

Regular Meeting

Tuesday

January 13, 1998

The regular meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held Tuesday, January 13, 1998, at 9:00 a.m. in the Airport Boardroom.

The members present or absent were as follows:

Present: Walstad, Pawluk, Myers

Absent: Jordan, Macdonald

Others: Stewart, Bromenschenkel

Chairman Myers presiding.

Approved the Minutes of the Regular Meetings of the Municipal Airport Authority Held December 9, 1997 and December 23, 1997:

Mr. Pawluk moved to approve the minutes of the regular meetings of the Municipal Airport Authority held December 9 and December 23, 1997.

Second by Mr. Walstad.

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

Approved the Airport Vouchers Totalling \$42,521.91:

Mr. Pawluk moved to approve the airport vouchers totalling \$42,521.91.

Second by Mr. Walstad.

On the call of the roll, members Walstad, Pawluk and Myers voted aye.

Absent and not voting: Macdonald, Jordan

The motion was declared carried.

Approved the Individual Voucher to Obermiller Nelson Engineering:

Mr. Walstad moved to approve the individual voucher in the amount of \$422.50 to Obermiller Nelson Engineering for partial payment request for engineering services in connection with the Westside Terminal Tug Concourse HVAC Analysis.

Second by Mr. Pawluk.

On the call of the roll, members Walstad, Pawluk and Myers voted aye.

Absent and not voting: Macdonald, Jordan

The motion was declared carried.

Approved the Individual Voucher to Northern Improvement Company:

Mr. Walstad moved to approve the individual voucher in the amount of \$62,236.94 to Northern Improvement Company for partial payment request for the construction of the Air Cargo Apron and Access Road, Project No. 3 38 0017 20.

Second by Mr. Pawluk.

On the call of the roll, members Walstad, Pawluk and Macdonald voted aye.

Absent and not voting: Macdonald, Jordan

The motion was declared carried.

Approved the Individual Voucher to Northern Improvement Company:

Mr. Walstad moved to approve the individual voucher in the amount of \$39,761.66 to Northern Improvement Company for partial payment request for the construction of the North General Aviation Ramp Expansion Project.

Second by Mr. Pawluk.

On the call of the roll, members Walstad, Pawluk and Myers voted aye.

Absent and not voting: Macdonald, Jordan

The motion was declared carried.

Approved the Individual Voucher to Simat, Helliesen & Eichner, Inc.:

Mr. Walstad moved to approve the individual voucher in the amount of \$2,003.72 to Simat, Helliesen & Eichner, Inc., for Fargo's share of the Air Service Feasibility Study (MAA approved June 1997).

Second by Mr. Pawluk.

On the call of the roll, members Wasltad, Pawluk and Myers voted aye.

Absent and not voting: Macdonald, Jordan

The motion was declared carried.

Approved the Individual Voucher to Ulteig Engineers, Inc.:

Mr. Walstad moved to approve the individual voucher in the amount of \$4,170.49 to Ulteig Engineers, Inc. for partial payment request for engineering services in connection with the Air Cargo Apron and Access Road Project.

Second by Mr. Pawluk.

On the call of the roll, members Walstad, Pawluk and Myers voted aye.

Absent and not voting: Macdonald, Jordan

The motion was declared carried.

Approved the Individual Voucher to Ulteig Engineers, Inc.:

Mr. Walstad moved to approve the individual voucher in the amount of \$1,366.31 to Ulteig Engineers, Inc. for partial payment request for engineering services in connection with the North General Aviation Ramp Expansion Project.

Second by Mr. Pawluk.

On the call of the roll, members Walstad, Pawluk and Myers voted aye.

Absent and not voting: Macdonald, Jordan

The motion was declared carried.

Considered Modification to Restaurant Chairs:

Mr. Dobberstein stated the restaurant has been experiencing some problems with the arms on the dining room chairs. He stated the finish has worn off the chairs and some of the chairs have been refinished more than once. He stated it has been suggested by Mr. Pete Haug, restaurant operator, that the arms be removed from the chairs at a cost of approximately \$12 per chair. The arms would be cut off to a point in the back of the chair and the ends capped.

Mr. Pete Haug was recognized and stated the chairs are in good condition other than the arms and to replace the chairs would be approximately \$100 per chair. He stated we would not cut the arms off all of the chairs at this point but try this option with a few of the chairs now to see how it will work.

Considered Modification to Restaurant Chairs: (Continued)

Mr. Walstad moved the Executive Director be authorized to refurbish the restaurant chairs in a manner agreeable to both parties.

Second by Mr. Pawluk.

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

Chairman Myers stated he would like to see the Airport Authority do what it can to create the stimulus for more business in the restaurant and would like Mr. Dobberstein and Mr. Haug to continue working on possible enhancements to the restaurant and snack bar area. He added that right now the Airport Authority is not receiving any revenue from the restaurant and he would like to see that change.

Mr. Dobberstein stated the additional tables and seating for the snack bar area have been ordered and should be in place in the near future. He added that he and Mr. Haug are continuing to work on the matter.

Discussed Agreement with Great Lakes Aviation to Provide a Mechanical Lift Device for Passengers by December 2000:

Mr. Dobberstein stated the FAA has adopted a mandate for airports in the country to provide a mechanical lift device for airline passengers with mobility impairments. He stated Attorney Stewart has drafted an agreement between the Airport Authority and Great Lakes Airlines which is in compliance with the US D.O.T. rules issued November 1, 1996, implementing Section 504 of the Rehabilitation Act of 1973 and the Air Carrier Access Act of 1986, requiring airports and air carriers to sign a written agreement allocating responsibility for meeting the boarding assistance requirements of the rules between and among the parties. He stated we will be required to have this lift in place by December 2000.

Mr. Dobberstein stated the cost of the lift device ranges from \$10,000 to \$60,000. He stated this agreement is the same agreement the City of Bismarck has with Great Lakes Airlines. He stated the agreement basically states that the airport will purchase the device and the airlines agree to pay the airport for the use of it. He added that since Mesaba operates aircraft with more than 30 seats they are not required to provide this device.

Mr. Walstad moved to approve the proposed agreement between the Municipal Airport Authority and Great Lakes Airlines for a mechanical lift device.

Second by Mr. Pawluk.

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

Received Air Carrier Passenger Report for 1997:

Mr. Dobberstein distributed an air carrier passenger report for calendar year 1997. He indicated the boardings were down slightly over 1996 and felt there were several reasons for the decline (the impact due to the weather last winter, flooding and the fact that people in the area did not have the money for leisure travel and many were spending their money on flood recovery, and also attributed some of the decline to the cost of travel.)

Mr. Pawluk moved to receive and file the air carrier passenger report for 1997.

Second by Mr. Walstad.

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

Discussed Car Rental Service Facility Options:

Mr. Dobberstein stated for some time now the Airport Authority has been discussing the possibility of a car rental service facility for the car rental agencies located on the airport. He indicated at the direction of the Airport

Discussed Car Rental Service Facility Options: (Continued)

Authority he recently sent a letter to the owners of the agencies soliciting comments on their interest in such a facility.

Mr. Dobberstein displayed a sketch of a possible location for the facility west of the shelterbelt. He stated another option is the area between our maintenance shop and the Northwest fuel farm. He stated in talking with the two local owners (Avis, National) they are willing to talk about the removal of their current facilities on the southeast side of the airport. He stated we need to get together with the four owners and discuss this matter.

Mr. Bernie Ness, Avis, was recognized and stated he agreed with Mr. Dobberstein.

He stated the four owners need to sit down and talk about what they want to do. He stated as far as their current facilities he would be more than happy to have his building torn down if there are plans for the area. He stated he is also concerned about passenger boardings and he indicated the car rental agencies would be happy to do anything they can to help enhance the airport.

Mr. Dobberstein stated he would be in favor of the car rental agency owners building the facility.

Chairman Myers stated there are a number of different ways such a facility could be funded. He stated the Airport Authority could build it and lease it to the agencies, a private investor could own the facility and lease it, or the car rental operators themselves could build the facility. He stated he feels that for the car rental operators to have to drive their cars two and a half miles one way to service their vehicles does not make sense. He added that our long range plan for the southeast general aviation area should include the removal of those buildings.

Mr. Pawluk stated we are not in a position now to decide how it is going to be paid for but we can agree on concept and work toward that.

Mr. Dobberstein stated he feels we are moving in the right direction on this matter.

Chairman Myers also suggested getting input from other airports on the types of service facilities they have and how they are handled. He directed Mr. Dobberstein to come up with a recommendation and present it to the board at a future date.

Received Communication from Obermiller Nelson Engineering Regarding Tug Concourse HVAC Proposal Schedule:

Mr. Dobberstein stated he received a communication from Obermiller Nelson Engineering giving a schedule for the tug concourse HVAC project. He stated on January 22 there will be a pre bid walk through with the contractors, January 29 receive and review proposals, February 10, review and approve proposals at Airport Authority meeting and issue notice to proceed. The estimate for the installation of one make up air unit interlocked with the existing tug concourse exhaust fans is \$14,800. He added that because the estimate is under \$15,000 this is an informal process.

Mr. Pawluk moved to receive and file the communication from Obermiller Nelson Engineering.

Second by Mr. Walstad.

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

Receive Communication from Michael J. Burns Architects Regarding Hangar #2 Roofing Project:

Mr. Dobberstein provided the members with copies of two communications regarding the Hangar #2 roofing project, one from Carlisle SynTec Incorporated and the other from Mr. Mark Gradin, Michael Burns Architects.

Mr. Dobberstein stated in the Carlisle letter to Architectural Consultants Inc. they confirm that Carlisle is able to meet the 100 mph specification for the Hangar #2 roof. He also stated that in talking to Mr. Burns recently that Herzog Roofing was given permission by Firestone to use the materials provided for this project on a different project. He stated that according to Mr. Burns and his discussions with Mr. Herzog he is in favor of using the Carlisle system. He added that there will be no change in cost.

Mr. Dobberstein stated he has also advised the ND State Fire & Tornado and the building inspector of this development.

Mr. Pawluk moved to receive and file the communications from Michael Burns Architects and Carlisle SynTec Incorporated.

Second by Mr. Walstad.

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

Other Business:

Mr. Dobberstein distributed a communication he received just yesterday from the manager of the FAA's Airway Facilities Division addressing our concerns over the problems we are having with construction of new buildings in the north general aviation and air cargo areas interfering with the radar on the field. In his letter Mr. Strong emphasized that their concerns apply only to the side(s) of the structures which face the radar. The other sides of the building are of no concern to the operation of the radar. It was suggested that if the row of buildings closest to the radar is constructed first with suitable materials then those behind will have essentially no restrictions on construction materials, assuming they are not significantly taller than those in front. He also addressed the issue of elevating the ASR tower and indicated it would have only a slight reduction in the problems caused by metal surfaces and would introduce other problems such as increased clutter and the illumination of surfaces by the radar which are currently hidden by closer structures. The ASR 11 radar is currently in the early development stages but from preliminary data available they understand it does have some ability to reduce the effects of reflected false targets. The ASR 11 is currently scheduled to be installed at Fargo about January 2002, which is the fifth installation of 24 in the region.

Chairman Myers suggested this information be distributed to area contractors who have constructed buildings on the airport in the past and may in the future.

Mr. Walstad moved to receive and file the communication from the Federal Aviation Administration.

Second by Mr. Pawluk.

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

Mr. Walstad moved to adjourn the meeting of the Municipal Airport Authority until the annual meeting to be held Tuesday, January 27, 1998.

Second by Mr. Pawluk.

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

Time at adjournment was 9:47 a.m.

The board adjourned to executive session for the discussion of legal matters.

Annual Meeting

Tuesday

January 27, 1998

The Annual Meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held Tuesday, January 27, 1998, at 9:00 a.m. in the Airport Boardroom.

The members present or absent were as follows:

Present: Walstad, Jordan, Pawluk

Absent: Macdonald, Myers

Others: Stewart

Vice Chairman Elect Pawluk presiding.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held January 13, 1998:

Mr. Walstad moved to approve the minutes of the regular meeting of the Municipal Airport Authority held January 14, 1998.

Second by Ms. Jordan.

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

Approved the Airport Vouchers Totalling \$32,252.43

Mr. Walstad moved to approve the airport vouchers totalling \$32,252.43.

Second by Ms. Jordan.

On the call of the roll, members Walstad, Jordan and Pawluk voted aye.

Absent and not voting: Macdonald, Myers

The motion was declared carried.

Approved the Individual Voucher to Forum Publishing Company:

Mr. Walstad moved to approve the individual voucher in the amount of \$65.28 to the Forum Publishing Company for advertisement for engineering proposals.

Second by Ms. Jordan.

On the call of the roll, members Walstad, Jordan and Pawluk voted aye.

Absent and not voting: Macdonald, Myers

The motion was declared carried.

Received Communication from Northwest Airlines Regarding Relocation of the Gate 1 Podium:

Mr. Dobberstein stated our lease with Northwest Airlines requires that any alterations to their leased space be approved by the Airport Authority. He stated Northwest would like to replace their podium at Gate 1 with a smaller podium with a lighted backdrop and move the location further east. Mr. Dobberstein stated he does not have a problem with what they have proposed. He added that the vacated area will be patched and repaired at Northwest's expense.

Received Communication from Northwest Airlines Regarding Relocation of the Gate 1 Podium:
(Continued)

Ms. Jordan moved to receive and file the request from Northwest Airlines and that the plans be approved as proposed.

Second by Mr. Walstad.

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

Received Communication from Dakota Air Parts/AvSupport Online Requesting Additional Space in the Eastside Terminal:

Mr. Dobberstein received a communication dated January 20, 1998, from Mr. K.C. Hemelstrand, Dakota Air Parts, requesting to lease space in the Eastside Terminal. Mr. Dobberstein stated that Mr. Hemelstrand's other business, Avsupport Online, has been in the Eastside Terminal since they moved here from Texas last spring. He stated Dakota Air Parts International, Inc. is an international parts distributor dealing in aircraft parts, mainly helicopter parts, through the Internet.

Mr. Dobberstein stated they are requesting to lease approximately 1200 sq.ft. near their existing space. He stated they have also requested temporary use of the basement area for storage of their inventory. Mr. Dobberstein stated they have also requested use of the outside area between the Phoenix Air hangar and the Eastside Terminal building for storage of large shipping containers, as well as an area on the ramp immediately west of the leased space in the terminal (10 ft. from wall) where they will store shipping containers that carry aircraft and helicopter parts.

Mr. Walstad moved to approve the request from Dakota Air Parts for additional space in the Eastside Terminal, as presented.

Second by Ms. Jordan.

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

Mr. Dobberstein indicated Attorney Stewart would draft an amendment to their current lease.

Authorized Attendance at the Upper Midwest Aviation Symposium, March 14, Bismarck:

Mr. Walstad moved to authorize attendance at the Upper Midwest Aviation Symposium, March 14, 1998, in Bismarck by board members and staff interested in attending.

Second by Ms. Jordan.

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

Received Update on Airport Construction Projects:

Mr. Dobberstein stated that during the flood last spring 31st Street North on the airport property sustained damage. He stated we were successful in obtaining approximately \$24,000 of FEMA funds for the rehabilitation of that road. He stated last fall the board directed him to work with Uteig Engineers and Northern Improvement, the contractor on the current projects on the north end of the airport, to add this construction to their current contract. He stated the estimate we received from Northern Improvement was \$73,470.30.

Mr. Wes Schon stated the road is currently asphalt but the board wanted to look at the option of concrete. He stated the reason the planned improvements for this road do not go all the way up to County 20 is that the Metropolitan Council of Governments will be conducting a traffic study on the Cass County 20 corridor. He stated he would not recommend putting a lot of money into improvements on that portion if the outcome of the study would call for it to be removed at some time in the near future.

Mr. Schon stated there is enough money in the existing project (AIP 20) to do this additional work.

Received Update on Airport Construction Projects: (Continued)

Mr. Walstad moved to approve the construction project for improvements to 31st Street North as presented.

Second by Ms. Jordan.

On the call of the roll, members Walstad, Jordan and Pawluk voted aye.

Absent and not voting: Macdonald, Myers

The motion was declared carried.

To update the board on other projects, Mr. Schon stated they are working on the plans for drainage improvements in the southeast general aviation area. He stated we are looking at constructing a portion of storm sewer along the portion of Taxiway A that has had some water problems, as well as repair a section of storm sewer for the southeast ramp. He stated the final item in this group of improvements is the relocation of the airport beacon to the radar stand formerly used by the National Weather Service and plans and specifications are being prepared.

Received Engineering Proposals, Set Interview Date and Time:

Mr. Pawluk stated engineering proposals were received from three engineering firms, Houston, Moore and Ulteig. Copies of the proposals were distributed to the members and Mr. Pawluk asked that they review the proposals prior to the interviews.

Mr. Dobberstein stated we have plan to schedule the interviews following our next meeting on February 10. Interviews will start at 10:45 and each firm will be given 30 minutes. He stated on the date of the interviews he will provide each member with a rating sheet and selection criteria required by the FAA.

Ms. Jordan moved the engineering interviews be set for Tuesday, February 10, 1998 at 10:45 a.m. following the regular meeting.

Second by Mr. Walstad.

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

Adopted Resolution of Appreciation to Outgoing Chairman R. Tracy Myers:

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

WHEREAS, Mr. R. Tracy Myers 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. Myers's chairmanship the Municipal Airport Authority moved steadily and successfully forward in improving the aviation facilities and service at Hector International Airport, and

WHEREAS, Mr. Myers 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. Tracy Myers 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. Tracy Myers.

Second by Ms. Jordan.

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

Election of Officers normally conducted at the Annual Meeting was held at the regular meeting held December 9, 1997. New officers will take office following this meeting: Chairman A.P. Macdonald, Vice Chairman Ken Pawluk.

Other Business:

Mr. Pawluk stated the walking path along 19th Avenue North leading out to the airport viewing park is heavily used in the spring through fall months. He stated he noticed last fall with some of the utility repairs along 19th Avenue the area of the walking path had not been completely restored. Mr. Pawluk asked Mr. Dobberstein to contact both the City and the Fargo Park District to make sure that is repaired, cleaned and in good condition for use as early as possible this spring.

Mr. Dobberstein stated Mr. Myers has taken advantage of his time in Arizona as an opportunity to make a personal contact with America West Airlines. Mr. Dobberstein stated he arranged a meeting between Mr. Myers and a representative of America West. He stated Mr. Myers presented them with information and data on Fargo and the surrounding area. America West indicated they would like further contact from our economic development, chamber of commerce and convention/visitors bureau people. He stated John Kramer was also in Tempe for a conference and made a contact with them as well so the dialogue will continue.

Mr. Dobberstein stated we are still awaiting word from United Airlines on their upcoming plans for expanded service and we are making contacts weekly but do not have any information at this time.

Mr. Walstad moved to adjourn the meeting of the Municipal Airport Authority until the next regular meeting to be held Tuesday, February 10, 1998, at 9:00 a.m. in the Airport Boardroom.

Second by Ms. Jordan.

The motion was declared carried.

Time at adjournment was 10:04 a.m.

Regular Meeting

Tuesday

February 10, 1998

The regular meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held Tuesday, February 10, 1998, at 9:00 a.m. in the Airport Boardroom.

The members present or absent were as follows:

Present: Walstad, Myers, Jordan, Macdonald

Absent: Pawluk

Others: Stewart

Chairman Macdonald presiding.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held January 27, 1998:

Mr. Myers moved to approve the minutes of the regular meeting of the Municipal Airport Authority held January 27, 1998.

Second by Ms. Jordan.

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

Approved the Airport Vouchers Totalling \$35,885.20

Mr. Myers moved to approve the airport vouchers totalling \$35,885.20.

Second by Ms. Jordan.

On the call of the roll, members Myers, Jordan and Macdonald voted aye.

Absent and not voting: Walstad, Pawluk

The motion was declared carried.

Approved the Individual Voucher to Ulteig Engineers, Inc.

Ms. Jordan moved to approve the individual voucher in the amount of \$5,863.06 to Ulteig Engineers, Inc. for partial payment request for engineering services in connection with the Air Cargo Apron and Access Road Project, AIP 3 38 0017 20.

Second by Mr. Myers.

On the call of the roll, members Myers, Jordan and Macdonald voted aye.

Absent and not voting: Walstad, Pawluk

The motion was declared carried.

Approved the Individual Voucher to Ulteig Engineers, Inc.:

Ms. Jordan moved to approve the individual voucher in the amount of \$5,853.69 to Ulteig Engineers, Inc. for partial payment request for engineering services in connection with the County Drain #10 Environmental Assessment.

Second by Mr. Myers.

On the call of the roll, members Myers, Jordan and Macdonald voted aye.

Absent and not voting: Walstad, Pawluk

The motion was declared carried.

Receive Communication from Obermiller Nelson Engineering Regarding Tug Concourse HVAC Proposals and Recommended Action:

Mr. Dobberstein received a communication dated February 13, 1998 from Mr. David Obermiller, Obermiller Nelson Engineering, advising that they have reviewed the bids and had a discussion with the low bidder, Grant's Mechanical. Mr. Paul Linstad, Grant's Mechanical, indicated he had reviewed his bid and is confident that everything necessary to complete the project has been included. Obermiller recommends the contract be awarded to Grant's Mechanical based on their low bid of \$13,490.00.

Other bids received were as follows:

Manning Mechanical.....	\$14,869.00
Air Mechanical.....	\$15,950.00
Peterson Mechanical.....	\$16,900.00
Robert Gibb & Sons.....	\$19,720.00

Mr. Dobberstein stated Mr. Obermiller indicated he would be at the meeting today but is not here yet.

Mr. Myers moved to receive and file the communication from Obermiller Nelson Engineering and authorize the Executive Director to proceed with the contract for this project.

Second by Ms. Jordan.

On the call of the roll, members Myers, Jordan and Macdonald voted aye.

Absent and not voting: Walstad, Pawluk

The motion was declared carried.

Mr. Obermiller arrived later and confirmed his conversation with Grant's Mechanical that they reviewed their bid and there were no changes.

Considered Fuel Tank Guidelines:

Mr. Dobberstein stated he was directed by the board to draft some guidelines for the installation of either above ground or below ground fuel tanks. He stated he was also directed to confer with the FAA Airports District Office in Bismarck on the location we have designated for the self fueling area.

Mr. Dobberstein stated the Fargo Fire Department has indicated that it will not approve above ground tanks at the airport. He stated any existing above ground tanks will be grandfathered in and will be allowed to remain.

Mr. Myers stated he would like to have Attorney Stewart address the issue of the airport's liability should there be a leak from a privately owned tank.

Mr. Myers stated he is also concerned about the effect a number of privately owned tanks will have on our FBOs on the field.

Mr. Myers moved to receive and file the Guidelines for the Installation of an Above/Below Ground Aviation Fuel Tank and that the Executive Director continue on the matter and work with Attorney Stewart to resolve the liability issues.

Second by Ms. Jordan.

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

Mr. Dobberstein stated the proposed guidelines were sent to all present tank owners on the field and he received no comments from them.

Received Communication/Update from Francis Butler Regarding Possible Hangar Construction:

Mr. Dobberstein stated Mr. Francis Butler came before the Airport Authority in October 1997 with a request to construct a hangar in the southeast general aviation area. He stated at that time the Board requested Mr. Butler delay his request until March 1998 after they had more time to develop a plan for the southeast general aviation area.

Received Communication/Update from Francis Butler Regarding Possible Hangar Construction:
(Continued)

Mr. Butler was recognized and presented his plans for a 60' x 80' hangar with one 60' wide door, to be located on the lot east of the Air Condo Association hangar. He indicated he gave a lot of thought to whether he should locate on the north side or the southeast side and he feels he would like to locate in the southeast side and be part of the revitalization of that area. He indicated he has talked with the City of Fargo regarding the building plans and utilities.

Chairman Macdonald stated one thing the board needs to discuss is a color scheme for buildings in the area so the colors are not so varied.

Mr. Dobberstein stated that topic will be included in the next agenda item on the southeast general aviation area discussion.

Mr. Myers stated in his experience white is a color that is always available. He added that some colors are not always available and especially with a building that may be expanded it is important to use a color that can be matched.

