official word from the FAA on funding. He stated he talked to Mr. Milt Heupel, FAA, this morning and everyone is hanging their hat on the environmental assessment which has not been approved yet. Mr. Parmer stated that Mr. Heupel did say that the regional office indicated it should be cleared by July 20.

Mr. Parmer stated, as he has indicated before, we will have a project because we have enplanement funds of approximately \$2.4 million which they will approve. He stated that in his conversation with Mr. Heupel this morning they discussed the section between Alpha and Bravo taxiways, which will cause us some problems because of the timing. In our meeting with the contractor they indicated that once they got the "go ahead" it would possibly take them approximately three weeks to get moving. He stated the Air Transport Association and the airlines are concerned about the timing since they would be asked to operate off Alpha Taxiway, as it appears now it will be strictly a VFR daylight operation. He stated there are two scheduled flights that come in after dark. Mr. Parmer stated that Mr. Paul McGraw, ATA, indicated we should try to get that portion of the project done during the period of the year when there are the most sunlight hours and he agrees with him. We will probably have to change our priorities and do the east portion of the runway this year and the rest next year. Mr. Parmer stated that he had asked Wes Schon if it would be possible to complete a portion of the work on the runway between the two taxiways without interrupting the operation of Runway 17/35. He stated we have not discussed this before. He asked Mr. Schon to bring the Airport Authority up to date on the project and also mentioned that representatives of the Air National Guard had some comments.

Mr. Wes Schon was recognized and stated it would be possible to do a portion of the project without interrupting Runway 17/35 but since they did not design the project that way they will have to rethink some aspects of the project. He stated that September and the first part of October is not a bad time to do construction but that is not the issue right now. The driving force behind when we can do this work is the airlines.

Mr. Parmer stated if the project was funded completely this afternoon it would still be a two year project. He added that the Guard's concern is that if they have to operate off a taxiway they will have to make arrangements for a barrier cable.

Col. Mike Haugen, Commander of the NDANG, was recognized and stated that the type of cable they plan to use is the kind they used to use. He stated they have the additional cable now but if construction is not going to happen this year they have to return the cable. He added that in September of next year they will be undergoing an Operation Readiness Inspection and will be practicing for three months prior to that. On weekends they will be flying more than 100 sorties and they would not want to be operating on half a runway.

Mr. Parmer stated all we can do as far as scheduling is concerned is wait until the money comes forward and decide what to do at that time. He stated he would doubt very much if we could do anything that would disrupt the operation of Runway 17/35 this fall.

Mr. Williams added that previous experience with September work is that contractors are usually working to finish other projects for the season and that has caused delays.

Mr. Parmer stated that in talking with the airlines about this project last year, Northwest approved the plan to use Alpha Taxiway but United declined. He stated that in discussions this year with the ATA they indicate that they had agreement from all

Reviewed Request for North Dakota Aeronautics Commission Funding for Runway 8/26 Project:
(Continued)

three carriers to operate on the taxiway. He added that once we get notification of funding we will need to sit down with everyone involved. He stated the airlines want as much time as possible to plan as they might need to make some equipment changes. He stated that right now it does not appear that we will be disturbing Runway 17/35 this year.

Mr. Schon stated that until we get a firm commitment on the grant we cannot make final plans.

Mr. Hentges asked if all costs for temporary modifications are built into the project.

Mr. Schon stated they feel they have done everything they can to provide for those costs.

Mr. Don Driscoll, Air Traffic Control Tower Chief, stated that the primary concern of the airlines is safety because they will be required to land on a narrower runway than they are used to and he can understand their concern.

Mr. Parmer stated that the delay in getting this project going does not rest here. He stated that last winter the FAA was asking us if we would be ready to go to bids the first week in June and we have met all of their deadlines.

Mr. Hentges stated there certainly must be other airports in the country running into the same situation where adjustments need to be made.

Mr. Driscoll stated that most of the airports have more than one runway they can use.

Mr. Schon stated there are some airports that close down during construction. He stated that Bismarck is scheduled to be closed for two days during one of their projects.

Chairman Stanton asked if we are talking with the FAA on a regular basis.

Mr. Schon stated we are communicating with them regularly just short of the point of harassing them.

Chairman Stanton stated if we hear anything before the next regular meeting the Airport Authority would certainly be more than willing to call a special meeting if necessary.

Received and Filed Passenger Traffic Report for the Month of June 1992:

Mr. Gallagher moved to receive and file the passenger traffic report for the month of June 1992.

Second by Mr. Williams.

All members present voted aye and the motion was declared carried.

Other Business:

Mr. Ron Balvitsch, Northwest Airlines Station Manager, was recognized and stated that they have had a drastic increase in the number of bags being taken by the wrong passengers. He stated that with the lower fares they are dealing with a different clientele than the regular frequent traveler. He stated normally they may have one such incident all summer and this year there were 12 in June and six already in July and it is only the 7th. He stated that when this happens they may have to pay people up to \$800 to replace clothing. Some people who take the wrong bags may not contact them until a week later. He stated that some airports have used a positive claim system but that is an expensive procedure. They have signs in the baggage claim area

Other Business: (Continued)

on display luggage advising passengers to make sure they are taking the correct luggage as many pieces may look alike. Mr. Balvitsch stated he is asking the Airport Authority if they have any suggestions to alleviate this problem. He added that most people are not aware that taking someone else's luggage is a federal offense.

Chairman Stanton asked if some type of recorded message while people are picking up their bags would work. She stated it is certainly an inconvenience for the passenger and a pain for the airlines.

Mr. Hentges suggested it be something that comes on automatically when the baggage carousels are in use since there are flights coming in at all hours and there are times when no one is in the office. Mr. Gallagher moved the Executive Director be authorized to implement a solution

to the baggage claim problem agreeable both to the airlines and the Airport Authority.

Second by Mr. Hentges.

All members present voted aye and the motion was declared carried.

Mr. Gallagher moved to adjourn the meeting of the Municipal Airport Authority until the next regular meeting to be held Tuesday, July 21, 1992 at 10:30 a.m. in the Airport Boardroom.

Second by Mr. Williams.

All members present voted aye and the motion was declared carried.

Time at adjournment was 11:08 a.m.

Regular Meeting

Tuesday

July 21, 1992

The regular meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held Tuesday, July 21, 1992, at 10:30 a.m. in the Airport Boardroom.

The members present or absent were as shown following:

Present: Gallagher, Williams, Stanton

Absent: Hentges, Cichy

Others: Stewart, Bromenschenkel

Chairman Stanton presiding.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held July 7, 1992:

Mr. Williams moved to approve the minutes of the regular meeting of the Municipal Airport Authority held July 7, 1992.

Second by Mr. Gallagher.

All members present voted aye and the motion was declared carried.

Approved Airport Vouchers Totaling \$46,092.69:

Mr. Gallagher moved to approve the airport vouchers totaling \$46,092.69.

Second by Mr. Williams.

On the call of the roll, members Gallagher, Williams and Stanton voted aye.

Absent and not voting: Hentges, Cichy.

The motion was declared carried.

Approved Individual Voucher to Ulteig Engineers, Inc.:

Mr. Williams moved to approve the individual voucher in the amount of \$8,621.06 to Ulteig Engineers, Inc. for engineering services in connection with the Runway 8/26 Project No. 38 0017 12.

Second by Mr. Gallagher.

Absent and not voting: Hentges, Cichy.

The motion was declared carried.

Received Communication from Attorney Stewart Concerning Easement to Southeast Cass Water Resource District:

Mr. Parmer stated that the Southeast Cass Water Resource District is doing some clean out work of Drain #10 and the project requires a construction easement as well as a permanent easement. Mr. Parmer stated that Attorney Stewart has been in communication with the attorneys for the Southeast Cass Water Resource District and has forwarded the agreements to the Airport Authority for approval. Mr. Parmer stated that he and Wes Schon, Ulteig Engineers, have discussed the possibility of using the soil from the spoil bank for the Runway 8/26 Project.

Attorney Stewart stated that the County should be alerted to the fact that the Airport Authority would like the spoil bank on the eastside of the drain rather than the westside of the drain so that the contractor is made aware of that before the project beings.

Mr. Gallagher moved to authorize execution of Temporary Construction Easement and permanent Easement with the Southeast Cass Water Resource District.

Second by Mr. Williams.

All members present voted aye and the motion was declared carried.

Received Update on Air National Guard Construction Program and Authorized Relocation of Runway 21 Threshold:

Mr. Parmer stated that the Air National Guard has been involved in a great deal of construction recently. Sometime ago the Guard discussed with the Airport Authority the construction of the munitions depot and the shadowing affect it will have on Runway 3/21 when construction has progressed to a certain point. He stated we have discussed the relocation of the threshold to Runway 21 by approximately 350 feet to eliminate this shadowing effect and that their construction is now at a point where the threshold will have to be relocated. Mr. Parmer stated he has reviewed the correspondence between the Airport Authority and the Guard and also between the FAA and the Guard and the FAA approved the relocation of the threshold. He stated the Airport Authority also approved this relocation but he felt since it has been some time since this was discussed and that the Guard is now ready to proceed he felt the Airport Authority should simply reaffirm their approval.

Mr. Williams moved to authorize the Executive Director to proceed with the relocation of the threshold to Runway 21.

Col. Mike Haugen was recognized and stated that he was not sure that 350 feet was the correct measurement.

Mr. Parmer stated the area would again be measured and the distance confirmed before the change is implemented.

Authorized Executive Director to Draft Specifications for Reversible Plow Blade for Runway Sander Unit:

Mr. Parmer stated that the airfield maintenance staff feels we could improve the snow removal process if they had a plow attached to the runway sander unit. This unit already has all of the hydraulics necessary it would just be a matter of the blade attachment. He stated that when all of the other equipment is on the runways and taxiways this unit could be used to clear the access road. He stated he is requesting authorization to draft the specifications. He indicated he anticipated the cost to be in the neighborhood of \$10,000.

Mr. Williams moved the Executive Director be authorized to draft specifications for a reversible plow blade for the runway sander unit.

Second by Mr. Gallagher.

All members present voted aye and the motion was declared carried.

Reviewed Status of Runway 8/26 Project:

Mr. Parmer stated that at the last meeting he reported that the FAA expected to have our environmental assessment completed by July 20. He stated that in a conversation with the FAA yesterday they indicated they hoped to get something done by the end of the week. He stated that the FAA has received all outside responses on the assessment so anything left to be done is within the FAA.

Mr. Parmer stated that when the assessment has been approved the next step will be the funding. He stated we are requesting approximately \$3.6 million in discretionary funding and he is confident we will get discretionary money but he is not sure we will get the entire amount right now. Mr. Parmer stated he hates to sound like a broken record but we should know something by the next Airport Authority meeting.

Mr. Williams asked how long the contractor's bid will be good.

Mr. Wes Schon, Ulteig Engineers, stated that we requested 60 days but Northern Improvement has indicated they will hold their bid longer if needed.

Mr. Parmer stated there is going to have to be some juggling as far as first stage development because of the timing now since it is so late in the construction season.

Mr. Parmer stated the FAA has had some changes recently in the Airport Improvement Program. In the past we were able to submit preapplications and applications based on estimated figures and we would estimate high so that if there were any additions or changes in the scope of the project we could get a change order approved without having to get an amendment to the grant. Since all of the airports applying for grants followed this procedure there was always a lot of unspent money at the end of the year. They now require a bid figure before the grant is issued.

Mr. Parmer stated that once we hear from the FAA the Airport Authority's next step will be to authorize execution of the grant agreement.

Chairman Stanton stated as we have indicated before the Airport Authority members are willing to call a special meeting if necessary.

Discuss Proposed Alterations to Hangar Leased by National Guard Bureau/Faker Program:

Mr. Parmer stated he has met with Col. Tom Vierzba, Manager of the National Guard Bureau/Faker Program regarding some alterations to the hangar they lease from the Airport Authority. Col. Vierzba's staff is going to be expanded to such an extent that they have outgrown their space in the Eastside Terminal. Mr. Parmer stated that Col. Vierzba is now proposing the hangar be remodeled to accommodate office space. Mr. Parmer stated the Airport Authority will have to determine the cost and how it will be paid for.

Col. Tom Vierzba was recognized and stated that his recent request to the Airport Authority was that their office space in the Eastside Terminal be renovated to provide space for additional staff. That process has started and since that time their staff has been increased. He stated the plans he gave to Mr. Parmer were for adding office space to the mezzanine level of the hangar but that has now evolved to include some space on the lower level and this should not cut the utility of the hangar. He stated that we have only a short time frame in which to get this done. He stated he has also had discussions with the Corps of Engineers about renegotiating their leases so that everything is under one lease. He added that the Flight Standards District Office has indicated to him that they would be interested in leasing the Faker Program's current space in the Eastside Terminal.

Mr. Parmer stated his concern is the timing of this project. He stated that Col. Vierzba has indicated they would like to occupy the space as close to October 1 as possible, but we are looking at a \$60,000 \$75,000 project and the Airport Authority will have to go through the process of hiring an architect as well as the bid process.

Discuss Proposed Alterations to Hangar Leased by National Guard Bureau/Faker Program:
(Continued)

Mr. Williams asked if there was any way the Authority could bypass the bidding process due to the time factor.

Attorney Stewart stated that the only way the process could be bypassed would be if there was an emergency deadline that had to be met.

Col. Vierzba stated he would be hard pressed to call it an emergency. He stated he would like to get a preliminary idea of cost and if necessary they could look for a temporary alternative solution.

Mr. Williams asked Mr. Parmer if he has had a chance to get any idea on cost.

Mr. Parmer stated he has not had time to get any estimates but he has reviewed the file on the hangar. He stated that if we were able to work with the original designer of the hangar (Mutchler & Lynch) rather than interview architects we could save quite a bit of time.

Mr. Williams stated that we could get some realistic cost figures from Mutchler and then come to an agreement with the National Guard Bureau on how it will be amortized.

Mr. Parmer asked Attorney Stewart if we could negotiate the contract rather than going through the bidding process.

Attorney Stewart stated the law says that any improvement to a public building must be bid unless there is an emergency or it is deemed nonadvantageous to go through the bidding process. He stated that if Mutchler designed the building they would be the logical choice to determine the best method for alteration.

Mr. Williams moved that the Executive Director be authorized to contract with Mutchler and get estimates on the proposed alterations to the hangar.

Second by Mr. Gallagher.

All members present voted aye and the motion was declared carried.

Received Notice of Meeting with Representatives of the National Weather Service:

Mr. Parmer stated he sent notices of the meeting on July 31 to the Airport Authority members. He stated he talked to a representative of the National Weather Service and asked him what he will be looking for since the Airport Authority has already offered them a number of times to building a facility for the National Weather Service, contingent upon an agreeable lease arrangement. At one time the National Weather Service came back with a proposal that they would build their own facility if the Airport Authority gave them a parcel of land on which to build it. He stated that besides Fargo and Mayville, the University of North Dakota has also proposed providing office space for them. Mr. Parmer stated that as soon as they select a site they will start the process. He stated that in this group will be the project manager, who is also a meteorologist in the regional office, along with an engineer and a real estate specialist.

Chairman Stanton stated that we want to see them stay in Fargo and urged that all Airport Authority members be present at that meeting on July 31.

Other Business:

Mr. Ron Balvitsch, Northwest Airlines, was recognized and asked if anything had been decided on the luggage switching problem, as they are now up to 18 wrong bags taken by passengers.

Other Business: (Continued)

Mr. Parmer stated that just before the meeting a representative of Sound Incorporated brought in a proposal. He stated he has not reviewed it thoroughly but the amount was approximately \$5,500.00. Mr. Parmer stated he will review this proposal and continue to research a solution to the problem.

Mr. Gallagher asked if the other airlines are having the same problem.

Mr. Dave Dion, American Airlines, was recognized and stated they did have some problem until they started making announcements.

Mr. Balvitsch stated that if they made an announcement for every arriving flight the outgoing passengers are boarding at the same time and that would give them the impression that they should be concerned about not getting their bags at their destination. He stated he thinks they are making announcements on some of their evening flights. He added that last year they had three such incidents and this year there were 12 in June and 18 so far in July.

Mr. Dion stated that this is very frustrating because the passengers that take the wrong bags often expect the airline to come and pick the bag up and many times they are outside of Fargo.

Mr. Balvitsch stated he does have signs on baggage at the carousel but those have been there so long people don't pay any attention to them.

Mr. Parmer stated he would like to see something tied in with the baggage carousels so that when they come on the announcement comes on, but he didn't expect the cost to be as high as it is.

Mr. Gordon Person, Dakota Aero Tech, was recognized and stated that he feels the Airport Authority needs to place more directional signs around the airport as there are still people coming to the Eastside Terminal on a regular basis to catch commercial flights. He stated some of these people are even dropped off by taxicabs. Most of the people come from Cass County 20 and the General Aviation signs don't mean anything to people. He stated he realizes more signs will cost some money but he feels they are needed. He suggested using the names of the airlines on the signs as people would recognize those names.

Chairman Stanton stated the term General Aviation doesn't mean anything to the average person and she would agree that we need some better signage.

Mr. Parmer stated that there was a large sign on the old access road directing passengers but the sign was taken down because we thought we were finished with that problem. Mr. Parmer stated he would welcome a suggestion from Mr. Person on the wording of the signs and he would take it from there.

Col. Mike Haugen, ND Air National Guard, was recognized and stated that the NDANG Credit Union is planning to move to their old hangar and are going to request the use of some parking lot area, previously used as a rental car lot, for the credit union's drive up window area.

Mr. Parmer stated he would get together with the base engineer to see what they have in mind and then present a proposal to the Airport Authority.

Mr. Williams moved to adjourn the regular meeting of the Municipal Airport Authority until the next regular meeting to be held August 4, 1992.

Second by Mr. Gallagher.

All members present voted aye and the motion was declared carried.

Time at adjournment was 11:13 a.m.

Regular Meeting

Tuesday

August 4, 1992

The regular meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held Tuesday, August 4, 1992 at 10:30 a.m. in the Airport Boardroom.

The members present or absent were as shown following:

Present: Hentges, Gallagher, Williams, Stanton

Absent: Cichy

Others: Stewart, Bromenschenkel, MacLeod

Chairman Stanton presiding.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held July 21, 1992:

Mr. Hentges moved to approve the minutes of the regular meeting of the Municipal Airport Authority held July 21, 1992.

Second by Mr. Gallagher.

All members present voted aye and the motion was declared carried.

Approved Airport Vouchers Totaling \$30,975.48:

Mr. Hentges moved to approve the airport vouchers totaling \$30,975.48.

Second by Mr. Gallagher.

On the call of the roll, members Hentges, Gallagher, Williams and Stanton voted aye.

Absent and not voting: Cichy.

The motion was declared carried.

Received and Filed Statement of Operations for the Month of June 1992:

Mr. Williams moved to receive and file the Statement of Operations for the Month of June 1992.

Second by Mr. Hentges.

All members present voted aye and the motion was declared carried.

Reviewed Options for Addition to Hangar No. 9:

Mr. Parmer stated that at the last meeting the Airport Authority received a request from Col. Vierzba, Manager of the National Guard Bureau Faker Program, to add office space to the hangar they lease from the Airport Authority, as their present office space in the Eastside Terminal is no longer adequate for their staff. He stated he was directed by the Airport Authority to contact the architect that designed the building (Mutchler Bartram Wild) and after reviewing the proposed project with Mr. Kevin Bartram he offered three options and estimated costs as follows:

1. Add a mezzanine (\$44,000)
2. 23' x 50' addition on the southeast side at the north corner (\$65,000)
3. 23' x 50' addition on south side at the east end (\$70,000)

In his letter dated August 3, Mr. Bartram indicated there is also some potential for a two story addition on the south side at the east end if the office functions would work. They recommend the south addition since this location is adjacent to the existing offices. The other locations will also work if consolidation of office space is not required. Mr. Bartram recommends either option #2 or #3 rather than the interior mezzanine due to the limitations the mezzanine might place on the present hangar first floor space usage. One other idea worth consideration is a two story addition. The sidewalls of the present structure are high enough to accommodate two stories easily. Cost would also be minimal to shell in a second floor at the same time as the single story addition is being constructed.

Mr. Parmer stated another problem with a mezzanine level would be a requirement for elevators because of the Americans With Disabilities Act, which would be a costly addition. Mr. Parmer stated he has not had an opportunity to review this with Col. Vierzba but he would probably not favor the southeast addition. He stated that right now we are mainly looking at the cost and how it will be amortized if it is approved. Mr. Parmer stated he did not know what positive action the Airport Authority could take today other than to receive and file the proposal and review it with Col. Vierzba when he returns.

Chairman Stanton stated that the requirement for an elevator should certainly be a consideration.

Mr. Parmer stated he knows there is some leeway under the ADA for existing structures but new construction or adding to an existing structure is a different matter.

Mr. Hentges asked Mr. Parmer if he preferred any one of those options.

Mr. Parmer stated they were originally looking at a northeast addition and they were concerned about the existing gate but that should not be a deterrent, even with the Guard's plan to use an area adjacent to Hangar No. 2 for a drive up window for their credit union which will be located in the hangar.

Mr. Hentges stated that if Col. Vierzba has no objections he feels the northeast corner would be the preferred location as that would leave the space next to the Eastside Terminal if that building should ever be leveled.

Mr. Williams stated he could see an advantage to having the addition near the existing office space on the southeast side but it is up to the National Guard Bureau as they are paying for it.

Mr. Parmer asked Attorney Stewart if there is any problem with retaining the services of Mutchler Bartram Wild without going through the selection process for an architect, as they were the original designer of the building.

Attorney Stewart indicated there was no problem with that.

Reviewed Options for Addition to Hangar No. 9: (continued)

Mr. Williams moved to receive and file the communication from Mutchler Bartram Wild and that the matter be referred to the Executive Director and the National Guard Bureau.

Second by Mr. Hentges.

All members present voted aye and the motion was declared carried.

Reviewed Meeting with National Weather Service Representatives:

Mr. Parmer stated that on July 31 representatives of the National Weather Service were in Fargo and met with some members of the Airport Authority as well as representatives of the Chamber of Commerce, Fargo Cass Co. Economic Development Corporation, Air National Guard, and Senator Conrad's office. There was also good media coverage of the meeting.

Mr. Parmer stated he is not sure whether we lost or gained any points from the meeting. Mr. Parmer stated we have advised the National Weather Service many times of our willingness to work with them in either building a facility to their specifications or making land available on which to build their own facility. Mr. Parmer stated he got the impression during the meeting that they would rather build their own facility. He stated they have done this with the majority of their sites around the country and that is fine. Mr. Parmer stated that even though we have made the National Weather Service aware of our position it would not hurt to send a follow up letter from the Airport Authority as well as letters of support from other community interests.

Mr. Parmer stated the National Weather Service is considering locating the office on the campus of the University of North Dakota in Grand Forks but they need to be made aware that NDSU has equal facilities and Mr. John Enz will also send a letter.

Mr. Gallagher stated that in talking to the representatives that day he got the impression that the National Weather Service did not have any problem spending money on a new building but they did have a problem with the cost to move the employees to a new location and that was a point in our favor.

Chairman Stanton stated that we really need to follow through with input from all of the interested parties. She asked Mr. Parmer how soon a follow up would be sent.

Mr. Parmer stated he wanted to make sure he heard from all of the people we want to write letters of support.

Reviewed Runway 8/26 Project:

Mr. Parmer stated that he talked to Milt Heupel, FAA, this morning and the FAA is still working on our environmental assessment. He stated that Mr. Wes Schon, Ulteig Engineers, does have a concern about the amount of time the contractor will hold their bid. He stated he feels it is necessary for the Airport Authority to go on record as requesting an extension of the bid.

Mr. Schon stated that he has talked with Northern Improvement about extending the time on their bid and they have indicated verbally that they are willing to extend it. He stated that as far as the electrical portion of the project, 95% of the work will have to be done next year. He stated that upon the concurrence of the Airport Authority he will write letters to the contractors asking for written agreement to honor their bid prices until the contract can be awarded. He stated the worst part about this is that we do not even know when that will happen. He stated he has had contractors hold bids on other projects for up to a year.

Reviewed Runway 8/26 Project: (Continued)

Mr. Schon stated that if the project is awarded we can get the earthwork and drainage done this fall and the bulk of the project, the paving and lighting, will be done next summer. He stated that in order for the electrical contractor to obligate his supplier he would probably order the materials this year and there is a provision in the contract for payment for materials stored on site. He stated that electrical materials such as runway lights have increased dramatically since last year. Some lights have increased as much as \$100 each so he is sure the contractor would like to get the materials taken care of this year.

Mr. Hentges moved the project engineer be authorized to request a 90 day extension with an open end for negotiation from Northern Improvement and Edling Electric on their bids received for the Runway 8/26 Project.

Second by Mr. Williams.

All members present voted aye and the motion was declared carried.

Discussed Baggage Claim Problem:

Chairman Stanton asked Mr. Parmer about the progress on a solution for the airlines' problem with passengers claiming wrong baggage.

Mr. Parmer stated he contacted Sound Contracting regarding their bid for a recorded message tied into the PA system and advised them that their recommendation (\$5,000) was too costly and wondered if there was an alternate plan. He stated that Sound Contracting indicated that if their proposal was modified in any way the announcement would not silence the rest of the system. Mr. Parmer indicated we could live with that but he has not heard from him again. He stated that we can get an electronic message board similar to the one in the terminal only on a smaller scale for about \$188. Mr. Parmer stated someone had seen this used in another airport and it seemed to work.

Mr. Shawn Dobberstein stated the only other suggestion the airlines had was to add strobe light to draw attention to the sign.

Chairman Stanton asked if any announcement is made to passengers while they are still on the plane about getting the correct baggage.

Mr. Ron Balvitsch stated it would be hard to get the crew to make an announcement like that. Mr. Balvitsch added that the summer will soon be over and we probably won't need it any more.

Mr. Hentges stated this is a timely matter and since it seems to be a short term problem perhaps all we need is a short term solution.

Mr. Balvitsch stated the message board can always be used for other purposes if it is no longer needed in the baggage claim area.

Mr. Williams stated if it is a Northwest problem he doesn't know why Northwest doesn't do something about it.

Mr. Gallagher moved to authorize the Executive Director to purchase the message board for the baggage claim area.

Second by Mr. Hentges.

All members present voted aye and the motion was declared carried.

Received Specifications for Snow Blade:

Mr. Parmer stated he would like authorization to solicit informal proposals on the snow blade to be added to the runway sander. He stated his reason for this is that snow blades are so different in nature. He stated that the Street Department has had tremendous success with one particular blade that will automatically ride over obstacles such as manhole covers, etc. and with the lighting we have on the runways a

Received Specifications for Snow Blade: (Continued)

feature such as this could save a lot of money as the cost to replace one of the flush runway lights if it is hit by a blade is \$1,500. He estimated the cost of the blade to be \$8,000 \$10,000.

Mr. Hentges asked Attorney Stewart if we were able to bypass the bidding process and if there is justification to accept informal bids.

Attorney Stewart asked if there were limited suppliers of this type of blade.

Mr. Williams stated because of the specific needs for snow removal on the runways we should be able to draw the specifications as needed and accept proposals based on those specifications.

Mr. Hentges moved the Executive Director be authorized to draw specifications for the snow blade and solicit informal bids.

Second by Mr. Williams.

All members present voted aye and the motion was declared carried.

Received Preliminary 1993 Operations and Maintenance Budget Request:

Mr. Parmer distributed preliminary information on the 1993 Operations and Maintenance Budget Request. He stated this information was very preliminary and no action was required today. He stated as far as the improvement budget was concerned he was not sure how to proceed because of what is happening with Runway 8/26 but he should know in the next two weeks.

Mr. Parmer stated he has reviewed the year to date expenses for 1992 and sees very little change will be required for 1993, with the exception of any adjustment in salaries. He stated that he is going to request that one of the night maintenance staff be supervisor of the crew. He stated that a lot of the maintenance is being done at night and someone should be in charge. He stated we had made this request to the personnel office before but it was not implemented.

Chairman Stanton asked Mr. Bromenschenkel if he was aware of why it was not approved.

Mr. Bromenschenkel stated it was held up in the Personnel Office and had to do with the number of people being supervised and how it related to similar positions in other city departments.

Mr. Parmer stated there would be more detail on the budget at the next meeting.

OTHER BUSINESS:

Chairman Stanton commented on how nice the new fence at the entrance corner looks.

Mr. Hentges commented suggested it be sealed so that the wood will keep its natural look rather than getting gray.

Mr. Williams agreed the fence was an improvement but that he was concerned about the debris collected 30 feet beyond the fence. He suggested we either extend the fence 30 feet or write to the ND Highway Department and have them contact the owner about moving the debris as it is on highway property. He stated Mr. Wes Schon was going to check with the Highway Department.

OTHER BUSINESS: (Continued)

Chairman Stanton read a letter of thanks on behalf of the Airport Authority to be sent to the Park District for the beautiful job they have done with the flowers at the airport this summer.

Mr. Hentges moved the letter of thanks be sent to the Park District.

Second by Mr. Gallagher.

All members present voted aye and the motion was declared carried.

Mr. Hentges stated he would like to see the Airport Authority consider installing diaper changing stations in the restrooms in the terminal. He stated the same company that makes the changing station also makes a child safety seat to be attached to a wall in the stall for when a person might be travelling alone with a child and must take the child into the restroom with them. He stated he feels these are inexpensive and appropriate items for the travelling public and should be considered.

Mr. Parmer stated that we felt it would be hard to surpass May's record boarding total of 25,309 but we did that in July with a total of 26,011 boarding passengers.

Mr. Williams moved to adjourn the regular meeting of the Municipal Airport Authority until the next regular meeting to be held Tuesday, August 18, 1992 at 10:30 a.m. in the Airport Boardroom.

Second by Mr. Gallagher.

All members present voted aye and the motion was declared carried.

Time at adjournment was 11:08 a.m.

Regular Meeting

Tuesday

August 18, 1992

The regular meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held Tuesday, August 18, 1992 at 10:30 a.m. in the Airport Boardroom.

The members present or absent were as shown following:

Present: Gallagher, Williams, Cichy, Stanton
Absent: Hentges
Others: Stewart, Bromenschenkel, MacLeod

Chairman Stanton presiding.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held August 4, 1992:

Mr. Gallagher moved to approve the minutes of the regular meeting of the Municipal Airport Authority held August 4, 1992.

Second by Mr. Cichy.

All members present voted aye and the motion was declared carried.

Approved the Airport Vouchers Totaling \$46,474.58:

Mr. Cichy moved to approve the airport vouchers totaling \$46,474.58.

Second by Mr. Gallagher.

On the call of the roll, members Gallagher, Cichy and Stanton voted aye.

Absent and not voting: Hentges, Williams.

The motion was declared carried.

Received Communication from EVAC Requesting Additional Space in the Eastside Terminal:

Mr. Parmer read a communication from Mr. David Iverson, EVAC, thanking the Airport Authority for allowing them to use Room #226 in the Eastside Terminal for their business office. Their organization has continued to grow and along with that their need for space has increased. The room next to their present location is not being used right now and they are requesting they be allowed to use that space under the same arrangement.

Mr. Parmer stated the space Mr. Iverson refers to is presently used by the Airport Authority for storage. He stated the current arrangement between EVAC and the Airport Authority is on a gratis basis but the Airport Authority is protected by a recapture clause should we need the space for other purposes. He stated that EVAC works closely with the National Weather Service and he has no problem with giving them the additional space.

Received Communication from EVAC Requesting Additional Space in the Eastside Terminal:
(Continued)

Mr. Gallagher moved to approve the request from EVAC for additional space in the Eastside Terminal.

Second by Mr. Cichy.

All members present voted aye and the motion was declared carried.

Received Communication from Foss Associates on Expansion of Westside Terminal Kitchen to Accommodate Airline In Flight Meal Preparation:

Mr. Parmer stated that Mr. Pete Haug, Manager of The Barnstormer, appeared before the Airport Authority recently to make us aware of his lack of space in the kitchen area, especially with regard to the preparation of in flight meals for the airlines. He stated he met with Mr. Haug and then they decided to involve Mr. Mark Foss, Foss Associates. Mr. Parmer stated Mr. Foss provided him with notes from that meeting on August 6, outlining the space problems and possible solutions. He stated Mr. Foss indicated in a letter dated August 12, that they would also enlist the services of a food service consultant. Mr. Parmer stated he tried to contact Mr. Foss regarding today's meeting but was unable to reach him. He stated since the information is still quite preliminary we should receive and file it and he will meet further with Mr. Haug and Foss Associates and come back to the Airport Authority with a recommendation at a later date.

Mr. Cichy moved to receive and file the information from Foss Associates.

Second by Mr. Gallagher.

All members present voted aye and the motion was declared carried.

Mr. Williams now present.

Received Request for the Airport Authority to Retain the Services of Mutchler Bartram Wild to Design an Extension to Hangar No. 9:

Mr. Parmer stated that at the last meeting the Airport Authority reviewed the three options proposed by Mutchler Bartram Wild for additional office space in the hangar leased to the National Guard Bureau Faker Program. He stated since that meeting Col. Vierzba's request for additional space has increased since his staff will be larger. He stated it is hard to get together with Col. Vierzba as he is out of town most of the time. He stated the next step will be to meet with him again and then present it to the Airport Authority again.

Received Communication from Federal Aviation Administration on Environmental Assessment Review for Airport Development:

Mr. Parmer stated the FAA has advised us of their Finding of No Significant Impact for airport development as outlined in our updated Airport Master Plan. He stated this was Step No. 1 in finalizing our Runway 8/26 Project. He stated he talked to Mr. Milt Heupel, FAA, this morning and he did not have any further information on funding other than to say that the project application is now being reviewed. He stated the date on the preapplication is October 18, 1991, so it has been almost a year since it was submitted. Mr. Parmer stated that the actual bid figures for the project came in lower than our estimate on the preapplication so those will be adjusted.

Received Communication from Federal Aviation Administration on Environmental Assessment Review for Airport Development: (Continued)

Mr. Parmer stated that it is more or less a waiting game. He stated that Ulteig Engineers has received letters from the contractors indicating their willingness to extend their bids another 90 days. He stated the biggest problem with the funding is the discretionary funding we will require. We have approximately \$2.4 million available in our enplanement fund, some of which is 1990 funds. We can hold those for three years but once they are under grant for three years you lose them if they are not used. He added that we are not going to be in a position to lose those dollars as long as the FAA knows the status of the project. He stated the FAA has not confirmed this but we will probably get a project up to the amount of our enplanement dollars only, which would be about a \$3 million project, so we are still looking for another \$3 million. Another fact that makes this difficult is that this year is the final year of the present authorization for this funding by Congress. He stated there is no question that there will be another bill but until it passes they cannot allocate funds.

Mr. Parmer stated that Mr. Heupel discussed concentrating on the portion of the project involving Runway 17/35. He told Mr. Heupel how difficult that would be since it is too late in the season to be starting construction, as well as the problem the shorter days would cause for the airlines having to operate on Taxiway A as a runway. He stated then they discussed starting on the east end and working toward the west as there is a lot of work to be done before paving begins. He added that this is all the information he has at this time.

Received Informal Quotations and Recommendation for Purchase of Snow Blade:

Mr. Parmer stated that he was instructed to solicit informal bids for a snow blade to be added to an existing sand truck. He stated that the maintenance staff received two quotations, one for a Schmidt Multi Section Trip Snow Plow (\$10,952.00) and the other for a Frink Trip Edge Reverse Plow (\$7,548.00). He stated that because of the design and the ability to ride over curbs, manholes, in runway lights, etc., the maintenance staff strongly recommends the purchase of the Schmidt unit. Mr. Parmer stated that as he mentioned at the last meeting, the maintenance staff checked with the Street Department and they have the same type of unit and highly recommended it.

Mr. Parmer stated that we do have another Schmidt plow but it is too large for the intended purpose of this unit. This unit will be attached to the sand truck and will be used to clear the access road which is usually left until runways have been cleared. He stated this unit is more expensive but will perform the tasks for which we need it.

Mr. Gallagher moved to authorize the purchase of the Schmidt Multi Section Trip Snow Plow.

Second by Mr. Williams.

On the call of the roll, members Gallagher, Williams, Cichy, and Stanton voted aye.

Absent and not voting: Hentges

The motion was declared carried.

Reviewed and Approved Operations and Maintenance Budget for 1993:

Mr. Parmer stated in reviewing the actual and anticipated expenses for 1992 he does not see the need for much change in the budget request for 1993.

Chairman Stanton asked if this allows for any personnel raises.

Mr. Parmer stated the budget as proposed does not. If there is an adjustment made on the City pay scale it is automatically incorporated into the Airport budget. The only change requested for personnel is a \$2,000 increase to upgrade one of the building attendants to a supervisor for the night shift. He stated he does not have an exact amount but estimated an increase.

Mr. Parmer stated as far as the airport construction budget for 1993, the cost of the Runway 8/26 project is estimated to be \$6,643,088 with \$5,978,779 being appropriated from the Federal Aviation's Administration Airport Improvement Fund and the balance of \$664,309 being financed by the Airport Authority. He added it does not appear a great deal of progress will be made during the balance of 1992 so it is his suggestion the entire project be budgeted for 1993. He stated there will be no problem if we get started on the project this year and do spend some money because we had anticipated last year that money would be spent on the project so it was budgeted for 1992.

Mr. Williams moved to approve the 1993 Operations & Maintenance/Airport Construction Budget as proposed.

Second by Mr. Cichy.

On the call of the roll, members Gallagher, Williams, Cichy and Stanton voted aye.

Absent and not voting: Hentges

The motion was declared carried.

Certified to the Board of City Commissioners the Mill Levy for Airport Improvements for 1993:

Mr. Parmer stated that in 1992 the Airport Authority decreased its mill levy from three mills to two mills. He stated it is his request that the mill levy remain at two mills.

Mr. Gallagher moved to certify to the Board of City Commissioners a two mill levy for airport improvements for 1993, as per Section 2 06 14 of the North Dakota Century Code.

Second by Mr. Williams.

On the call of the roll, members Gallagher, Williams, Cichy and Stanton voted aye.

Absent and not voting: Hentges.

The motion was declared carried.

Adopted Resolution Regarding Moorhead's Proposed General Aviation Airport:

Chairman Stanton read the following resolution and requested its adoption:

WHEREAS, the Municipal Airport Authority of the City of Fargo, North Dakota, supports cooperation between the cities in this metropolitan area; and

WHEREAS, a general aviation airport in south Moorhead will be economically beneficial to the community and will complement the Fargo airport facilities; and

WHEREAS, over 2/3 of the funding to develop this airport facility will come from Minnesota State Department of Transportation dedicated funds provided by aviation fuel taxes and fees; and

Adopted Resolution Regarding Moorhead's Proposed General Aviation Airport: (Continued)

WHEREAS, a general aviation airport in Moorhead would provide alternative facilities in the event of an emergency; and

WHEREAS, the F M Metropolitan Council of Governments (COG) at their March 26, 1992 meeting of the Board of Directors voted to support the development of the Moorhead Airport.

NOW, THEREFORE, BE IT RESOLVED, that the Municipal Airport Authority of the City of Fargo, North Dakota supports Moorhead's proposal to construct a general aviation airport southeast of the City with financial assistance from the Minnesota Department of Transportation Division of Aeronautics.