Mr. Butler indicated color was not an important issue to him.

After further discussion, Mr. Myers moved the Airport Authority grant Mr. Butler permission to proceed with planning of this concept and that he get the remaining documents in order and present them to the board.

Second by Ms. Jordan.

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

Continued South General Aviation Area Planning Discussion:

Mr. Dobberstein stated he distributed to the board members an updated South General Aviation Area Plan with his thoughts on how the Authority should proceed in that area. He stated we also sent a letter to about 140 aircraft/hangar owners and other parties with an interest or potential interest in that area inviting them to come in to review our plans and provide comment. He stated we had a fairly good response to this and received some input.

Mr. Dobberstein stated in the report he included some infrastructure improvements he feels we should commit to for this summer, as well as the 1999 construction season.

Mr. Myers stated one of his concerns about the long range plan for this area is the high density of events that take place off the end of Runway 31, such as the Fargodome and the baseball stadium. He stated that runway is being used while some of these events are taking place.

Mr. Dobberstein stated there are easements that restrict development in certain areas due to the location and presence of that runway.

Mr. Dobberstein stated our Capital Improvement Plan shows the items we have included in Phase I of the south general aviation plan which includes the rehabilitation of both light and heavy duty areas of concrete, the water and sanitary sewer lines, and the parking lot.

With regard to Hangars 3 and 4, Mr. Dobberstein stated Attorney Stewart was asked to provide a written opinion on the Airport Authority's responsibility to grant lease options on those two facilities. Attorney Stewart's opinion indicated that Valley Aviation is currently in their first five year option and when that option is up if we can agree on terms with Valley Aviation a second option would be granted. However, if we are not able to agree on the terms of the lease the option would not be granted.

Mr. Dobberstein stated another suggestion is that we adopt a color scheme for all of the buildings in the area to give a look of uniformity. He added we could look into setting up an incentive program for hangar owners to have this completed in a designated time frame. He indicated he would favor white and grey.

Chairman Macdonald stated once the Airport Authority adopts a color plan Mr. Dobberstein could meet with all of the building owners and come up with an agreeable plan.

Mr. Victor Gelking was recognized and stated he plans to paint his hangar and new addition because the contractor ordered the wrong color material for his addition. He suggested getting an estimate from a painting contractor to do a number of buildings.

Continued South General Aviation Area Planning Discussion: (Continued)

After further discussion, Mr. Myers moved to receive and file the South General Aviation Area Plan and that the Executive Director continue the planning process for the southeast general aviation area.

Second by Ms. Jordan.

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

Adopted Resolution Approving Offers from the City of Fargo and Currier Co./Dakota Fence Co. for the Purchase of Airport Property, Subject to FAA Approval:

The Airport Authority has received offers for the purchase of land from the City of Fargo and Dakota Fence Company. Mr. Dobberstein stated these offers have been discussed previously but we now have appraisals on the parcels.

Mr. Dobberstein stated if the Airport Authority should approve the sale of these parcels the next step is to forward the information to the FAA for approval, since the parcels in question were purchased with federal funds. He added that this is a 30 60 day process.

Mr. Myers moved to receive and file the offers from the City of Fargo and Dakota Fence Company and adopt a resolution for the purchase of these parcels.

Second by Ms. Jordan.

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

Approved the Sublease Between Valley Aviation and Northern Jet Aviation:

Mr. Dobberstein read a communication from Robert Hamilton, Valley Aviation, dated February 6, 1998, requesting the Airport Authority's approval of a sublease between Valley Aviation and Northern Jet Aviation. Mr. Dobberstein stated it is his understanding that Northern Jet Aviation is a partnership of a couple of individuals who have purchased a Lear Jet and will be operating Part 135 charter operations out of Valley's facility. Northern Jet will be responsible directly to the Airport Authority for payment of the airport user fee of 1.5% of gross sales or \$200 per month, whichever is greater. He stated the Airport Authority will enter into an agreement with Northern Jet Aviation for this operation.

Ms. Jordan moved to approve the sublease between Valley Aviation and Northern Jet Aviation.

Second by Mr. Myers.

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

Received Communication from the FAA Advising of Discretionary Funds Allocation:

Mr. Dobberstein stated he expected to have a communication from the FAA to receive at this meeting but he has not yet received it.

Mr. Dobberstein stated last year the board directed him to apply for discretionary funds from the FAA for the purchase of a snowblower and a truck with sander option. He stated he has just received verbal confirmation of the approval of these funds. He stated we requested \$495,000 and the FAA awarded \$270,000 for the purchase of a snowblower. He stated from the date of order it is five to six months for delivery.

Mr. Dobberstein stated we will start the process of preparing plans and specifications and will also be looking at equipment available.

Mr. Dobberstein stated the non hub airports in the Great Lakes Region requested \$85 million in discretionary requests and \$15.5 million was allocated.

Approved Agreements Between RH Associates and the Municipal Airport Authority Relative to the Riviera Trailer Court Shelterbelt:

The members were provided with a copy of the Agreement Regarding Shelterbelt between the Municipal Airport Authority and the Riviera Heights Trailer Court (RH Associates).

Mr. Myers moved to approve the agreement between the Municipal Airport Authority and RH Associates.

Second by Ms. Jordan.

Attorney Stewart added that we will include a separate agreement establishing that the trailer court residents will not complain about the airport or the sewage plant.

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

Authorize the Replacement of an Airport Operations Attendant:

Mr. Myers moved to authorize the replacement of an Airport Operations Attendant.

Second by Ms. Jordan.

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

Other Business:

Mr. Myers gave some details on his meeting with Mr. Travis Christ, Manager of Route Planning and Economic Analysis for America West Airlines.

Mr. Myers also referred to a recent news article regarding the proposed alliance between Northwest Airlines and Continental Airlines. He stated he is concerned that the increasing number of these alliances will hurt markets like Fargo in their attempt to attract competition.

Mr. Myers stated in his visit with Mr. Christ he was very clear in pointing out that America West has been looking at the Fargo market but indicated that Fargo would have to "put your money where your mouth is." He stated this is going to have to happen through the business community with the help of Fargo Cass County Economic Development and the Chamber of Commerce. He added that the high cost of travel to and from Fargo is a hindrance to growth of business here.

Chairman Myers stated a recent letter to the editor in THE FORUM suggested that maybe the Airport Authority in Fargo is charging too much in fees to the airlines, when in reality the cost per passenger in Fargo is very low.

Mr. Myers stated we should probably remind the tax payers of this community that they are not paying for the operation of this airport with their taxes.

Ms. Jordan stated it seems there have been many meetings and discussions about the topic of air service by the Chamber with the business community but she feels it is time for them to start doing something about it rather than continue talking about it.

She stated discussions were started back in October and it frustrates her that no one has come up with a plan yet.

Mr. Walstad now present.

Mr. Myers stated the quality of air service in and out of Fargo is second to none. We have excellent service from both United and Northwest but he feels these airlines are not looking at their bottom line as closely as they should. He stated if they would lower their fares in Fargo they would increase the number of ticketed passengers that fly their airline through to their destination.

Mr. Dobberstein stated the Chamber's Transportation Subcommittee continues to meet but this is a slow process. He stated he is confident we will see an announcement soon of expanded regional jet service to both Chicago and Denver. He

Other Business: (Continued)

stated both the Chamber and the Mayor have sent out communications to cities and their chambers of commerce in the area and the response has been good. Mr. Dobberstein stated once we get some additional service on line he wants to go full speed ahead with a "Fly Fargo" campaign.

Mr. Myers stated if the public wants another carrier they will have to promote that. He stated the Airport Authority cannot promote one carrier or airport tenant over another. Mr. Myers stated John Kramer and his staff at Fargo Cass County Economic Development are paid, full time positions hired to promote Fargo.

Ms. Jordan stated it is nearing the point where it is becoming cost prohibitive to do business in Fargo. She stated she has two upcoming business trips planned and the round trip fares are \$1500 each.

Mr. Dobberstein stated after attending the regional air service conference in Denver recently he learned that we are in better shape than most of the other airports represented at that conference. He added that the fare Ms. Jordan quoted was a business travel fare with no Saturday night stay and that is common nation wide for the business traveler to pay more.

Mr. Myers stated that our dominant carrier, Northwest Airlines, is a great airline but that does not mean we don't want them to change their rate structure so that we can get our traffic back. He added that we should make our congressional delegation aware of our concerns about the airline alliances and the effect it will have on the availability of competition for our state.

Ms. Jordan moved to adjourn the meeting of the Municipal Airport Authority until the next regular meeting to be held Tuesday, February 24, 1998 at 9:00 a.m. in the Airport Boardroom.

Second by Mr. Walstad.

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

Time at adjournment was 10:30 a.m.

Engineering interviews were conducted follow the meeting.

Regular Meeting

Tuesday

February 24, 1998

The regular meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held Tuesday, February 24, 1998, at 1:30 p.m. in the Airport Boardroom.

The members present or absent were as follows:

Present: Walstad, Jordan, Pawluk

Absent: Myers, Macdonald

Others: Stewart, Bromenschenkel, Eldred

Vice Chairman Pawluk presiding.

Vice Chairman Pawluk welcomed Mr. Leo Eldred, who will be representing the City of Moorhead, replacing Millie MacLeod.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held February 10, 1998:

Ms. Jordan moved to approve the minutes of the regular meeting of the Municipal Airport Authority held February 10, 1998.

Second by Mr. Walstad.

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

Approved the Airport Vouchers Totalling \$33,494.15:

Mr. Walstad moved to approve the airport vouchers totalling \$33,494.15.

Second by Ms. Jordan.

On the call of the roll, members Walstad, Jordan and Pawluk voted aye.

Absent and not voting: Myers, Macdonald

Approved the Individual Voucher to Obermiller Nelson Engineering:

Mr. Walstad moved to approve the individual voucher in the amount of \$2,602.50 to

Obermiller Nelson Engineering for engineering services in connection with the Westside Terminal Tug Concourse HVAC Analysis.

Second by Ms. Jordan.

On the call of the roll, members Walstad, Jordan and Pawluk voted aye.

Absent and not voting: Myers, Macdonald

The motion was declared carried.

Approved the Individual Voucher to United Roofing:

Mr. Walstad moved to approve the partial payment request in the amount of \$9,375.00 to United Roofing for roofing repairs to the Westside Terminal.

Second by Ms. Jordan.

On the call of the roll, members Walstad, Jordan, Pawluk

Absent and not voting: Myers, Macdonald

The motion was declared carried.

Mr. Dobberstein explained that this payment request represents approximately 62% of the project which was bid last fall.

Received 4th Quarter PFC Report (1997 Final):

Mr. Dobberstein reviewed the 4th Quarter PFC Report (1997 Final) and distributed copies. Total PFC revenue for 1997 was \$478,705.36.

Ms. Jordan moved to receive and file the 4th Quarter PFC Report.

Second by Mr. Walstad.

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

Received and Filed Statement of Operations for 1997:

Mr. Walstad moved to receive and file the Statement of Operations for 1997.

Second by Ms. Jordan.

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

Reviewed Communication from Interspace Airport Advertising Regarding Request for Additional Display Areas:

Mr. Dobberstein stated that Interspace Airport Advertising plans to do another sales "blitz" in Fargo next week. He stated that Interspace is proposing some additional advertising space. He stated the Authority previously approved the soffit displays along the escalators, and completion of the area above the west baggage claim carousel. He stated the only new areas they are proposing is the stand alone units in the departure lounge.

Mr. Dobberstein stated they are also looking into a flight information system with a television monitor showing flight information and some potential sponsors for that system. He stated we are also pursuing a "business center" with computers and fax machines for passengers. Proposed sites for this center are either the cove across from the United Express counter or the area in which the "Freedom Shrine" is located.

Mr. Dobberstein stated basically all he is looking for today is for approval of the free standing units in the departure lounge and confirmation of the signs above baggage claim and along the escalator.

Mr. Bromenschenkel stated he has received a number of comments from people disappointed that the electronic message board with the "Welcome" to Fargo message was moved from its original location above the entrance door to the information center.

Ms. Jordan moved to approve the proposal from Interspace Airport Advertising, reaffirming approval of F1 and F2, and approving F3 and F4.

Second by Mr. Walstad.

On the call of the roll, members Walstad, Jordan and Pawluk.

Absent and not voting: Myers, Macdonald

The motion was declared carried.

Received Communication from Attorney Stewart Regarding Fuel Tank Liability:

Mr. Dobberstein stated at the last meeting the board directed Attorney Stewart to draft an opinion on the extent of the Airport Authority's liability with regard to self fueling aviation tanks.

Received Communication from Attorney Stewart Regarding Fuel Tank Liability:
(Continued)

Attorney Stewart stated as land owner the Airport Authority is ultimately liable but he has included every clause possible to protect the Airport Authority. He stated the only other possibility would be to require a surety bond guaranteeing cleanup in the event of a leak, but he is certain that type of bond would be difficult, if not impossible, to obtain. He stated the best we can do is require that they comply with all of the regulations and requirements and indemnify the Airport Authority if there is a loss.

Mr. Walstad moved to receive and file the communication from Attorney Stewart.

Second by Ms. Jordan.

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

Adopted Fuel Tank Guidelines Document:

Mr. Dobberstein stated the Fuel Tank Guidelines document he is presenting today is basically the same document that was presented previously. This document will be presented to anyone interested in a self fueling operation on the airport so they are aware of the requirements.

Mr. Preston North (ABHN Partnership) was recognized and asked for clarification on some of the requirements and his questions were answered. One of his questions related to annual inspections of the tank and he asked if the company that installed their tank would qualify to conduct the required annual inspection on the tank.

Mr. Dobberstein stated he feels the installer should be more than qualified to conduct the annual inspection.

Mr. North asked the reason for the two cent per gallon payment to the airport.

Mr. Dobberstein stated in return for the privilege of having a self fueling tank on the airport the tank owner pays the airport two cents for every gallon of fuel dispensed. He stated ABHN is not currently paying the two cents per gallon but when their hangar lease expires it will be renegotiated and this will be addressed at that time.

Mr. Pawluk stated it was his understanding that the new fuel tank guidelines would not apply to existing self fueling tanks on the airport.

Mr. Dobberstein stated that is correct but when the leases on the existing units expire the leases will be renegotiated.

Mr. North also asked about the training requirement.

Mr. Dobberstein stated the Airport Authority will require documentation or a letter on file that anyone using the fuel tank is properly trained. He stated this is an FAA safety advisory and a letter from John Arens, Fargo Fire Department, would be adequate.

Mr. Robert Hamilton, Valley Aviation, was recognized and asked if he could be provided with a list of people authorized to use the Fargo Air self fueling facility.

Mr. Dobberstein stated it is a matter of public record and would be available to Mr. Hamilton.

Mr. Hamilton stated he believes there are people using those tanks that are not authorized or registered to do so. He asked what action the Airport Authority would take if he could produce pictures of airplanes showing their tail numbers fueling at those tanks and he does not believe the owners of those aircraft are authorized members. Mr. Hamilton asked if he could provide proof to the Airport Authority that the Fargo Air group is not following the guidelines of the agreement would the Airport Authority either take action or establish penalties for those people not following the guidelines.

Mr. Dobberstein stated it would be difficult to police but if people are using the tanks that are not shareholders the Airport Authority certainly would take the appropriate action. Mr. Dobberstein stated that if the Fire Department were to find that there were continual violations they would come in and require the tank be removed.

Adopted Fuel Tank Guidelines Document: (Continued)

Mr. Hamilton indicated that this is a no win situation for him because if he does not say anything he will continue to lose fuel business and on the other hand bringing this to the Authority's attention will upset some people. Mr. Hamilton added that he could provide the Authority with numbers showing how they have lost millions of dollars in fuel sales as a result of the self fueling on the field.

Mr. North stated he does not see any point in letting this issue turn nasty. He stated he has seen FBO employees doing a number of things they should not be doing and he does not necessarily report all of those incidents. He stated private aircraft owners have a right to fuel their own aircraft and the major reason for this is an attempt to keep costs down.

Mr. Jim Sweeney, Fargo Jet Center, was recognized and requested a change in the wording in the item regarding reporting of fuel purchased to the Airport Authority. He requested it be amended to read "Copies of all fuel purchases shall be promptly made available to the Airport Authority upon request." The words "made available" replace the word "provided." He indicated he did not think the Airport Authority would want copies of every single fuel receipt the FBOs receive but that the intent was that they be made available on a timely basis when needed.

Attorney Stewart indicated that wording was agreeable.

Ms. Jordan moved to adopt the Fuel Tank Guidelines, subject to the one requested change in wording with regard to fuel receipts.

Second by Mr. Walstad.

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

Authorized Attendance at the 70th Annual AAE Conference, May 31 June 3, 1998, Nashville, TN:

Mr. Dobberstein stated the American Association of Airport Executives will be holding their 70th Annual Conference in Nashville, TN, May 31 June 30, 1998. He stated both he and Darren Anderson plan to attend.

Mr. Walstad moved the Airport Authority authorize the attendance at the Annual AAE Conference, by Mr. Dobberstein, Mr. Anderson, and any members interested in attending.

Second by Ms. Jordan.

On the call of the roll, members Walstad, Jordan and Pawluk voted aye.

Absent and not voting: Myers, Macdonald

The motion was declared carried.

Adopted Resolution of Congratulations to Dennis Heley, Retiring Northwest Airlines Employee:

Mr. Walstad offered the following resolution of congratulations and moved its adoption:

WHEREAS, the Municipal Airport Authority has learned of the upcoming retirement of longtime Northwest Airlines employee, Mr. Dennis Heley, and

WHEREAS, Mr. Heley, through his unselfish devotion and dedication to duty, has served not only Northwest Airlines but Hector Airport as well, and

WHEREAS, Mr. Heley, in retiring from Northwest Airlines, will leave many friends at Hector Airport and the surrounding aviation community.

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. Heley for his many years of dedicated service and wishes him well in his retirement.

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. Dennis Heley.

Adopted Resolution of Congratulations to Dennis Heley, Retiring Northwest Airlines Employee:
(Continued)

Second by Ms. Jordan.

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

Other Business:

Mr. Dobberstein stated he received phone call from Mr. John Syverson on behalf of the Cass County Auditors Office. He requested permission to use the lobby of the Eastside Terminal as a voting precinct. He stated he does not see any problem with this request as it is a public building and there is adequate room for this type of use. He indicated he was not certain of the date they would be using the building.

Mr. Walstad moved to approve the request to use the Eastside Terminal as a voting precinct by the Cass County Auditors Office.

Second by Ms. Jordan.

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

Ms. Jordan moved to adjourn the meeting of the Municipal Airport Authority until the next regular meeting to be held Tuesday, March 10, 1998 at 9:00 a.m. in the Airport Boardroom.

Second by Mr. Walstad.

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

Time at adjournment was 2:33 p.m.

Regular Meeting

Tuesday

March 10, 1998

The regular meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held Tuesday, March 10, 1998, at 9:00 a.m. in the Airport Boardroom.

The members present or absent were as follows:

Present: Walstad, Myers, Jordan, Pawluk, Macdonald

Absent: None

Others: Stewart

Chairman Macdonald presiding.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held February 24, 1998:

Mr. Walstad moved to approve the minutes of the regular meeting of the Municipal Airport Authority held February 24, 1998.

Second by Ms. Jordan.

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

Approved the Airport Vouchers Totalling:

Mr. Myers moved to approve the airport vouchers totalling \$29,985.75.

Second by Ms. Jordan.

On the call of the roll, members Walstad, Myers, Jordan, Pawluk and Macdonald voted aye.

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

Approved the Individual Voucher to Ulteig Engineers, Inc.:

Mr. Myers moved to approve the individual voucher in the amount of \$2,435.00 to Ulteig Engineers, Inc. for partial payment request for engineering services in connection with the Cass County Drain #10 Environmental Assessment.

Second by Mr. Pawluk.

On the call of the roll, members Walstad, Myers, Jordan, Pawluk and Macdonald voted aye.

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

Approved the Individual Voucher to Ulteig Engineers, Inc.:

Mr. Myers moved to approve the individual voucher in the amount of \$3,988.53 to Ulteig Engineers, Inc. for Partial Payment Request for engineering services in connection with the Air Cargo Apron and Access Road Project, AIP No. 3 38 0017 20.

Second by Mr. Pawluk.

On the call of the roll, members Walstad, Myers, Jordan, Pawluk and Macdonald voted aye.

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

Approved the Individual Voucher to Michael J. Burns Architects, Inc.:

Mr. Myers moved to approve the individual voucher in the amount of \$11.48 for partial payment request for professional services in connection with the Hangar #2 roofing project.
Second by Mr. Pawluk.

On the call of the roll, members Walstad, Myers, Jordan, Pawluk and Macdonald voted aye.
No member being absent and none voting nay the motion was declared carried.

Received Report on Engineering Firm Interviews Conducted February 10, 1998:

Mr. Dobberstein stated interviews of engineering firms were held February 10, 1998. He stated the three engineering firms responding to our request for proposals were Houston Engineering, Moore Engineering and Ulteig Engineers, Inc. He stated four of the five Authority members were present and results of the interview and rating process were distributed.

Mr. Dobberstein stated after review and tabulation of the rating sheets it is his recommendation that Ulteig Engineers, Inc. be awarded the engineering contract as they were the firm that scored the highest on all four of the rating sheets. He stated the term of the contract will be a minimum of three years and a maximum of five years.

Mr. Myers moved the Airport Authority accept the recommendation of the Director and name Ulteig Engineers, Inc. the Airport Authority's engineering firm for the next three years.
Second by Mr. Walstad.

Mr. Myers stated he feels part of this board's efforts should be to share any thoughts or ideas with any engineering firms that might want to gain some experience in airport engineering. He stated he does not feel it is any secret that it is very difficult for anyone to defeat a resident engineering firm because of the uniqueness of the FAA requirement that a firm have current airport experience. He stated he would like to be a part of any effort to help any other engineering firm interested in gaining some airport experience. Mr. Myers stated this is not to say that Ulteig is not doing a good job, they are doing a great job and he is very satisfied with the service the airport has received from Mr. Schon.

Mr. Schon stated there is a lot of other public work their firm would like to have but in those situations the tables are turned and there are other firms with more experience in those particular areas.

Mrs. Jeannette Stanton was recognized and stated the Airport Authority just completed the process of opening this contract up to all engineering firms. The firms that were interested made their proposals and the Airport Authority chose the best qualified firm for the job. She stated she faced this same situation when she served on the Cass County Commission hearing from some engineering firms that they were shut out. She stated it is not the Airport Authority's job to make sure that distribution of the work is fair but rather that the most qualified firm is hired to do the job. Mrs. Stanton stated she does not know why the Airport Authority would not award a five year contract.

Mr. Myers stated his reason for not suggesting five years rather than three is that he does not want this particular board to bind future boards.

Chairman Macdonald called for a vote on the motion.

On the call of the roll, members Walstad, Myers, Jordan, Pawluk and Macdonald voted aye.
No member being absent and none voting nay the motion was declared carried.

Received Communication from The Barnstormer Requesting Extended Parking Promotion Program:

Mr. Dobberstein stated that last fall the Barnstormer received approval from the Airport Authority to enter into an agreement with APCOA, Inc. to offer reduced parking rates for their customers after 5:00 p.m. in an attempt to increase their evening business. He stated this was done on a trial basis and both the Barnstormer and APCOA have indicated it has been successful. Mr. Dobberstein stated the Barnstormer would like to continue this program and also extend it to the bar's entire business day on Saturdays (11:00 a.m. to 1:00 a.m.). He stated they feel this would increase the Saturday business in the bar.

Mr. Walstad moved to approve the request to extend the special parking rates for the Barnstormer as outlined.

Second by Ms. Jordan.

Mr. Pawluk asked if this extension will be indefinite.

Mr. Dobberstein stated this program is tightly controlled and we can continue to monitor the progress for 90 days and review it again after that period.

Mr. Pawluk asked if we have some figures on how many people are taking advantage of this.

Mr. Dobberstein stated the average seems to be about 10 12 people per evening with up to 30+ with some special events such as a dart league.

Chairman Macdonald stated he is trying to get some other information on long term parking. He stated the bottom line is it would be better to get someone to come out here and spend a dollar in the parking lot rather than not coming out at all. He stated this will also help to keep our bar and restaurant going. He stated obviously a bar and cafe in an airport this size is a service and is not a profit center for us. He added that we have to come up with ways to increase that business.

Chairman Macdonald called for a vote on the motion.

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

Authorized Replacement of Airport Fax Machine:

Mr. Dobberstein stated we have received informal proposals for the purchase of a plain paper fax machine. Proposals on comparable machines were received from the following:

Mita LDC 780	\$1,398.00
Ricoh 3800L	\$2,209.00

Mr. Pawluk moved to authorize the purchase of a plain paper fax machine to be selected by the Director and staff.

Second by Ms. Jordan.

On the call of the roll, members Walstad, Myers, Jordan, Pawluk and Macdonald voted aye.

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

Authorized Replacement of Airport Floor Burnisher:

Mr. Dobberstein stated the floor burnisher we purchased ten years ago needs to be replaced. He stated we have received informal proposals from suppliers and they have indicated our current unit has no trade in value so we will try to dispose of that at the City's auction.

Mr. Dobberstein distributed figures on the machines proposed. Mr. Dobberstein indicated Mr. Heck would like to purchase the Minuteman M2700 floor burnisher for \$3,391.50.

Ms. Jordan moved to authorize the purchase of the recommended floor burnisher.

Second by Mr. Pawluk.

On the call of the roll, members Walstad, Myers, Jordan, Pawluk and Macdonald.

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

Received Updated from Airport Construction Projects:

Mr. Dobberstein stated we have received verbal confirmation of federal discretionary funds in the amount of \$270,000 for a snow blower. He stated announcements of these awards must come through one of our congressional representatives. Mr. Dobberstein stated our airfield maintenance staff has looked at a Stewart Stevenson snowblower in Brainerd and liked the performance. He stated we are also trying to set up a time to look at an Osh Kosh blower in Aberdeen. He stated once we receive congressional disclosure of the money and confirmation from the FAA Airports District Office in Bismarck we will put out plans and specifications.

Chairman Macdonald recommended we advertise the plans and specifications and receive bids based on the availability of money.

Mr. Dobberstein stated we are also working on disposing of our 1980 Snoblast for which we are no longer able to get parts. He stated Sioux Falls has the same problem with a 1978 Snowblast but they are interested in acquiring our machine and using parts from their machine to have at least one operating unit. He stated he would like authorization to work with the Sioux Falls airport on this acquisition, provided we receive fair market value for the unit.

Mr. Pawluk moved the Director be authorized to prepare plans and specifications for the purchase of a snowblower and that he also be authorized to continue discussions with the inter agency trade of the 1980 Snowblast, provided fair market value is obtained for that unit.

Second by Ms. Jordan.

Mr. Myers expressed his concern about disposing of equipment too soon. He stated there are tremendous resources in this city to repair equipment for which parts are not available. He stated there are firms in Fargo that can fabricate those parts. He asked if we really want to give up on a machine. He stated he feels we need more new equipment but keeping the old equipment as well may not be a bad idea.

Mr. Dobberstein stated if we were to dispose of the 1980 Snowblast, we still have a 1980 Oshkosh, a 1943 Snogo, and a 1990 Sicard Snowblast, as well as the new unit. He added that we also have access to the Guard's snowblowers.

Chairman Macdonald called for a vote on the motion.

On the call of the roll, members Walstad, Myers, Jordan, Pawluk and Macdonald voted aye.

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

Mr. Wes Schon stated the first part of April we will be advertising for the airport beacon relocation project, storm sewer improvements on the south general aviation area and Taxiway A, paving and fence relocation at the approach to Runway 35. He stated he discussed this overrun area with Irene Porter, Airport District Office, and this item has been a request of the FAA Airway Facilities people in Fargo for a while.

With regard to the beacon relocation, Mr. Pawluk stated he finds it hard to find the airport beacon while flying in at night. He asked if the beam needed to be adjusted.

Mr. Schon stated when they relocate the beacon they will be sure to check that and adjust it as necessary.

Mr. Dobberstein stated Airborne's developer, MDC Inc., and their project contractor are going to hold a preconstruction conference on Wednesday at 1:00 p.m. for their building project.

Mr. Dobberstein stated that on Friday, March 6, we held a meeting with the airlines regarding our PFC application. He stated Northwest Airlines was represented by Mr. John DeCoster, and Mesaba Aviation was represented by Mr. Phil Burke. These were the only two airlines represented. Mr. Dobberstein stated the air carrier objected to collecting the PFC for air cargo and general aviation projects. He stated the other airlines paying PFCs will have 30 days to respond in writing. He stated all

Received Updated from Airport Construction Projects: (Continued)

of these comments will be included with our justification for the projects and then submitted to the Bismarck FAA office. He stated it is possible the FAA will side with the air carriers and they will not allow us to recap our 10% portion of the air cargo apron project and north general aviation projects. He stated they also had some negative comments on the replacement of the access road lights and the passenger loading bridge.

Received Update from Attorney Stewart on Riviera Heights Shelterbelt:

Attorney Stewart stated he has drafted an agreement between the Airport Authority and the Riviera Heights Trailer Park for the land on which they will plant a shelterbelt. In this agreement the Airport Authority reserves the right to take back the land at any time. He stated Riviera Heights has now requested that we move the shelterbelt 50 to 60 feet north with the thought of purchasing that land to expand their trailer park. Attorney Stewart indicated the FAA will not allow the sale of airport land for housing and he advised the Riviera Heights representatives of this. He stated he just wanted the Airport Authority members to be aware of this should they be approached on the subject.

Attorney Stewart added that the agreement with the trailer park also provides a covenant that the residents of the park will not complain about the airport or the sewage treatment plant. He added that it also protects the Airport Authority from the responsibility of damage to the shelterbelt by a tenant farmer.

Other Business:

Mr. Pawluk stated the President's proposed budget for 1999 contains a proposals that intends to make the FAA entirely funded by user fees. He stated when you first look at this proposal it sounds like a good idea but we have to recognize where the FAA funding comes from now. He stated their funding now comes from fuel and ticket taxes and about 15% from the general treasury of the United States. Mr. Pawluk stated this change would really change Hector Airport because under the proposal it is suggested that every time you use any service related to the air traffic control system in place there would be a charge for that. He stated the ultimate result is that we would see a shift in general aviation to non towered airports. He stated he does not see how this proposal would pass in Congress in its present form but he wanted to make everyone aware of this.

Mr. Pawluk asked Mr. Dobberstein where we are at with the Southeast General Aviation area and what is the next step in our plan.

Mr. Dobberstein stated the board recently directed him to get some preliminary estimates on painting the private hangars in the southeast area in order to conform to a color scheme once the board makes that decision. He stated he has received some preliminary estimates and now the board will need to discussion some options on how that will be handled and to what extent the Airport Authority would participate in the cost.

Mr. Pawluk asked if Mr. Dobberstein would present to the board at the next meeting a schedule of items that need to be resolved in our action plan for the south general aviation area.

Other Business: (Continued)

Mr. Myers stated last week he followed up on an article he read in the Arizona Republic on the Williams Gateway Airport in Mesa. He stated the city took over the airport and established a foreign trade zone. He stated he talked to the Director of Sales, Mary Baldwin, and she indicated she would correspond with Mr. Dobberstein on the steps they took to achieve the foreign trade zone. He stated he feels some dialogue would have some merit and would enhance our industrial development efforts.

Ms. Jordan suggested contacting someone involved with the Red River International Trade Council, which was a group that some time ago was making a major push for a foreign trade zone. She stated she is not sure what happened to this group or their effort but there must still be some support and knowledgeable people locally who would have valuable input.

Chairman Macdonald stated he feels it would be in the Airport Authority's best interest to request that our congressional delegation disapprove of the proposed code sharing agreement between Northwest Airlines and Continental Airlines.

Mr. Myers moved the Airport Authority send letters to our congressional delegation asking them to do everything within their power to see that the proposed alliance between Continental Airlines and Northwest Airlines is defeated due to its anti trust characteristics and the stifling effect it will have on airline competition.

Second by Mr. Pawluk.

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

Adopted Resolution Opposing the Proposed Alliance Between Continental Airlines and Northwest Airlines:

Mr. Myers offered the following resolution and moved its adoption:

WHEREAS, the Municipal Airport Authority of the City of Fargo, North Dakota, has been advised of the proposed alliance between Continental Airlines and Northwest Airlines, and

WHEREAS, the Municipal Airport Authority believes the proposed alliance reduces the number of airlines we can approach in an effort to secure additional air service opportunities for the travelling public's benefit, and

WHEREAS, it is the position of the Municipal Airport Authority that the proposed alliance should be declared anti competitive and the proposed alliance is not in the best interest of the travelling public,

NOW, THEREFORE, BE IT RESOLVED, that the congressional delegation representing North Dakota be advised of the Municipal Airport Authority's position, and

BE IT FURTHER RESOLVED that the individual members of the Municipal Airport

Authority: Chairman General Alexander P. Macdonald, Vice Chairman Mr. Ken Pawluk, Mr. R. Tracy Myers, Ms. Bonnie Jordan, and Mr. Richard Walstad, do hereby individually and collectively support this position and request the North Dakota congressional delegation to oppose the proposed alliance that would threaten the number of air carriers available to provide competitive air service to the travelling public, and the congressional delegation should communicate this position to the appropriate governmental agencies responsible for reviewing and ultimately responsible for final approval to make certain they understand that their approval would further reduce competition among airlines.

BE IT FURTHER RESOLVED that this resolution be inscribed upon the permanent minutes of the Municipal Airport Authority and certified copies be forwarded to Senator Kent Conrad, Senator Byron Dorgan, and Congressman Earl Pomeroy.

Second by Mr. Pawluk.

On the call of the roll, members Walstad, Myers, Jordan, Pawluk and Macdonald voted aye. No member being absent and none voting nay the resolution was declared duly passed and adopted.

Adopted Resolution of Sympathy to the Family of William Sweeney:

Mr. Pawluk offered the following resolution of sympathy to the family of William Sweeney, father of Pat Sweeney and Jim Sweeney:

WHEREAS, It is with profound sorrow that the Municipal Airport Authority of the City of Fargo, North Dakota, learned of the death of Mr. William Sweeney, father of Mr. Pat Sweeney and Mr. Jim Sweeney, owners of Weather Modification Incorporated and Fargo Jet Center, and

WHEREAS, the Sweeney family has lost a beloved member of their family and the community of Fargo has lost a dedicated citizen but will long remember his contributions to our community.

NOW, THEREFORE, BE IT RESOLVED, That the Municipal Airport Authority of the City of Fargo, North Dakota, does hereby express its heartfelt condolences to the Sweeney family.

NOW, THEREFORE, 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 be forwarded to the family of Mr. William Sweeney.

Seconded by Mr. Walstad.

On the call of the roll, members Walstad, Myers, Jordan, Pawluk and Macdonald voted aye.

No member being absent and none voting nay the resolution was declared to have been duly passed and adopted.

Ms. Jordan moved to adjourn the meeting of the Municipal Airport Authority until the next regular meeting to be held Tuesday, March 24, 1998, at 9:00 a.m. in the Airport Boardroom.

Second by Mr. Pawluk.

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

Time at adjournment was 10:32 a.m.

Regular Meeting

Tuesday

March 24, 1998

The regular meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held Tuesday, March 24, 1998, at 9:00 a.m. in the Airport Boardroom.

The members present or absent were as follows:

Present: Walstad, Jordan, Macdonald

Absent: Myers, Pawluk

Others: Stewart, Eldred

Chairman Macdonald presiding.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held March 10, 1998:

Ms. Jordan moved to approve the minutes of the regular meeting of the Municipal Airport Authority held March 10, 1998.

Second by Mr. Walstad.

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

Approved the Airport Vouchers Totalling \$36,935.08:

Mr. Walstad moved to approve the airport vouchers totalling \$36,935.08.

Second by Ms. Jordan.

On the call of the roll, members Walstad, Jordan and Macdonald voted aye.

Absent and not voting: Myers, Pawluk

The motion was declared carried.

Approved the Individual Voucher to Obermiller Nelson Engineering:

Ms. Jordan moved to approve the individual voucher in the amount of \$476.00 to Obermiller Nelson Engineering for partial payment request for engineering services in connection with the Westside Terminal tug concourse HVAC analysis.

Second by Mr. Walstad.

On the call of the roll, members Walstad, Jordan and Macdonald voted aye.

Absent and not voting: Myers, Pawluk

The motion was declared carried.

Approved the Individual Voucher to R.M. Hoefs & Associates:

Ms. Jordan moved to approve the individual voucher in the amount of \$500.00 to R.M. Hoefs & Associates for property appraisal fees for the sale of a parcel of land to Dakota Fence Company.

Second by Mr. Walstad.

On the call of the roll, members Walstad, Jordan and Macdonald voted aye.

Absent and not voting: Myers, Pawluk

The motion was declared carried.

Amended Minutes from the Meeting of the Municipal Airport Authority Held February 24, 1998:

Mr. Dobberstein stated Mr. Robert Hamilton requested an amendment to the minutes of the meeting held February 24, 1998, on the discussion regarding fuel tank guidelines. The minutes showed Mr. Hamilton stated that he "has pictures of airplanes showing their tail numbers fueling at those tanks...". Mr. Dobberstein stated that Mr. Hamilton advised him that he did not say he had pictures but asked what the Authority would do if he could produce pictures.

Mr. Dobberstein stated the wording would be changed to read:

"He asked what action the Airport Authority would take if he could produce

pictures of airplanes showing their tail numbers fueling at those tanks and he does not believe the owners of those aircraft are authorized members."

Mr. Walstad moved to approve the amendment to the minutes as proposed.

Second by Ms. Jordan.

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

City of Fargo Planning Department to Discuss Proposed Zoning Change for Public Property:

Mr. Dobberstein distributed copies of an Application for Zoning Map Amendment requesting the zoning of airport property be changed from airport/agricultural to public/institutional.

Mr. Erik Johnson was recognized and stated for the last couple of years the Planning Commission, and consequently the City Commission, has been working on adopting a Land Development Code. He stated one of the new types of zoning districts would be Public/Institutional, which would include schools, courthouses, jail complex, university campus, etc. He stated the airport would be another example that would fit into this category. He stated the idea behind this zoning is to allow for certain uses and allow construction to occur without necessarily having Planning Commission involvement. He stated under the old plan if one of these entities wanted to construct a building on their property they had to go before the Planning Commission for approval. He stated the benefit to the airport would be that aviation related projects on the airport could occur without any review by the Planning Commission, unless the project itself is within 300 feet of a residential zoning district. He added that even if it is a project where a review would normally be required, that could be avoided if the airport has a Master Plan.

Mr. Dobberstein asked if there would be any change in the taxation to the leaseholders if the zoning were changed.

Attorney Stewart indicated this zoning change should not change the taxation at all. He added that this is something the City should have done under the old zoning law but the airport remained agricultural.

Mr. Dobberstein stated the airport also has a Master Plan and this received approval not only from the FAA but also from the Planning Commission.

Mr. Johnson stated even if there were some variance from the airport's Master Plan this zoning change would allow for that and not require Planning Commission approval.

Mr. Dobberstein stated he just wants assurance that the contractors who have already received approval for their upcoming projects this year are not going to run into roadblocks, such as problems receiving building permits, due to this zoning change.

Mr. Dobberstein asked Mr. Johnson to confirm that those projects will not be affected.

Mr. Johnson indicated those projects would not be affected.

Mr. Dobberstein stated that, based on Mr. Johnson's comments that this would not affect projects that have been approved, he would recommend the Airport Authority submit the Application for Zoning Map Amendment to the Board of City Commissioners.

City of Fargo Planning Department to Discuss Proposed Zoning Change for Public Property:
(Continued)

Ms. Jordan moved to approve the Application for Zoning Map Amendment as presented.

Second by Mr. Walstad.

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

Receive Communication from the Federal Aviation Administration Advising Allocation of Federal Funds:

Without objection the communication was received and filed.

Mr. Dobberstein read a communication from the Federal Aviation Administration advising that they have approved discretionary funding in the amount of \$270,000 for the purchase of a snowblower. Mr. Dobberstein stated this item must be advertised three times and bids must be received by May 1, 1998.

Approved Specifications and Authorized Advertising for Rotary Snowblower:

Mr. Dobberstein stated and FAA requirement for this equipment purchase is that at least two manufacturers be able to meet the specifications. He stated we have been looking at different machines available and have been working on drafting the specifications.

Ms. Jordan moved the Executive Director be authorized to advertise for the purchase of a snowblower, following the required FAA procedures, with a bid award to be the second meeting in April.

Second by Mr. Walstad.

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

Receive Update from Francis Butler Regarding South General Aviation Area Hangar Project, Authorize Installation of Additional Fire Hydrant, Approve Lease Terms:

Mr. Francis Butler was recognized and presented the final blueprints for the proposed hangar in the southeast general aviation area. He stated these final plans have also been submitted to the City for their review and approval.

Mr. Butler stated the building will be 80' wide by 60' deep, all steel, with a 20' sidewall. He stated that the City of Fargo has approved his plans with the exception of the need for one additional fire hydrant in that area.

Mr. Butler also indicated he is requesting a 20 year lease on the property.

Mr. Dobberstein stated the fire hydrant would also benefit the other hangar owners in that area and is estimated to cost \$5,000.

Chairman Macdonald asked if this is the best location for that hydrant or would there be another location where it would cover more area.

Mr. Dobberstein stated he talked to Norm Scott, Fire Marshall, and this is the best location for that hydrant.

Mr. Butler indicated he has chosen Colonial White with Charcoal trim as the color scheme for the hangar. He added that color is not important to him so if the board had a problem with those colors and would rather see something else he would be willing to change that.

Mr. Butler stated before the City will issue a building permit they need in writing from the Airport Authority that the additional fire hydrant will be installed. Mr. Dobberstein indicated he could get bids for the installation of the fire hydrant.

Receive Update from Francis Butler Regarding South General Aviation Area Hangar Project, Authorize Installation of Additional Fire Hydrant, Approve Lease Terms:
(Continued)

Ms. Jordan moved to approve the installation of the fire hydrant in the most advantageous location and that we send a communication to the Fire Department assuring them that the hydrant will be installed.

Second by Mr. Walstad.

On the call of the roll, members Walstad, Jordan and Macdonald voted aye.

Absent and not voting: Myers, Pawluk

The motion was declared carried.

Mr. Butler indicated in addition to a 20 year lease he is also requesting a 90 day right of first refusal on the lot adjacent to his.

Mr. Dobberstein stated he would concur with Mr. Butler's request for a 20 year lease. He indicated the Airport Authority has committed to the revitalization of the southeast general aviation area and he would have no problem with this term.

Chairman Macdonald stated the board's concern with lease terms in that area has been on existing buildings, not new buildings.

Mr. Walstad moved the Airport Authority approve Mr. Butler's request for a 20 year lease on the lot designated for his proposed hangar, that Mr. Butler be awarded a 90 day right of first refusal on the adjacent lot, and that the Authority approve the construction of his proposed hangar, subject to receipt of a building permit from the City of Fargo.

Second by Ms. Jordan.

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

Mr. Dobberstein added that the leased area would be the footprint of the building plus five feet on all sides.

Discussed Proposed Amendment to Fuel Tank Guidelines:

Mr. Dobberstein stated the Airport Authority approved the "Guidelines for the Installation of an Above/Below Ground Aviation Fuel Tank" on February 24, 1998. Prior to the approval of these guidelines all fuel tank owners and FBOs were provided with a copy of the preliminary/proposed guidelines for their review and comment. He stated no comments were received from any of the tank owners prior to the February 24 meeting. Mr. Preston North was present at the meeting and raised some questions about the guidelines. Mr. Jim Sweeney also requested an amendment to the guidelines with a change in wording regarding the availability of fuel purchase receipts for review by the Airport Authority.

Mr. Dobberstein stated that after the guidelines were adopted it was brought to his attention that the language referred to "tank owner" and both the ABHN tank and the Fargo Air tank have multiple owners or shareholders. He indicated with the concurrence of the board he will amend the wording to include multiple owners. He stated the bottom line is that we still do not allow retail sales to the public.

Mr. Tom Kenville was recognized and stated he is a shareholder in a limited liability corporation that owns an aircraft and a hangar on the airport. He indicated they also have an interest in the Fargo Air tank. He stated he received a letter from Mr. Ralph Lileks advising that no unauthorized persons are to fuel aircraft from that tank. He stated that tank has 24 members and last month pumped only 200 gallons of fuel, 100 of which he used himself.

Mr. Kenville stated the real issue is that the tank owners do not want unauthorized people using their tank. He stated if a person other than himself is fueling his aircraft he can assure the board that person is trained and authorized to fuel the aircraft from that tank. He stated they often have a charter pilot flying their aircraft and even though he is not listed as an owner he is fueling that

Discussed Proposed Amendment to Fuel Tank Guidelines: (Continued)

aircraft on his behalf and should be allowed to do so. Another example he gave is that if he flies somewhere with another pilot in that pilot's aircraft and he agrees to provide the fuel for the trip he will provide the fuel from that tank. He stated the Fargo Air tank was installed in 1987 and since that time has dispensed only 274,000 gallons. He stated he is asking for this clarification in the guidelines so there are no problems in the future.

Attorney Stewart stated he reviewed the amendment with Mr. Dobberstein and he feels the amended wording is fine.

Ms. Jordan moved the Airport Authority accept the Director's recommendation to amend the guidelines as outlined.

Second by Mr. Walstad.

Chairman Macdonald reiterated that is the direct responsibility of the tank owners that these guidelines not be violated and any violation will result in termination of the lease.

Chairman Macdonald called for a vote on the motion.

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

Received Communication from Obermiller Nelson Engineering Regarding Tug Concourse Ventilation Tests:

Without objection the communication was received and filed.

Mr. Dobberstein stated that Obermiller Nelson Engineering has been retained to conduct an analysis of the HVAC system in the tug concourse and are in the process of overseeing the project to install an air handling unit in the makeup area. He stated sometime ago the board directed Mr. Obermiller to conduct another carbon monoxide test during cold weather. Mr. Dobberstein stated that test was conducted and the results have been provided. He stated the results of the test gave us conclusive proof that the carbon monoxide levels in the tug concourse were found to be within OSHA standards. He added that he has provided this information to Northwest Airlines.

Approved Dakota Air Parts International, Inc. Lease Agreement for Space in the Eastside Terminal:

Mr. Dobberstein stated last summer Mr. K.C. Hemelstrand located his business (AvSupport Online) in the Eastside Terminal. He stated Mr. Hemelstrand has a related business, Dakota Air Parts International, Inc. and is requesting to lease space in the Eastside Terminal.

Mr. Dobberstein stated Dakota Air Parts International, Inc. is an aviation related products distributor and this brought up some concern about competition or conflict with other operators on the field.

Mr. Hemelstrand was recognized and stated Dakota Air Parts is primarily an international operation and not general aviation related. He stated they do not solicit nor do they sell to anyone coming to them to make a purchase. He stated they mainly sell parts for helicopters.

Chairman Macdonald asked Mr. Hemelstrand if it is vital to their business that they be located on the airport.

Mr. Hemelstrand indicated it was not vital that they be on the airport. Mr. Hemelstrand added that he would even propose that his lease contain a clause that he not be allowed to sell to anyone on the airport.

Mr. Robert Hamilton, Valley Aviation, was recognized and stated he and Mr. Hemelstrand have spoken over the phone on this matter and he has no problem with Mr.

Approved Dakota Air Parts International, Inc. Lease Agreement for Space in the Eastside Terminal:
(Continued)

Hemelstrand operating on the airport. He stated Mr. Hemelstrand is a customer of Valley Aviation and poses no threat to their business.

Mr. Dobberstein indicated he appreciated hearing that.

Mr. Walstad moved the Airport Authority approve the lease with Dakota Air Parts, International, Inc., subject to final approval by the Executive Director and Attorney.