Mr. Williams moved the resolution be adopted.

Second by Mr. Gallagher.

Mr. Parmer stated that he has nothing against the resolution as such. He stated that Millie MacLeod, Moorhead City Council Member, recently brought the Airport Authority up to date on Moorhead's plan for an airport. The Airport Authority thanked her for keeping them advised but the Authority took no official action. He stated he has received a number of calls from people both for and against an airport in Moorhead. He stated his comment to them has been that the Fargo Airport Authority has taken no official position on the matter. He stated we certainly aren't against it because Moorhead's plans will in no way change the plans for development at Hector Airport.

All members present voted aye and the resolution was declared to have been duly passed and adopted.

Mr. Gallagher moved to adjourn the regular meeting of the Municipal Airport Authority until the next regular meeting to be held Tuesday, September 1, 1992 at 10:30 a.m. in the Airport Boardroom.

Second by Mr. Williams.

All members present voted aye and the motion was declared carried.

Time at adjournment was 10:57 a.m.

Regular Meeting

Tuesday

September 1, 1992

The regular meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held on Tuesday, September 1, 1992, at 10:30 a.m. in the Airport Boardroom.

The members present or absent were as shown following:

Present: Hentges, Gallagher, Williams, Cichy, Stanton

Absent: None

Others: None

Chairman Stanton presiding.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held August 18, 1992:

Mr. Gallagher moved to approve the minutes of the regular meeting of the Municipal Airport Authority held August 18, 1992.

Second by Mr. Hentges.

All members present voted aye and the motion was declared carried.

Approved the Airport Vouchers Totalling \$26,112.25:

Mr. Cichy moved to approve the airport vouchers totaling \$26,112.25.

Second by Mr. Hentges.

On the call of the roll, members Hentges, Gallagher, Williams, Cichy and Stanton voted aye.

No member being absent and none voting nay the motion was declared carried.

Approved Individual Voucher to Ulteig Engineers, Inc.:

Mr. Hentges moved to approve the individual voucher in the amount of \$1,370.18 to Ulteig Engineers, Inc. for engineering services in connection with FAR 107.14 Security System, Project No. 3 38 0017 11.

Second by Mr. Williams.

On the call of the roll, members Hentges, Gallagher, Williams, Cichy and Stanton voted aye.

No member being absent and none voting nay the motion was declared carried.

Received and Filed Statement of Operations for the Month of July 1992:

Mr. Cichy moved to receive and file the Statement of Operations for the Month of July 1992.

Second by Mr. Williams.

All members present voted aye and the motion was declared carried.

Reviewed Runway 8/26 Project:

Mr. Parmer stated now that the FAA has cleared our environmental assessment, the only holdup is the discretionary funding we are trying to obtain for the Runway 8/26 Project. He stated our grant application has left the Bismarck FAA office and has gone on to the next step which is the regional office. In visiting with Mr. Milt Heupel, we are planning to phase this project in two stages, the first being the area from Bravo Taxiway eastward. This portion of the project can be financed by our current enplanement funds. He stated that additional discretionary dollars should be available when Congress passes the new funding legislation and hopefully we can secure discretionary dollars to complete the project. He stated that the FAA has indicated that if all else fails and discretionary funding is not available they want us to dedicate our future enplanement dollars to the completion of the project. Mr. Parmer indicated he wrote a letter to Mr. Heupel to that effect which should hopefully speed up the issuance of the grant. Mr. Parmer stated we have discussed the matter of whether or not the contractors will allow the bid prices to prevail should the discretionary funding not come through and this project runs longer than anticipated. He stated that Mr. Wes Schon has talked to the FAA and asked if the grant can be amended to allow for any differences in costs.

Mr. Schon stated that it depends on timing. If we get funds for the remainder of the project within a reasonable amount of time we should be able to handle any differences with a change order. If it takes some time we may have to rebid the remaining portion of the project.

Mr. Hentges asked when we will know if we will be getting discretionary funding or if we will have to commit future enplanement funds.

Mr. Parmer stated he can't answer that for sure. He stated we do have all of the particulars in the new bill but he is not sure whether there will be any amendments to it. He stated that every airport applying for funds is having the same problem with delays. He stated that FAA officials will be in Bismarck for a meeting this afternoon with representatives from airports in the state and the Aeronautics Commission. He stated he was not able to attend because of today's Airport Authority meeting but he talked with one of the FAA representatives, Jim Washington, and advised him that our absence today did not indicate a lack of interest. Mr. Parmer stated he doesn't think the FAA holds up these project on purpose but it is a matter of the flow of dollars. He stated that we normally run into some degree of difficulty in obtaining funds but never to the extent of this project.

Mr. Williams stated he feels we are trying to shove this thing faster than available money allows. He stated he would be against allocating money on a project until funding is available for the entire project. He stated it is possible we could sit here for quite a while with only half a runway. He stated he doesn't think it is that important to the airport to push it.

Mr. Gallagher stated the FAA were the ones that urged us to move along with the project.

Mr. Parmer stated he would disagree with Mr. Williams as to the importance of Runway 8/26 to the airport. He stated that even though the runway would not be complete it would allow us to begin development in the general aviation area. He stated he has had three people in the last 30 days request space to build a hangar and there is no more space in the existing general aviation area. He stated the completion of the eastern portion of the runway and taxiway would allow us to begin general aviation development.. He stated there is more to the project than Runway 8/16 and the taxiways. The project also includes the rehabilitation of Runway 17/35 and signage. He stated these will not be done until we get funding for the

Reviewed Runway 8/26 Project: (Continued)

intersection of Runways 17/35 and 8/26. He stated that even though the entire project would not be completed in one year it would open up other areas of expansion.

Mr. Hentges stated we have committed to go ahead with the project. There is a remote possibility we will not get the discretionary funding but the money will come in some interval and we need to continue with the project.

Mr. Williams stated he does not like spending money we don't have.

Mr. Hentges stated we won't build any more than for which we have funds.

Mr. Williams stated we will have to pledge our enplanement funds for years to come.

Mr. Parmer stated that this project came at the end of the funding legislation. The FAA could not plan for next year even though they knew they would be receiving funds. He stated this project also came at the time we were completing our Master Plan and it took the FAA excessive time to clear the environmental assessment. He stated there is one thing he would fault the FAA with and that is taking over a year to clear our environmental assessment. He stated he is not saying we would have had any better chance obtaining discretionary funds had the environmental assessment been done but there may not have been the delay. He stated we went ahead with the grant application process for Runway 8/26 at the insistence of the FAA. We have held off with the runway for the past couple of years hoping to see development in the Airport Industrial Park but the FAA would not participate in funding until we had a client so they asked us to delay that and move ahead with Runway 8/26.

Mr. Hentges moved the Airport Authority reaffirm its position on the Runway 8/26 Project and support the Executive Director's decision on funding.

Second by Mr. Cichy.

On the call of the roll, members Hentges, Gallagher, Cichy and Stanton voted aye.

Mr. Williams voted no.

The motion was declared carried.

Received Communication from Regional International Trade Roundtable Regarding Industrial Development:

The Airport Authority received letters dated August 26 and 31, 1992, from Mr. Charles E. Bailly on behalf of the Executive Committee of the Regional International Trade Roundtable. The letters referred to the US Postal Service's plan to locate a new facility in Fargo. Mr. Bailly's letter indicated that during the last several months their organization culminated two years of studying a possible major air cargo terminal for our community and felt the proposed US Postal Service facility located at the airport could satisfy a critical component to initiate the development. His letter indicated that they met several times with representatives of the Airport Authority and were led to believe they had their support yet when it came time to shift from rhetoric to action the Airport Authority apparently turned their collective backs on the project. They feel they and the community deserve answers to the questions: (1) Did the Authority actually reject the support of this project or did someone "drop the ball"? and (2) If the air cargo terminal project was rejected, what are the reasons? Mr. Bailly's letter dated August 31 contained four suggestions for action.

Received Communication from Regional International Trade Roundtable Regarding Industrial Development: (Continued)

Mr. Hentges stated he has no recollection of this group and did not even know it existed. He stated he was not aware of the Airport Authority ever rejecting such a project and questioned their threat of going public with the matter. He stated he would ask the Chairman and Executive Director to respond to these charges against the Airport Authority which are unfounded and unfair and that the Authority would appreciate it if they would come and speak to the Airport Authority on the matter without threats.

Mr. Parmer stated the Regional International Trade Roundtable is a offshoot of the Airport Industrial Park Committee which was part of the Fargo Cass County Economic Development Corporation. The Airport Industrial Park Committee met weekly for a period of about two years trying to promote development in the Airport Industrial Park. The City of Fargo and the Municipal Airport Authority jointly funded a study by a consultant who made numerous contacts to potential clients. He stated that the Tri College group attempted to add an international flavor to the Airport Industrial Park Committee and we were invited to a couple of their meetings. With regard to the Postal Service situation, Mr. Parmer stated that this Roundtable group apparently does not understand the restrictions on airport land since it is purchased with FAA funds. When leasing property to the ND National Guard lately the FAA ruled the use of that property as non aeronautical and we had to refund the FAA a share of the fair market value of the property. Mr. Parmer stated if the Airport Authority were to sell property to the US Post Service and in the future they needed access to the airfield, the FAA would not provide ramp and taxiway on land that is not owned by the airport. In our discussions with the US Postal Service they indicated they had no airport requirement at this time. The facility they proposed was strictly for processing. Mr. Parmer stated he indicated to them it would be silly to build the facility without looking at a time in the future when airport access would be required. He stated the airlines report to us each month the pounds of mail they carry and the figures are significant. Mr. Parmer stated when he was discussing a possible lease with the US Postal Service he requested they provide him in writing that they do not have an aeronautical requirement at this time but did anticipate the need in the future.

He stated that in the August 31 letter Mr. Bailly suggests the US Postal Service may consider expanding its proposed facility for use by other agencies. He stated he is not sure the Post Office would agree to that type of arrangement. He stated Mr. Bailly also refers to Mr. William Jackson who is presently on the staff at UND. Mr. Jackson did address this group in 1991 and it is Mr. Jackson's philosophy that you can't lease something you don't have and feels we would need to build a facility. Mr. Parmer stated since prospective tenants would have their own specific requirements. Mr. Parmer stated that during discussions about building a facility before securing a tenant and some of the buildings we looked at cost in the neighborhood of \$4 \$6 million.

Chairman Stanton stated she is not sure who all is involved in economic development but tonight the City Commission is going to decide on whether or not to approve the County levying 2.7 mills for a total of 4 mills for economic development, which amounts to \$600,000 a year out of Cass County. She stated she has never hear of this Roundtable.

Mr. Gallagher stated he also asked representatives of the Regional International Trade Roundtable where they came from and who charged them with the US Postal Service project. He stated they indicated they just "got together."

Mr. Williams stated at the time we met with some of these people it was his impression that they were frustrated and not getting anywhere.

Received Communication from Regional International Trade Roundtable Regarding Industrial Development:

Mr. Parmer stated this was basically the same time the City and the Airport Authority were involved with Peter Ahrens.

Mr. Williams stated we told them at the time that the Airport Authority would be very receptive to development of an air cargo terminal and that was all we could do at that time. He stated as far as he was concerned the Authority did not drop anything. Mr. Williams asked Mr. Parmer if he answered the letter.

Mr. Parmer stated the letter was not addressed to him it was addressed to the Airport Authority so he did not respond.

Chairman Stanton stated we need to respond to their letter and let them know that we were surprised at the tone of their letter as we have done nothing except show cooperation for economic development.

Mr. Parmer stated he would like to sit down with representatives of this Roundtable and discuss the matter. Mr. Parmer stated the August 31 letter indicates there is some delay with the Postal Service. He asked Mr. Hentges if he had any further information.

Mr. Hentges stated the Postal Service has done nothing with the proposed site other than the usual surveys. He stated the new Postmaster General has put a freeze on all projects nationwide so there is nothing moving on this project or any other.

Chairman Stanton recommended we write to Mr. Steven Forsgren, US Postal Service.

Mr. Hentges stated the Post Office had 30,000 people laid off and Mr. Forsgren was one of them.

Chairman Stanton directed Mr. Parmer to write a letter to the Regional International Trade Roundtable in response to their letters.

Mr. Parmer stated the August 31 letter was drafted after his letter of August 27 to Mr. Bailly advising this matter would be on the agenda for today's Airport Authority meeting.

Mr. Hentges moved to adjourn the regular meeting of the Municipal Airport Authority until the next regular meeting to be held Tuesday, September 15, 1992 at 10:30 a.m. in the Airport Boardroom.

Second by Mr. Gallagher.

All members present voted aye and the motion was declared carried.

Time at adjournment was 11:03 a.m.

Regular Meeting

Tuesday

September 15, 1992

The regular meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held Tuesday, September 15, 1992 at 10:30 a.m. in the Airport Boardroom.

The members present or absent were shown as following:

Present: Hentges, Gallagher, Williams, Cichy, Stanton

Absent: None

Others: Bromenschenkel

Chairman Stanton presiding.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held September 1, 1992:

Mr. Cichy moved to approve the minutes of the regular meeting of the Municipal Airport Authority held September 1, 1992.

Second by Mr. Williams.

All members present voted aye and the motion was declared carried.

Approved the Airport Vouchers Totaling \$30,499.06:

Mr. Hentges moved to approve the airport vouchers totaling \$30,499.06.

Second by Mr. Gallagher.

On the call of the roll, members Hentges, Gallagher, Williams, Cichy and Stanton voted aye.

No member being absent and none voting nay the motion was declared carried.

Representatives of Mutchler Bartram Wild Discussed Expansion to Hangar No. 9:

Mr. Bob Mutchler (Mutchler Bartram Wild) was recognized and reviewed this project for an addition to the hangar leased to the National Guard Bureau Faker Program. Mr. Bartram stated that the project started out in August as a need for office space for five additional staff people. At that time they proposed three options for approximately 1150 square feet of office space. Since that time, Lt. Col. Tom Vierzba has advised that he will be getting at least 10 additional people and will need approximately 2300 sq. ft. additional space. A portion of the space will be for office but the rest will be a maintenance facility on the first floor. Mr. Mutchler stated that one of the options would encroach on NDANG property but informal discussions with the NDANG indicate a willingness to provide the necessary land for the project.

Mr. Mutchler stated that any plans they have at this point are strictly preliminary and may have to be revised if this project becomes a reality.

Representatives of Mutchler Bartram Wild Discussed Expansion to Hangar No. 9: (Continued)

Mr. Mutchler stated this started as a small project and has now grown to a need of 4600 additional square feet at an estimated cost of \$285,000.

Mr. Mutchler stated that as far as handicapped access in the building they are planning for a wheelchair lift rather than a stair lift so that it could also be used to carry equipment to the upper level.

Mr. Parmer stated that we have not yet received a commitment from the National Guard Bureau. Based on the lease the Airport Authority has with the National Guard Bureau, the proposed improvements would increase their annual rent by about \$39,000. They are presently paying \$42,000 per year. Mr. Parmer asked Mr. Mutchler if he knew at what point the National Guard Bureau could make a commitment.

Mr. Mutchler stated that Lt. Col. Vierzba could better address that and he was not able to be here today. He stated that Lt. Col Vierzba at one time had indicated that the Airport Authority may have to go ahead with these improvements without a signed a commitment from the National Guard Bureau.

Mr. Cichy asked what is the reason for the additional space.

Mr. Parmer stated that the staff of the Faker Program will be increased. They presently have five staff people in their office in the Eastside Terminal. Mr. Parmer stated that number has increased now and their needs seem to change each time we meet with them.

Mr. Mutchler stated that Lt. Col. Vierzba's plan is to establish a maintenance base for ECM Pods, which they carry on the Lear jets, in conjunction with the Faker Facility. They currently send the pods to Florida for maintenance and it costs them \$5,000 each time they send one and this is done on a regular basis. He feels if the maintenance base is in Fargo they could also repair pods for other locations.

Mr. Parmer stated that the schedule proposed by Mutchler calls for advertising for bids on September 21. He asked Mr. Mutchler if they have gone that far on plans and specifications already without a contract with the Airport Authority.

Mr. Mutchler agreed the proposed schedule is too ambitious and it was based on approval by the Airport Authority at this meeting.

Mr. Parmer stated that in his last conversation with Lt. Col. Vierzba he indicated nothing could be done until they had a final report on the possible soil contamination from the tanks (owned by Northwest Airlines) that were removed from the site adjacent to that hangar. Mr. Parmer stated he has a report on the tanks but not the test results.

Mr. Brian Berg, Mutchler Bartram Wild, indicated the last test done was March 1992 and no contamination was found at that time.

Mr. Parmer asked how long the site would be monitored.

Mr. Ron Balvitsch, Northwest Airlines, stated that the company handling the testing for the state is Special Resource Management and he did not know how long they would continue to monitor them.

Mr. Williams stated that the Airport Authority can't do anything without a commitment from the National Guard Bureau.

In answer to a question from Mr. Cichy, Mr. Mutchler stated that the Faker Program involves more than just the Lear jets located in Fargo. Besides training missions for national defense they are also involved in drug enforcement, so it is a much broader spectrum than the operation in Fargo.

Chairman Stanton asked how much of a problem securing the additional piece of land from the NDANG will be.

Mr. Parmer indicated there have been preliminary discussions with the Guard and should not be a problem.

Representatives of Mutchler Bartram Wild Discussed Expansion to Hangar No. 9: (Continued)

Mr. Hentges moved the Airport Authority receive and file the communication from Mutchler Bartram Wild and that the Executive Director pursue a lease agreement with the National Guard Bureau and also with the NDANG regarding the easement for that portion of land.

Second by Mr. Cichy.

All members present voted aye and the motion was declared carried.

Mr. Mark Foss, Foss Associates, Discussed Kitchen Space Requirements for Air Carrier Catering Service:

Mr. Mark Foss, Foss Associates, was recognized and stated that also present at the meeting was Renee Noehre, Manager of The Barnstormer, and she would be able to help answer questions the Authority might have.

Mr. Foss distributed copies of minutes from a meeting held August 6, a summary of the project by Foss Associates dated August 12, and also a communication from Robert Rippe & Associates, Inc., a foodservice consulting firm. Mr. Foss stated the kitchen was designed for in house food service only and now that The Barnstormer has added airline catering their space is no longer adequate. Mr. Foss stated that The Barnstormer may expand its airline catering services in the future and should have some options for expansion.

Mr. Foss stated the estimate quoted for the study by the consultant is the maximum it would cost (\$2,850 plus expenses).

Mr. Hentges moved to receive and file the communications and to authorize the study by Robert Rippe & Associates, Inc.

Second by Mr. Cichy.

On the call of the roll, members Hentges, Gallagher, Williams, Cichy and Stanton voted aye.

All members present voted aye and the motion was declared carried.

Reviewed and Approved Specifications for Skid Steer Loader With Attachments and Authorized Advertising for Bids:

Mr. Parmer stated that we need to purchase a piece of equipment for snow removal in front of the building.

Mr. Cichy moved to approve the specifications for the skid steer loader with attachments and authorize advertisement for bids.

Second by Mr. Hentges.

On the call of the roll, members Hentges, Gallagher, Williams, Cichy and Stanton voted aye.

No member being absent and none voting nay the motion was declared carried.

Mr. Parmer added that the attachments would include a material bucket, rotary and broom. He stated the piece of equipment we presently have is not large enough to handle snow removal in front of the building.

Other Business:

Mr. Hentges stated he has noticed the boat that is being stored by the Vic's Aircraft Sales hangar. He stated Mr. Gelking wanted the 19th Avenue location to be visible and use of the area should be restricted to aircraft.