Second by Ms. Jordan.

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

Approved Army Corps of Engineers (Phoenix Air/Faker Program) Lease for Hangar #9:

Mr. Dobberstein stated the Airport Authority's lease with the Army Corps of Engineers for Hangar #9, which houses the Phoenix Air/Faker Program, expired at the end of September 1997. He stated the Army Corps of Engineers has requested a one year extension of this lease at the current rate of \$3,500 per month. He stated there are rumors that the Faker Program will be leaving Fargo but that has not been confirmed and they wish to continue the lease.

Mr. Dobberstein stated the extension of this lease is long over due but we have been waiting on the Corps of Engineers.

Ms. Jordan moved to approve the extension of lease with the Army Corps of Engineers on Hangar #9 for the period October 1, 1997 through September 30, 1998.

Second by Mr. Walstad.

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

Authorized Replacement of Airport Vehicle Under State of North Dakota Bid System:

Mr. Dobberstein stated we need to replace a 1987 GMC half ton pickup. He stated we are able to obtain a 1998 Dodge under the state bid contract for \$14,873 (sticker price of \$20,090).

Mr. Walstad moved to approve the purchase of a 1998 Dodge pickup under the state bid contract for a price not to exceed \$14,873.

Second by Ms. Jordan.

On the call of the roll, Walstad, Jordan and Macdonald.

Absent and not voting: Myers, Pawluk

The motion was declared carried.

Ms. Jordan moved to adjourn the meeting of the Municipal Airport Authority until the next regular meeting to be held Tuesday, April 14, 1998, at 9:00 a.m. in the Airport Boardroom.

Second by Mr. Walstad.

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

Time at adjournment was 10:03 a.m.

Regular Meeting

Tuesday

April 14, 1998

The regular meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held Tuesday, April 14, 1998, at 9:00 a.m. in the Airport Boardroom.

The members present or absent were as follows:

Present: Walstad, Myers, Jordan, Pawluk, Macdonald

Absent: None

Others: Stewart, Bromenschenkel, Eldred

Chairman Macdonald presiding.

Approved the Minutes of the Regular Meeting Held March 24, 1998:

The minutes of the regular meeting of the Municipal Airport Authority held March 24, 1998, were received without objection.

Approved the Airport Vouchers Totalling \$39,673.82:

Mr. Myers moved to approve the airport vouchers totalling \$39,673.82.

Second by Mr. Walstad.

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

Approved the Individual Voucher to Michael J. Burns Architects:

Mr. Pawluk moved to approve the individual voucher in the amount of \$4.80 to Michael J. Burns Architects for partial payment request for engineering services in connection with the Hangar #2 roofing project.

Second by Mr. Walstad.

On the call of the roll, members Walstad, Myers, Pawluk and Macdonald voted aye.

Absent and not voting: Jordan

The motion was declared carried.

Approved the Individual Voucher to Ulteig Engineers, Inc.:

Mr. Pawluk moved to approve the individual voucher in the amount of \$1,764.75 to Ulteig Engineers, Inc. for partial payment request for engineering services in connection with the Air Cargo Apron and Access Road Project, AIP #3 38 0017 20.

Second by Mr. Walstad.

On the call of the roll, members Walstad, Myers, Pawluk and Macdonald voted aye.

Absent and not voting: Jordan

The motion was declared carried.

Approved the Individual Voucher to Ulteig Engineers, Inc.:

Mr. Pawluk moved to approve the individual voucher in the amount of \$1,165.14 to Ulteig Engineers, Inc. for partial payment request for engineering services in connection with the Cass County Drain #10 Environmental Assessment.

Second by Mr. Walstad.

On the call of the roll, members Walstad, Myers, Pawluk and Macdonald voted aye.

Absent and not voting: Jordan

The motion was declared carried.

Approved the Individual Voucher to Ulteig Engineers, Inc.:

Mr. Pawluk moved to approve the individual voucher in the amount of \$539.50 to Ulteig Engineers, Inc. for engineering services in connection with the cargo area property survey.

Second by Mr. Walstad.

On the call of the roll, members Walstad, Myers, Pawluk and Jordan voted aye.

Absent and not voting: Jordan

The motion was declared carried.

Approved the Westside Terminal HVAC and Temperature Control Preventative Maintenance Agreement Fee Adjustment:

Mr. Dobberstein stated he received a communication from Robert Gibb & Sons, Inc. advising of a rate increase in our HVAC Preventative Maintenance Agreement from \$681.00 to \$720.00, and from \$350.00 to \$371.00 on our Temperature Control Preventative Maintenance. Mr. Dobberstein stated he reviewed the change and everything is in order. He added that Robert Gibb & Sons does an excellent job for us.

Mr. Pawluk moved to approve the fee adjustment in the HVAC and Temperature Control Preventative Maintenance Agreements with Robert Gibb & Sons, Inc.

Second by Mr. Myers.

On the call of the roll, members Walstad, Myers, Pawluk and Macdonald voted aye.

Absent and not voting: Jordan

The motion was declared carried.

Received Communication from the Federal Aviation Administration Advising of DBE Goal Approval for Fiscal Year 1998:

Mr. Dobberstein stated he received a communication from the Federal Aviation Administration advising that they have approved our Disadvantaged Business Enterprise goals for the period October 1, 1997 through September 30, 1998

The communication dated March 23, 1998, was received without objection.

Approved Plans and Specifications and Authorize Advertisement for 1998 Construction Projects:

Mr. Wes Schon, Ulteig Engineers, Inc., was recognized and stated there are a number of projects, mostly in the southeast general aviation area, scheduled to be completed this summer.

Mr. Schon stated one item is the drainage improvements along Taxiway A.

Mr. Schon stated the overrun area for Runway 35 is beyond its useful life. He stated FAA Airway Facilities has requested something be done about this area.

Mr. Schon stated we are planning to make improvements to the storm sewer in the southeast general aviation area. He stated the existing pipe is the old clay pipe and a lot of that has collapsed.

Approved Plans and Specifications and Authorize Advertisement for 1998 Construction Projects:
(Continued)

Mr. Schon stated the final item is to relocate the beacon from the old tower to the former National Weather Service radar tower.

Mr. Myers stated there is a major overhaul of the utility lines needed in the southeast general aviation area and he asked if the improvements being proposed would have to be done over in the future when the rest of the utilities are repaired or replaced.

Mr. Dobberstein stated there is a coordinated effort to make sure the things we do now will not be disturbed in the future.

Mr. Schon stated that the Street Department is still requesting that we straighten out the snow fencing along 19th Avenue North as it affects the snow accumulation on 19th in the winter.

Mr. Dobberstein stated it is very possible that we could bid the fence portion of the project and then if the FAA finds that it is not feasible that portion could be taken out of the bid. Estimated cost of the fencing portion is \$12,000.

Ms. Jordan now present.

Mr. Schon stated there are also some areas of pavement in the southeast general aviation area that have settled and we will be doing some mudjacking to level those areas.

Mr. Dobberstein stated a portion of the funding source for these projects is the remainder of funds from the Air Cargo Apron Project (3 38 0017 20), which is approximately \$104,000. He stated the FAA has approved these projects and they will be added to AIP 3 38 0017 20. The engineer's total estimate for these projects is \$175,000.

Mr. Pawluk moved to approve the project plans as outlined and authorized advertisement for bids.

Second by Mr. Walstad.

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

Received Update from Metropolitan Council of Governments (METRO COG) Regarding Cass County 20/Airport Traffic Impact Study:

The Cass County Road 20/Clay County Road 22 Corridor Study was received and filed without objection.

Ms. Cindy Gray, METRO COG, was recognized and stated as part of their work

program for 1998 they conducted a traffic impact study of the Hector Airport air cargo facility and other future development along the corridor. She stated that with the opening of the new cargo facility this year and future development in that area, County 20 will see more traffic, especially truck traffic. Ms. Gray reviewed an outline containing ten phases as follows:

- Phase I Begin Study
- Phase II Formulate Future Development Projections
- Phase III Circulation and Access Alternatives
- Phase IV Convene Study Review Committee
- Phase V Trip Generation, Distribution, and Traffic Assignment
- Phase VI Future Roadway Improvements
- Phase VII Feasibility of Railroad Container Facility at Airport
- Phase VIII Public Involvement
- Phase IX Prepare Draft Report
- Phase X Adoption Process

Received Update from Metropolitan Council of Governments (METRO COG) Regarding Cass County 20/Airport Traffic Impact Study: (Continued)

Ms. Gray explained that the Study Review Committee will consist of representatives of the following entities:

- Cass County Engineering
- Cass County Planning
- Fargo Planning
- Fargo Engineering
- Oakport Joint Powers Board
- Economic Development Parties
- Hector Airport Authority

Ms. Gray stated we might also want to include representatives from the residential areas near the airport, such as Highland Park, and also Mark Holzer from the ND Aeronautics Commission.

Mr. Myers stated in reading this document he finds no reference to the possibility of extending Runway 17/35 to the north, not in the foreseeable future but possibly in the future. He stated he would like to have the latitude to extend that runway and relocate County 20.

Chairman Macdonald stated as long as we have clear space and the Authority owns the land it should not be a problem. He stated the Airport Authority may have to participate in the cost of relocating County 20. He agreed it should be included in this study.

Ms. Gray indicated another major part of this study was to look at the feasibility of having an intermodal cargo facility at the airport in addition to the one in Dilworth. The benefit of that would be eliminating the truck trips between the Dilworth terminal and the airport when containers are transferred from a train car to an airplane.

Mr. Myers stated he also feels the possibility of a free trade zone should be included in this study and the impact that would have. He stated Mr. Dobberstein has been in contact with other airports who have free trade zones and is up to speed on that issue.

Ms. Jordan asked the estimated time frame on this study.

Ms. Gray stated they anticipate being completed by the end of the year. She stated based on her present workload she expects to be able to get into this project heavily by June.

Approved Lease Agreement with Aeronautical Radio Inc. Requesting Westside Terminal Space:

Mr. Dobberstein stated that Aeronautical Radio Inc. is presently using space on the sixth floor of the Eastside Terminal for their equipment. This is the equipment used to register arrival and departure times of the airlines. He stated he has notified Aeronautical Radio of the planned destruction of the tower structure on the Eastside Terminal so they can make plans to relocate their equipment.

Mr. Dobberstein stated they have indicated an interest in locating their equipment in the basement of the Westside Terminal, as well as an antennae on the roof of the building. He stated they are looking at leasing 20 square feet of space in the basement and the radio equipment will be placed on the wall. Mr. Dobberstein stated Attorney Stewart has reviewed the agreement and concurs with the intent and language.

Ms. Jordan moved to approve the agreement with Aeronautical Radio Inc. as outlined.

Second by Mr. Pawluk.

Mr. Myers stated the cost of administering a \$25 a month lease is probably more than the \$300 annual fee and maybe we should look at setting a higher minimum amount.

Chairman Macdonald stated in reviewing the \$200 per month minimums for FBOs which were set twenty years ago and feels we should review those and consider an increase.

Approved Lease Agreement with Aeronautical Radio Inc. Requesting Westside Terminal Space:
(Continued)

Chairman Macdonald called for a vote on the motion.
All members present voted aye and the motion was declared carried.

Clarify February 1979 FBO Standards Provision Regarding Related Entities:

The documents relating to the February 1979 FBO Standards were received without objection. Attorney Stewart explained that in 1979 someone approached the Airport Authority wishing to perform only certain aviation related services, not the full range of services provided by an FBO. In order to be fair to the existing FBOs the Airport Authority adopted a resolution requiring a monthly minimum of \$200 or 1 1/2% of gross sales per month and the business must operate through an existing FBO.

Attorney Stewart stated in a meeting he and Mr. Dobberstein had last week with Dr. Hamilton he stated Waypoint Avionics is a related business operating out of one of his hangars and he does not feel Waypoint should be paying the \$200 minimum, since he is the majority owner of the business. Attorney Stewart stated this is a policy decision the Airport Authority will have to make.

Mr. Dobberstein stated right now the only operation paying the \$200 minimum is Business Systems Aviation, which is operating through Valley Aviation but is not a related business.

Dr. Hamilton stated most of the work Waypoint does is for airplanes owned by Aviation Resources so the 1 1/2% will be minimal.

Mr. Myers stated if we are talking about minimal amounts he does not know why we are spending all of this time and money administering contracts.

Chairman Macdonald stated he also has had a concern about the web of subleases and he realizes this is done for business reasons for this but it seems at times we don't know what is going on. Chairman Macdonald stated if a current operator comes to the Airport Authority and advises us that they have started another business which is majority owned by them, can the Airport Authority just accept that and consider it part of the overall operation.

Mr. Dobberstein stated what we are doing is moving us in that direction.

Chairman Macdonald stated we all seem to be in agreement on the intent.

Attorney Stewart stated the whole intent of the 1979 resolution was to protect the FBOs from unfair competition. He stated he feels this has helped the FBOs over the years.

Chairman Macdonald complimented Valley Aviation on their hosting of the Friendship Flight '98, a retracing of the historic arctic route flown 70 years ago by North Dakota aviator Carl Ben Eilsen and famous explorer George Hubert Wilkins from Barrows, Alaska, to Spitsbergen, Norway.

Authorize Attendance at the FAA Civil Aviation Security Course, Indianapolis, Indiana, July 20 24, 1998:

Mr. Dobberstein stated the FAA is offering a Civil Aviation Security Course in Indianapolis, July 20 24, 1998. He stated he would like Darren Anderson to attend the course.

Mr. Myers moved to authorize attendance at the FAA Civil Aviation Security Course, July 20 24, 1998, Indianapolis, IN.

Second by Mr. Walstad.

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

Considered Proposal from Ameribridge Services to Modify Passenger Loading Bridge #3:

Chairman Macdonald stated our present passenger bridge will not serve a regional jet. He stated he feels very strongly that we cannot allow the regional jet to pull up in front of this terminal and the passengers have to walk on the ramp and up and down stairs.

Mr. Dobberstein stated he and Darren Anderson have had a number of conversations with Ameribridge and FMC Jetway and are confident that the bridge could be modified to accommodate a regional jet. He stated FMC Jetway estimated a cost of between \$100,000 to \$110,000 for the modifications. He stated we also contacted Ameribridge, which is the company that installed American's jetway, and they are confident that with some assistance from us they can modify the bridge to accommodate a regional jet for a cost of \$8,777. He stated Ameribridge is in the bridge repair and modification business. He stated Darren exchanged photographs with their representative and we are confident this can be done successfully. He stated there are still some unknowns and those will not be discovered until the project starts. Mr. Dobberstein stated an additional item is the bridge plate, which is the device that folds out and connects the aircraft with the bridge. Estimated cost of the construction of this plate would be \$3,000 \$4,000. He stated Ameribridge has done other projects similar to this.

Mr. Myers moved to proceed with the bridge modification immediately.

Second by Ms. Jordan.

On the call of the roll, members Walstad, Myers, Jordan, Pawluk and Macdonald voted aye.

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

Mr. Myers asked if the insurance money from the collapsed bridge would be used for these modifications or if it would be held in reserve for a new bridge. He added that he would prefer these funds be held in reserve for that purpose.

Mr. Dobberstein stated a new bridge is part of our second PFC application and both Northwest and Mesaba registered objections. The application will have to go through the process before we get approval from the FAA. He stated he did respond to Northwest and Mesaba and gave our reasons for justification of a loading bridge to accommodate the wide body aircraft. Fargo is a primary alternate for Northwest's Hong Kong flight and we have also had medical emergencies where the crew is not able to easily get the passenger off the aircraft. He added that a passenger loading bridge is an approved item for a PFC project and we will have to wait for the application to go through the process.

Adopted Resolution for a Speedy Recovery for Todd Hulsether, US Customs:

Ms. Jordan offered the following resolution and moved its adoption:

WHEREAS, The Municipal Airport Authority has learned of the recent heart attack and hospitalization of US Customs Agent, Todd Hulsether, and

WHEREAS, Mr. Hulsether's family, friends and co workers eagerly await his complete recovery and return to his everyday activities, and

WHEREAS, Mr. Hulsether is an important part of the day to day operations at Hector Airport as well as the surrounding business community.

NOW THEREFORE BE IT RESOLVED, that the Municipal Airport Authority does hereby offer its best wishes for Mr. Todd Hulsether.

NOW THEREFORE 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. Hulsether.

Second by Mr. Walstad.

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

Other Business:

Chairman Macdonald stated Mr. Dobberstein provided the members with information from the North Dakota Aeronautics Commission on innovative financing for airports. He stated the proposal was to charge a fee to each passenger which would go into a state fund and then parceled out to the four major airports in the state. Chairman Macdonald stated he is strongly opposed to that proposal. He stated the only way he would be in favor of it is if Fargo, since that is where most of the money will come from, had veto power over the use of the money.

Ms. Jordan stated she agrees with Chairman Macdonald but she remembers fighting with the western part of the state years ago to convince them that the oil tax they would be putting into the state would benefit the entire state. She stated she would support something if it would support air service within the state.

Mr. Dobberstein stated it has not yet been determined if this would even be legal. He stated the airport directors in the state have met with Irene Porter, FAA, and since it has become increasingly more difficult to acquire federal airport improvement funds and discretionary funds the FAA has recommended that the states come up with their own ideas for innovative financing. He stated he has his reservations about this proposal and if the board has a position the Aeronautics Commission is looking for a response.

Ms. Jordan stated she feels the ND Aeronautics Commission should be driving a futuristic reasonable traffic plan for the state. She stated to her it is like throwing money at pieces again. She stated she feels from a statewide standpoint we should somehow determine a reasonable traffic flow that would help the state as a whole, rather than everyone trying to get in and get a little piece of the action.

Chairman Macdonald stated he feels the board should respond to the ND Aeronautics Commission indicating they are in favor of some type of innovative financing for funding airport improvements in North Dakota but at this time we are not ready to adopt a state passenger facility charge.

Ms. Jordan asked how the Airport Authority can take a position with the State for an overall aeronautics plan for passenger movement. She stated we have been working hard to get other airline service in Fargo. She stated philosophically she has no problem with helping the rest of the state but let's do it in a logical manner. She stated we are going to end up with airline problems like our higher ed problems. We are trying to fund everything in the state so we fund nothing sufficiently.

Mr. Dobberstein stated Mr. Gary Ness will be attending an Airport Authority meeting sometime in the near future.

Mr. Dobberstein distributed copies of an article announcing the Faker program will be leaving Fargo. The Faker Program is currently operating out of our hangar which is leased to the National Guard Bureau through September 30, 1998.

Mr. Myers stated he would like to go on record with our congressional delegation as being concerned about future military budget cuts and how that might affect our aircraft rescue and fire fighting protection, which is presently provided by the NDANG.

Mr. Dobberstein stated he will talk with Col. Haugen and see what action he feels the Airport Authority should take, if any.

Mr. Pawluk asked what will be done with that hangar when the lease expires.

Mr. Dobberstein stated there has been interest in that hangar for some time. He stated we are presently receiving \$3,500.00 per month and feels if it were leased again it should go to the highest bidder.

Other Business: (Continued)

Mr. Myers stated he feels Fargo should be working with the Williams Gateway Airport in Mesa on air service between the two cities. He stated they are building a new passenger terminal and will be in need of airline service. He would like to see Mr. Dobberstein continue a good solid dialogue with them.

Mr. Myers moved to adjourn the meeting of the Municipal Airport Authority until the next regular meeting to be held April 28, 1998, at 9:00 a.m. in the Airport Boardroom.

Second by Mr. Pawluk.

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

Time at adjournment was 10:37 a.m.

Regular Meeting

Tuesday

April 28, 1998

The regular meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held Tuesday, April 28, 1998, at 9:00 a.m. in the Airport Boardroom.

The members present or absent were as follows:

Present: Myers, Jordan, Pawluk, Macdonald

Absent: Walstad

Others: Stewart

Chairman Macdonald presiding.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held April 14, 1998:

The minutes of the regular meeting of the Municipal Airport Authority held April 14, 1998 were received without objection.

Approved the Airport Vouchers Totalling \$32,149.71:

Myers moved to approve the airport vouchers totalling \$32,149.71.

Second by Mr. Pawluk.

On the call of the roll, members Myers, Jordan, Pawluk and Macdonald voted aye.

Absent and not voting: Walstad

The motion was declared carried.

Approved the Individual Voucher to Forum Publishing Company:

Myers moved to approve the individual voucher in the amount of \$65.28 to Forum Publishing Company for advertisement for bids for rotary snowblower, AIP Project No. 3 38 0017 221.

Second by Pawluk.

On the call of the roll, members Myers, Jordan, Pawluk and Macdonald voted aye.

Absent and not voting: Walstad

The motion was declared carried.

Approved the Individual Voucher to Construction Market Data Group:

Myers moved to approve the individual voucher in the amount of \$69.60 to Construction Market Data Group for advertisement for bids for a rotary snowblower, AIP Project No. 3 38 0017 21.

Second by Pawluk.

On the call of the roll, members Myers, Jordan, Pawluk and Macdonald voted aye.

Absent and not voting: Walstad

The motion was declared carried.

Approved the Request from Northstar Aviation Insurance to Extend Eastside Terminal Lease for an Additional Five Years:

Mr. Dobberstein read a communication from Mr. Marc Lepage, Northstar Aviation Insurance, requesting a five year renewal of his lease in the Eastside Terminal.

Mr. Dobberstein stated that the Airport Authority has the option to review the rental rate on each anniversary date and make any adjustments necessary. Mr. Dobberstein stated he would recommend renewing the lease on the same basis.

Pawluk moved to extend the lease as requested by Northstar Aviation Insurance, with the existing terms and conditions.

Second by Jordan.

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

Received First Quarter PFC Report:

The PFC report for the first quarter of 1998 was received without objection.

Received and Awarded Bids for Rotary Snowblower, AIP Project 3 38 0017 21:

The bid tabulation for the rotary snowblower was received and filed without objection.

Mr. Dobberstein stated on April 22, 1998 we received and opened bids for the rotary snowblower. He stated seven firms requested specifications and only two bids were received. Sanitation Products quoted a Stewart Stevenson R55 1250 Cab Over Unit for \$284,750, and Sheehan Mack Sales quoted \$295,613 for an Oshkosh H2718B.

Mr. Dobberstein stated our maintenance staff made trips to Aberdeen and Brainerd to look at both units. Mr. Dobberstein stated we had hoped to be able to acquire the Oshkosh unit, as they are the leader in the snowblower industry. However, after making phone calls to a number of airports with both the Stewart Stevenson units and Oshkosh units and we were not able to find anyone who had anything bad to say about the Stewart Stevenson machine. He stated our concern was that this is the first unit Sanitation Products has sold and would be the only unit of this type in the state. He stated Stewart Stevenson has reassured us that the staff at Sanitation Products will be properly trained and parts will be adequately stocked.

Attorney Stewart stated he reviewed the federal regulations and if we purchase a unit other than the low bid and were challenged in court we would not be able to defend our case. He stated if the low bidder meets all specifications the federal regulations require the low bidder be awarded the bid.

Mr. Dobberstein stated the Stewart Stevenson unit meets the specifications and he recommends the Airport Authority award the bid for the purchase of a rotary snowblower to Sanitation Products.

Jordan moved the Airport Authority accept the recommendation of the Executive Director to award the bid to Sanitation Products.

Second by Mr. Pawluk.

On the call of the roll, members Myers, Jordan, Pawluk and Macdonald voted aye.

Absent and not voting: Walstad

The motion was declared carried.

Reviewed Airport Capital Improvement Program Project List to be Submitted to the FAA by May 1, 1998:

The Airport Capital Improvement Program document was received without objection.

Mr. Dobberstein stated each year the FAA requires us to submit a Capital Improvement Program project list for their planning purposes for the federal budget. He stated the plan he will be submitting is for the next ten years.

Reviewed Airport Capital Improvement Program Project List to be Submitted to the FAA by May 1, 1998:

Mr. Dobberstein stated the FAA has advised us to use a figure of \$969,795 for entitlements for each of the next three years. He stated based on that amount he has identified projects for the next three years. He stated the proposed plan for 1999 shows the acquisition of snow removal equipment, rehabilitate Taxiway B3 and portions of the South GA Apron, and rehabilitate the air carrier apron. In the year 2000 we are proposing to update the Airport Master Plan and construct Runway 8/26 and Taxiway C site preparation (1,415'). He stated we have also included the storm water lift station in the event the City's funding source does not come through we would use these funds as a backup financing source. The project proposed for 2002 is the construction of Runway 8/26 and Taxiway C Paving (1,415').

Mr. Dobberstein stated this Capital Improvement Plan is a planning tool for projects but needs and priorities change and we are able to rearrange the order of these items.

Reviewed Addendum to Lease Related to Farmland Agreement Between NDSU/City of Fargo/Fargodome:

The communication dated April 21, 1998 and Addendum to Lease Agreement for Fargodome from Attorney Stewart was received and filed without objection.

Mr. Dobberstein stated that this farm agreement is for the 40 acres being used by NDSU for their test plot. He explained that this 40 acres is in exchange for the 40 acres NDSU gave up for the Fargodome.

Attorney Stewart stated the only change we might make is to take NDSU off as a party in this agreement and simply have them consent to the agreement. If this is done we will avoid the necessity of going through the State Board of Higher Education. He added that this does not bind NDSU to anything, it commemorates this agreement for the future of the Fargodome.

Received Request from Victor Gelking to Sublease a Portion of His Office Area:

Mr. Dobberstein stated he received a communication dated April 23, 1998 from Mr. Victor Gelking, requesting the Airport Authority authorize him to lease a portion of his office addition to the North Dakota Department of Transportation.

Mr. Pawluk moved to approve the sublease as presented, subject to final approval by the Executive Director.

Second by Ms. Jordan.

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

Other Business:

Mr. Dobberstein advised that the Fargo Forestry Arbor Day Ceremony would be held Friday, May 1, 1998, 10:00 a.m., at the shelterbelt north of the Riviera Heights Mobile Home Park. He added that Fargo has been selected as the host site for the official 1998 State "Living Snow Fence" Arbor Day celebration.

Jordan moved to adjourn the meeting until the next regular meeting to be held Tuesday, May 12, 1998, at 9:00 a.m. in the Airport Boardroom.

Second by Pawluk.

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

Time at adjournment was 9:57 a.m.

Regular Meeting

Tuesday

May 12, 1998

The regular meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held Tuesday, May 12, 1998, at 9:00 a.m. in the Airport Boardroom.

The members present or absent were as follows:

Present: Myers, Jordan, Pawluk, Macdonald

Absent: Walstad

Others: Stewart

Chairman Macdonald presiding.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held April 28, 1998:

The minutes of the regular meeting of the Municipal Airport Authority held April 28, 1998, were approved without objection.

Approved the Airport Vouchers Totalling \$33,849.38

Mr. Pawluk moved to approve the airport vouchers totalling \$33,849.38.

Second by Mr. Myers.

On the call of the roll, members Myers, Pawluk and Macdonald voted aye.

Absent and not voting: Walstad, Jordan

The motion was declared carried.

Approved the Individual Voucher to Ulteig Engineers, Inc.:

Mr. Myers moved to approve the individual voucher in the amount of \$525.10 to Ulteig Engineers, Inc. for property survey of airport farmland.

Second by Mr. Pawluk.

On the call of the roll, members Myers, Pawluk and Macdonald voted aye.

Absent and not voting: Walstad, Jordan

The motion was declared carried.

Approved the Individual Voucher to Ulteig Engineers, Inc.:

Mr. Myers moved to approve the individual voucher in the amount of \$2,460.81 to Ulteig Engineers, Inc. for partial payment request for engineering services in connection with the Cass County Drain #10 Environmental Study.

Second by Mr. Pawluk.

On the call of the roll, members Myers, Pawluk and Macdonald voted aye.

Absent and not voting: Walstad, Jordan

The motion was declared carried.

Approved the Individual Voucher to Ulteig Engineers, Inc.:

Mr. Myers moved to approve the individual voucher in the amount of \$7,262.03 to Ulteig Engineers, Inc. for partial payment request for engineering services in connection with the Air Cargo Apron and Access Road, AIP Project No. 3 38 0017 20.

Second by Mr. Pawluk.

On the call of the roll, members Myers, Pawluk and Macdonald voted aye.

Absent and not voting: Walstad, Jordan

The motion was declared carried.

Approved the Individual Voucher to Corwin Dodge:

Mr. Myers moved to approve the individual voucher in the amount of \$14,873.00 to Corwin Dodge for the purchase of a 1998 Dodge Pickup (MAA approved 3 24 98).

Second by Mr. Pawluk.

On the call of the roll, members Myers, Pawluk and Macdonald voted aye.

Absent and not voting: Walstad, Jordan

The motion was declared carried.

Approved the Individual Voucher to Municipal Industrial Contracting:

Mr. Myers moved to approve the individual voucher in the amount of \$5,280.00 to Municipal Industrial Contracting for the installation of watermain and fire hydrant in the southeast general aviation area.

Second by Mr. Pawluk.

On the call of the roll, members Myers, Pawluk and Macdonald voted aye.

Absent and not voting: Walstad, Jordan.

The motion was declared carried.

Received Request from The Barnstormer to Alter Restaurant Hours of Operation:

Mr. Pete Haug (Barnstormer) was recognized and stated they would like to cut one

hour of operation in the evening in the dining room. He stated they are currently open until 9:00 pm and would like to change that to 8:00 pm. He stated the snack bar would remain open and they would also make adjustments as needed in the dining room. He stated that with the recent airline schedule changes the arrivals have been later and they have seen a decrease in the dining room business but an increase in the bar business. He added that they have been keeping track of customers after 8:00 pm and they have been averaging 1.1 customers for that last hour.

Mr. Pawluk moved to approve the request from The Barnstormer to change hours of operation.

Second by Mr. Myers.

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

Received Communication from North Dakota Office of Intergovernmental Assistance Regarding AIP Project No. 3 38 0017 21:

Mr. Dobberstein stated he received a letter dated April 30, 1998, regarding the acquisition of a 4000 ton per hour rotary snowblower. He stated this letter of clearance from the Office of Intergovernmental Assistance is one of the required steps when applying for federal funds.

The communication was received and filed without objection.

Received Notice of North Dakota Aeronautics Commission Annual Grant Meeting Scheduled for May 13, 1998:

Mr. Dobberstein stated he received notice of the North Dakota Aeronautics Commission's Annual Grant Meeting, Wednesday, May 12, 1998 at 9:00 a.m.

The notice was received and filed without objection.

Mr. Dobberstein stated he would be attending the meeting to give a presentation justifying the projects for which we are requesting funds. He stated we qualify for \$821,000 in state assistance, but they have only \$300,000 \$400,000 to distribute state wide.

Jordan now present.

Authorized Sale of 1987 GMC Pickup at May 16 City Auction:

Mr. Pawluk moved to authorize the sale of the 1987 GMC Pickup at the City auction May 16, 1998.

Second by Ms. Jordan.

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

Reviewed Intergovernmental Mutual Aid Agreement:

The draft of the Mutual Aid Agreement was received and filed without objection.

Mr. Dobberstein explained that after the flood last year the Airport Authority requested Attorney Stewart draft a Mutual Aid Agreement with our intergovernmental agencies (City, County, State of North Dakota for our participation with the ND Air National Guard.)

Mr. Dobberstein stated Attorney Stewart has prepared a draft agreement and it has also been provided to our liability insurance carrier and loss control advisor. He stated they have both reviewed the agreement and have given their concurrence.

Attorney Stewart stated this agreement recognizes what we have already been doing for many years, providing mutual aid. He stated each party in this agreement still has to answer for its own actions and their own insurance would apply. He added that a final draft of the agreement would be available soon.

Received Request from Agri ImaGIS and Precision Partners to Lease Office Space in Eastside Terminal:

Mr. Dobberstein stated he received a request from Agri ImaGIS and Precision Partners, who are currently sublessees of GAP Ag, Ltd. in the Eastside Terminal. He explained that they are considering leasing one of the two classrooms available and will probably take the smaller of the two. He stated he advised Mr. Neal Kovash, representative of the Civil Air Patrol, who is currently using the space on a gratis basis. He stated we will probably look at moving the Experimental Aircraft Association to the old cafe area and allow the CAP to move into the space currently used by the EAA.

Mr. Myers moved to approve the request by Agri ImaGIS and Precision Partners to lease office space in the Eastside Terminal.

Second by Ms. Jordan.

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

Discuss Hangar/Building Color Criteria, South and North General Aviation Areas:

Mr. Pawluk stated when they worked on the Southeast General Aviation Study it was suggested that the colors of future buildings be coordinated so that we do not have any outlandish colors on buildings. He stated he believes the Authority decided on white and gray but does not know that we ever took official action.

Discuss Hangar/Building Color Criteria, South and North General Aviation Areas:

Mr. Pawluk stated he was contacted by Mr. Victor Gelking and stated that last fall he purchased the materials to paint his entire building an ivory color. Mr. Pawluk stated that it is not white or gray but he does not see a problem with that color.

Mr. Pawluk stated it would be his recommendation that the Authority require that all new construction be one of the specified colors and that we encourage Mr. Gelking to paint the rest of his building the ivory color that is on part of his new addition. He added that as far as the other existing hangars, the Airport Authority should require they meet color specifications as the hangar owners paint their buildings but that they should not be required to paint at this time, unless the Airport Authority participates in the cost.

Chairman Macdonald stated we should send a communication to the hangar owners advising that if they are contemplating painting or changing siding they should contact us before going ahead with that so that we can approve the colors.

After further discussion the board reached the consensus that any new hangar construction should be white or grey, and existing buildings should be painted the required colors as the owners repaint their buildings.

Mr. Pat Sweeney was recognized and stated they had wanted their proposed T hangar building to match their main facility but he would not have any objection to white or gray. He stated they do want their second hangar building to be the same color as their existing hangar.

Receive Update from JP Development Regarding Facility Construction Plans:

Mr. Dobberstein stated in November 1997 the Airport Authority approved a 140' x 170' hangar requested by JP Development to be built east of their existing hangar facility. He stated the ground lease is on file ready for them to break ground. He stated in January 1997 the Airport Authority approved JP Development's request to build a T hangar in the north general aviation area but no ground lease has yet been prepared. He stated the third request Mr. Pat Sweeney expressed verbally was to add on to the north side of their existing hangar, which is owned by the Airport Authority. This would be a two story office addition.

Mr. Pat Sweeney was recognized and distributed folders of information on Weather Modification Incorporated giving information on their operation.

Mr. Pat Sweeney stated they have received approval from the FAA for their buildings on the sites proposed. He stated they have been given restrictions on the building surfaces facing south and their plans comply with those restrictions. He stated the reason for the office addition is they have run out of office and technical lab space. He stated the building plans have been submitted to the City for approval.

Mr. Myers asked Mr. Sweeney what they intend to do on the east side of the proposed hangar.

Mr. Sweeney stated they would like to blacktop the area east of the proposed building to the curb. He stated they have seen problems with the landscaped areas being ruined during snow removal. He stated if there is room in that area they would like to use it for parking.

Dr. Hamilton, Valley Aviation, was recognized and stated they do not want to see a parking lot in that area. He stated that sometime ago they also expressed their objection to WMI's second hangar building through their attorney. Dr. Hamilton's objection in October 1996 was that the proposed second hangar was larger than WMI's original proposal and felt aesthetically and property wise it affects the value of their property.

Mr. Sweeney stated he does not understand Dr. Hamilton's objection to parking when Valley has parking along that area on their side.

Mr. Myers stated if Valley Aviation has parking along their side within 50' from the centerline then WMI should be allowed to have parking as well.

Receive Update from JP Development Regarding Facility Construction Plans:

(Continued)

Mr. Dobberstein stated parking was never the issue in that 100' area, the restrictions were that there be no buildings in that area.

Mr. Myers stated there is ample space in the new area up north for parking and he feels there are a number of reasons to keep that 100' area between the two buildings open. He stated he does not feel parking is needed in that area.

Mr. Sweeney stated he would like to use that area for overflow parking as there are many days when their parking lots are full.

Mr. Pawluk asked Mr. Dobberstein what his recommendation is on this matter.

Mr. Dobberstein stated he has no problem allowing WMI to park on the east side of their proposed building as Valley Aviation is using the same area on their side for parking.

Mr. Myers stated he has no problem with WMI's proposed building but he does have a problem with blacktopping the area east of the building rather than landscaping that area.

Mr. Sweeney stated all he is looking for is equal treatment. He stated he proposes we draw a line where parking starts on Valley's side and they will landscape the area south of that and make it look nice.

Mr. Myers stated he would rather not see parking in that area. He added that he was not approached by the Hamiltons to argue for them on this matter. He stated he would be saying the same thing if the tables were turned.

Mr. Sweeney stated if Valley has a problem with parking in that area he would suggest drawing a line where Valley's windows begin and anything south of that point will be landscaped and everything north of that will be asphalted.

After further discussion, Mr. Sweeney stated if there is this much objection to the parking he will landscape the entire area on the east side of their proposed hangar and there will be no parking there. He stated there is no one who wants the north general aviation area to look nice more than he does.

Mr. Sweeney stated if they are not able to use the east side of their building he requested leasing additional parking area north of their facility, east of their current temporary parking lot. He stated he would like a permanent lease on that area.

Mr. Dobberstein directed Mr. Sweeney to submit a final plan for the parking lot to the Airport Authority for approval.

Ms. Jordan moved to approve the concept of the hangar addition and two story office addition as presented by JP Development.

Second by Mr. Pawluk.

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

Mr. Sweeney stated the Airport Authority has already approved their proposed T hangar and Attorney Stewart has a draft lease. He stated they are looking at an Erect a Tube building which will be identical to Valley's T hangar in the north general aviation area. Dimensions of the building will be 61' x 248'.

Mr. Dobberstein asked who will be leasing the land and what will be the use of the hangar.

Mr. Sweeney stated the exact lessee has not yet been determined but for now it will be JP Development. He added that as far as use of the hangar, 60% will be used by WMI and the remaining units may be rented out.

Discussed Hangar #2 Roofing Project:

Chairman Macdonald stated in the letter dated May 11, 1998, from Mr. Mark Gradin, Michael J. Burns Architects, Mr. Gradin indicated that they met with the Airport Authority. Chairman Macdonald stated this statement is incorrect as the meeting was not with the "Airport Authority", but rather with Mr. Dobberstein, Mr. Myers, Mr. Macdonald, Attorney Stewart, and representatives from Michael J. Burns.

Chairman Macdonald stated the contractor (Herzog Roofing) is now requesting a change order of \$67,000 on this project, which now puts them within \$500 of the other bidder. Chairman Macdonald stated the Airport Authority will not agree to this and of course the contractor will not complete the project without this change order so the matter will likely end up in litigation.

Mr. Myers stated the pull out tests were not sufficient to allow Firestone to meet the 100 mph specification. He stated there were some assumptions made prior to bidding the project so now the roof system that will meet the criteria is Carlisle rather than Firestone, which was the system on which they based their bid.

Chairman Macdonald stated when the project was bid and there was such a great difference in the bid amounts the architect, Michael Burns, went to the low bidder, Herzog, and the contractor assured him the specifications could be met. Chairman Macdonald stated our options are:

- 1) Sue the contractor
- 2) Sue the architect
- 3) Give the contractor a portion of the increase requested in the change order
- 4) Re bid the project

Chairman Macdonald stated he was disappointed that the architectural firm did not know as much about the project as they should have. Chairman Macdonald stated these matters can be settled through arbitration.

Mr. Myers stated he feels if the architect goes back and puts the bonding company on notice that there are some problems the bonding company will make every effort to make Herzog get going on the project or he will lose his bond. He added that if he loses his bond it will be difficult for him to do business contractually in the industry.

Gen. Macdonald stated we have requested that the architect and contractor appear before the Airport Authority at our next meeting.

Other Business:

Mr. Myers asked Mr. Dobberstein for an update at the next meeting on the lift station project we are working on with the City of Fargo.

Mr. Myers moved to adjourn the meeting of the Municipal Airport Authority until the next regular meeting to be held Tuesday, May 26, 1998, at 9:00 a.m. in the Airport Boardroom.

Second by Mr. Pawluk.

The motion was declared carried.

Time at adjournment was 10:21 a.m.

MEETING DATE WAS LATER CHANGED TO WEDNESDAY, MAY 27 AT 9:00 A.M.

Regular Meeting

Wednesday

May 27, 1998

The regular meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held Wednesday, May 27, 1998 at 9:00 a.m. in the Airport Boardroom.

The members present or absent were as follows:

Present: Walstad, Myers, Jordan, Pawluk, Macdonald

Absent: None

Others: Solberg

Chairman Macdonald presiding.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held May 12, 1998:

The minutes of the regular meeting of the Municipal Airport Authority held May 12, 1998, were approved without objection.

Approved the Airport Vouchers Totalling \$28,799.86:

Mr. Myers moved to approve the airport vouchers totalling \$28,799.86.

Second by Mr. Pawluk.

On the call of the roll, members Walstad, Myers, Jordan, Pawluk and Macdonald voted aye.

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

Approved the Individual Voucher to United Roofing, Inc.:

Mr. Myers moved to approve the individual voucher in the amount of \$2,000 to United Roofing, Inc. for Partial Payment Request #2 for the Westside Terminal roof repairs.

Second by Ms. Jordan.

On the call of the roll, members Walstad, Myers, Jordan, Pawluk and Macdonald voted aye.

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

Approved the Individual Voucher to Forum Publishing Company:

Mr. Myers moved to approve the individual voucher in the amount of \$284.16 to Forum Publishing Company for advertisement for bids for airport construction projects under AIP Project No. 3 38 0017 20.

Second by Ms. Jordan.

On the call of the roll, members Walstad, Myers, Jordan, Pawluk and Macdonald voted aye.

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

Approved the Individual Voucher to CAMAS Minndak:

Mr. Myers moved to approve the individual voucher in the amount of \$5,840.85 to CAMAS Minndak for fill material along the Runway 8/26 and Taxiway C edge safety area grading.

Second by Ms. Jordan.

On the call of the roll, members Walstad, Myers, Jordan, Pawluk and Macdonald voted aye.

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

Approved the Individual Voucher to Asplin Sand & Gravel:

Mr. Myers moved to approve the individual voucher in the amount of \$1,470.00 for fill material for Runway 8/26 and Taxiway C edge safety area grading.

Second by Ms. Jordan.

On the call of the roll, members Walstad, Myers, Jordan, Pawluk and Macdonald voted aye.

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

Approved the Individual Voucher to Big Tree Nursery:

Mr. Myers moved to approve the individual voucher in the amount of \$210.00 to Big Tree Nursery for the replacement of trees on the access road.

Second by Ms. Jordan.

On the call of the roll, members Walstad, Myers, Jordan, Pawluk and Macdonald voted aye.

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

Approved the Individual Voucher to Northern Improvement Company:

Mr. Myers moved to approve the individual voucher in the amount of \$31,360.00 to Northern Improvement Company for Partial Payment Request for construction of the Air Cargo Apron and Access Road Project No. AIP 3 38 0017 20.

Second by Ms. Jordan.

On the call of the roll, members Walstad, Myers, Jordan, Pawluk and Macdonald voted aye.

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

Approved the Individual Voucher to Construction Bulletin:

Mr. Myers moved to approve the individual voucher in the amount of \$281.30 to Construction Bulletin for advertisement for bids for airport improvements projects under AIP 3 38 0017 20.

Second by Ms. Jordan.

On the call of the roll, members Walstad, Myers, Jordan, Pawluk and Macdonald voted aye.

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

Approved the Individual Voucher to Obermiller Nelson Engineering:

Mr. Myers moved to approve the individual voucher in the amount of \$666.00 to Obermiller Nelson Engineering for Partial Payment Request for engineering services in connection with the Westside Terminal Tug Concourse HVAC Analysis.

Second by Ms. Jordan.

On the call of the roll, members Walstad, Myers, Jordan, Pawluk and Macdonald voted aye.

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

Approved the Individual Voucher to Mehl's Heating:

Mr. Myers moved to approve the individual voucher in the amount of \$4,608.00 to Mehl's Heating for the installation of new boiler tubes, Eastside Terminal.

Second by Ms. Jordan.

On the call of the roll, members Walstad, Myers, Jordan, Pawluk and Macdonald voted aye. No member being absent and none voting nay the motion was declared carried.

Approved the Individual Voucher to CB & Sons Electric:

Mr. Myers moved to approve the individual voucher in the amount of \$2175.00 to relocate existing 60' light pole on north general aviation ramp.

Second by Ms. Jordan.

On the call of the roll, members Walstad, Myers, Jordan, Pawluk and Macdonald voted aye. No member being absent and none voting nay the motion was declared carried.

Received Bid Tabulation for Beacon Relocation, Paving and Storm Sewer Rehabilitation, AIP Project No. 3 38 0017 20, Receive Recommendation of Award, and Approve DBE Good Faith Effort:

Mr. Dobberstein stated that on May 19, 1998 we received bids for the following projects:

- Runway 17/35 Overrun Rehabilitation
- Taxiway A Storm Sewer Improvement
- Southeast General Aviation Apron and Storm Sewer Improvements
- Relocate airport beacon

Bids were received from three contractors:

- Northern Improvement Company \$168,349.25
- Geo E. Haggert, Inc. \$191,024.50
- Nodak Contracting

Mr. Dobberstein explained that Nodak's bid was for the electrical portion only so the bid was rejected. He added that we are able to proceed with these projects as soon as we receive concurrence from the Federal Aviation Administration and when we have received approval of our construction safety plan.

The bid tabulation was received and filed without objection.

Mr. Dobberstein stated that in a communication dated May 22, 1998 from Mr. Wes Schon, Ulteig Engineers, he recommends awarding the project to the low bidder.

Mr. Myers moved to accept the engineer's recommendation to award the bid to Northern Improvement Company based on their low bid of \$168,349.25, and that the Airport Authority approve Northern Improvement's good faith effort to meet Disadvantaged Business Enterprise goals.

Second by Ms. Jordan.

On the call of the roll, members Walstad, Myers, Jordan, Pawluk and Macdonald voted aye. No member being absent and none voting nay the motion was declared carried.

Received Update on Airport Construction Projects:

Mr. Wes Schon stated we started paving 31st Street on the north end of the airport this morning. He stated they are also working on seeding and fertilizing on the air cargo area and will then move to the north general aviation ramp area. He stated Fargo Electric has energized the equipment for the gate and are working on street lights. Dakota Fence will be here tomorrow to work on the gate and continue on the fencing.

Received Update from Michael J. Burns Architects on Hangar #2 Roofing Project:

The letter from Mr. Mark Gradin, Michael J. Burns Architects (not dated) was received and filed without objection.

Mr. Mark Gradin, Michael J. Burns Architects was recognized and reviewed the events during the past year regarding the Hangar #2 roofing project.

Mr. Gradin stated when they were awarded the project they were requested by the owner to design a roofing system to meet a manufacturer's 100 mph wind warranty. He stated one of the tools they used in designing the roof was the insurance carrier's damage report by EAPC. In that report it stated that the major reason for the roof failure was that the membrane tearing loose from the fiberboard underlayment causing separation of the membrane. He stated in designing the roof they did not consider the existing decking to be the major problem area that caused the roof to fail. He stated when Herzog Roofing started the project, Mr. Herzog had some concerns with the pullout capacity on the existing deck. At that time Herzog called Firestone and they reviewed the situation. Firestone's response to the existing condition was that they would warranty the roof to only 55 mph, not 100 mph which was specified. He stated after this development, which was in October, all parties agreed to delay the project until the spring of 1998. He stated in April they had some independent pullout tests conducted and the results were forwarded to Carlisle Roofing. He stated Carlisle then confirmed that they could meet the project specifications of the 100 mph warranty. He stated at that time Herzog Roofing requested a change order to use the Carlisle system instead, resulting in a request for the additional cost of \$69,155.