Mr. Hentges stated he would like the Authority to seriously look at the smoking regulations in the building. Right now smoking is allowed in the area at the top of the stairs and everyone has to walk through the smoke to get to the departure lounge. He stated he would like to see smoking confined to the restaurant/lounge and one area on the first floor. He stated since it is a public building it will eventually be declared smoke free, but for now he would like to see it confined to the first level and possibly one area in the departure lounge.

Mr. Parmer stated he would look into the matter and come back with a recommendation.

Mr. Williams stated he feels we should consult with the airlines to address any customer dissatisfaction.

Mr. Gallagher brought up the matter of the debris stored in the area beyond the new fence we installed at the northwest corner of 19th Avenue and the access road.

Mr. Parmer stated he talked with the State Highway Department and they indicated they would check it out and get back to him but he has not heard anything. Mr. Parmer stated he would contact them again.

Mr. Hentges stated he appreciated Mr. Parmer's reply to the Regional International Trade Roundtable and asked if he had any response from them.

Mr. Parmer stated he has met with a couple of representatives of the Roundtable. He stated their reason for not attending the last meeting of the Airport Authority is that they were not invited. Mr. Parmer stated he asked them if they had ever been invited to a public meeting. He further stated his letter to them indicating their concerns would be discussed at the next Airport Authority meeting would denote their attendance was solicited. Mr. Parmer stated he also talked to a representative of the US Postal Service and wrote them a letter advising them that we would like to be considered as a possible site for their proposed facility once the freeze throughout the Postal Service has been lifted.

Mr. Hentges moved to adjourn the regular meeting of the Municipal Airport Authority until the next regular meeting to be held October 6, 1992 at 10:30 a.m. in the Airport Boardroom.

Second by Mr. Williams.

All members present voted aye and the motion was declared carried.

Time at adjournment was 11:08 a.m.

Special Meeting

Wednesday

September 23, 1992

A special meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held Wednesday, September 23, 1992, at 10:30 a.m. in the Airport Boardroom.

The members present or absent were as shown following:

Present: Hentges, Gallagher, Williams, Stanton

Absent: Cichy

Others: Stewart

Chairman Stanton presiding.

Reviewed Airport Mill Levy for 1993:

Mr. Parmer stated he has no official documentation from the City Commission but he talked with Mr. Mark Thelen yesterday concerning the City Commission's request that the Airport Authority reduce its 1993 mill levy from two to one. He stated there were some statements in a Forum article that were not correct. He was quoted as saying Joe Parmer said the Airport Authority probably would agree to the levy decrease. Mr. Parmer stated that he told Commissioner Sydness that it would be up to the Airport Authority whether or not they reduce the levy. Mr. Parmer stated that personally he has no problem with reducing the levy this year. He stated we presently have \$2.3 million in the Airport Improvement Fund and our only obligation at this time is the Runway 8/26 Project which will require \$664,000 of airport funds. He stated that the reason for the sizable reserve in the Airport Improvement Fund at this time is that we have been anticipating activity in the Airport Industrial Park and nothing has materialized yet. We still are not sure what the National Weather Service plans to do. If they decide to locate in Fargo we don't know if they will ask us to build a facility for them. Mr. Parmer stated that other things we may be faced with in the future that were not mentioned in the article but those would include water and sewer into the new general aviation area would have to be funded solely by the Airport Authority. The article stated that the Airport Authority will be spending only \$2.2 million on improvement projects in the next decade and that is incorrect, it will be considerably more than that.

Mr. Parmer stated that reducing the levy by one mill this year will not really burden the Airport Authority but the City Commission must understand the legal limits for the Airport Authority. If we need additional funds in future years we can levy up to four mills. He also stated that should our revenues in the future not be enough to finance our indebtedness the City must come up with the additional mills to take care of that and there is no limit, but we do not anticipate that ever happening. Mr. Parmer stated that in 1991 the Airport Authority reduced its mill levy from three to two and the City Commission is asking if we would look favorably on their request to reduce it by another mill this year.

Reviewed Airport Mill Levy for 1993: (Continued)

Chairman Stanton stated she does not have a problem with this request. She stated she understands the budget problems the City Commission is having and she commends them for trying to hold the line. She stated she think it needs to be made clear that the Airport Authority did not levy the two mills just because they were there but because we have projects that are pending and may come around this year.

Mr. Hentges stated the Airport Authority felt when we approved it that it was necessary to get our funding to the level needed for some of these projects. For example if we need to fund more than 10% of some of these projects to get them going it should be there. He stated that what the City Commission does has absolutely nothing to do with what the Airport Authority does.

Mr. Williams stated he agreed. He stated to him this is just a patch. He stated we put a patch on their wound last year and now they have another wound they need patched. He stated he feels they should handle the problem down there.

Mr. Hentges stated that the City Commission has so many sources of funds and they have not even considered State funds they will receive. Mr. Hentges stated the Airport Authority should try to reduce our mill levy the best we can based on our need, not because the City Commission is in a political jam at the moment. He stated the Airport Authority made a good business decision on our budget a few weeks ago and it should still be prudent today.

Mr. Williams stated there is a lot of future expansion for the airport and even though some of them are "maybes" we can't get ourselves in a position where we can't do anything.

Chairman Stanton stated that she doesn't feel \$90,000 is going to make or break us.

Mr. Parmer stated that on some of the larger projects we anticipate we are going to have to go to a bond issue. In the past we have talked about a large hangar for an air cargo facility and we may be asked to finance such a project. Mr. Parmer stated he doesn't feel the Airport Authority should be that concerned about what the City's problem is as far as their budget is concerned. The only thing he is saying is that it is not really going to hurt the Airport Authority if we reduce the levy one mill this year.

Chairman Stanton stated she feels the Airport Authority should cooperate.

Mr. Hentges stated we have reduced it from four to three, from three to two and he is opposed to any reduction and he has not heard any new arguments to change his mind. He stated if 400 mills are being assessed the one mill from the Airport represents one half of one percent. He stated if the City is funding a \$40 million water plant why are we talking about \$90,000.

Mr. Williams stated the Park Board is levying about 27 mills and they aren't giving any mills back.

Chairman Stanton stated she does not know the situation of all of the other boards but she does not feel that a reduction of one mill for this year will hurt. She stated this is a one year shot as we may be back to two or three mills next year but in the spirit of cooperation she feels we should grant their request.

Mr. Gallagher asked if the Airport Authority received a formal request from the City Commission.

Mr. Parmer stated he talked to Mr. Thelen yesterday and he advised of the City Commission's 5 0 vote. He stated he has not yet seen the minutes of their meeting as they had not been published yet.

Mr. Hentges stated no one at City Hall is communicating with the Airport Authority. He stated he feels this would be just one step closer to the day that City Hall controls the airport funding.

Chairman Stanton stated the Airport Authority is established by law and the law would have to be changed to accomplish that.

Reviewed Airport Mill Levy for 1993: (Continued)

Mr. Parmer stated Commissioner Sydness also contacted him on the matter.

Mr. Hentges stated that Commissioner Sydness is not even the City Commission's representative to the airport. Chairman Stanton stated she does not feel the one mill makes that much difference at this particular point.

Mr. Williams told Chairman Stanton that was her opinion and she is entitled to her opinion but it is the Airport Authority's job to look out for the airport.

Chairman Stanton stated she feels we are doing that.

Mr. Hentges stated that after the City Commission's political matter on Monday they expect us to reopen our budget and our levy which makes it look like the Airport Authority is not doing its work and he felt we had. Mr. Hentges stated he does not see an official request from the City Commission so he does not feel there is even a motion necessary.

Mr. Parmer stated we had an official request but nothing in writing. He stated he talked to Commissioner Bromenschenkel and he indicated the City Commission requested the Airport Authority reduce its levy by one mill. This is basically a situation where the Airport Authority can either approve it or not.

Chairman Stanton stated she feels we should cooperate and approve their request, which would not mean that we are going to do this next year or ever do it again, but it's a one time shot and we should cooperate.

Mr. Hentges stated he does not see any representative of the City here with which to cooperate.

Mr. Williams stated that is the part that irritates him. If they requested a little from everyone then he would go along with it.

Mr. Hentges stated Mr. Thelen should have presented the budget problem to the Airport Authority and explained their request.

Mr. Parmer stated that the Auditor's Office looks at the Airport Improvement Fund as a big surplus and since the funds are not obligated to immediate projects they view it as a surplus. All of our plans for future projects will come into play and we need money available for them.

Mr. Williams stated that it is very important to the airport and the welfare of this city that the airport stay very liquid because the opportunity may come along to bring in more businesses to Fargo.

Mr. Hentges stated he spent an hour with the Mayor yesterday and this subject never came up.

Chairman Stanton asked Mr. Gallagher for his opinion.

Mr. Gallagher stated he had no problem with approving their request and moved the Airport Authority reduce its mill levy for 1993 by one mill.

Chairman Stanton relinquished the chair to Vice Chairman Hentges and seconded the motion.

On the call of the roll members Gallagher and Stanton voted aye.

Mr. Hentges and Mr. Williams voted no.

The motion failed.

Vice Chairman returned the chair to Chairman Stanton.

Mr. Gallagher moved to adjourn the special meeting of the Municipal Airport Authority.

Second by Mr. Hentges.

All members present voted aye and the motion was declared carried.

Time at adjournment was 10:49 a.m.

Special Meeting

Friday

September 25, 1992

A special meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held on Friday, September 25, 1992 at 8:00 a.m. in the Airport Boardroom.

The members present or absent were as shown following:

Present: Hentges, Gallagher, Cichy, Stanton
Absent: Williams
Others: Stewart, Bromenschenkel, Sydness

Chairman Stanton presiding.

Reviewed Airport Mill Levy for 1993:

Chairman Stanton stated the Airport Authority held a special meeting on Wednesday, September 23, to consider a request from the City Commission that the Airport Authority lower its mill levy for 1993 from two mills to one.

Mr. Cichy stated that having been out of town during the past few days he had not been aware of the matter but after returning he has read the articles in The Forum as well as talked to a number of people. He stated he has always believed in keeping taxes down at as moderate a level as possible, however, in this case he felt it was somewhat presumptuous for the City Commission to go ahead and set a budget without the Airport Authority being apprised of their intentions. He stated he would have appreciated the courtesy on behalf of the City Commission to be advised of the matter. He stated he realized he was out of town but he did not leave until Tuesday afternoon. Mr. Cichy stated that in view of the total situation and his basic philosophy of keeping taxes as modest as possible he would support the mill reduction.

Mr. Cichy moved to rescind the previous action of the Airport Authority to certify two mills to the City Commission for 1993.

Second by Mr. Gallagher.

Mr. Hentges stated he had some comments on the matter. He stated that Mr. Mark Thelen was present at the meeting, along with Commissioners Bromenschenkel and Sydness, and he would like Mr. Thelen to expand on the presumptions made that the Airport Authority would automatically roll over on the basis of a phone call.

Mr. Thelen stated in reviewing the budget for 1993 they found the Airport Authority had a cash reserve of \$3 million. He stated they did not receive the Airport's budget until almost the first of September. He stated they wondered why the Airport had a \$3 million cash balance. He stated he reviewed the Airport Master Plan with Mr. Parmer and that plan calls for \$2.2 million in expenditures. He stated that without any more tax levies the Airport Authority will still generate about \$200,000 per year (\$125,000 from the airlines and \$75,000 from the State) available for improvements. He stated adding that to the current reserve comes to about \$5 million cash without tax levies. He stated he does not know why the Airport has that much money as it does not seem to agree with the Master Plan.

Reviewed Airport Mill Levy for 1993: (Continued)

Commissioner Sydness stated he would like to speak on behalf of the City Commission and thank the Airport Authority for its understanding in holding a second special meeting this week and its cooperation in helping the City Commission work through this budget matter. He stated the Commission has an October 1 deadline to have the budget in place. He stated his view on this matter is that the whole objective is to hold the line on the mill levy for the city. He stated that while other governmental units have increased their mill levy, along with State and Federal, he feels an objective of the City of Fargo should be to try to hold the mill levy at the current level as long as it is feasible. He stated in going over the budget and looking at where the mills are and where our needs exist, it was his opinion that perhaps there was some latitude in the Airport Authority for one mill. He does not mean to propose this as a permanent reduction but to look at it on an ongoing basis as the airport's projects become clearer and more certain. In looking at 1993 and the airport's plans and its cash balances and the City's overall plan he felt this might be an opportunity for the Airport to move down from two mills to one. He stated as far as the way the matter was communicated to the Airport Authority he would apologize for that. He never meant to imply by lack of communication that the Airport Authority was supposed to roll over and be a rubber stamp for the Commission. He stated he did have conversations with a couple of the members but for a variety of reasons was not able to talk with all of the members. He stated he certainly does not want anyone to feel offended because of that. He stated it was the Commission's basic objective to try to use that scarce resource, the mill levy, in the best and most practical place each year. He stated that 1993 will be an interesting year as they are budgeting no money from the State as that is an uncertainty. He stated they are experiencing a reduction in administration fees because of the half cent tax for the water plant. He stated because of this the City needs to be as tight and fiscally frugal as they can. He asked the Airport Authority for its help in getting through 1993 and we will again look at the Airport's mill levy in 1994 and subsequent years.

Chairman Stanton stated she is glad Commissioner Sydness made a point of the fact that this reduction is for 1993 only. She stated we have no idea what we will do for 1994 but the Airport Authority will look at its 1994 budget when the time comes, just as the City Commission will look at its budget. She stated she again commends the City Commission for trying to hold the line on taxes as she doesn't see any other governmental units even attempting.

Mr. Hentges stated he understands that the Commission members are busy and he certainly didn't expect calls to each individual Airport Authority member but we do have meetings twice a month and if it was that important a matter then it should have required more than a telephone call from Mark Thelen. He stated the Airport Authority has no written request on which to take action. Mr. Hentges stated that when the Airport Authority adopted its budget we agreed the airport needed the two mill levy and now on a whim and a phone call we don't need it. He stated right now the Airport Authority is caught up in whether or not the city employees get a raise. He stated the City's total budget from all sources is \$22 million. He stated he attended the City Commission meeting the other night and the Commission voted to give the County authorization to increase its mill levy by four mills for economic development and there wasn't even any discussion. He stated the City also came up with \$800,000 to improve the telephone building so there are funds all over the place. He stated the total mill levy for the City of Fargo is over 450 mills and here we are talking about one mill, which is less than one quarter of one percent of the mill levy to save the people of Fargo tax money. He stated he called City Hall the other day on another

Reviewed Airport Mill Levy for 1993: (Continued)

matter and one of the employees was wondering what the Airport Authority's decision on the mill levy was. He stated that the city employees are looking to the Airport Authority to get a pay raise. He stated the Airport Authority is waiting for the go ahead on the Runway 8/26 Project and we could get approval yet this year. Mr. Hentges stated what the Airport Authority does with its mill levy does not affect the mill levy for the City.

Mr. Thelen stated that the Airport Authority's mill levy is included in the City's 64 mills.

Mr. Hentges stated he feels there should be greater consultation between the City Commission and the Airport Authority. He stated we are caught up in a football deal with the City employees pay raises.

Commissioner Sydness stated that may be the perception of the situation but it is not the reality of it. He stated the way he looks at the budget is in full. He stated the City has a lot to do within its 64 mills and the Commission tries to do that without jeopardizing anything. He stated if he felt he was putting the airport in jeopardy he would not have suggested the decrease. He stated he is of the opinion that the Airport's cash reserve on hand can satisfy the proposed projects to the end of the decade. He stated that if other things come up in the future we will deal with them when they do come up. He stated that unfortunately we do not have the luxury of bankrolling large amounts of money for the future. The Airport Authority certainly wants to maintain an appropriate cash level but the reduction of one mill for 1993 would not put the Airport Authority at risk.

Mr. Hentges stated that Commissioner Bromenschenkel attends the Airport Authority meetings regularly and we also look to him for advise and he is aware of what goes on at the airport. Mr. Hentges stated he intends to eliminate the Airport's mill levy completely at some point but things keep coming into the picture. Mr. Hentges cited the example of the Airport Authority's plans to build an airplane factory for Peter Ahrens when that was a possibility. He stated there are other possibilities such as a facility for the National Weather Service if it should decide to remain in Fargo and want to lease a facility. Mr. Hentges stated that in two or three years if there are no more of these projects there won't be a mill levy for the airport. The taxpayers of Fargo are not paying for the operation of this airport. The levy is for capital improvements. The tenants pay for the day to day operation of the airport and the leases allow for a surcharge we put into our improvement fund. He stated we have good leases with the airlines so we don't have to look to the County or Moorhead to fund this airport. We are in good shape right now.

Chairman Stanton stated the Airport Authority is going to stay in good shape. She asked Mr. Parmer for his comments.

Mr. Parmer stated he made the recommendation to the Airport Authority that the mill levy for 1993 be two mills, knowing full well we had the surplus and there is a reason for that. He stated there a number of things not on our Master Plan that are going to require a great deal of cash outlay on behalf of the Airport Authority, mainly the Airport Industrial Park. He stated we have been working on that for about five years and we have had a lot of inquiries about the Industrial Park. He stated he is still confident that some day something is going to break and it will require a commitment on behalf of the Airport Authority to see that the Industrial Park gets off the ground. Hopefully all of these things will bring in revenue that will eventually pay for themselves. He stated that the hangar Mr. Hentges mentioned was going to be leased to the tenant rent free for the first two years and someone would have to pay

Reviewed Airport Mill Levy for 1993: (Continued)

for that. He stated another possibility is the construction of an air freight facility which would completely erase the airport's reserve and we would have to go to a bond issue. He stated the Airport Authority should not apologize for having a reserve. He stated he visited with Mr. Thelen the other day and discussed the proposed projects at length and at that time Mr. Thelen indicated his questions had been answered. Mr. Parmer stated the Airport Authority has a lot of plans and hopefully they will materialize down the road.

Commissioner Sydness stated he is not saying the Airport Authority should not have a cash reserve. He stated the fund created by the four mills levied by the County for economic development would be available to the Airport Authority so the Authority does not need to look exclusively to the Airport Authority or the City of Fargo for funding of such projects.

Chairman Stanton asked other Airport Authority members for their comments as she promised that the meeting would not be long.

Mr. Hentges stated that he has visited with Commissioner Sydness and the Mayor this week and in defense of the City Commission he feels they have done a tremendous job in terms of the mill levy and would like to state that publicly. He stated the other entities in the district (schools, parks, county) continually increase their mill levy. Not too many years ago we were at 200 mills and now we are at 450. He stated he believes the Airport Authority has made a business like, frugal decision on its mill levy and now we have to open it up.

Commissioner Bromenschenkel stated that he is also concerned about the increase in tax levies but at the same time he is frustrated with the budget process. He stated that not everything included in the budget is known at the beginning of the process. He stated that the City has been chastised many times for not having enough funds available to build the new water plant. He stated that funds for infrastructure maintenance have been deferred and the longer projects are put off the more they will cost. He added that he was not happy to have to ask the Airport Authority to reduce its mill levy.

Chairman Stanton asked for further comments but none were made so a vote on the motion to rescind previous action was called.

On the call of the roll, members Gallagher, Cichy and Stanton voted yes.

Mr. Hentges voted no.

Absent and not voting: Williams.

The motion was declared carried.

Mr. Gallagher moved to certify to the Board of City Commissioners a one mill levy for airport improvements for 1993, as per Section 2 06 14 of the North Dakota Century Code.

Second by Mr. Cichy.

On the call of the roll, members Hentges, Gallagher, Cichy and Stanton voted aye.

Absent and not voting: Williams.

The motion was declared carried.

Mr. Cichy moved to adjourn the special meeting of the Municipal Airport Authority.

Second by Mr. Gallagher.

All members present voted aye and the motion was declared carried.

Time at adjournment was 8:24 a.m.