Mr. Gradin stated there are three options:

- A. Cancel the contract with Herzog and rebid the project. Two disadvantages to this option are time delay involved in rebidding the project and Herzog is entitled to compensation for work already completed.
- B. Request that Herzog complete the project using whatever roofing system complies with specification with no additional compensation.
- C. Compromise with Herzog the requested amount and issue a change order accordingly.

Mr. Gradin stated that it is their recommendation that the Airport Authority accept Option C.

Mr. Pawluk stated we have the architect's recommendation and he would like Mr. Herzog's recommendation.

Mr. Herzog stated in order to get the 100 mph warranty we will have to go with the Carlisle roofing system.

Chairman Macdonald stated that the specifications's called for a 100 mph wind warranty and Herzog gave us a good faith bid for a roof with a 100 mph wind warranty.

Mr. Herzog stated it was their intent to use the Firestone system. He stated once they started the project and had some problems with pullout they then conducted tests. After Firestone reviewed the project they indicated they could no longer provide a 100 mph warranty but revised that to 55 mph.

Mr. Myers stated that Firestone accepted the responsibility of that system when it was bid and the Airport Authority then awarded Herzog the contract on that basis and Herzog put up a bond saying they would do the project. He stated prior to bidding the project Herzog had the opportunity to come out and section the roof and do whatever they needed to do to verify the condition of the roof.

Mr. Myers asked Mr. Herzog if he would accept the architect's recommendation.

Mr. Herzog stated what he is looking for today is authorization to proceed and get the project started. He stated as far as the architect's recommendation he would have to look at the numbers further. He stated he will be happy to provide actual invoices and backup paper work as the project progresses to justify any cost increases. He stated the labor is the biggest variable. He stated there will definitely be a higher fixed cost for putting the Carlisle system on, but there is

Received Update from Michael J. Burns Architects on Hangar #2 Roofing Project:
(Continued)

also the subjective part of that based on their experience with Carlisle vs. Firestone and that is a grey area.

Ms. Jordan asked whose responsibility it was to effectively assess the pullout of the existing deck.

Mr. Myers stated we accepted a system (Firestone), and it was the bidder's responsibility to determine before bidding that the system would work and they provided us with a bidder's bond.

Ms. Jordan stated she wants to know whose responsibility it was to assess the situation adequately.

Mr. Myers stated it would be the contractor's responsibility.

Mr. Herzog stated he does not agree with Mr. Myers's interpretation. He stated on a reroofing project he does not feel as the contractor that he has the authorization to do test cuts and do pullouts. He stated if a project has ten bidders and they all do that and do not patch the areas adequately and rain damage occurred then who is responsible. He stated as far as fastener pullouts he feels that is part of the investigative process on the part of the architect.

Ms. Jordan asked Mr. Herzog if he feels the architect is responsible.

Mr. Herzog stated if pullout tests were going to be required they should have been part of the pre bid process. He stated when they looked at the specifications and plans they interpreted the roof deck to be a three inch tongue in groove deck when it turned out to be a 3/4" plank.

Chairman Macdonald asked attorney, Wayne Solberg, for his comments.

Mr. Solberg stated there is now a contract so the bidder's bond is no longer relevant and a performance bond would now be the factor that would provide the money if we were not able to reach an agreement. He stated it sounds like the contractor is requesting to be released from a valid contract but he has not heard anything that would justify that release. He stated you can get out of a bid even if the contract has been signed if you can show some valid basis for it but he stated he has not heard anything valid yet.

Mr. Herzog stated he is not asking to be released from the contract. He stated it is their intention to do the project. He stated what we are trying to determine now is what system to install, how to install it and at what cost.

Attorney Solberg stated the cost was determined when the contractor bid the project and when the bid was accepted.

Mr. Herzog stated when they got into the project they found there were certain factors that were not as they had anticipated or interpreted from the plans and the specs, namely the deck and insulation was thicker than what was shown on the drawings.

Chairman Macdonald stated that is not the Airport Authority's problem.

Attorney Solberg stated if we are not able to resolve this dispute the issue then it will be the contractor be required to complete the contract under the terms it was bid or will they not. He stated the only way to escape that obligation is to show that there was some mistake in the advertisement for bids or that they were misled somehow. He stated he is not suggesting anyone stonewall here but would suggest a compromise. Attorney Solberg stated he has not heard anything here that would indicate that Herzog should not have to perform the contract as it was written.

Chairman Macdonald stated it is his feeling that the Airport Authority should not have to make the contractor whole. He stated he feels the contractor screwed up and how badly is a subject he would rather not get into court over. He stated he is willing to go along with the architect's recommendation to pay approximately 50% of the increased cost. He stated how the contractor and the architect fight over anything else is up to them.

Attorney Solberg stated he agrees with that wholeheartedly and feels a compromise is the best solution. He added that he gets the feeling that the amount of the increase is not yet definite.

Received Update from Michael J. Burns Architects on Hangar #2 Roofing Project:
(Continued)

Mr. Herzog stated while he agrees part of the blame is his, he feels some of the fault also lies with the architect.

Chairman Macdonald stated we are not going to get into a conflict between the contractor and the architect at this meeting. He stated there is a limit to what the Airport Authority is going to do and it is his opinion that we are not going to make the contractor whole.

Mr. Myers stated the Carlisle system does require more fasteners so there will be an added cost. He stated in the spirit of getting this project done he would agree with Chairman Macdonald.

Mr. Myers moved the Airport Authority submit to the Executive Director the recommendation that we award a change order as recommended by the architect for 50% of documented cost increase, not to exceed \$34,577.

Second by Ms. Jordan.

Ms. Jordan stated she feels we need to get some clarification on some amounts. She stated she is not pleased with either the architect or the contractor. She stated the specifications are very clear. Ms. Jordan stated she feels we need some solid figures.

Mr. Myers stated he is frustrated that this project has not been started.

Chairman Macdonald stated his interpretation of the motion is that the Authority turn over to the Executive Director the authority to agree to a change order for 50% of the documented increased costs, not to exceed \$34,577, based on the figures the contractor and architect will furnish. He stated if the architect and contractor do not agree to this we will cancel the contract and turn it over to our legal counsel.

Mr. Myers stated the other player in this game is the insurance adjuster, Roger Buscher.

Chairman Macdonald called for a vote on the motion.

On the call of the roll, members Walstad, Myers, Jordan, Pawluk and Macdonald voted aye.

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

Chairman Macdonald clarified that all additional costs must be submitted and substantiated with actual invoices.

Received Communication from Foss Associates Regarding Eastside Terminal Lower Level Roof Condition:

The communication from Foss Associates dated May 20, 1998 was received and filed without objection.

Mr. Dobberstein stated he requested that Mr. Patrick Delapointe, Foss Associates, do a follow up evaluation of the Eastside Terminal lower level roof which was not replaced in the roofing project a couple of years ago. He stated that Mr. Delapointe's letter of May 20 indicates that in his roof inspection conducted two years ago he indicated that we may be able to coax another five years out of the roof, but that the development of roof leaks would be an indication that replacement may need to be considered. His letter also indicated that the roof was installed 28 years ago and is basically at the end of its service life.

Mr. Dobberstein stated with the torrential rain we had recently one of our tenants in the building had some problems with leaks. He stated we did some emergency repairs last year and also recently. He stated he would like to have Foss Associates continue on this project by preparing plans and specifications and advertise for bids.

Mr. Dobberstein stated the architect's estimate on this project is \$69,525.00.

Mr. Pawluk moved the Director be authorized to have Foss Associates proceed with the Eastside Terminal roofing project as recommended.

Second by Mr. Walstad.

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

Discussed the Status of the Proposed Lift Station Project for Cass County Drain #10. Cass County Road 20:

The documents from the City of Fargo Public Works/Engineering were received and filed without objection.

Mr. Dobberstein stated at the last meeting it was requested that the board be presented with an update from the City Engineer on the proposed lift station project for Cass County Drain #10 and Cass County Road 20. Mr. Dobberstein stated that Mr. Bittner is positive that very soon we will receive notification that FEMA will come forth and accept this project. He stated upon notification that the project has been accepted we will need to come up with the local share identified in this document, approximately \$197,000. He stated also at that time we will need to determine who will be the lead agency on this project, the City of Fargo or the Airport Authority. Mr. Dobberstein stated he has made initial contact with the Armed Forces Reserve Center to determine if they would be willing to participate in part of the local share. He stated the map shows the area that will be the beneficiaries of this lift station.

Chairman Macdonald stated it would be his desire that the Airport Authority be the lead agency in this project as we could get it done faster and better since we are the primary beneficiary.

Mr. Myers stated the documentation provided so far shows a completion date of year end 1999. He stated as far as he is concerned that is not acceptable. He stated he feels this lift station is so important and we were lucky to have survived last year's flood as well as we did. He stated his other question is would Houston or Moore Engineering fit this project, as both firms have extensive experience in flood control.

Chairman Macdonald stated he would like to know if we can start the planning and designing process before we have funding in place.

Mr. Wes Schon, Ulteig Engineers, stated if there is a potential for receiving federal funds for a project you certainly would not want to jeopardize that by moving ahead before these questions are answered. He stated Mr. Bittner would certainly be aware of what work could be done in advance of actually receiving funds.

Mr. Pawluk asked if it is realistic that we could get this project operational by the spring of 1999.

Mr. Dobberstein stated he is not sure but does not know why it wouldn't be possible.

Mr. Schon stated a lot of work goes into a project like this. He stated there is a lot of preliminary work that needs to be done before actual construction but he indicated it could probably be done.

Chairman Macdonald stated he would like to see the following done:

- 1) The Airport Authority should become the lead agent on this project.
- 2) Find out if there would be any funding problems with beginning the design phase before funding is received.
- 3) When Items 2 and 3 have been completed, hire an engineering firm and start work on the project.

Mr. Dobberstein stated he will contact Mr. Bittner to have the above items addressed and report back at the next meeting.

Other Business:

Chairman Macdonald stated we received a reply from Senator Conrad to our letter regarding our objection to the Northwest Continental alliance.

The communication was received and filed without objection.

Other Business: (Continued)

Chairman Macdonald stated he had a few comments on Senator Dorgan's meeting with Northwest Airlines which he and Mr. Dobberstein attended on May 26 in Minneapolis.

1. Mr. Dasberg indicated we would need to have service to Denver's hub by another airline.
2. Northwest Airlines will explore selective pricing of unrestricted fares to selected destinations starting September 1. He added that we did not get too many details on this program other than they were going to test this.
3. When Fargo Moorhead bids a convention Northwest Airlines is willing to be our designated airline for that convention/event, plus they will look at increasing the capacity during that period.
4. Northwest Airlines assured us that in the future we will have our phone calls and letters answered. They gave us names of people to contact if we do not get responses.

Chairman Macdonald added that Mr. Dasberg admitted they make mistakes and that they will correct errors that they make.

Mr. Myers asked if there would not be any benefit to going to Denver to meet with Frontier Airlines. He stated he is aware that we have made phone calls and written letters but he feels there needs to be a face to face meeting before anything will happen.

Chairman Macdonald stated he agrees with Mr. Myers and feels we need to do that. He stated we are starting to get some more data on travel. He added that before that takes place he would like to see what will happen with these airline alliance.

Mr. Dobberstein he was encouraged by Northwest's willingness to work with our Convention Bureau. He stated he also feels that the data collected after their fare adjustments in December 1997 proved that we have seen less leakage to Sioux Falls as a result of those changes.

Mr. Dobberstein stated what we tried to stress to Northwest Airlines is that Fargo has kept up their end of the relationship with them. We have increased our population and the business base. We have given them more leisure and business travelers to service but they have not kept up with that growth with us. He stated that Northwest indicated they would look at both the business and leisure fares and determine the "threshold of pain" and at which point passengers will drive to another city. He stated we have to continue to be diligent in watching fares.

Chairman Macdonald stated another matter Northwest brought up is that if they go ahead with the special pricing on certain destinations they will expect participation in local promotion of these fares.

Mr. Myers moved to adjourn the meeting of the Municipal Airport Authority until the next regular meeting to be held Tuesday, June 9, 1998.

Second by Ms. Jordan.

All members present voted aye and the motion was declared carried

Time at adjournment was 10:37 a.m.

Regular Meeting

Tuesday

June 9, 1998

The regular meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held Tuesday, June 9, 1998, at 9:00 a.m. in the Airport Boardroom.

The members present or absent were as follows:

Present: Walstad, Pawluk, Macdonald

Absent: Myers, Jordan

Others: Stewart

Chairman Macdonald presiding.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held May 27, 1998:

The minutes of the regular meeting of the Municipal Airport Authority held May 27, 1998, were approved without objection.

Approved the Airport Vouchers Totalling \$33,137.52:

Mr. Walstad moved to approve the airport vouchers totalling \$33,137.52.

Second by Mr. Pawluk.

On the call of the roll, members Walstad, Pawluk and Macdonald voted aye.

Absent and not voting: Myers, Jordan

The motion was declared carried.

Approved the Individual Voucher to Ameribridge Services:

Mr. Pawluk moved to approve the individual voucher in the amount of \$9,547.00 to Ameribridge Services for the Jetway #3 retrofit project.

Second by Mr. Walstad.

On the call of the roll, members Wasltad, Pawluk and Macdonald voted aye.

Absent and not voting: Myers, Jordan

The motion was declared carried.

Approved Individual Voucher to K&H Associates:

Mr. Pawluk moved to approve the individual voucher in the amount of \$578.00 to K&H Associates for Fargo's share of a study on air travel data prepared for May 26, 1998 airline meeting.

Second by Mr. Walstad.

On the call of the roll, members Walstad, Pawluk and Macdonald voted aye.

Absent and not voting: Myers, Jordan

The motion was declared carried.

Received Update on Cass County Drain #10 Lift Station:

Mr. Mark Bittner, City Engineer, was recognized and stated that two weeks ago we received word from FEMA that the City of Fargo was awarded a grant for flood mitigation projects. He stated we should be receiving a letter giving formal notice tomorrow. He stated the Cass County Drain #10 lift station project has been allocated approximately \$470,000. Mr. Bittner stated the preliminary estimate is \$650,000 so we are looking at a local share of about \$140,000 \$150,000.

Mr. Bittner stated the Airport Authority discussed a number of issues on this project at their last meeting, one of which was who would be the lead agency on this project. He stated since the lift station is going to be on Drain #10 he would suspect the Airport Authority would want the City to assume the responsibility of maintaining the station. He added that if the Airport Authority wished to maintain it the City would have no problem with that.

Mr. Bittner stated the lift station would be of a capacity sufficient to keep the flood flows down. He stated normally they would design to 20 25% of normal drain capacity.

Mr. Bittner stated as far as permits, the Airport Authority will have to work with Cass County because we will be doing some things in their right of way. He stated the Airport will also have to work with the Southeast Cass Water Resource District, City of Fargo Engineer's Office and the Corps of Engineers (404 permit). Mr. Bittner stated his estimated timetable included 60 days for the engineer's design work, 30 days for permits. He stated it normally takes 90 120 days to obtain a 404 permit. He stated this would allow us to call for bids about October. Mr. Bittner stated this project will require a lot of equipment to be ordered and there is a possibility to do the structural work yet this fall and have everything in place for equipment deliveries in early spring.

Mr. Bittner stated Mr. Dobberstein asked about utilizing the services of the City Engineer's Office. He stated the \$1.5 million grant received included about 15 projects and this is the largest. He stated they have about seven other lift station projects so they would be agreeable to the Airport Authority being the lead agent on this project.

Mr. Pawluk asked how the allocation of the local share will be determined.

Mr. Bittner stated typically when the City does mitigation projects it will assess the local share. He stated he has drafted a map showing the entities benefiting from this lift station.

Chairman Macdonald stated we will need a motion for the Airport Authority to be the lead agent on this project and that the Authority assign the project to our engineer, Ulteig Engineers, to draft plans and specifications. He stated Ulteig has done a lot of lift station work so this is not a new project for them. He stated at one time it was suggested that the Authority consider another engineering firm but Ulteig is recognized as the Airport Authority's engineer and that will also expedite the project significantly.

Mr. Dobberstein stated this project was also listed on our Capital Improvement Program and would have been completed eventually.

Mr. Bittner stated Mr. Dobberstein asked him if engineering costs are reimbursed. He stated typically they do not reimburse in house engineering costs but using an outside firm they will reimburse 75% of the engineering costs.

Mr. Pawluk asked if the Airport Authority assumes the role of lead agency does that also mean we take the responsibility of funding the local share.

Mr. Bittner stated that is a separate decision. If the Airport Authority wants the City to create a special assessment district they can do that.

Mr. Pawluk moved the Airport Authority be the lead agency in the Cass County Drain #10 Lift Station Project and that we direct Ulteig Engineers to proceed with plans and specifications.

Second by Mr. Walstad.

Received Update on Cass County Drain #10 Lift Station: (Continued)

Mr. Wes Schon, Ulteig Engineers, was recognized and stated that in the process of writing the environmental assessment for the extension of Runway 8/26, he has already addressed to the Corps of Engineers a number of issues relative to this lift station. He stated he will have to review their response but they did not indicate any environmental concerns.

Mr. Bittner stated that while FEMA will have no problem with the airport using its engineer currently under contract, however, they would like to see the airport negotiate a rate with them. He added that the airport will need to make arrangements for interim financing as FEMA pays after the fact.

Chairman Macdonald called for a vote on the motion.

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

Received Communication from North Dakota Aeronautics Commission Regarding State Grant Participation:

The communication from the North Dakota Aeronautics Commission dated May 18, 1998, was received and filed without objection.

Mr. Dobberstein stated this communication was a follow up to the meeting he attended in Bismarck on May 13, 1998, at which the Commission distributed their block grant funds to the air carrier airports in the state. He stated we were eligible to receive reimbursement totalling \$821,000, but the state had only about \$400,000 to distribute. He stated we were awarded funds for the following projects:

A. Air Cargo Apron/Access Road Project AIP #20	\$56,138
B. Relocate beacon, storm sewer rehab, overrun paving	\$ 8,698
C. North General Aviation Ramp Expansion	\$27,000
TOTAL	\$91,836

Mr. Dobberstein stated the items that are denied or deferred can be resubmitted for consideration.

Approved Reclassification of Office Associate III to Principal Office Associate:

Mr. Dobberstein stated the Civil Service Commission and City Commission recently took action to change the existing class specification for a Principal Office Associate to add language to give the position credit for coordinating all of the administrative activities within a particular department as well as providing technical assistance to department management and employees. Mr. Dobberstein stated a similar reclassification was requested in the past but due to the supervisory requirement the request was denied. Mr. Dobberstein indicated that this change became effective first in the Fire Department and Human Resources then identified other departments with the same situation. He stated he would also like the change to take effect immediately upon final approval.

Mr. Pawluk moved the Airport Authority approve the reclassification of the Office Associate III position to Principal Office Associate and that the change take effect immediately upon final approval.

Second by Mr. Walstad.

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

Received Minutes from Airport Emergency Tabletop Exercise Held May 13, 1998:

Mr. Dobberstein stated the Airport Emergency Tabletop Exercise was held May 13, 1998. He explained that an actual exercise is held only once every three years and the tabletop exercise is conducted the other years. He stated Darren Anderson attended the meeting and submitted this report.

The minutes from the Airport Emergency Tabletop Exercise held May 13, 1998, were received and filed without objection.

Approved Purchase of Steam Cleaner for Airport Operations:

Mr. Dobberstein stated our Airport Operations Staff has requested the replacement of a steam cleaner. He stated our previous unit was sold at the City auction. He stated the staff has received quotations on two machines:

Brenco Corporation	HDS 1055 Karcher Washer	\$3,969.00
Berg Fargo Motor	Alkota 240 Steam Cleaner	\$2,675.00

Mr. Dobberstein stated the staff has seen these two units operate and would like to purchase the Alkota 240.

Mr. Pawluk moved to authorize the purchase of the Alkota 240 Steam Cleaner at a cost of \$2,675.

Second by Mr. Walstad.

On the call of the roll, members Walstad, Pawluk and Macdonald voted aye.

Absent and not voting: Myers, Jordan

Received Update on Airport Construction Projects:

Mr. Wes Schon, Ulteig Engineers, was recognized and stated we are finished with the seeding on the air cargo apron. He stated they are working on the final stages of the lighting. Mr. Schon stated the vehicle gate is being installed.

Mr. Schon stated at the last meeting he reported they were starting on the 31st Street paving at the north end and that has now been completed and is in service.

Mr. Schon stated the only portion of the general aviation ramp expansion project is the seeding and they are working on that now.

Mr. Dobberstein stated on Saturday, May 30, during the thunder and lightning storm our security access system suffered some damage. He stated the system still works fine but the remote sites are not communicating with the central computer. He stated the technician from Johnson Controls found eight modems out of service, one of which showed definite damage by lightning. He stated he also found that the access control unit by one of the gates in the south general aviation area has failed and the cost to replace that will be \$12,000. He stated total cost to get everything back up and operational will be \$14,000 \$20,000. Mr. Dobberstein stated he has submitted a notice of loss to ND State Fire and Tornado but we are not certain these items are included in our coverage.

Mr. Dobberstein stated we have also checked into our security access system to make certain in is year 2000 compliant. He stated Westinghouse is still working on the software rewrite to comply with this change. He stated estimated cost for the software is \$1,500 and \$400 for a chip each access control unit. He stated these costs now put us at about \$20,000 \$25,000.

Mr. Schon stated the year 2000 security improvements would be eligible for FAA funding. He added that if we have any funds left over from the cargo apron project those funds could be applied to this project.

Mr. Pawluk asked if we are looking at repairing the current system or changing to to a new system.

Mr. Schon stated that before plunging into spending this amount of money we will make sure the entire system is 2000 compliant.

Discussed Phase II of the Jetway #3 Retrofit Project:

Mr. Dobberstein stated now that Ameribridge has lowered the jetway to accommodate a regional jet we are ready to move on to Phase II of the project. He stated that when they were at the AAAE conference in Nashville they reviewed literature from a company called Adapt a Bridge (Flight X) which manufactures this device. He stated estimated price of this unit is \$8,100.00. He added he will get a firm price

Discussed Phase II of the Jetway #3 Retrofit Project: (Continued)

Mr. Wasltad moved to authorize the Director to proceed with Phase II of the Jetway 3 Retrofit Project.

Second by Mr. Pawluk.

On the call of the roll, members Walstad, Pawluk and Macdonald voted aye.

Absent and not voting: Myers, Jordan

The motion was declared carried.

Mr. Pawluk moved to adjourn the meeting of the Municipal Airport Authority until the next regular meeting to be held Tuesday, June 23, 1998, at 9:00 a.m. in the Airport Boardroom.

Second by Mr. Walstad.

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

Time at adjournment was 10:20 a.m.

Regular Meeting

Tuesday

June 23, 1998

The regular meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held Tuesday, June 23, 1998, at 9:00 a.m. in the Airport Boardroom.

The members present or absent were as follows:

Present: Walstad, Myers, Pawluk, Macdonald

Absent: Jordan

Others: Stewart

Chairman Macdonald presiding.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held June 9, 1998:

Mr. Myers stated he was not in attendance at the last meeting but would like to add to the record his support for the action taken at that meeting for the reclassification of the Office Associate III position to Principal Office Associate.

The minutes of the regular meeting of the Municipal Airport Authority held June 9, 1998 were received as amended without objection.

Approved the Airport Vouchers Totalling \$37,816.39:

Mr. Walstad moved to approve the airport vouchers totalling \$37,816.39.

Second by Mr. Pawluk.

On the call of the roll, members Walstad, Myers, Pawluk and Macdonald voted aye.

Absent and not voting: Jordan

The motion was declared carried.

Approved the Individual Voucher to Tony Eckert & Sons:

Mr. Myers moved to approve the individual voucher in the amount of \$2,400.00 to Tony Eckert & Sons for painting old maintenance shop (Building #7).

Second by Mr. Walstad.

On the call of the roll, members Walstad, Myers, Pawluk and Macdonald voted aye.

Absent and not voting: Jordan

The motion was declared carried.

Approved the Individual Voucher to Ulteig Engineers, Inc.

Mr. Myers moved to approve the individual voucher in the amount of \$10,049.81 to Ulteig Engineers, Inc. for Partial Payment Request for engineering services in connection with the Air Cargo Ramp and Access Road Project, AIP 3 38 0017 38.