Special Meeting

Wednesday

September 30, 1992

A special meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held on Wednesday, September 30, 1992, at 9:00 a.m. in the Airport Boardroom.

The members present or absent were as shown following:

Present: Hentges, Gallagher, Cichy, Stanton
Absent: Williams
Others: Stewart

Chairman Stanton presiding.

Officially Accepted Grant Agreement for AIP Project No. 92 2 3 38 0017 12 92 (Partial Runway 8/26 and Taxiway Project):

Mr. Parmer stated that he received the grant for the Runway 8/26 Project from the FAA yesterday and the grant agreement must be accepted and signed no later than September 30, 1992.

He stated he wanted to call to the attention of the Airport Authority one paragraph in the agreement. He read the paragraph as follows:

"It is understood and agreed by and between the parties hereto that the sponsor will pay \$28,500. of the eligible and allowable costs of this project in addition to the normal ten percent (sponsor's share of such costs). This represents the sponsor's investment of the Federal share of the value of real property released May 31, 1991, in an eligible airport project."

Mr. Parmer stated this has to do with property the Airport Authority leased the North Dakota National Guard for the placement of their armory. The FAA determined this a non aeronautical use of the property and we have to pay the FAA back that amount. Mr. Parmer stated the other portion of land leased to the National Guard for their helicopter maintenance facility was approved by the FAA but the armory site was not.

Mr. Parmer stated that our application dated June 12, 1992, was for the entire project (Runway 8/26, Taxiway, Reconstruction and Rehabilitation of Runway 17/35, etc.) but this grant includes the following:

- (1) The construction of Runway 8/26 (Stage I)
Approximately 2520' x 100'
- (2) Parallel Taxiway (Stage I)
Approximately 3320' x 50'

Officially Accepted Grant Agreement for AIP Project No. 92 2 3 38 0017 12 92 (Partial Runway 8/26 and Taxiway Project: (Continued)

- (3) Relocate and Extend Fence
(Approximately 13,052 lineal feet)

Mr. Parmer stated the amount of the grant is \$2,306,224. The allowable amount of this portion of the project is \$2,562,471, which includes our ten percent and also the \$28,500. Mr. Parmer stated that after the Airport Authority takes action today to accept the grant offer there are a couple other details that need to be handled also.

Mr. Hentges moved the Airport Authority accept the grant agreement for Project No. 3 38 0017 12.

Second by Mr. Gallagher.

On the call of the roll, Hentges, Gallagher, Cichy and Stanton voted aye.

Absent and not voting: Williams.

The motion was declared carried.

Accepted Good Faith Effort Shown by Northern Improvement Company and Edling Electric in Attempting to Secure DBE Subcontractors:

Mr. Parmer stated that our Disadvantaged Business Enterprise (DBE) Goal for construction projects is 10% and the FAA requires that we meet those goals each year. Mr. Parmer stated we have never been able to meet our goals but we have always been able to show that the contractors have shown a good faith effort in attempting to attract DBE subcontractors. Mr. Parmer stated that Northern Improvement has indicated that they were able to get 4.5% DBE participation but that was on the entire project, not necessarily the portion covered under this grant. Both Northern Improvement and Edling Electric have provided us with documentation as to the firms contacted and the reasons they declined.

Mr. Gallagher moved to accept the good faith effort shown by the contractors in attempting to secure DBE subcontractors.

Second by Mr. Cichy.

All members present voted aye and the motion was declared carried.

Reviewed Runway 8/26 Project:

Mr. Wes Schon, Ulteig Engineers, stated that if the weather holds this fall we are going to try to complete three major items:

1. Grading/embankment/excavation
2. Drainage system and storm sewer
3. Fencing

He stated that we plan to work until freeze up. Mr. Schon stated that the funds in this grant will allow us to complete paving from about 200 feet east of the taxiway to the end. He stated that if we do not receive another nickel for this project what we will have is a 2200' runway that does not connect to anything. He stated that we anticipate we will get additional funding and hope that next year the funding will flow without the problems we had this year. He stated that if everything goes as anticipated this fall we can expect to complete about \$750,000 of work.

Mr. Schon stated that most of the work that will be completed this fall will be done by subcontractors. He stated that the subcontractor doing the dirt work is Jenson Brothers from Wheatland, ND, and he has confidence in their ability to do the work. He stated that we must now allow 10 days before the pre construction conference so that has been set for October 14.

Reviewed Runway 8/26 Project: (Continued)

Mr. Cichy asked Mr. Schon the completion date for this phase of the project.

Mr. Schon stated that we will work as long as weather permits this fall but we don't expect for the dirt work to be completely finished this fall.

Awarded Runway 8/26 Project No. 3 38 0017 12 to Northern Improvement Company:

Mr. Schon requested the Airport Authority award the contract in the amount of \$2,327,006.50 to Northern Improvement.

Mr. Cichy moved to award the contract to Northern Improvement Company for Phase I of the Runway 8/26 Project No. 3 38 0017 12.

Second by Mr. Gallagher.

On the call of the roll, members Hentges, Gallagher, Cichy and Stanton voted aye.

Absent and not voting: Williams

The motion was declared carried.

Mr. Gallagher moved to adjourn the special meeting of the Municipal Airport Authority.

Second by Mr. Hentges.

All members present voted aye and the motion was declared carried.

Time at adjournment was 9:23 a.m.

Regular Meeting

Tuesday

October 6, 1992

The regular meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held on Tuesday, October 6, 1992, at 10:30 a.m. in the Airport Boardroom.

The members present or absent were as shown following:

Present: Hentges, Gallagher, Cichy, Stanton

Absent: Williams

Others: Stewart, Bromenschenkel, MacLeod

Chairman Stanton presiding.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held September 15, 1992:

Mr. Hentges moved to approve the minutes of the regular meeting of the Municipal Airport Authority held September 15, 1992.

Second by Mr. Gallagher.

All members present voted aye and the motion was declared carried.

Approved the Minutes of the Special Meetings of the Municipal Airport Authority Held September 23, September 25, and September 30, 1992:

Mr. Hentges moved to approve the minutes of the special meetings of the Municipal Airport Authority held September 23, September 25, and September 30, 1992.

Second by Mr. Gallagher.

All members present voted aye and the motion was declared carried.

Approved Airport Vouchers Totaling \$41,900.19:

Mr. Cichy moved to approve the airport vouchers totaling \$41,900.19.

Second by Mr. Hentges.

On the call of the roll, members Hentges, Gallagher, Cichy and Stanton voted aye.

Absent and not voting: Williams

The motion was declared carried.

Approved Individual Voucher to Ulteig Engineers, Inc.:

Mr. Hentges moved to approve the individual voucher in the amount of \$10,816.24 to Ulteig Engineers, Inc. for Partial Payment Request No. 7 for engineering services in connection with Runway 8/26 Project, AIP No. 3 38 0017 12.

Approved Individual Voucher to Ulteig Engineers, Inc.: (Continued)

Second by Mr. Cichy.

On the call of the roll, members Hentges, Gallagher, Cichy and Stanton voted aye.

Absent and not voting: Williams

The motion was declared carried.

Received and Filed Statement of Operations for the Month of August 1992:

Mr. Gallagher moved to receive and file the Statement of Operations for the Month of August 1992.

Second by Mr. Cichy.

All members present voted aye and the motion was declared carried.

Received Bids for the Furnishing of One Skid Steer Loader with Attachments:

Mr. Parmer opened bids for the furnishing of one skid steer loader with attachments as follows:

Krider Equipment.....\$23,340.00
Case Model 1840

Midwest Industrial Machinery.....\$24,697.00
Mustang Model 940

Swanston Equipment Company.....\$20,187.53
Bobcat Model 753

Mr. Hentges moved the bids be received and referred to the Executive Director for review and recommendation to be made at the next meeting.

Second by Mr. Cichy.

All members present voted aye and the motion was declared carried.

Received Notice of Pre Construction Conference for Runway 8/26 Project, AIP No. 3 38 0017 12:

Mr. Parmer stated that one of the requirements for each AIP Project is that we hold a pre construction conference. He stated that the conference has been set for October 14 at 10:30 a.m. in the Airport Boardroom. He stated the conference is basically technical in nature, reviewing operations on the airfield, etc. Mr. Parmer stated that represented at the meeting will be the FAA, airlines, fixed base operators, control tower, farm tenants, etc. Mr. Parmer stated that Wes Schon has some other matters to be discussed on the project.

Mr. Schon stated he has the project contracts completed and ready for signature. He stated under the original contract bid the completion date of the project was November 30, 1992, and obviously that is now impossible so we need to issue a time extension change order. This change order extends the time to October 31, 1993. He added that this is a no cost time extension.

Mr. Schon stated that Northern Improvement advised him that the fence contractor has indicated they would like to get started as soon as possible. He stated that the fence contractor should be able to get started the afternoon of October 14, provided

Received Notice of Pre Construction Conference for Runway 8/26 Project, AIP No. 3 38 0017 12:

we have received approval of our project safety plan. Mr. Schon stated the original safety plan was submitted to the FAA in May which included the entire project. He stated he submitted a revised plan for this portion of the project and he is still waiting for approval. He stated that right now that is the only delay. He added that he would like to have Attorney Stewart review the contracts to make sure everything is in order.

Mr. Parmer stated the Airport Authority does need to take action on approving the time extension change order.

Mr. Cichy moved to approve the time extension change order to the Runway 8/26 Project, No. 3 38 0017 12.

Second by Mr. Gallagher.

On the call of the roll, members Hentges, Gallagher, Cichy and Stanton voted aye.

Absent and not voting: Williams

The motion was declared carried.

Reviewed Acquisition of Escalator Track Cleaner:

Mr. Parmer stated that we have always had a problem with keeping the tracks on the escalators clean. He stated we have talked to the company that manufactured the escalator and those who maintain the escalator and we have never been able to get a solution. Mr. David Heck, Building Engineer, has contacted a company named Cimex International and they have sent him information on an escalator cleaning machine. The cost of the machine with attachments is \$3,176.41, including our 15% discount.

Chairman Stanton asked if Mr. Parmer has talked with anyone else using this machine.

Mr. Parmer stated he has not talked to anyone else having experience with this machine. He stated there are not many escalators in town and as far as we know no one else has one of these machines. Mr. Parmer stated that Mr. Heck has attempted to contact the JC Penney maintenance staff regarding the cleaning of their escalator but he has not been able to talk to anyone at this point.

After further discussion Mr. Parmer indicated he would do some further checking and see if anyone else in the region has had experience with this machine.

Reviewed Procedures for "Quick Stop Rally" for National Candidate Visits:

Mr. Parmer stated that in past election years the airport has received visits from national candidates on very short notice. Mr. Parmer stated the reason for discussion on this matter is that four years ago we had one occasion when the rally took place at the airport and the most convenient area for the platform and crowd was west of the terminal in the car rental parking lot. He stated that the car rental agencies were asked to move their vehicles on short notice and he received complaints from the agency owners on the inconvenience. He stated that following the incident Mr. Bernie Ness, Avis Rent a Car, appeared at an Airport Authority meeting and indicated that it was not necessarily the additional cost incurred that bothered him but rather that they were not involved in the planning process but were given instructions "after the fact." Mr. Parmer stated that we can certainly involve the tenants in such planning sessions but we will probably come up with the same result. Mr. Parmer stated he has not received notice of any visits this year but felt we should review the procedures in advance.

Reviewed Procedures for "Quick Stop Rally" for National Candidate Visits: (Continued)

Mr. Bromenschenkel suggested that the area near the maintenance building would be an ideal location for such a gathering.

Mr. Parmer stated a drawback to that location would be the distance from the aircraft on the ramp.

Mr. Cichy asked what was the largest crowd in past visits.

Mr. Parmer stated there were probably a couple thousand people here for a rally four years ago. He stated during that visit there were also problems with parking because the people they were supposed to have directing traffic did not show up. He stated people parked in the long and short term lots and rather than waiting to exit the toll booth they jumped the curbs and exited without paying.

Mr. Hentges stated all we can do is give the tenants as much notice as possible and involve them in the planning process.

Other Business:

Mrs. Stanton stated she had heard on the news that the National Weather Service had made a decision on the location of their office but the details would not be made public at this time.

Mr. Parmer stated he talked to Mr. Gary Folz on September 27 and he indicated a decision would be made September 28 but he has not yet heard anything.

Mr. Gallagher moved to adjourn the meeting of the Municipal Airport Authority until the next regular meeting to be held Tuesday, October 20, 1992.

Second by Mr. Hentges.

All members present voted aye and the motion was declared carried.

Time at adjournment was 11:00 a.m.

Regular Meeting

Tuesday

October 20, 1992

The regular meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held on Tuesday, October 20, 1992, at 10:30 a.m. in the Airport Boardroom.

The members present or absent were as shown following:

Present: Hentges, Gallagher, Cichy, Stanton
Absent: Williams
Others: Stewart, Bromenschenkel

Chairman Stanton presiding.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held October 6, 1992:

Mr. Cichy moved to approve the minutes of the regular meeting of the Municipal Airport Authority held October 6, 1992.

Second by Mr. Gallagher.

All members present voted aye and the motion was declared carried.

Approved the Airport Vouchers Totaling \$43,804.87:

Mr. Hentges moved to approve the airport vouchers totaling \$43,804.87.

Second by Mr. Cichy.

On the call of the roll, members Hentges, Gallagher, Cichy and Stanton voted aye.

Absent and not voting: Williams.

The motion was declared carried.

Awarded Bid for the Furnishing of One Skid Steer Loader with Attachments:

Mr. Parmer stated that bids were received at the regular meeting of October 6, 1992, for the furnishing of one skid steer loader with attachments. The bids were received as follows:

Krider Equipment.....	\$23,340.00
Midwest Industrial Machinery.....	\$24,697.00
Swanston Equipment Company.....	\$20,187.53

Mr. Parmer stated that following review of the specifications it is our recommendation that the bid for the furnishing of one skid steer loader with attachments, meeting or exceeding the published specifications, be awarded to Swanston Equipment Company for the furnishing of one Model 753 Melroe Bobcat with attachments.

Awarded Bid for the Furnishing of One Skid Steer Loader with Attachments: (Continued)

Mr. Gallagher moved that the bid for the furnishing of one skid steer loader with attachments be awarded to Swanston Equipment Company as per their bid of \$20,187.53 for a Model 753 Melroe Bobcat with attachments.

Second by Mr. Cichy.

On the call of the roll, members Hentges, Gallagher, Cichy and Stanton voted aye.

Absent and not voting: Williams.

The motion was declared carried.

Received Update on Runway 8/26 Project:

Mr. Parmer stated since the last Airport Authority meeting a pre construction conference was held for the Runway 8/26 project. The portions of the project included in this grant are the east portion of the runway, the storm drain, and new security fencing. The contractor has started moving materials onto the airport for the storm drain. The weather will dictate what we will be able to do yet this year.

Mr. Parmer stated that he talked with the FAA regarding the balance of the project. He stated that Congress had passed the new AIP authorization before adjournment. He stated we have our application for the entire project on file, part of which was funded this year which was the last year of the previous legislation. Mr. Parmer stated that what we need to finish the project is another grant for \$3,672,555.00. He stated he is sure the FAA will use our 1993 enplanement funds, which he anticipates to be between \$900,000 to \$1 million, leaving a balance of about \$2.67 million. He stated in talking with Mr. Milt Heupel, FAA, today he indicated they are working on it. Mr. Parmer stated he does not know when we will hear something but he hopes it is sometime this winter so that we can continue the project through completion next summer. Mr. Parmer stated there is an engineering conference in Chicago this week and Wes Schon, Ulteig Engineers, is attending and will be visiting with FAA representatives from the Chicago office.

Mr. Parmer stated that as far as progress this fall it will depend upon the weather.

Mr. Hentges asked about the possibility of obtaining discretionary funding.

Mr. Parmer stated we have a very good chance of getting discretionary funding since our application has been in for some time now. He stated he is not sure how many applications the FAA has right now but he stated he does not think there were too many airports in the same situation as we are. He stated the FAA recommended that we call for bids by May 15 of this year as we would have a good chance at getting funding. Mr. Parmer stated the FAA is aware of the fact that unless we get funding for the entire project the portion included in this grant will be of no use to us.

Mr. Hentges stated those airports requesting discretionary funding will use their available political clout to obtain funds. He added that the local commitment does come into play and we need to have our preparation updated so the FAA is aware of that commitment. He stated we need to keep the pressure on from our end.

Mr. Parmer agreed and stated that if we are required to use strictly enplanement money for this project our enplanement funds will be tied up for the next four years.

Approved Municipal Airport Authority Disadvantaged Business Enterprise (DBE) Plan:

Mr. Parmer stated that we are required to submit a DBE Plan to the FAA each year for our concessions. In the past we have had to show the total number of dollars received from all of the concessionaires and base our goal on a percentage of the dollar amount. He stated we are able to use a different method now based on number of

Approved Municipal Airport Authority Disadvantaged Business Enterprise (DBE) Plan:
(Continued)

concessionaires so if you have 10 concessionaires and one DBE you have 10% DBE participation. Linda Foyen/Airport Giftshop is the only qualified DBE concessionaire. He stated we just submitted the plan a few days ago so we are still waiting to hear if it has been approved.

Discussed Automobile Parking Regulations:

Mr. Parmer stated that he received a phone call from Mr. Jay Orth who wished to appear to dispute a parking ticket he received at the airport. Mr. Parmer stated that apparently Mr. Orth is not present to discuss the matter. Mr. Parmer stated that Mr. Orth was parked in the loading/unloading zone and the signs indicate that "unattended vehicles will be ticketed." He stated that apparently Mr. Orth must have been parked there for some time because the security guards do allow a reasonable amount of time for passengers to load and unload.

Mr. Hentges stated he does not want to get involved in those types of situations.

Chairman Stanton stated she got a ticket at the airport recently and stated she also deserved hers so she went down to City Hall and paid it.

Authorized Purchase of Escalator Track Cleaner:

Mr. Parmer stated at the last meeting the Airport Authority discussed the acquisition of an escalator track cleaner. He stated the Airport Authority instructed him to do some further investigation and check with others that have used this particular machine. He stated that David Heck, Building Engineer, was able to contact the maintenance person at JC Penney and he has seen the machine operate but they do not presently have one. Mr. Heck also talked to maintenance personnel at the Mall of America in Bloomington and they have the same machine and are pleased with its performance. He added that the cost of the unit is \$3,176.41 plus shipping.

Chairman Stanton stated that if this will improve the appearance and performance of the escalators it will be worth it.

Mr. Hentges moved to authorize the purchase of a Cimex escalator cleaning machine.

Second by Mr. Gallagher.

On the call of the roll, members Hentges, Gallagher, Cichy and Stanton voted aye.

Absent and not voting: Williams.

The motion was declared carried.

Other Business:

Mr. Parmer stated that recently the Airport Authority approved the leasing of space in the Eastside Terminal to Claircom Communications. He stated that last week Claircom sent a final draft of the lease to us and just as we were ready to sign it they advised they are thinking of changing locations from the Eastside Terminal to a land site on the airport. Mr. Parmer stated we will need to look closely at their proposal. Mr. Parmer stated we have already asked the current gratis tenant to vacate the premises so that we could lease to Claircom. Mr. Parmer stated the Claircom representative would be in town this week to work out the details.

Mr. Gallagher moved to adjourn the meeting of the Municipal Airport Authority until the next regular meeting to be held Tuesday, November 3, 1992 at 10:30 a.m. in the Airport Boardroom.

Second by Mr. Cichy.

All members present voted aye and the motion was declared carried.

Time at adjournment was 10:52 a.m.

Regular Meeting

Tuesday

November 3, 1992

The regular meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held on Tuesday, November 3, 1992, in the Airport Boardroom.