Second by Mr. Walstad.

On the call of the roll, members Walstad, Myers, Pawluk and Macdonald voted aye.

Absent and not voting: Jordan

The motion was declared carried.

Approved the Individual Voucher to Ulteig Engineers, Inc.:

Mr. Myers moved to approve the individual voucher in the amount of \$3,438.69 to Ulteig Engineers, Inc., for Partial Payment Request for engineering service in connection with the North General Aviation Ramp Expansion Project.

Second by Mr. Walstad.

On the call of the roll, members Walstad, Myers, Pawluk and Macdonald voted aye.

Absent and not voting: Jordan

The motion was declared carried.

Approved the Individual Voucher to Northern Improvement Company:

Mr. Myers moved to approve the individual voucher in the amount of \$132,347.24 to Northern Improvement Company for Partial Payment Request No. 10 for construction of the Air Cargo Apron and Access Road Project, AIP 3 38 0017 20.

Second by Mr. Walstad.

On the call of the roll, members Walstad, Myers, Pawluk and Macdonald voted aye.

Absent and not voting: Jordan

The motion was declared carried.

Approved the Individual Voucher to Northern Improvement Company:

Mr. Myers moved to approve the individual voucher in the amount of \$33,324.20 to Northern Improvement Company for Partial Payment Request No. 9 for construction of North General Aviation Ramp Expansion Project.

Second by Mr. Walstad.

On the call of the roll, members Walstad, Myers, Pawluk and Macdonald voted aye.

Absent and not voting: Jordan

The motion was declared carried.

Approved the Individual Voucher to American Janitorial Supply:

Mr. Myers moved to approve the individual voucher in the amount of \$3,391.50 to American Janitorial Supply for the purchase of a Minuteman Floor Burnisher (MAA approved March 10, 1998).

Second by Mr. Walstad.

On the call of the roll, members Walstad, Myers, Pawluk and Macdonald voted aye.

Absent and not voting: Jordan

The motion was declared carried.

Reviewed Plans and Specifications for Eastside Terminal Roof Project, As Prepared by Foss Associates, and Considered Expedited Bid Process:

Relative to the subject of the Eastside Terminal roof, Mr. Dobberstein distributed copies of a letter from Mr. K.C. Hemelstrand, AvSupport Online, regarding the roof leaks in their office space.

The communication from AvSupport was received and filed without objection.

Mr. Dobberstein introduced Mr. Patrick Delapointe, Foss Associates, to present the plans and specifications for the project.

Mr. Delapointe stated the roofing system he is considering for this project is a 60 mil adhered EPDM system. He stated this will give us a higher wind warranty (70 mph) rather than the typical 54 mph warranty. He added this roof should be able to sustain winds other than in a tornado. He added this roofing system meets and exceeds factory mutual requirements.

Mr. Dobberstein stated during the last roofing project on the Eastside Terminal there was quite a bit of movement and ceiling tiles inside of the building were disturbed.

Reviewed Plans and Specifications for Eastside Terminal Roof Project, As Prepared by Foss Associates, and Considered Expedited Bid Process: (Continued)

Mr. Delapointe stated from the asbestos report for the area included in this project shows the asbestos tiles were removed and replaced with standard fiberboard tiles. He stated there will be a chance of airborne dust but no airborne asbestos. He stated they will work with the tenants so they have minimum disruption during the project.

Mr. Delapointe stated the plans and specifications are 99% complete. He stated he is ready to advertise for bids to be received July 13.

Mr. Dobberstein stated we were considering an expedited bid process but that may not be necessary.

Mr. Delapointe stated in order to get a better price on the project he stated his specifications allow the project to be completed in one of two time frames: August November or April May 1999. He stated if the contractor chooses the second window they will be required to maintain the existing roof in a water tight state.

Mr. Myers asked if we can get the roof repaired now.

Mr. Dobberstein stated United Roofing has been doing repairs but the situation seems to change with each rain.

Mr. Myers suggested we have Mr. Delapointe take a look at it and find the leaks.

Mr. Delapointe stated he could probably use an infrared method to locate them.

Mr. Myers stated if some of the leaks are coming through the windows we should have them caulked.

Attorney Stewart stated under the circumstances we would not have to meet the three week advertisement since the project is under \$100,000.

Mr. Delapointe stated he has squeezed it as much as he can and right now the ad is ready to run on Wednesday.

Mr. Myers moved the Airport Authority accept Mr. Delapointe's proposed design and specifications for the Eastside Terminal roof project and that the Director work with Foss Associates on getting the project expedited, that bids be received on July 13 and approved by the Authority on July 14, and that in the meantime we do everything we can to keep the roof from leaking on the tenants.

Second by Mr. Pawluk.

Mr. Myers stated we would like this project done as quickly as possible, but if it is not possible to do it soon then we need to do the necessary repairs to keep the tenants dry.

Mr. Pawluk stated when looking at the pictures of the roof shown by Mr. Delapointe he could see damage to the rooftop air conditioning units and suggested we check into filing an insurance claim as it looked like hail damage.

Chairman Macdonald called for a vote on the motion.

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

Reviewed Airport First Addition Property Status, Considered One year Extension to the List Agreement with Goldmark Commercial Corporation:

Mr. Dobberstein stated approximately one year ago the Airport Authority entered into an agreement with Goldmark Commercial Corporation to list the remaining property in the Airport First Addition.

Mr. Jim Buus, Goldmark, was recognized and stated since the property has been listed he has had several inquiries and prospects but at this point it has not been sold. He stated they are requesting a one year extension.

Mr. Pawluk asked what the objections to the property have been.

Mr. Buus stated the "challenges" with this particular property have been the restrictions on use of the property. He stated the price has not been the objection.

Mr. Myers stated he feels if there were a prospective client the Airport Authority should consider a build and lease agreement. He added that we are not necessarily interested in that approach but would consider it.

Mr. Pawluk stated if there were a prospective tenant he would be agreeable with a build to suit arrangement. He suggested that we are looking to Goldmark to "market"

Reviewed Airport First Addition Property Status, Considered One year Extension to the List Agreement with Goldmark Commercial Corporation: (Continued)

rather than just sell the property.

Mr. Pawluk moved to approve the one year extension of the agreement with Goldmark Commercial Corporation on the property in the Airport First Addition.

Second by Mr. Walstad.

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

Authorized the Removal of an Underground Storage Tank Adjacent to Building #7:

Mr. Dobberstein stated there is an abandoned 1,000 gallon tank located near the old maintenance shop (Building #7) which must be removed by December 1998.

Mr. Dobberstein stated the soil will be tested as the tank is being removed and a representative from the State will be present at the removal.

Informal bids were received from

BASE BID

Henry Bros. Excavating	\$3,250.00
Master Construction, Inc.	\$4,950.00
Asplin Inc.	\$5,272.00

Removal and replacement of contaminated soil and landfill charges were bid as separate items.

Mr. Dobberstein stated he recommends awarding the project to Henry Bros. Excavating with the project to be completed at any time before October 1.

Mr. Walstad moved to award the fuel tank removal project to Henry Bros. Excavating, Inc.

Second by Mr. Myers.

Mr. Dobberstein added that the tank is insured under the North Dakota Petroleum Tank Fund which will cover a portion of the costs should contamination be discovered.

Chairman Macdonald called for a vote on the motion.

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

Discussed the Possibility of Expanded US Customs Service Hours:

Mr. Dobberstein provided the members with a summary of a meeting held June 11, 1998, with Mr. Radley Austin, US Customs Port Director, Todd Hulsether, US Customs Agent Fargo, Mr. Phil Shaw, Airborne Express Sioux Falls, Kevin Miller, Airborne Express Fargo.

Mr. Dobberstein stated the first part of June, Airborne contacted him regarding the accommodation of a flight from Winnipeg at about 8:00 pm, which is outside of the normal hours of our Customs Office and would require an overtime charge.

Mr. Dobberstein stated following this meeting he and Chairman Macdonald met with Mayor Furness, John Kramer (FCC Economic Development), and John Campbell (F M Chamber). He also stated he talked to Rachelle Clutter, Canadian Field Services Manager for Airborne and she is in communication with their Wilmington headquarters in terms of how to best proceed on their request. He stated it was their intent to begin this operation on June 29. He explained that four days a week the flight that arrives in Fargo in the morning will continue on to Winnipeg, remain there during the day, stopping back in Fargo in the evening before returning to their hub.

Mr. Dobberstein stated Mr. Austin presented three options:

1. Continue on an overtime basis. He stated this is somewhat risky for Airborne in the event that Todd Hulsether is not able to clear the flight, Airborne would have to wait until an agent from Grand Forks was able to come and clear the flight. Mr. Austin did not recommend this option.

Discussed the Possibility of Expanded US Customs Service Hours: (Continued)

2. Fargo could pick up the cost of a part time agent at a cost of approximately \$30,000 (cost to be shared by Fargo and Moorhead city government entities).
3. Hire another full time agent at a cost of \$50,000 \$75,000 per year with this cost shared by the current participant's in the cost of the Customs office in Fargo.

Mr. Dobberstein stated Customs requested that Airborne come back to the Airport Authority with a firm commitment of running this operation for longer than a trial period. They suggested Airborne send a request to the Municipal Airport Authority and the City of Fargo for additional service for Customs. Mr. Dobberstein stated in their discussions with the Mayor, Mr. Kramer and Mr. Campbell, it was the consensus that once we receive a formal request from Airborne that we support the part time person. He added that the agent that filled in for Mr. Hulsether during his absence recently had indicated interest in the position.

Mr. Myers stated in his review of the information it is his feeling that we should work toward making Fargo a full time international port and get the Federal government to support the operation in Fargo.

Mr. Dobberstein stated it comes down to either political influence or the number of passengers or parcel clearances each year. He stated overall Fargo has had more Customs activity than Grand Forks and Sioux Falls combined. He added that Sioux Falls is coming to the end of their temporary status as a full time port and will not meet the criteria for that status to continue. He stated as far as he is concerned this is a regional issue and we will include our congressional delegation as well as Congressman Colin Peterson from Minnesota.

Chairman Macdonald stated he feels this is something the Airport Authority needs to do and the main problem is how to pay for it. He stated Economic Development has indicated they would participate in half the cost. He stated Airborne may also participate in the cost or they may not.

Mr. Dobberstein stated this change in Customs could possibly lead to an additional flight which now stops in Sioux Falls. He stated right now the main benefactor will be Airborne but adding hours may increase our other Customs traffic if they knew there would be no overtime charge during extended hours.

Mr. Dobberstein stated once we get Airborne's letter of request the next step is a letter of request from the Airport Authority and the City of Fargo. He stated they have a 30 45 day process internally to select an individual for the position. He stated there is nothing preventing Airborne from starting the flight now, provided they work out the details with Mr. Hulsether.

Mr. Pawluk moved the Airport Authority approve the concept of expanding the US Customs Service hours and direct Mr. Dobberstein to expend whatever funds necessary to move forward with the additional part time position at this time.

Second by Mr. Walstad.

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

Considered an Financial Review of the Airport FBOs:

Chairman Macdonald stated that the Airport Authority recently conducted a financial review of the airport car rental agencies in order to meet our fiduciary responsibility to the public. He stated we are now in the process of considering a review of the fixed base operators. Chairman Macdonald stated our leases provide for this subject to the agreement of both parties on a certified public accountant to conduct the review. He added that we will be doing these financial audits on a continuing basis.

Mr. Dobberstein stated he contacted Mr. David Stende, Eide Bailly, who conducted the financial review of the car rental agencies. He stated that Mr. Stende stated there are a number of different methods to conduct the review.

Considered a Financial Review of the Airport FBOs: (Continued)

Mr. Dobberstein stated he will send a letter to the FBOs and work toward deciding on a firm to conduct the review.

Mr. Walstad moved the Airport Authority authorize the Executive Director to move forward with the financial review process for the fixed base operators.

Second by Mr. Myers.

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

Chairman Macdonald asked for comments from representatives of the FBOs present and there were none.

Received Update on Airport Construction Projects:

Mr. Wes Schon, Ulteig Engineers, was recognized and reported that work on the north general aviation apron project is almost complete. The rain has caused some problems with the seeding so that has been delayed.

Mr. Schon stated on the air cargo apron project we have completed all of the lighting and are just waiting for Airbone to finish their parking lot so we can connect the security fence to their building.

Mr. Schon stated he has drafted the contracts for Northern Improvement Company for the miscellaneous projects being done this year under the AIP 20 grant with some carry over and excess money.

Mr. Myers asked the status of the lighting on the westside access road.

Mr. Schon stated we have replaced four of the existing fixtures with cobra head fixtures and we are still in the trial period to see if these fixtures experience less vibration and rattling.

Mr. Dobberstein stated the new fixtures are those which have been recommended by NSP and they are satisfied with the cobra head replacement.

Mr. Myers asked that the board continue to be updated on this matter. He stated that if the replacement of the heads do not solve the problem he suggested we present the matter to Larson Welding and see if they would have any suggestions for a solution to the problem.

Adopted Resolution of Congratulations to Retiring FAA/Airway Facilities Employee, Chris Hesse:

Mr. Pawluk offered the following resolution and moved its adoption:

WHEREAS, the Municipal Airport Authority has learned of the upcoming retirement of FAA Airway Facilities employee, Mr. Chris Hesse, and

WHEREAS, Mr. Hesse, through his unselfish devotion and dedication to duty, has served not only the Federal Aviation Administration but Hector Airport since March 1979, and

WHEREAS, Mr. Hesse, in retiring from the FAA, will leave many friends at Hector Airport and the surrounding aviation community.

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. Chris Hesse for his many years of dedicated service and wishes him well in his retirement.

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. Hesse.

Second by Mr. Walstad.

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

Mr. Pawluk moved to adjourn the meeting of the Municipal Airport Authority until the next regular meeting to be held Tuesday, July 14, 1998 at 9:00 a.m. in the Airport Boardroom.

Second by Mr. Myers.

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

Time at adjournment was 10:28 a.m.

Regular Meeting

Tuesday

July 14, 1998

The regular meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held Tuesday, July 14, 1998, at 9:00 a.m. in the airport boardroom.

The members present or absent were as follows:

Present: Walstad, Myers, Jordan, Pawluk, Macdonald

Absent: None

Others: Stewart

Chairman Macdonald presiding.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held June 23, 1998:

The minutes of the regular meeting of the Municipal Airport Authority held June 23, 1998, were approved without objection.

Approved the Airport Vouchers Totalling \$48,380.32:

Mr. Walstad moved to approve the airport vouchers totalling \$48,380.32.

Second by Mr. Myers.

On the call of the roll, members Walstad, Myers, Jordan, Pawluk and Macdonald voted aye.

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

Approved the Individual Voucher to Michael J. Burns Architects:

Mr. Pawluk moved to approve the individual voucher in the amount of \$69.18 to Michael J. Burns Architects for Partial Payment Request for professional services in connection with the Hangar #2 roof project.

Second by Ms. Jordan.

On the call of the roll, members Walstad, Myers, Jordan, Pawluk and Macdonald voted aye.

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

Approved the Individual Voucher to Forum Publishing Company:

Mr. Pawluk moved to approve the individual voucher in the amount of \$83.20 to Forum Publishing Company for advertisement for bids for the Eastside Terminal roofing project.

Second by Ms. Jordan.

On the call of the roll, members Walstad, Myers, Jordan, Pawluk and Macdonald voted aye.

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

Approved the Individual Voucher to Midwest Testing:

Mr. Pawluk moved to approve the individual voucher in the amount of \$136.00 to Midwest Testing for payment request for testing services on the Air Cargo Apron and Access Road Project AIP #3 38 0017 20.

Second by Ms. Jordan.

On the call of the roll, members Walstad, Myers, Jordan, Pawluk and Macdonald voted aye. No member being absent and none voting nay the motion was declared carried.

Received Bids for Eastside Terminal Roof Project, Received Recommendation of Award from Foss Associates:

The bids for the Eastside Terminal Roof Project were received without objection.

Mr. Dobberstein stated the bids were opened on July 13, 1998, and were as follows:

M.J. Dalsin Roofing Contractors

\$62,140.00 (completed no later than November 10, 1998)

\$66,500.00 (completed no later than May 31, 1999)

Herzog Roofing

\$97,625.00 (completed by either date)

Pierce Roofing & Sheet Metal

\$79,540.00 (completed no later than November 10, 1998)

\$83,665.00 (completed no later than May 31, 1999)

Thompson Roofing Company

\$76,220.00 (completed no later than May 31, 1999)

The communication dated July 13, 1998 from Mr. Patrick DeLaPointe, Foss Associates, was received and filed without objection.

Mr. DeLaPointe was recognized and stated the low bid was approximately 10% lower than their estimate. He stated the variation in the bids is typical in roofing projects.

Mr. Dobberstein stated he would concur with Mr. DeLaPointe's recommendation to award the bid to Dalsin.

Mr. Myers moved to award the Eastside Terminal roofing project to M.J. Dalsin in the amount of \$62,140.00.

Second by Mr. Pawluk.

On the call of the roll, members Walstad, Myers, Jordan, Pawluk and Macdonald voted aye. No member being absent and none voting nay the motion was declared carried.

Mr. Myers expressed concern about the fact that in the near future we are planning to demolish the old tower structure on the Eastside Terminal. He recommended that Mr. DeLaPointe be consulted when the demolition takes place and that a buffer strip be in place around the tower structure in order to minimize damage to the new roof.

Received Second Quarter PFC Report:

The PFC report for the second quarter of 1998 was received and filed without objection.

Received Communication Regarding Access Road Lights:

Mr. Dobberstein stated that upon the recommendation by Mr. Myers we checked with Mr. Jim Briden at Larson Welding & Machine regarding the airport access road lighting. Mr. Briden came out and looked at the lights with our mechanic, Ron Olson. He stated Mr. Briden's response dated July 1, 1998, indicated that after his review he does not feel the poles are worth trying to reinforce as they are a light wall tube and may crack above the gussets.

Mr. Dobberstein stated we have not yet had sufficient test time for the cobra fixtures that were installed but so far the new fixtures have been working well.

Discussed Traffic Control Device for Airport Access Road:

Mr. Dobberstein stated we have received some information about a removable speed bump for the access road as you are approaching the terminal. He stated the speed limit in front of the building is 15 mph but there are many vehicles exceeding that by quite a bit. He stated the bump would be removable during winter for snow removal purposes. He stated the price we were quoted by 3 D Specialties was about \$700 installed.

Mr. Dobberstein stated on another traffic related matter, Doyle Cab has requested a two to three spot area as a holding area for their cabs. He stated the present taxi hold area we have is not conducive to picking up passengers.

Mr. Dobberstein indicated without any objection from the board he would proceed with these two items.

Received Communication from JP Development Regarding Sanitary Sewer Encroachment Agreement with the City of Fargo and Municipal Airport Authority, and Approve Encroachment Agreement:

The communication dated July 7, 1998, from Mr. Patrick Sweeney, JP Development, was received without objection.

Mr. Dobberstein stated along with Mr. Sweeney's letter was a copy of the review done by the Fargo Engineering Department. This report indicates that the sanitary sewer is under the proposed building (Fargo Jet Center Hangar) and Pat Sweeney has agreed to hold the City of Fargo and the Airport Authority harmless in the event of sewer problems and Mr. Sweeney would reroute or repair the sewer at their cost. He stated an encroachment agreement has been drafted by Attorney Stewart.

Mr. Dobberstein explained that when the original sanitary sewer and utilities were put in it was based on a proposed 120x140 hangar. He stated since then we have approved the expansion of this hangar. He stated the encroachment agreement states that JP Development will be responsible for 100% of any repair or replacement to the sewer.

Attorney Stewart stated the City has other such agreements and one agreement in particular has been in place since 1974 without any problem.

Mr. Walstad moved to approve the Encroachment Agreement for JP Development with the City of Fargo and Municipal Airport Authority .

Second by Ms. Jordan.

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

Discussed the Potential for Reduced Air Traffic Control Tower Hours of Operation:

Mr. Dobberstein provided the members with a memorandum dated July 10, 1998 outlining details on the possibility of a plan to reduce the hours of operation of the FAA air traffic control tower in Fargo.

This communication was received and filed without objection.

Discussed the Potential for Reduced Air Traffic Control Tower Hours of Operation:
(Continued)

Mr. Dobberstein stated the tower manager, Don Driscoll, was not able to be here today. He stated that Mr. Driscoll has not received anything official on this action but is simply wanted us to be aware of the possibility. He stated we faced this possible cut in 1993 but were able to avert it with a great deal of support.

Mr. Dobberstein stated he was also given a letter today by Dr. Clif Hamilton written by Mr. Torey Pretzer, Director of Operations, Aviation Resources, Ltd., expressing their concern over a number of safety issues with reduced tower hours.

Chairman Macdonald stated he feels we should be proactive and involve our congressional delegation in an attempt to prevent the change from taking place.

Mr. Walstad moved the Director be authorized to draft a letter to our congressional delegation expressing our concern over the possible reduction of hours in the control tower.

Second by Mr. Myers.

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

Approved Contract with Ulteig Engineers, Inc. for the Design of the County Drain 10 Flood Control Structure:

A communication dated July 13, 1998, from Mr. Wes Schon, Ulteig Engineers, was received and filed without objection.

Mr. Dobberstein stated Mr. Schon provided a preliminary plan and opinion of cost and proposed engineering contract for the flood control structure on County Drain 10 and County Road 20.

Mr. Dobberstein recommended the Airport Authority approve the contract with Ulteig Engineers on this project.

Mr. Walstad moved the Airport Authority approve the contract with Ulteig Engineers, Inc. for the County Drain 10 flood control structure project.

Second by Mr. Pawluk.

Mr. Myers stated he was not at the meeting at which the Airport Authority decided to give the project to Ulteig Engineers. He stated he feels we need to create an environment where we can attract other engineering firms in the area. He stated his comments have absolutely nothing to do with the quality and competency of Ulteig's people as they are very good. He stated he feels we have an obligation to the taxpayer to try to foster interest in other engineering firms for airport work. He stated he does recognize the vote that was taken and will go along with the decision but he would like to go on record as stating that we should do some things to create a receptive engineering environment at the airport.

Chairman Macdonald stated he agrees with Mr. Myers, however, because of the timely and urgent nature of this project and the involvement of the City of Fargo and FEMA, he did not feel this was the time to exercise that theory.

Chairman Macdonald called for a vote on the motion.

On the call of the roll, members Walstad, Myers, Jordan, Pawluk and Macdonald voted aye.

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

Received Update on Airport Construction Projects:

Mr. Wes Schon, Ulteig Engineers, was recognized and reviewed the proposed flood control structure. He stated that after meetings with the City Engineer's office we have come up with a design for this project. He stated it will be a concrete structure with a wall across the middle and a series of sluice gates and flap gates, with a lift station set off to the side. He stated this device will operate in the event water, which has already flowed through to the river, backs up. During

Received Update on Airport Construction Projects: (Continued)

discussion of the operation of the lift station it was indicated that once the project is complete it will become the responsibility of Fargo Public Works to maintain.

Mr. Schon stated he is planning to have plans and specifications completed by August so we can bid the project and complete the concrete structure yet this fall.

Mr. Dobberstein stated in another related matter, the City of Fargo will be extending water and sewer from west of the Armed Services Center, going under County 20, to serve the business development north of County 20. He added that we will be special assessed for this improvement. He stated this will give us water and sewer access west of County Drain 10, which will help us in developing the Airport Industrial Park at some time in the future.

Chairman Macdonald stated the Airport Authority also needs to decide if it is worthwhile for us to go through the special assessment process for this flood control structure.

Mr. Schon reviewed the other airport construction projects. He stated that there are only odds and ends left on both the air cargo apron and the north general aviation apron expansion.

Mr. Schon stated the current projects on the south end of the field are also under way. He stated with the pavement improvement projects they have been running into some problems with old sewer pipe that has collapsed. He stated as the Authority moves ahead with improvements in the south general aviation area, the sewer lines will have to be a priority.