The members present or absent were as shown following:

Present: Hentges, Gallagher, Williams, Cichy, Stanton

Absent: None

Others: Stewart, Bromenschenkel, MacLeod

Chairman Stanton presiding.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held October 20, 1992:

Mr. Hentges moved to approve the minutes of the regular meeting of the Municipal Airport Authority held October 20, 1992.

Second by Mr. Gallagher.

All members present voted aye and the motion was declared carried.

Approved the Airport Vouchers Totaling \$25,609.76:

Mr. Williams moved to approve the airport vouchers totaling \$25,609.76.

Second by Mr. Hentges.

All members present voted aye and the motion was declared carried.

Approved the Individual Voucher to Ulteig Engineers, Inc.:

Mr. Hentges moved to approve the individual voucher in the amount of \$25,609.76 to Ulteig Engineers, Inc. for engineering services in connection with the Runway 8/26 Project No. 3 38 0017 12.

Second by Mr. Gallagher.

On the call of the roll, members Hentges, Gallagher, Williams, Cichy and Stanton voted aye.

No member being absent and none voting nay the motion was declared carried.

Approved the Individual Voucher to Northern Improvement Company:

Mr. Hentges moved to approve the individual voucher in the amount of \$282,089.16 to Northern Improvement Company for Partial Payment Request No. 1 for construction in connection with the Runway 8/26 Project No. 3 38 0017 12.

Second by Mr. Gallagher.

On the call of the roll, members Hentges, Gallagher, Williams, Cichy and Stanton voted aye.

No member being absent and none voting nay the motion was declared carried.

Received and Filed the Statement of Operations for the Month of September 1992:

Mr. Hentges moved to receive and file the Statement of Operations for the Month of September 1992.

Second by Mr. Williams.

All members present voted aye and the motion was declared carried.

Authorized Execution of Option and Site Lease Agreement with Claircom Communications:

Mr. Parmer stated that for some months he has been negotiating with Claircom Communications for leasing space on the sixth floor of the Eastside Terminal. After further consideration on their part they were concerned about getting their equipment to the sixth floor so they are now looking for a ground site approximately 30' x 40' for their equipment building and antenna structure. He stated the site they have in mind is along Cass County Drain No. 10, south of County Road No. 20., near the east/west tree claim. He stated this site would not be a height problem but since it is an airport site and is in the air space controlled by the FAA the site application will be forwarded to the FAA for their approval. Mr. Parmer stated that Attorney Stewart has reviewed the lease agreement and did not find any problems. Mr. Parmer stated the lease charges would be \$600 per year.

Mr. Williams moved to authorize execution of the Option and Site Lease Agreement with Claircom Communications, subject to approval by the FAA.

Second by Mr. Cichy.

All members present voted aye and the motion was declared carried.

Authorized Execution of Quitclaim Deed on Lot 2, Block 2, Airport First Addition Between the Municipal Airport Authority and Paul D. Larsen and Linda L. Getz Larsen:

Mr. Parmer stated that Dr. Paul Larsen purchased property in the Airport First Addition from the Airport Authority on which his building, Red River Clinic, is located. He stated this lot (Lot 2, Block 2) was purchased on a Contract for Deed and Dr. Larsen now wants to pay the balance, which is approximately \$54,000. Mr. Parmer stated the deed is now ready to be executed and the Authority can take action to authorize execution of the Quitclaim Deed upon receipt of the final payment.

Mr. Gallagher moved to authorize execution of the Quitclaim Deed for Lot 2, Block 2, Airport First Addition between the Municipal Airport Authority (Grantor) and Paul D. Larsen and Linda L. Getz Larsen (Grantees).

Second by Mr. Cichy.

All members present voted aye and the motion was declared carried.

Reviewed Runway 8/26 Project:

Mr. Wes Schon, Ulteig Engineers, was recognized and stated that work on the Runway 8/26 Project has begun. He stated that the curb for the new fencing has been installed along with posts and the gates. He stated they have installed some of the storm sewer pipe already. He stated that we had excellent weather up until yesterday. He does not know how much more the weather will allow us to do but in the short time we had a lot of work was accomplished. He encouraged the Airport Authority members to go and take a look at the progress as you can see it from the road.

Mr. Gallagher asked if we have had any word on further funding for the project.

Mr. Schon stated that he has not heard anything further but the Bismarck FAA office is now officially an Airport District Office.

Reviewed Runway 8/26 Project: (Continued)

Mr. Parmer stated the FAA has all of the paperwork in their possession and they say they are working on it. Mr. Parmer stated that the new appropriation legislation has been passed by Congress.

Mr. Schon stated the dilemma we are in now is that we were granted a 90 day extension from both contractors, Northern Improvement and Edling Electric, and they will hold their prices until November 9. Mr. Schon stated that Edling's portion of the project is over \$600,000 and a great deal of that must be materials. He stated we can't be sure what will happen with the price of materials in six months.

Mr. Parmer stated that we received notice the other day from the FAA that our 1992 enplanement funds will be \$864,000 and will go toward the Runway 8/26 Project and the balance we will need from discretionary funds.

Reviewed Existing Agreement with Game Room Operator:

Mr. Parmer stated that in the Airport Authority's original agreement with the present operator of the game room, Advanced Amusements, the operator guaranteed the Airport Authority a minimum amount of commission each year. One year after Advanced Amusements began operating the game room at the airport they requested that minimum guarantee be lowered because boardings had gone down from the previous year and so had game room revenues. The Airport Authority granted that request and lowered the minimum guarantee. Mr. Parmer stated that this past summer Mr. Gene Sieben again requested a change in his agreement and that he be allowed to base the minimum guarantee on a per passenger basis. The Airport Authority did not agree to this, however, at the regular meeting held June 23, 1992, Mr. Sieben agreed to extend his lease agreement with the Airport Authority on the current basis for a period of 18 months, ending December 31, 1993. Presently Mr. Sieben owes the Airport Authority the balance of the annual guarantees for the past two years (\$2,664.52 and \$2,674.39). Mr. Parmer stated that when the Airport Authority agreed to extend the lease 18 months it was done with the understanding that Mr. Sieben would pay the guarantees he owes and Mr. Sieben agreed to that but he has not paid them. Mr. Parmer stated that Attorney Stewart prepared the agreement and advised Mr. Sieben that the agreement would be in the Airport Authority office ready for his signature but he has not come out to sign them. Mr. Parmer stated that finally last week Mr. Sieben called him and told him to go ahead and solicit bids for the game room operation. Mr. Parmer stated that Advanced Amusements is not precluded from bidding but if he were to be the successful bidder we would require payment of past due amounts before entering into a new agreement with them.

Mr. Parmer stated it is his recommendation that the Airport Authority cancel its agreement with Advanced Amusements and solicit bids for the game room operation. Mr. Parmer asked Attorney Stewart if we had to advertise for bids or if we can just solicit informal bids.

Attorney Stewart stated that since there are a limited number of suppliers in the area we would not be required to advertise for bids.

Mr. Williams moved that the Executive Director be authorized to cancel the existing agreement with Advanced Amusements and solicit informal bids for the operation of the game room.

Second by Mr. Gallagher.

All members present voted aye and the motion was declared carried.

Considered Purchase of Artwork for Terminal Building:

Mr. Parmer stated that he had been approached by Mr. George Fredin, local artist, about purchasing some prints for \$100 each. He stated Mr. Fredin has always felt that the Airport needs to display some artwork depicting North Dakota's heritage. Mr. Parmer stated Mr. Fredin brought him two suggested prints.

Mr. Hentges asked where they would be placed.

Mr. Parmer stated his suggestion was to place them on the back wall of the Information Center.

Chairman Stanton stated they would need to be framed.

Mr. Hentges asked why we would do this. He added that if we did buy these it would set a precedent for all of the other local artists wanting the Airport Authority to buy their work.

Mr. Williams agreed. He stated that if we buy these then everyone else will expect us to buy their work.

Chairman Stanton stated we can advise Mr. Fredin of the reason for our decision. She stated, however, that she does feel we should look into artwork for the terminal at sometime in the future.

Mr. Dave Dion, American Airlines, commented that when he was at the airport in Minot they had artists displaying their work on a rotating basis at no cost to the airport.

Chairman Stanton suggested that we get in touch with someone involved in arts in the community to give us some suggestions. She requested that the subject be on the agenda for the next meeting.

Reviewed Smoking Policy in Terminal Building:

Mr. Parmer stated that the Airport Authority has been discussing the smoking policy for the Westside Terminal Building. He stated that he wrote a memorandum to the airport tenants soliciting their thoughts on smoking in the building. He stated from the responses he received they all seem to agree the policy should be changed. He stated the main area of concern is the area on the second level just outside of the security check point. He stated he did receive a comment from the Barnstormer that the snack bar area is usually a popular area for smokers in the early morning hours.

Chairman Stanton stated that smoking in that area pollutes that entire area and that smoking should be moved into the smoking section in the restaurant.

Mr. Parmer asked if an area should also be designated on the lower level.

Mr. Hentges stated that the travelling public is not surprised to find an airport to be smoke free except for the designated areas. He stated that passengers will have a place to smoke as well as those coming out to patronize the restaurant/lounge.

Mr. Dave Dion, American Airlines, stated that right now non smokers who wish to go to the second floor have no choice but to walk through the cloud of smoke in the area just at the top of the stairs. He stated that there almost needs to be a smoking area outside of the departure lounge so that when the gate is closed those wanting to smoke but who do not wish to go into the restaurant can do so. He stated the only logical area downstairs then is the area across from the United ticket counter.

Mr. Hentges stated he feels we should keep moving it right out the building. He stated there are a lot of areas in this building to smoke. If the boarding area is closed then they can either go in the restaurant or outside.

Mr. Williams stated they can sit in the lounge area in the Barnstormer without going into the restaurant or bar.

Mr. Hentges stated we need signs at the entrance of the building stating "SMOKING IN DESIGNATED AREAS ONLY" and that automatically does something.

Reviewed Smoking Policy in Terminal Building: (Continued)

Mr. Hentges moved the airport terminal be declared smoke free except for these designated areas: smoking sections in the restaurant/lounge
 (tables in snack bar area are smoke free)
 the far ends of the departure lounge
 seating cove across from United Airlines ticket
 counter (lower level)

Second by Mr. Cichy.

All members present voted aye and the motion was declared carried.

Other Business:

Mr. Gallagher stated that the City of Fargo has received notification from the General Services Administration that an airplane (Beech Baron) is available in government surplus. In order to acquire the aircraft, application must be made to the GSA. He stated it would not cost the Airport Authority anything to acquire the airplane but there would certainly be costs involved in maintenance and insurance. He stated we could work out an arrangement with Dakota Aero Tech to maintain the aircraft in exchange for their using the aircraft in their school. We would also make it available to other city departments for their use and charge them accordingly.

Mr. Cichy stated he feels we should look into the cost to maintain and insure the aircraft.

Mr. Gallagher stated the City is very interested in using the airplane to commute to Bismarck during the legislative session.

Mr. Williams stated that maintenance on a twin engine is not double that of a single engine, it is triple.

Mr. Hentges asked why the City doesn't buy it and rent a hangar at the airport.

Commissioner Bromenschenkel stated he does not know any more about the matter than Mr. Gallagher has told him.

Mr. Gallagher moved the Airport Authority pursue further information on acquisition of this aircraft.

Second by Mr. Cichy.

All members present voted aye and the motion was declared carried.

Mr. Hentges moved to adjourn the regular meeting of the Municipal Airport Authority until the next regular meeting to be held Tuesday, November 17, 1992 at 10:30 a.m. in the Airport Boardroom.

Second by Mr. Cichy.

All members present voted aye and the motion was declared carried.

Time at adjournment was 11:06 a.m.

Regular Meeting

Tuesday

November 17, 1992

The regular meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held on Tuesday, November 17, 1992, at 10:30 a.m. in the Airport Boardroom.

The members present or absent were as shown following:

Present: Hentges, Gallagher, Williams, Cichy, Stanton

Absent: None

Others: Bromenschenkel, Stewart

Chairman Stanton presiding.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held November 3, 1992:

Mr. Williams moved to approve the minutes of the regular meeting of the Municipal Airport Authority held November 3, 1992.

Second by Mr. Cichy.

All members present voted aye and the motion was declared carried.

Approved the Airport Vouchers Totaling:

Mr. Cichy moved to approve the airport vouchers totaling \$70,839.544.

Second by Mr. Hentges.

On the call of the roll, members Hentges, Gallagher, Williams, Cichy and Stanton voted aye.

No member being absent and none voting nay the motion was declared carried.

Approved the Individual Voucher to Edling Electric, Inc.:

Mr. Hentges moved to approve the individual voucher in the amount of \$12,371.02 to Edling Electric, Inc. for Partial Payment Request No. 6 (Final) for the FAR Part 107.14 Security Update Project.

Second by Mr. Williams.

On the call of the roll, members Hentges, Gallagher, Williams, Cichy and Stanton voted aye.

No member being absent and none voting nay the motion was declared carried.

Considered Request for Funding for Weather Modification Incorporated Facility at Hector Airport:

Mr. Parmer stated he has been in contact with representatives of Weather Modification Incorporated regarding relocating their operation to Fargo. He stated that Mr. Pat Sweeney, who was previously the minority stockholder, is now the sole stockholder and wishes to move their operation to Fargo. Mr. Parmer stated that present at the meeting to make a presentation is Mr. Jim Sweeney, Vice President of Weather Modification Incorporated, and Carla Smith, Manager of the ND Future Fund.

Mr. Jim Sweeney was recognized and distributed some brochures both from Weather Modification Incorporated (WMI) and the North Dakota Future Fund. Mr. Sweeney stated that WMI was purchased by Pat Sweeney, who owns 100% of the stock. Over the years the company has been based in Bowman, ND and for the past ten years in Bismarck. He stated they are now looking at relocating to Fargo. Mr. Sweeney stated WMI is a unique aviation business. The company started about 30 years ago and has been involved primarily in cloud modification, weather modification, and atmospheric research. They are not in the general aviation business as far as chartering or aircraft maintenance. They get involved in that slightly because of their own fleet of ten twin engine airplanes. Their business has traditionally been cloud seeding in the western part of the state but over the past few years has grown considerably with international expansion. Mr. Sweeney stated their request today is for the Airport Authority to provide WMI funding in the form of equity financing to build a new hangar facility and corporate headquarters in one facility. He stated they have matching funds already committed from the ND Future Fund.

Ms. Carla Smith was recognized and stated that she is the acting CEO of the ND Future Fund. She stated the ND Future Fund is a corporation which is an agency of state government. It was part of the Growing North Dakota Program and is essentially the investment arm of the Economic Development Department. They do several types of investments: debt financing, in which they would give a company a loan, and equity financing, which is their more traditional type of financing. With an equity financing you are obviously beefing up someone's balance sheet so they can go to a traditional lender. The purpose of the Future Fund is to help companies that are expanding their business in North Dakota, relocating to North Dakota from outside of the state, and to retain businesses in North Dakota. She stated the Future Fund's investment in WMI is a business retention and a business expansion. One of the things that was very appealing to the Future Fund was the fact that WMI is one of five cloud seeding operations in the United States and is currently ranked number two. She stated it was very appealing to retain that business in North Dakota. She stated the Future Fund authorized a \$242,500 equity financing, which means they will be taking stock in the company. She stated that the Future Fund has guidelines which require that when they do equity financing for a company in an urban area (Grand Forks, Minot, Bismarck, Fargo) it is required that a local entity match their investment. Ms. Smith stated there are several forms this equity could take. The Airport Authority could buy stock in the company, give the company a building, give them land valued roughly the same as the Future Fund's investment. She stated the important part right now is that the Future Fund needs participation from a local source in the form of equity, not a debt finance.

Mr. Parmer stated that Mr. John Kramer, President of the Fargo Cass County Economic Development Corporation is here today and he has discussed with Mr. Kramer the possible involvement of the FCCEDC as well as the Airport Authority.

Considered Request for Funding for Weather Modification Incorporated Facility at Hector Airport:
(Continued)

Mr. Kramer was recognized and stated their corporation has a relationship with Pat Sweeney since March and has encouraged Mr. Sweeney to stay in North Dakota. He stated that as of January 1, 1993 there will be funds available from the four mill tax levy dedicated to economic development. Those funds must be matched with private sector funds. He stated that there will be a five person governing board appointed and no commitment can be made until that board is appointed. Mr. Kramer stated that they are interested in this project but he is not sure at what level at this point. He stated if the Airport Authority wants to get involved the Fargo Cass County Economic Development Corporation would work with them. He stated the tax levy economic development fund is definitely a "no risk" fund.

Chairman Stanton asked if the Fargo Cass Co. Economic Development Corporation could make any kind of a commitment at this time.

Mr. Kramer stated that we are just a few weeks away from appointing the board. He stated the board will be in control of the funds but he feels they will look favorably on their request and he would certainly do what he could to encourage them.

Chairman Stanton asked if any of the board members had questions.

Mr. Hentges stated he would have a lot of questions. He stated he heard about a fleet of airplanes, equity, a local match, and doing business in a regional area. He asked if the local match would have to be from a government entity or could it be from the private sector. He also asked why they are considering moving to Fargo if most of their work is done in western North Dakota and foreign countries. Mr. Hentges stated he has had a long history with weather modification as far as legislation and it comes down to just a handful of counties in North Dakota that support it. He stated that is the reason he questions why they don't remain in Bismarck. He stated he does not want Fargo to get into a flap for taking something away from Bismarck. Mr. Hentges stated he feels this is a grant application into the equity position for WMI which puts the Airport Authority in the banking business and he does not feel that is our role.

Ms. Smith stated this request could take the form of a grant but it doesn't necessarily have to be that way. He stated the Airport Authority could build a facility and retain ownership but let WMI use it rent free so they would have the value of the building. She stated there are many financing options available to the Authority and the members would, of course, want to discuss it with their attorney.

Mr. Cichy asked Mr. Hentges if he was correct in interpreting his questions to mean "what's in it for us?"

Mr. Hentges stated he was not necessarily looking for a benefit but rather how does the Airport Authority fit in, regardless of the benefits or consequences. He stated another avenue may be in the form of rent concessions. He stated another matter he noticed was that the requested location is a site in the southeast corner of the general aviation area. He stated that has some land value and would that be considered equity as that is valued at \$3 to \$5 per square foot. Mr. Hentges stated the Airport Authority would fit into building a facility for new industries. He asked the equity position of Weather Modification Incorporated and what their contribution will be in the relocation.

Ms. Smith stated WMI's locating in Fargo would mean they would use the current services on the airport and as well as bring economic development to Fargo. She stated they would be indirect benefits to the community as employees and their families will relocate to Fargo. She stated that the money WMI receives from its contracts comes back into Fargo.

Considered Request for Funding for Weather Modification Incorporated Facility at Hector Airport:
(Continued)

Mr. Hentges stated he certainly understands that but he is not sure of the Airport Authority's role in this. He stated we have the Fargo Cass County Economic Development Corporation and the City Commission which both have funds for economic development and that is their responsibility. He stated he feels a request for funding from the Airport Authority would be inappropriate unless it were a request for a facility. Providing a location and a facility would be an investment the airport could recapture rather than invest in capital. A facility would be considered an airport improvement. He added that it isn't always the best situation to build a facility with limited use and then have the tenant go out of business so the Airport Authority has to be very careful in following our role and our fiduciary responsibility to the taxpayer.

Ms. Smith stated the Future Fund has done extensive due diligence as it does with all of its applicants and that information would be made available for the Airport Authority's review. She stated she feels it would be appropriate for the Airport Authority and the Fargo Cass County Economic Development Corporation to cooperate.

Mr. Jim Sweeney stated they came to the Airport Authority just as a starting block to see what type of options are available at the airport. He stated that as far as locating in Fargo rather than another site, most of their work is in other states and countries so the fact that they do cloud seeding in the western portion of the state does not have a bearing on its location. He stated that as far as Fargo getting flack for taking a business away from Bismarck, the ND Economic Development Corporation has already committed these Future Fund monies for them to stay in North Dakota. He stated they had considered Bismarck but after thorough review it makes more sense for them to be in Fargo.

Mr. Hentges stated he is glad to hear that. He added that Fargo always takes a pummelling for its size, aggressiveness, etc. and we need to take caution on how we proceed. He stated he would be supportive of a building and enhancing airport activities but is not in favor of "giving away" as that is not our role.

Mr. Parmer stated the main items that concern him are: 1) the concerns of our FBO's, 2) the type of building needed, and 3) timing.

Mr. Sweeney stated that because of their unique business they are not in the charter or aircraft maintenance business. He stated they get involved in some of those things because of their ten aircraft. They feel that bringing their business to Fargo will enhance those operations. He stated as far as a facility at the airport and there are other needs for the building they would certainly be open to joint use of the building. He stated their space needs in a building would be 9,000 10,000. In terms of timing they are very anxious to make the move to Fargo. He added that even if it is in a temporary facility they would like to be in Fargo before the first of the year.

Mr. Williams asked what WMI's borrowing capacity would be if this approach did not materialize and they had to go to a lending institution.

Ms. Smith stated she does not have those figures yet as they just finalized the purchase of the business.

Mr. Williams stated the concept is fine but he would agree there are a lot of questions yet to be asked.

With regard to location, Mr. Hentges stated that the Airport Authority is in the process of developing a new general aviation area and he would be alert to new

Considered Request for Funding for Weather Modification Incorporated Facility at Hector Airport:
(Continued)

industry locating there and reserving the southeast area of the present general aviation area for other purposes such as expansion for existing business located there.

Mr. Parmer stated there has been discussion on the possibility of a temporary facility in the southeast corner until the new general aviation area was accessible even having the administration offices and electrical lab off the airport.

Mr. Sweeney stated the offices and labs could be off site on a temporary basis but their desire is to eventually have everything in one facility.

Dr. Clif Hamilton, Valley Aviation, was recognized and asked why they wouldn't want to locate in the Airport Industrial Park since that would be a more appropriate location for their operation.

Mr. Hentges stated he included the Industrial Park when he referred to the new cross wind general aviation area. He stated WMI should certainly be a viable client for the Industrial Park and we would then be eligible for FAA funding for the taxiway, ramp, etc.

Mr. Parmer stated the reason we have not moved ahead with the Industrial Park is that we have not had a viable client wishing to locate there. That is a requirement of the FAA before they will participate in funding.

Mr. Hentges stated there are certain things the Airport Authority can do which fall under our responsibilities and those include laying the ground work, taxiways, etc.

Chairman Stanton asked Mr. Parmer what the Airport Authority can do at this point.

Mr. Parmer stated that we can sit down with a committee consisting of Airport Authority members, Weather Modification Incorporated, representatives of the Fargo Cass County Economic Development Corporation, as well as general aviation interests on the airport.

Mr. Cichy stated he does not feel we should rush into anything, however, WMI does deserve to have us address this and he would like to see it addressed in a positive fashion, taking into consideration all of the concerns voiced. He stated he feels we should move ahead with this thing as expeditiously as possible.

Mr. Williams agreed that a committee should be appointed and involve all interested parties.

Mr. Cichy moved that Chairman Stanton appoint a committee including those vitally involved and address the matter as soon as possible.

Second by Mr. Hentges.

Mr. Hentges stated he has had an interest in weather modification from a few sides of the aisle for many years. He stated he would also like to recognize the long history of the Sweeney family in Fargo and said it was great to see their diversification. He stated he asks these questions because he wants to get them out now. He stated he is an aggressive industrial economic developer and has for years been trying to get jobs and keep jobs in the state. He stated he is looking for the positive end of this.

All members present voted aye and the motion was declared carried.

Ms. Smith offered any assistance that the North Dakota Future Fund could give the Airport Authority and encouraged them to work with the Fargo Cass County Economic Development Corporation.

Reviewed and Approved Plans Submitted by Claircom Communications for Construction of Their Communication Ground Station:

At the last meeting the Airport Authority authorized execution of an Option and Site Lease Agreement with Claircom Communications for a site for their communication ground station.

Mr. Parmer stated just this morning he received these plans from Claircom Communications for the construction of a communication ground station. Mr. Parmer stated the site is 30' x 40' just south of County 20 and west of Cass County Drain No. 10. He stated they will be constructing a 8' x 14' equipment shelter and exterior antenna. He stated the engineer from Claircom, Mr. Tom Holland, was here last week to finalize their plans. He stated the site is inside the secured area and is not a site that will need daily maintenance.

Mr. Gallagher moved to approve the plans submitted by Claircom Communications for the communication ground station.

Second by Mr. Williams.

On the call of the roll, members Hentges, Gallagher, Williams, Cichy and Stanton voted aye.

No member being absent and none voting nay the motion was declared carried.

Mr. Mark Foss, Foss Associates, Presented Options for Space Enlargement to Accommodate Flight Catering Services:

Mr. Mark Foss, Foss Associates, was recognized and stated that in October the Airport Authority authorized Foss Associates to do a study of the space needs of The Barnstormer for their airline catering meal preparation. They contracted with a food service consultant, Robert Rippe & Associates, Inc. of Minneapolis, and a representative made a one day visit to analyze the current in flight foodservice operation, determine present and future needs for space and equipment, and prepare a schematic plan of the proposed expansion. The current volume is 200 meals and four flights per day. After talking with the foodservice operator at the Sioux Falls Airport, the consultant decided that planning for the future should not be too conservative. The Sioux Falls Airport foodservice was designed for both in flight and restaurant feeding and they have found that the airline demands continue to grow each year. The presently prepare 500 meals for nine flights a day. The consultant recommends an addition to the east side of the building to accommodate the present and future demands of in flight feeding and provide other foodservice functions including employee areas and a janitor's closet. The addition would include workcenters and equipment to meet current in flight needs, which are primarily storage, cart wash and parking, and workcounters. Space and utilities would also be included for the addition of hot food production areas and dishwashing in the future. The consultant recommends very limited changes within the existing kitchen, however the existing facility lacks adequate employee spaces (lounge, locker area, etc.) The restaurant manager's office is also not adequate. It should be large enough for the manager to meet with employees and vendors and have adequate space for a computer.

Mr. Mark Foss, Foss Associates, Presented Options for Space Enlargement to Accommodate Flight Catering Services: (Continued)

Mr. Foss stated they would propose a 60' addition (to the existing east wall of the terminal. Estimated costs are as follows:

General Construction.....	\$249,409.00
Mechanical Construction.....	67,500.00
Electrical Construction.....	34,200.00
Initial Food Service Equipment.....	89,000.00

TOTAL SCHEMATIC ESTIMATED CONSTRUCTION COST.....\$440,109.00

Mr. Foss stated this does not include architect/engineering fees which would be an additional 10%. He stated that this does not include any modifications to the elevator either, which would cost approximately \$44,200 for a new 4000 pound elevator (5'4" x 7'9") with two doors (front and back), along with wall modifications.

Also, the estimate for future food service equipment is \$54,000.

Mr. Foss explained that the first level of the addition would be mainly for dry storage. Right now The Barnstormer is using space in the basement of the Eastside Terminal for a great deal of their dry storage.

Chairman Stanton asked Mr. Parmer what our source of funding would be for this project.

Mr. Parmer stated this would come out of the Airport Improvement Fund.

Mr. Foss stated the Airport Authority should discuss this with Mr. Pete Haug, owner of The Barnstormer, and see what the airlines plan as far as expanded food service.

Mr. Parmer stated the plan as presented does not allow for another entrance to the elevator, which automatically commits all of the ground floor space to the restaurant operation. He stated the ground floor space could be worked into the airline area for a freight area. He stated there would still be area left for foodservice storage.

Mr. Hentges stated in looking at this expansion we cannot afford to be shortsighted and he feels we should get an estimate from the architect to extend the full width of the building. He stated our improvement funds are not for grants or hollow consulting fees, they are for "bricks and mortar." He stated we have space problems in our tug area and he feels we need to address it right now. He feels the Airport Authority should look at extending the building as far east as we need. He stressed the importance of doing the elevator properly.

Mr. Williams stated he would assume there would be an adjustment in the rent for this expansion. He asked if Mr. Haug is able to handle an increase.

Mr. Hentges stated we have made some adjustments in the rent in the past but the volume is up now. He stated that beyond the additional space for the food service operation there would be additional space for the airlines. He stated we would need to look at the revenue sources available for the additional space. When American Airlines moved in we experienced some problems with space.

Mr. Williams stated we need to find out if the airlines want to rent more space. He stated he does not want to end up with an expanded building and only two airlines.

Mr. Hentges stated we probably didn't do everything we should have when looking at the restaurant originally and now it is not functioning the way it needs to. He stated we don't need to allocate blame but rather look hard at the numbers and see how we can pay for it by virtue of lease income or from our improvement fund. He feels it would be very shortsighted if we do not look at a full expansion of that entire area.

Mr. Mark Foss, Foss Associates, Presented Options for Space Enlargement to Accommodate Flight Catering Services: (Continued)

Chairman Stanton agreed we should not be shortsighted but then again not overbuild.

Mr. Cichy stated the Airport Authority needs to proceed cautiously understanding the volatility of the airline industry. He stated he is not saying we should not consider this expansion, just that we should look at it very carefully.

Chairman Stanton stated we need to do something with the foodservice area and we just need to decide how little or how much and where we go from here.

Mr. Williams stated the matter should be referred back to Mr. Parmer so he can talk with the people who would occupy the space.

Mr. Hentges moved the Airport Authority request Foss Associates to come up with a cost estimate to extend the building the full width and that we address the cost and rent allocation.

Second by Mr. Williams.

Mr. Parmer stated this will not impact the airlines' current terminal rent charges but there may be space available in the future on the lower level. Mr. Parmer stated in our lease agreements with the air carriers when we moved into this building the Airport Authority agreed not to increase its debt load which would impact their charges for five years. He indicated if the airlines had requested the additional space it would be different.

All members present voted aye and the motion was declared carried.

Received Report on Problems with Bridge Over Cass County Drain No. 10:

Mr. Parmer stated we have had a great deal of settling on the west side of the bridge over Cass County Drain No. 10. Mr. Parmer distributed a copy of a communication from Mr. Wes Schon, Ulteig Engineers, dated November 16, 1992. He asked Mr. Schon to explain the situation.

Mr. Schon stated the bridge was constructed in 1989 and has been performing satisfactorily since then. He stated the bridge is constructed on spread footings. Cass County widened and deepened Drain No. 10 this summer and removed soil from the side of the abutment and also lowered the invert, consequently the west abutment slid down and the bridge is unusable at this time.

Mr. Parmer asked if the engineers retained by the Cass County Drain Board checked the bridge construction so they were aware of what might happen if they increased the excavation.

Mr. Schon stated in our preliminary talks with their engineer they had not looked at a set of record drawings or offered the airport an opportunity to review their construction.

Mr. Parmer asked Mr. Schon if we submitted plans to Cass County when the bridge was constructed.

Mr. Schon stated yes we did submit plans to the County and received recommendations back from them.

Mr. Parmer noted that Mr. Schon's communication did not indicate any intention of coming back to the Airport Authority with the matter.

Mr. Williams moved the Airport Authority stay out of the matter and have the responsible party repair the bridge.

Second by Mr. Hentges.

All members present voted aye and the motion was declared carried.

Mr. Schon added that right now Ulteig is not sure if they want to involve the Cass County Drain Board but their intention is to work it out between themselves and Moore Engineering.

Mr. Hentges moved to adjourn the regular meeting of the Municipal Airport Authority until the next regular meeting to be held Tuesday, December 1, 1992.

Second by Mr. Gallagher.

All members present voted aye and the motion was declared carried.

Time at adjournment was 11:38 a.m.

Regular Meeting

Tuesday

December 1, 1992

The regular meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held on Tuesday, December 1, 1992, at 10:30 a.m. in the Airport Boardroom.

The members present or absent were as shown following:

Present: Hentges, Williams, Cichy, Stanton
Absent: Gallagher
Others: Stewart

Chairman Stanton presiding.

Approve the Minutes of the Regular Meeting of the Municipal Airport Authority Held November 17, 1992:

Mr. Hentges moved to approve the minutes of the regular meeting of the Municipal Airport Authority held November 17, 1992.

Second by Mr. Cichy.

All members present voted aye and the motion was declared carried.

Approved the Airport Vouchers Totaling \$47,752.64:

Mr. Hentges moved to approve the airport vouchers totaling \$47,752.64.

Second by Mr. Williams.

On the call of the roll, members Hentges, Williams, Cichy and Stanton voted aye.

Absent and not voting: Gallagher.

The motion was declared carried.

Approved the Individual Voucher to Ulteig Engineers, Inc.:

Mr. Cichy moved to approve the individual voucher in the amount of \$19,505.52 to Ulteig Engineers, Inc. for engineering services in connection with Runway 8/26 Project No. 3 38 0017 12.

Second by Mr. Williams.

On the call of the roll, members Hentges, Williams, Cichy and Stanton voted aye.

Absent and not voting: Gallagher.

The motion was declared carried.

Approved the Individual Voucher to Northern Improvement Company:

Mr. Cichy moved to approve the individual voucher in the amount of \$281,552.04 to Northern Improvement Company for Payment Request No. 2 for construction in connection with Runway 8/26 Project No. 3 38 0017 12.

Second by Mr. Williams.

On the call of the roll, members Hentges, Williams, Cichy and Stanton voted aye.

Absent and not voting: Gallagher

The motion was declared carried.

Received Updated Report on Additional Funding for Runway 8/26 Project:

Mr. Parmer stated the total amount of funding needed for the Runway 8/26 Project is \$5,978,779. He stated that the first grant we received was in the amount of \$2,306,224, leaving a balance needed of \$3.672 million. Mr. Parmer stated the FAA says they want to continue funding the project but they don't have all of the funds available at this time. He stated the FAA has proposed giving us another \$1.4 million plus \$864,898, which is our entitlement money for 1993, for a grant totaling \$2,264,898. This still leaves about \$1.5 million of the project unfunded. He stated he and Wes Schon have had a number of discussions with Mr. Milt Heupel, FAA, on what portion of the project to delay. Mr. Parmer stated he told Mr. Heupel we would never enter into an agreement which would require that we close Runway 17/35 on two occasions. When that runway is closed we want to complete all of the work involving the rehabilitation of Runway 17/35 plus all of the intersection work. Mr. Parmer stated Mr. Schon has worked with the FAA on lot of figures and what they have come up with is to postpone some of the work that is already under grant. He stated that he still expects that we will get the balance of the funding before spring. He stated this is all of the money allocated to North Dakota under discretionary funding. Mr. Parmer stated the FAA is still working on the new bill passed by Congress just before adjournment, which gave them \$2.05 billion for this fiscal year, but the money has not yet been released. Mr. Parmer asked Mr. Schon to comment further on project adjustments.

Mr. Schon stated because the grant is now coming in bits and pieces we have schedule it so that Runway 17/35 does not have to be closed more than once. He stated the project was bid in three parts: A) the construction of Runway 8/26 and parallel taxiway between Taxiways A and B, B) the construction of Runway 8/26 and parallel taxiway east of Taxiway B, and C) the reconstruction of Runway 17/35. Mr. Schon stated the proposal we have put together would allow us to do all of A and C and enough money left over to pave the portion of Runway 8/26 east of Taxiway B. He stated this does include all of the fencing, drainage, earthwork, etc. The only thing left out would be the paving of the parallel taxiway east of Taxiway B and all of the electrical, lighting and signs. He added that signs and lights carry a very high priority with the FAA. Mr. Schon stated that March is the middle of the government's fiscal year and typically at that time the FAA takes a look at where they have been and where they are going. Mr. Schon stated that without the lighting and the electrical they cannot call this a completed project. With this proposed schedule the only party affected will be the prime contractor, Northern Improvement.

Chairman Stanton asked if the postponement would mean higher costs.

Mr. Schon stated we would hope the contractors would hold their prices.

Mr. Williams stated the project is basically shut down for the winter anyway and asked what harm would be done.

Mr. Schon stated these changes are basically a paper exercise and we are still in a good position. Mr. Schon stated in order to get the grant we will probably have to

Received Updated Report on Additional Funding for Runway 8/26 Project: (Continued)

amend Northern's contract and possibly again in March.

Mr. Schon indicated he has not received final word from the FAA that they have accepted this but he feels they will.

Mr. Cichy asked if any action was needed today.

Mr. Parmer stated no action is required of the Airport Authority today.

Mr. Hentges added that there is a consensus among the Airport Authority members that we proceed in whatever stages necessary.

Authorized Execution of Agreement to Lease Third Floor (240 Sq. Ft.) to Faker Program:

Mr. Parmer stated that the National Guard Bureau/Faker Program currently leases space on the second floor in the Eastside Terminal and have outgrown their space. They recently proposed the Airport Authority consider adding office space to the hangar they lease from the Authority, but have now made arrangements for office space in one of the Guard's buildings. He stated they would eventually vacate all of the office space in the Eastside Terminal but in the interim they need some additional space. Mr. Parmer stated as far as leasing the space when they vacate it he is not concerned as the FAA Flight Standards District Office has expressed a need for additional space when available. He stated the additional space the Faker Program wants to lease is the third floor (240 sq. ft). The term of the lease will be December 1, 1992 to June 30, 1993 (seven months) and they will make a lump sum payment of \$1,260.00

Mr. Hentges moved to authorize execution of the agreement with the National Guard Bureau/Faker Program, to lease the third floor of the Eastside Terminal for the period December 1, 1992 to June 30, 1992.

Second by Mr. Williams.

All members present voted aye and the motion was declared carried.

Other Business:

Chairman Stanton stated that representatives from Moore Engineering are present and would like to address the Authority.

Mr. Kip Moore, President of Moore Engineering, was recognized and stated he and Mr. Jeff Volk were here to address the Authority on the matter of the bridge over Cass County Drain No. 10. He stated he feels, if he reads the minutes correctly, there were some misstatements made by Mr. Wes Schon, Ulteig Engineers, at the last meeting of the Airport Authority which appeared to libel Moore Engineering. He stated they have some documentation to distribute to the Authority members. The first document was a letter dated January 6, 1989 from Mr. Wes Schon to Carol Harbeke, Secretary Treasurer of the Southeast Cass Water Resource District, enclosing a set of preliminary plans for the replacement of a wooden bridge on County Drain 10. Mr. Moore stated that Mr. Volk was given copies of that letter and plans by the Southeast Cass Water Resource Board and after review responded to Mr. Schon in a letter dated January 18, 1992. In that letter Mr. Volk advised Mr. Schon that it appeared the bridge was sized to match the existing channel cross section and that future plans are to ultimately reconstruct Drain #10 with a 16 foot wide channel bottom and 4:1 side slopes. The channel bottom will be at approximate elevation 881.5 Fargo Datum. Mr. Moore stated "Fargo Datum" is a very important point and it is his understanding that Mr. Schon does not understand what Fargo Datum is. Mr. Moore stated that Fargo Datum is 2.67 feet higher than the US Corps of Engineers' datum. He stated that if Mr. Schon had not used Fargo Datum he would have built the bridge 2.6 feet higher than he

Other Business: (Continued)

should have. He added that in his estimation that would not have been a problem if pilings would have been installed at that time. He stated he asked Mr. Volk to respond and his response is in a letter dated December 1, 1992, because they have heard from Cass County Commissioners that members of the Airport Authority have been indicating Moore Engineering's responsibility on the bridge. Mr. Moore stated he would like to reiterate that if Moore Engineering is responsible they will pay for repairs to the bridge. He stated that they do not feel they have any liability whatsoever.

Mr. Jeff Volk was recognized and read his letter dated December 1, 1992. In his letter, Mr. Volk stated that after reading the minutes of the November 17, 1992 meeting of the Airport Authority and the November 16 report prepared by Ulteig Engineers, it was disturbing to see the inference that the channel improvements completed this past summer may have been the cause of the settlement of the west abutment. Mr. Volk stated the point they are trying to make with this is that Ulteig Engineers was advised in January 1989 that Drain #10 was going to be deepened by two to two and a half feet at that location, the channel bottom was going to be widened by six feet and the side slopes were going to be made flatter with the proposed future improvements. He stated these improvements were constructed this past summer and at the location of the bridge the channel was not excavated as deep, the bottom width was not constructed as wide, and the channel slopes were not constructed as flat as the January 18, 1989 letter indicates these items would be. Mr. Volk also stated that on June 1, 1992, he and Kevin Bucholz met with Joe Parmer and Shawn Dobberstein to discuss where all the excess excavation should be placed as a result of the channel improvements and to acquire additional right of way. During this meeting Mr. Parmer called Mr. Schon to ask his advice on the possibility of utilizing this dirt for future airport improvements. The preconstruction conference was also held in the airport conference room on July 22, 1992, at which Airport Authority staff was in attendance. Mr. Volk stated again that it is very disturbing that the Airport Authority meeting minutes and referenced reports do not include all of the information available at the time the bridge was constructed. The January 18, 1989 letter advised Mr. Schon that the proposed structure was inadequate to accommodate the future channel improvements. He added it is their understanding that the size of the bridge actually built is essentially the same as outlined in the January 6, 1989 letter requesting recommendation and approval, however, the abutment foundations are substantially different.

Mr. Moore stated they are not requesting any action on the part of the Airport Authority today, however, they are ready and willing to meet with Mr. Schon as the meeting minutes indicate. He stated they have not heard from Mr. Schon except for a phone call Mr. Volk made to him to clear up a couple of matters. Mr. Moore stated the problem with the bridge is that it is 2.6' too high and that there were no pilings installed.

Mr. Williams moved to receive and file the documentation from Moore Engineering and that the matter be referred to Mr. Parmer and Mr. Schon.

Second by Mr. Cichy.

Mr. Hentges asked Mr. Parmer if he has anything to add.

Mr. Parmer stated he knows that the bridge is going to be fixed and it is not going to cost the Airport Authority anything.

Mr. Hentges asked if Ulteig Engineers wishes to respond at this time as there are serious intimations here.

Chairman Stanton stated this is a technical matter and would be best solved in a meeting with the involved parties.

Other Business: (Continued)

Mr. Cichy asked if Attorney Stewart should be involved.

Attorney Stewart stated the Airport Authority does not have the power to act as a court on this matter.

Chairman Stanton asked whether we should involve Southeast Cass Water Resource District.

Chairman Stanton stated the Airport Authority would set up a committee to look into the matter.

Mr. Parmer stated he had no idea that Moore Engineering wished to appear otherwise he would have included them on the agenda.

Mr. Williams moved to adjourn the regular meeting of the Municipal Airport Authority until the next regular meeting to be held Tuesday, December 15, 1992 at 10:30 a.m. in the Airport Boardroom.

Second by Mr. Cichy.

All members present voted aye and the motion was declared carried.

Time at adjournment was 10:58 a.m.

Regular Meeting

Tuesday

December 15, 1992

The regular meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held on Tuesday, December 15, 1992, in the Airport Boardroom.

The members present or absent were as shown following:

Present: Hentges, Gallagher, Williams, Cichy, Stanton

Absent: None

Others: Stewart, Bromenschenkel, MacLeod

Chairman Stanton presiding.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held December 1, 1992:

Mr. Williams moved to approve the minutes of the regular meeting of the Municipal Airport Authority held December 1, 1992.

Second by Mr. Cichy.

All members present voted aye and the motion was declared carried.

Approve the Airport Vouchers Totaling \$35,494.49:

Mr. Cichy moved to approve the airport vouchers totaling \$35,494.49:

Second by Mr. Gallagher.

On the call of the roll, members Hentges, Gallagher, Williams, Cichy and Stanton voted aye.

No member being absent and none voting nay the motion was declared carried.

Approved the Individual Voucher to the Cass County Treasurer:

Mr. Williams moved to approve the individual voucher in the amount of \$11,337.11 to the Cass County Treasurer for 1992 Special Assessments for remaining lots in the Airport First Addition.

Second by Mr. Cichy.

On the call of the roll, members Hentges, Gallagher, Williams, Cichy and Stanton voted aye.

No member being absent and none voting nay the motion was declared carried.

Received and Filed Statement of Operations for the Month of October 1992:

Mr. Cichy moved to receive and file the Statement of Operations for the Month of October 1992.

Second by Mr. Gallagher.

All members present voted aye and the motion was declared carried.

Reviewed Weather Modification Incorporated Proposal:

Mr. Parmer stated that at the November 17, 1992 meeting, a subcommittee was appointed to look into the proposed relocation of Weather Modification Incorporated to Fargo. That committee included the following:

Jeannette Stanton, MAA

Richard Hentges, MAA

Joseph Parmer, MAA

John Kramer, Fargo Cass Co. Economic Development Corp.

Pat Zavoral, City of Fargo

Gordon Person, Dakota Aero Tech (general aviation)

Mr. Parmer stated the committee has met a number of times. He stated that his involvement was to provide water and sewer, ramps, roadways, etc., to a site they plan to occupy. He stated he has been in contact with the FAA as far as eligibility of certain costs, realizing that no grant is yet on the table since we do not have all of the information. The FAA did indicate that the project is eligible should funding become available. He asked Mr. Pat Sweeney, President of WMI to brief the board on the plans for the facility.

Mr. Pat Sweeney was recognized and thanked the Airport Authority for its interest in their project. He stated they made their presentation at a meeting a few weeks ago and since then have met with the committee twice and were well received by the committee. He stated that during the initial meeting with the committee it was suggested that this be a showcase, state of the art facility to set a precedent for the types of facilities that will be available in the new general aviation park. Since their presentation about a month ago they have had a tremendous response from the Fargo community and surrounding area from pilots, corporate operators, all different types of entities. Mr. Sweeney stated they are very excited about this project and turned the presentation over to Mr. Bill Cowman, Foss Associates, to go over details on the facility.

Mr. Cowman was recognized and stated that Foss Associates has designed a facility to be located in the most westerly portion of the proposed general aviation park in the northeast corner of the airport. He stated we need to keep in mind that WMI is a corporate entity and as a corporate entity one of the challenges presented to Foss Associates by the Sweeney brothers was to develop a facility appropriate to the image of WMI. He stated they see that as being a challenge but also an opportunity for the Airport Authority. WMI potentially being the first structure to be constructed in that area gives the Airport Authority the opportunity to establish the architectural character for that general aviation development.

Mr. Cowman stated their plans for the facility include a canopy which would allow for a pickup/drop off point that would be under cover. The building is made up of two major components, administration and hangar space. The administration component being on the west end and the hangars to the east. The administration area will be approximately 8,000 square feet and two hangars 12,000 square feet each. The first hangar will be heated with the second hangar to provide non heated storage. Parking facilities would provide for approximately 70 80 vehicles for staff, clients, visitors.

Mr. Cowman stated that included in the administration area will be the reception/waiting area, offices, conference room, flight training room, flight plan room, and pilots' lounge from which there will be full visual access of the ramp, taxiways, runways. A corridor system will separate the administration functions from avionics/radar/electronics area, mechanical, and hangar space. The hangar doors would be 100' x 25' sliding panel doors to accommodate not only their aircraft but other aircraft as well. He stated as far as building materials right now they are looking at a good quality metal panel exterior envelope with an appropriate amount of glass to give good visual access.

Reviewed Weather Modification Incorporated Proposal: (Continued)

Chairman Stanton stated the size of the building has changed considerably.

Mr. Cowman stated that the proposal is for approximately 8,000 square feet of office space and approximately 24,000 square feet of hangar space for a total of 32,000 square feet. At this point they are using an average unit cost of \$50 per square foot or approximately \$1.5 million, \$1.6 million after fees, etc.

Mr. Hentges stated he and Chairman Stanton would like the other board members to react in any way they want right now. He stated they do have a recommendation to make but they would like very frank and honest thinking on this. Mr. Hentges stated he did not know if there was a loss in the translation but he does not remember saying that he wanted a "state of the art, showcase building." He stated that what he would like to see is a facility with broad function, multi use potential and if it looks good and doesn't throw the cost out of whack he's for that. He stated that the committee heard a lengthy presentation prior to this meeting. He stated plans for the facility have gone from the 6,000 sq. ft. in the original Future Fund presentation to the proposal today. He stated WMI is pretty enthusiastic at the moment about its prospects and what they might be able to do in such a facility. He stated they probed a number of areas this morning in terms of the financial capacity of WMI to support this facility and what the responsibilities of the Airport Authority would be. He stated this is approximately a \$3 million project. He stated WMI is interested in owning a building but he would believe at this point that a lease is probably what is going to be on the table. He stated the Airport Authority should look hard at some type of a low interest loan and economic development funds from Cass County. He stated that with a viable project we would certainly have a priority position for getting one of the first significant loans from that fund. He stated we would also look to the City of Fargo and others who would make a contribution in kind. Mr. Hentges stated the Airport Authority would have the responsibility of providing water and sewer to that area and the early estimate for that is \$350,000. That project would not be eligible for AIP funding. He stated that Mr. Parmer can go into more detail on AIP funding but the infrastructure portion of this project would be approximately \$1 million, \$900,000 of which would be funded by FAA and the other \$100,000 by the Airport Authority. He stated as far as the building itself, we would want to look carefully at structuring an agreement for lease or sale. He stated as far as the hangar portion, he feels we need to look real hard at making a commitment to building a hangar in the general aviation area. He stated as far as the administration portion of the building, if that is strictly tailored to WMI it may not have a broad use should they eventually leave. We would want a facility that could easily accommodate another tenant. He stated that WMI has indicated they believe they will have the financial wherewithal in a lease structure to handle the building aspect of the project. The Airport Authority may have to give them some concessions up front in the form of low interest loans, contributions in kind, or cash from other sources, but WMI is willing to sign on the line.

Mr. Hentges stated the Airport Authority has committed to developing the new general aviation area by virtue of the commencement of the Runway 8/26 Project. He stated that at some point in time the Authority is going to have to make this type of investment to get that area going, even though we may have to look at 10 to 20 years to get it back. Mr. Hentges stated that he thinks Chairman Stanton agrees that WMI has come forward to the point where we believe they have the wherewithal to go another step further to looking at a developer's agreement. He stated this is a likely kind of prospect that will work and give the reason to go ahead.

Reviewed Weather Modification Incorporated Proposal: (Continued)

Chairman Stanton asked Mr. Parmer to cover more of the financial details.

Mr. Parmer stated that no matter who is the first to locate in the new general aviation area the Airport Authority will have to bring utilities into the area. Mr. Parmer stated the City Engineering Department indicated that the water would have to come from North University Drive and 32nd Avenue. This should serve the entire new general aviation area. The sewer would tie in north of County 20. In visiting with the FAA on ramp and roadways, they have indicated as long as there is a client in the area they will provide ramp facilities for not only the first client but the second client as well. The Master Plan shows the total ramp area to satisfy the needs of the general aviation area, which can be extended in the future if necessary. A temporary road would extend from County 20 to the parking area.

Mr. Parmer stated the FAA has indicated it is a viable project and eligible for AIP funding. The estimate prepared by Ulteig Engineers for this portion of the project is approximately \$1 million, 90% of which would be eligible for AIP funding. Mr. Parmer stated he wanted to make it clear that even though it is an eligible project that does not necessarily mean it will be funded the day we send in the application. There is presently no discretionary funding allocated to the State but we hope the money will be available before spring. Mr. Parmer also stated that this would not be our number one priority for AIP funding, the completion of Runway 8/26 is our number one priority.

Chairman Stanton asked at what point could the Airport Authority make application for AIP funds.

Mr. Parmer stated we could submit a preapplication at any time. He stated he has already forwarded the FAA preliminary information and estimates on the project. He added that no one is obligated until we receive the grant.

Chairman Stanton stated she feels this is a good, viable proposition and she would like to see the Airport Authority move ahead with it.

Mr. Williams asked about the financial involvement of WMI and their capability to handle this debt.

Mr. Hentges stated he has not studied all of their financial situation. He stated that when the developer's agreement is submitted to WMI all of that information would be included. He stated he would not be in favor of committing any public funds for which we would not be guaranteed of payback.

Mr. Pat Sweeney was recognized and stated that at this point of the project they do not intend on using any of the Future Fund money on the facility but would consider it for future expansion. He stated that based on the facility discussed with the committee they have the financial backing to make a commitment on a long term lease.

Mr. Parmer asked Mr. Sweeney if they do not intend to accept the commitment of the North Dakota Future Fund.

Mr. Sweeney stated they have studied the terms of the Future Fund agreement and they do not feel it would fit into this facility. They are not sure it will qualify for their one to one match. What they are looking at now is keeping the building separate from the Future Fund and expansion of the business.

Mr. Cichy asked Mr. Sweeney if the terms of the Future Fund agreement were too demanding and incompatible with their wishes.

Mr. Sweeney stated that Future Fund money really breaks down to be investment capital money, which could have a bearing of up to a 20% rate of return for their investment. He stated they are not happy with that but may consider their assistance with expansion.

Mr. Hentges stated it is his understanding that WMI has the ability to sign a lease with the Airport Authority. He stated it was predicated on that the Airport Authority would soften the blow by virtue of something beyond the infrastructure.

Reviewed Weather Modification Incorporated Proposal: (Continued)

Mr. Gallagher asked what the Airport Authority needed to do to get this project rolling.

Mr. Hentges stated the committee would asked that the Airport Authority authorize the Executive Director to make preapplication for the project. The second thing they would request is that the Airport Authority Attorney be directed to draft a developers agreement for review by all parties, and which would incorporate financial protection. Mr. Hentges clarified that at this point we are not approving an agreement, we are simply drafting one.

Mr. Williams stated that anywhere down the road if we don't like the looks of the picture we can rescind.

Mr. Hentges stated that was correct but we would like to move ahead because the Economic Development Committee is going to come together after the first of the year to hear all of the proposals submitted to them and we want to be there on day 1. He stated if we saw about \$500,000 come from that fund, as 75% of that money does come from Fargo, then we might be prepared to go ahead in conjunction with WMI to do a \$3 million project.

Mr. Williams stated he sees nothing wrong with proceeding cautiously. He added that a lot of people sign leases and a lot of people don't pay for them. He stated as a developer he is getting gun shy and asks a lot of questions.

Mr. Hentges stated he is the same way and that's why he was put on the committee.

Chairman Stanton stated asking a lot of questions is appropriate and we have done that. We have been at this for a while and have covered a lot of ground.

Mr. Hentges stated that Mr. Gordon Person, Dakota Aero Tech, has a vested interest, as well as the other FBOs, and we need to be sensitive to all of these considerations. Mr. Hentges stated that it is public knowledge that we intend to develop the new general aviation area so this is no surprise.

Mr. Cichy moved the Executive Director be authorized to submit the necessary preapplication for AIP funding and that the Airport Authority Attorney be directed to draft a Developer's Agreement with the necessary contingencies so we have that in place.

Second by Mr. Gallagher.

On the call of the roll, Hentges, Gallagher, Williams, Cichy and Stanton voted aye.

No member being absent and none voting nay the motion was declared carried.

Mr. Hentges stated that during the holidays when our senators are in the area he would like to set up a meeting with them to get plugged into what is going on in Washington. He stated that supposedly there is going to be emphasis on infrastructure in the coming administration.

Chairman Stanton stated we can keep track of that.

Received Communication from Northstar Aviation Insurance Wishing to Sublease a Portion of Their Office Space in the Eastside Terminal:

Mr. Parmer stated he received a request from Mr. Marc Lepage, Northstar Aviation Insurance requesting permission to sublease a portion of their office space in the Eastside Terminal to Dr. John Ramlo. Dr. Ramlo is a retired physician and needs space for about one year for the purpose of non professional (personal) activities while his home is being remodeled. Mr. Parmer stated he did not see any problem with this request.

Mr. Williams moved to approve the request from Northstar Aviation Insurance to sublease a portion of their office space.

Second by Mr. Cichy.

All members present voted aye and the motion was declared carried.

Received Communication Concerning Terminal Building Maintenance:

Mr. Parmer read a communication received from Jan Deilke regarding the maintenance of the terminal building. She wished to compliment the maintenance staff for the exceptional job they do keeping the main terminal building squeaky clean. She added that she has been to many other airports and ours far exceeds any other. She also stated that she can't help but think that those who visit our fine state for the first time cannot help but to be impressed with our beautiful facility and the quality care it receives. Mr. Parmer stated a copy of the letter has been given to the Building & Grounds Engineer and passed on to the maintenance staff.

Mr. Williams moved to receive and file the correspondence from Ms. Deilke and that we respond with a thank you letter.

Second by Mr. Cichy.

All members present voted aye and the motion was declared carried.

Received Request of VIP Executive Coach, Inc. to Execute Certificate of Support:

Mr. Parmer stated that he visited with representatives of VIP Executive Coach, Inc., a firm which proposes to purchase a customized Greyhound Bus to operate on a charter basis for people who wish to avail themselves of that type of transportation. He stated they are looking for approval from the Department of Transportation and are requesting a certificate of support from various groups. Mr. Parmer distributed a brochure with details and pictures of the bus.

Mr. Gallagher moved to authorize the Airport Authority to issue a Certificate of Support to VIP Executive Coach, Inc.

Second by Mr. Hentges.

All members present voted aye and the motion was declared carried.

Received Summons and Complaint Kleinschmidt vs. Municipal Airport Authority:

Mr. Parmer stated he received a Summons and Complaint (Kleinschmidt vs. Municipal Airport Authority). Mr. Parmer stated this was an incident where a woman was injured on the escalator. Mr. Parmer stated the Airport Authority should turn this over to Attorney Stewart and the insurance carrier.

Mr. Gallagher moved to receive the Summons and Complaint and refer it to Attorney Stewart and the insurance carrier.

Second by Mr. Williams.

All members present voted aye and the motion was declared carried.

Adopted Resolution of Sympathy to George Hanna Family:

Mr. Cichy offered the following resolution and moved its adoption:

WHEREAS, It is with profound sorrow that the Municipal Airport Authority of the City of Fargo, North Dakota, has learned of the untimely death of Mr. George Hanna, and,
WHEREAS, Mr. George Hanna served the City of Fargo, North Dakota, as a member of the Fargo City Commission.

NOW, THEREFORE, BE IT RESOLVED, That the Municipal Airport Authority of the City of Fargo, North Dakota, does hereby express its heartfelt condolences to Mrs. George (Julie) Hanna and the Hanna Family.

BE IT FURTHER RESOLVED, That this Resolution be inscribed upon the permanent records of the proceedings of the Municipal Airport Authority and a certified copy of the herein Resolution be forwarded to the Hanna Family.

Adopted Resolution of Sympathy to George Hanna Family: (Continued)

Second by Mr. Hentges.

All members present voted aye and the Resolution was declared duly passed and adopted.

Mr. Gallagher moved to adjourn the regular meeting of the Municipal Airport Authority until the next regular meeting to be held Tuesday, January 5, 1992, at 10:30 a.m. in the Airport Boardroom.

Second by Mr. Cichy.

All members present voted aye and the motion was declared carried.

Time at adjournment was 11:22 a.m.