Chairman Macdonald stated he is concerned about the sewer lines under the ramp in front of the old terminal where the heavier aircraft park. He stated he would support spending some money on a test project to see what is under there.

Mr. Dobberstein stated that some of the utility improvements are on our capital improvement program for next year.

Review and Approve 1999 Operations and Maintenance Budget:

Documents pertaining to proposed 1999 Operations and Maintenance Budget were received without objection.

Mr. Dobberstein stated his proposed Operations and Maintenance Budget for 1999 at this point projects a surplus of \$9,049, subject to potential changes in the salary and benefit portion. Projected revenues are \$2,078,235 and projected expenses are \$2,069,581.

After further review and discussion, Ms. Jordan moved to approve the 1999 Operations and Maintenance Budget as submitted.

Second by Mr. Walstad.

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

Certified to the Board of City Commissioners a Two Mill Levy for Airport Improvements for 1999, as Per Section 2 06 14 of the North Dakota Century Code:

A communication dated July 7, 1998 to the members of the Municipal Airport Authority from the Executive Director regarding the proposed mill levy for 1999 was received without objection.

Mr. Myers moved to certify to the Board of City Commissioners a two mill levy for airport improvements for 1999, as per Section 2 06 14 of the North Dakota Century Code.

Second by Mr. Pawluk.

On the call of the roll, members Walstad, Myers, Jordan, Pawluk and Macdonald voted aye. No member being absent and none voting nay the motion was declared carried.

Received Airport Marketing Proposals:

Mr. Dobberstein stated that the last time the "Fly Fargo" group met it was recommended that he seek informal marketing proposals from local firms for "Fly Fargo" advertising/marketing campaign. Firms submitting proposals were Charpentier Hovland, G.L. Ness, and Flint Communications.

Mr. Dobberstein stated the Airport Authority can receive these proposals and refer them to the Fly Fargo Committee. In answer to a question from Ms. Jordan, Mr. Dobberstein stated the cost of this campaign will be borne mostly by the Airport Authority but he has also received interest from some other agencies willing to participate in the cost.

The three proposals were received and filed without objection.

The board authorized Mr. Dobberstein to refer these proposals to the Fly Fargo Committee for review and to come back to the Airport Authority with a recommendation.

Mr. Dobberstein added that these proposals will be available for the Airport Authority members to review at their convenience.

Other Business:

Mr. Dobberstein stated it has been recommended by our loss control manager, Sedgwick James of Minnesota, that the Airport Authority drop the medical payments coverage under its airport liability policy. He stated Sedgwick has indicated that most of the airports they handle request that they have zero medical payments coverage. Both Sedgwick and the insurance carrier, Great American, recommend that we have either no medical payments coverage or no more than \$3,000. He stated that without the medical payments coverage, which is basically a no fault coverage, it is up to the claimant to prove fault in court. He added that he will discuss this further with both the insurance carrier and the City Finance Coordinator to determine the appropriate action.

Mr. Myers moved the Airport Authority authorize the Executive Director to adjust the medical payments coverage in our airport liability policy.

Second by Ms. Jordan.

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

Ms. Jordan moved to adjourn the meeting of the Municipal Airport Authority until the next regular meeting to be held Tuesday, July 28, 1998.

Second by Mr. Wasltad.

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

Time at adjournment was 10:54 a.m.

Regular Meeting

Tuesday

July 28, 1998

The regular meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held Tuesday, July 28, 1998, at 9:00 a.m. in the Airport Boardroom.

The members present or absent were as follows:

Present: Walstad, Myers, Jordan, Pawluk

Absent: Macdonald

Others: Stewart

Vice Chairman Pawluk presiding.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held July 14, 1998:

The minutes of the regular meeting of the Municipal Airport Authority held July 14, 1998, were approved without objection.

Approved the Airport Vouchers Totalling \$32,076.01:

Mr. Walstad moved to approve the airport vouchers totalling \$32,076.01.

Second by Mr. Myers.

On the call of the roll, members Walstad, Myers and Pawluk voted aye.

Absent and not voting: Jordan, Macdonald

The motion was declared carried.

Jordan now present.

Approved the Individual Voucher to Northern Improvement Company:

Mr. Myers moved to approve the individual voucher in the amount of \$121,669.79 to Northern Improvement Company for Payment Request No. 1 for construction of Runway 17/35 Rehabilitation, Southeast GA Drainage Improvements and Airport Beacon Relocation, AIP Project No. 3 38 0017 20.

Second by Mr. Walstad.

On the call of the roll, members Walstad, Myers, Jordan and Pawluk voted aye.

Absent and not voting: Macdonald

The motion was declared carried.

Approved the Individual Voucher to Ulteig Engineers, Inc.:

Mr. Myers moved to approve the individual voucher in the amount of \$3,624.26 to Ulteig Engineers, Inc. for partial payment request for engineering services in connection with the Runway 17/35 Rehabilitation, Southeast GA Drainage Improvements and Airport Beacon Relocation, AIP Project No. 3 38 0017 20.

Second by Mr. Walstad.

On the call of the roll, members Walstad, Myers, Jordan and Pawluk voted aye.

Absent and not voting: Macdonald

The motion was declared carried.

Approved the Individual Voucher to Foss Associates:

Mr. Myers moved to approve the individual voucher in the amount of \$3,039.97 to Foss Associates for payment request for architectural services in connection with the Eastside Terminal Roofing project.

Second by Mr. Walstad.

On the call of the roll, members Walstad, Myers, Jordan and Pawluk voted aye.

Absent and not voting: Macdonald

The motion was declared carried.

Approved the Individual Voucher to Herzog Roofing:

Mr. Myers moved to approve the individual voucher in the amount of \$110,202.30 to Herzog Roofing for Partial Payment Request No. 1 for construction of the Hangar #2 roof project.

Second by Mr. Walstad.

On the call of the roll, members Walstad, Myers, Jordan and Pawluk voted aye.

Absent and not voting: Macdonald

The motion was declared carried.

Approved the Individual Voucher to Obermiller Nelson Engineering:

Mr. Myers moved to approve the individual voucher in the amount of \$68.00 to Obermiller Nelson Engineering for partial payment request for engineering services in connection with the Westside Terminal Tug Concourse HVAC Analysis.

Second by Mr. Walstad.

On the call of the roll, members Walstad, Myers, Jordan and Pawluk voted aye.

Absent and not voting: Macdonald

The motion was declared carried.

Approved the Individual Voucher to Johnson Controls:

Mr. Myers moved to approve the individual voucher in the amount of \$9,069.00 to Johnson Controls for replacement of access control unit on the airport security system, due to lightning damage.

Second by Mr. Walstad.

On the call of the roll, members Walstad, Myers, Jordan and Pawluk voted aye.

Absent and not voting: Macdonald

The motion was declared carried.

Reviewed JP Development Parking Lot Plans to Replace Temporary Lot:

Mr. Dobberstein stated JP Development retained the services of Ulteig Engineers, Inc. to design a permanent parking lot to replace the temporary lot north of their facility. He stated the proposed design shows 43 parking spaces. He stated we will maintain the 14 foot grass berm that runs along the north of the existing lot.

Reviewed JP Development Parking Lot Plans to Replace Temporary Lot: (Continued)

Mr. Dobberstein added that part of this area is presently leased to a tenant farmer (Bill Borgen) and JP Development will be responsible to reimburse the farmer for any crop that will be destroyed as a result of this parking lot.

Mr. Myers stated his main concern is that this proposed parking lot ties in with future plans for the entire north general aviation area in terms of drainage.

Mr. Schon indicated all of the buildings in that area have been built up at least three feet and he would propose the same for future development. He added that there is a drainage plan for the entire area.

Mr. Dobberstein stated if the board does approve this parking lot plan he advised Mr. Jim Sweeney that we will need a legal description for the parking lot before a lease can be drafted.

Mr. Myers moved to approve the parking lot proposed by JP Development, based on the plans and discussion presented today.

Second by Ms. Jordan.

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

Discussed FBO Financial Review Process:

Mr. Dobberstein indicated that following the Airport Authority's decision to conduct a financial review of the fixed base operators he wrote the FBOs advising them of this and inviting their comments. He stated the only response he received was from Dr. Hamilton. He stated since he did not hear from the other FBOs he assumes they have no problem with using the firm of EideBailly.

Mr. Dobberstein stated that Mr. Dave Stende, EideBailly, did advise him that all of the JP Development entities are their clients.

Dr. Hamilton stated he was not aware that EideBailly already works for JP Development.

Mr. Myers stated he can understand any concern the Hamiltons may have.

Dr. Hamilton stated he feels some of the items indicated in a letter from Eide Helmeke dated September 3, 1996, would not pertain to this review. He stated, for example, that he does not feel a review of their trial balance has anything to do with the information the Airport Authority is trying to confirm. He stated the purpose of this review is to confirm that the FBOs are paying a percentage of all applicable revenue.

Mr. Dobberstein stated he can have Mr. Stende come out, meet with the FBOs and explain the process to them. He stated his understanding of the process is that Mr. Stende will pick one month at random and ask the FBO to show how they arrived at that revenue amount.

Dr. Hamilton stated that method is different from that outlined in the letter to the car rental agencies. He added that the method explained by Mr. Dobberstein sounds like a reasonable approach.

Dr. Hamilton stated the Airport Authority is calling for the review and the FBOs are required to pay for half of the cost so this firm will be working for both the Airport Authority and the FBOs. He stated EideBailly is the largest accounting firm around and has a good reputation so he is hopeful that they realize the confidential nature of this process. He added that he is not concerned with the fact that EideBailly works for JP Development.

Mr. Dobberstein stated we suggested EideBailly as this is the firm the City of Fargo uses for its financial audit services.

Ms. Jordan stated she has no concerns about EideBailly keeping information confidential. She stated that in order to find another firm with the expertise we would have to go outside of Fargo and possibly out of state.

Discussed FBO Financial Review Process: (Continued)

Vice Chairman Pawluk stated the board previously authorized the hiring of EideBailly and without objection we will proceed on the action taken previously.

Received Update on Snowblower Release Authorization:

Mr. Dobberstein stated representatives from Stewart Stevenson and Sanitation Products were here last week to give us an update on our new snowblower. They indicated it was about half completed and it should be delivered in the next few weeks.

Mr. Dobberstein stated the Sioux Falls Regional Airport offered us \$12,000 for our 1980 Snowblast snowblower. He stated as discussed previously we are no longer able to get parts for the unit. He stated Sioux Falls has the same unit which is also worthless unless they get parts from another unit.

Mr. Dobberstein stated in order to dispose of this unit the FAA requires an appraisal. He stated the appraisal we received from Sanitation Products was between \$10,000 \$15,000 so the \$12,000 offer falls within that.

Mr. Myers stated he does not know why we would want to dispose of this snowblower.

Mr. Dobberstein stated it is virtually impossible to obtain parts for the unit. He stated we have plenty of snowblower capability with the other three units we have in addition to the new unit coming.

Mr. Walstad moved the Airport Authority authorize the sale of the 1980 Snowblast snowblower to the Sioux Falls Regional Airport for \$12,000, as recommended by the Director.

Second by Ms. Jordan.

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

Received Update on US Customs Service:

Mr. Dobberstein stated he received a communication dated July 17, 1998, from Rachelle Clutter, Canadian Field Services Manager for Airborne Express. He stated they have previously indicated their plans for the flight arriving in Fargo in the morning to continue on to Winnipeg and return about 8:00 p.m. Mr. Dobberstein stated that the US Customs Service internal process to add a part time person at the port in Fargo is underway and it is normally a 120 day process, but they hope to shorten that somewhat. He stated until the part time person is in place Airborne will be paying all of the overtime fees assessed by Customs. He stated the cost of the part time person, based on 32 hours per week, with benefits will be \$26,075 per year. He stated this cost will be shared by a variety of agencies yet to be finalized, and possibly Airborne.

Mr. Dobberstein stated that initially we were advised by Customs that once the part time person is in place we would be committed for three years, but they have revised that and the 120 day termination clause in our current agreement with US Customs would apply.

Received Update on Airport Construction Projects:

Mr. Wes Schon, Ulteig Engineers, stated the payment requests approved today were for work done in the southeast general aviation area, including storm sewer improvements to Taxiway A, replacement of pavement in the approach area to Runway 17/35, and mudjacking on the southeast ramp area. He stated the next item to be completed is the relocation of the beacon.

Received Update on Airport Construction Projects:

Mr. Myers asked what the plans are for the generator in the old radar tower building.

Mr. Dobberstein stated he has two options he would like to explore for that generator: 1) use it for the Eastside Terminal to run the boiler and a few other items in case of a power outage, or 2) use it for the maintenance shop.

Mr. Schon stated on the air cargo ramp project we are just waiting for the completion of the building before we can install a final piece of security fence.

Mr. Schon stated we have discussed in the past converting the existing horizontal gate between Valley Aviation and Fargo Jet Center to a vertical gate. He stated he and Mr. Dobberstein have not yet finalized details on which project we will use for funding. He indicated the estimate for the gate is approximately \$16,000.

Mr. Myers moved to authorize the Executive Director to proceed with the conversion of the security gate between the FBO facilities on the north ramp to an overhead gate.

Second by Mr. Walstad.

On the call of the roll, members Walstad, Myers, Jordan and Pawluk voted aye.

Absent and not voting: Macdonald

The motion was declared carried.

Without objection the meeting of the Municipal Airport Authority was adjourned until the next regular meeting to be held Tuesday, August 11, 1998 at 8:00 a.m. in the Airport Boardroom.

Time at adjournment was 9:57 a.m.

Regular Meeting

Tuesday

August 11, 1998

The regular meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held August 11, 1998, at 8:00 a.m. in the Airport Boardroom.

The members present or absent were as follows:

Present: Walstad, Myers, Jordan, Pawluk, Macdonald

Absent: None

Others: Stewart, Bromenschenkel

Chairman Macdonald presiding.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority held July 28, 1998:

The minutes of the regular meeting of the Municipal Airport Authority held July 28, 1998, were approved without objection.

Approved the Airport Vouchers Totaling \$32,011.32:

Mr. Walstad moved to approve the airport vouchers totalling \$32,011.32.

Second by Mr. Pawluk.

On the call of the roll, members Walstad, Myers, Jordan, Pawluk and Macdonald voted aye.

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

Approved the Individual Voucher to Ulteig Engineers, Inc.:

Mr. Pawluk moved to approve the individual voucher in the amount of \$3,540.47 to Ulteig Engineers, Inc. for Partial Payment Request for engineering services in connection with the Runway 17/35 Rehabilitation, Southeast GA Drainage Improvements and Airport Beacon Relocation, AIP Project No. 3 38 0017 20.

Second by Mr. Walstad.

On the call of the roll, members Walstad, Myers, Jordan, Pawluk and Macdonald voted aye.

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

Approved the Individual Voucher to Ulteig Engineers, Inc.:

Mr. Pawluk moved to approve the individual voucher in the amount of \$470.22 to Ulteig Engineers, Inc. for Partial Payment Request for engineering services in connection with the North General Aviation Ramp Expansion Project.

Second by Mr. Walstad.

On the call of the roll, members Walstad, Myers, Jordan, Pawluk and Macdonald voted aye.

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

Approved the Individual Voucher to Ulteig Engineers, Inc.:

Mr. Pawluk moved to approve the individual voucher in the amount of \$611.53 to Ulteig Engineers, Inc. for Partial Payment Request for engineering services in connection with the Cass County Drain #10 Environmental Assessment.

Second by Mr. Walstad.

On the call of the roll, members Walstad, Myers, Jordan, Pawluk and Macdonald voted aye.

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

Approved Individual Voucher to Midwest Testing Laboratory Inc.:

Mr. Pawluk moved to approve the individual voucher in the amount of \$94.50 to Midwest Testing Laboratory, Inc. for testing services in connection with the Air Cargo Apron and Access Road Project, AIP #3 38 0017 20.

Second by Mr. Walstad.

On the call of the roll, members Walstad, Myers, Jordan, Pawluk and Macdonald voted aye.

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

Reviewed Mutual Aid Agreement with North Dakota Air National Guard:

Mr. Dobberstein indicated members of the board had been provided with the proposed Mutual Aid Agreement between the Municipal Airport Authority and the State of North Dakota, Office of the Adjutant General (NDANG).

The agreement was received and filed without objection.

Mr. Myers moved to approve the Mutual Aid Agreement between the Municipal Airport Authority and the North Dakota National Guard (State of North Dakota/Office of the Adjutant General).

Second by Mr. Pawluk.

Mr. Dobberstein stated that some time ago our liability insurance carrier requested the Airport Authority enter into a Mutual Aid Agreement for Emergency Response involving the City of Fargo, Cass County, and the ND Air National Guard. Mr. Dobberstein stated he and Attorney Stewart have exchanged letters and conversations with all three agencies.

Mr. Dobberstein stated the North Dakota National Guard decided to have a separate agreement just between the Municipal Airport Authority and the ND National Guard. He stated the City and the County are still working on their agreements. Mr. Dobberstein stated the Airport and the Guard have shared mutual aid between the two parties for over fifty years and this agreement will simply put into writing what has been practiced over the years.

Reviewed Mutual Aid Agreement with North Dakota Air National Guard: (Continued)

Attorney Stewart stated it was our original intention that all four parties be named in an agreement but the Guard has requested this separate agreement with the airport as well.

Mr. Dobberstein stated he recommends the Airport Authority formalize this agreement with the Guard.

Chairman Macdonald called for a vote on the motion.

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

Discussed NSP Plans to Extend Gas Service to the Southeast General Aviation Hangar Area:

Mr. Dobberstein stated there is currently a gas main that terminates at the Vic's Aircraft Sales hangar and Mr. Francis Butler has requested gas service at his hangar. He stated NSP has proposed boring under the taxilanes to provide gas service to Mr. Butler's hangar. He stated NSP has contacted the other hangar tenants in the area to see if they are interested in gas service. Mr. Dobberstein stated NSP will be preparing an easement for our review and approval.

Mr. Dobberstein stated another matter that may be before the board at some time in the future will be the relocation of the electric wires from overhead to underground.

Received Communication from Aviation Resources, Ltd. Requesting a Ground Lease Extension for the North General Aviation Area Hangar:

The communication on this matter was received and filed without objection.

Mr. Pawluk moved to approve the request from Aviation Resources, Ltd. Requesting a ground lease extension for the North General Aviation Area Hangar.

Second by Jordan.

Mr. Dobberstein stated he talked to Dr. Hamilton last week regarding requirements under the Small Business Administration's loan process. He stated one of the requirements is that the ground lease on his existing hangar be extended to October 14, 2018. He stated the current lease has a fifteen year ground lease with one six year option, with an expiration date of August 31, 2013.

Mr. Myers stated he supports this request wholeheartedly, but at the same time does not want to see the Airport Authority get into a situation again where lease expiration dates are staggered and when one lease is renewed and that tenant gets something another one does not have and other leases have to be amended. Mr. Myers stated if this does not make sense to anyone else he would like to know that.

Mr. Pawluk stated he feels it complicates matters to have all of the leases expire at the same time. He stated he does not know that there would be a great advantage to that because if an issue does come up that needs to be addressed it will be addressed and resolved as the leases come due. He stated he feels it is more of a burden to have them all come due at one time than it is to have the process continue to evolve.

Mr. Dobberstein stated if there are changes made to leases that are renewed, those changes are also made to other leases as they are renewed. He stated some of the leases in the south general aviation area have been renewed at the new lease rate of eight cents per square foot while some of the older ones are still at six cents but will be renewed at eight cents.

Mr. Myers stated he feels the major FBO leases on the north end of the field should have the same lease dates. He added that the leases for the smaller private hangars are not as much of an issue.

Chairman Macdonald stated he tends to agree with Mr. Myers on some points and especially when you get into older leases that have been there for a number of years and where the buildings are older. He added that maybe it is not quite so important

Received Communication from Aviation Resources, Ltd. Requesting a Ground Lease Extension for the North General Aviation Area Hangar: (Continued)

on the new development. He stated he feels we are headed in the right direction.

Mr. Myers stated his goal since he has been on this board is to make sure we support industry on the airport and to make sure that everyone is treated fairly.

Mr. Dobberstein stated he agrees and would handle things no other way.

Chairman Macdonald suggested the motion be amended to give the Executive Director authority to negotiate a lease expiration date to encompass the request.

Ms. Jordan amended her motion to add that the Executive Director be authorized to negotiate a lease expiration date to encompass the request by Aviation Resources, Ltd.

Mr. Pawluk, who seconded the original motion, agreed to the amendment.

Mr. Walstad stated he does not feel there is any conflict of interest but indicated that he is on the board of the Small Business Administration which will review and approve this loan.

Chairman Macdonald called for a vote on the motion.

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

Received Update on Airport Construction Projects:

Mr. Wes Schon, Ulteig Engineers, was recognized and stated he does not have much to report as there is little left to be done on our construction projects. He stated we are still waiting for some final security fencing to be put up at the Airborne facility.

Mr. Myers suggested the Airport Authority convey in writing its appreciation to the contractors involved in the air cargo ramp project.

Mr. Schon added that they are advancing on the design phase of the Cass County Drain #10 Flood Control Structure Project and should have a review available for the next meeting.

Other Business:

Mr. Pawluk stated there is a parcel of land for sale north of the airport and south of County 20. He asked if the Airport Authority should be looking at purchasing that property.

Mr. Dobberstein stated we have indicated in interest in enough land to accommodate an extension of 31st Street North. He stated there are a lot of questions that will be answered by a study currently being conducted by the Metropolitan Council of Governments and he would like to wait for the results of that study.

Mr. Pawluk stated he feels it would be a good idea to get some more information on the available land. He stated recognizing how close that land is to the airfield he feels the Authority would want to have control over that land.

Mr. Myers stated one consideration may be offering an exchange for the land in the Airport First Addition.

Mr. Dobberstein stated he was involved in a conference call last week with the Aeronautics Commission and representatives of the four major airports in the state. He stated the subject was a contingency plan in the event of a Northwest Airlines strike. He stated we received a list of the 20 airlines contacted by the Aeronautics Commission about the possibility of service in the event of a strike. He stated the response from the major airlines was that same. If they were to increase service it would be to the hubs (Memphis, Detroit, Minneapolis). He added that the smaller airlines do not have equipment available.

Other Business:

There was a brief discussion on the feasibility of looking into a Geographic Information System (GIS) for the airport. Mr. Dobberstein indicated he would work with Mr. Schon on gathering some preliminary information for presentation to the board at the next meeting.

Without objection the meeting of the Municipal Airport Authority was adjourned until the next meeting to be held Tuesday, August 25, 1998 at 8:00 a.m.

Time at adjournment was 9:04 a.m.

Regular Meeting

Tuesday

August 25, 1998

The regular meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held on Tuesday, August 25, 1998, at 8:00 a.m. in the Airport Boardroom.

The members present or absent were as follows:

Present: Walstad, Myers, Jordan, Macdonald

Absent: Pawluk

Others: Stewart, Eldred

Chairman Macdonald presiding.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held August 11, 1998:

The minutes of the regular meeting of the Municipal Airport Authority held August 11, 1998, were approved without objection.

Approved the Airport Vouchers Totalling \$29,510.04:

Mr. Walstad moved to approve the airport vouchers totaling \$29,510.04.

Second by Mr. Myers.

On the call of the roll, members Walstad, Myers, Jordan and Macdonald voted aye.

Absent and not voting: Pawluk

The motion was declared carried.

Approved the Individual Voucher to Foss Associates:

Mr. Myers moved to approve the individual vouchers in the amount of \$650.24 to Foss Associates for partial payment request for architectural services in connection with the Eastside Terminal roofing project.

Second by Mr. Walstad.

On the call of the roll, members Walstad, Myers, Jordan and Macdonald voted aye.

Absent and not voting: Pawluk

The motion was declared carried.

Approved the Individual Voucher to United Roofing:

Mr. Myers moved to approve the individual voucher in the amount of \$2,200.00 to United Roofing for partial payment request (final) for Westside Terminal roof repairs.

Second by Mr. Walstad.

On the call of the roll, members Walstad, Myers, Jordan and Macdonald voted aye.

Absent and not voting: Pawluk

The motion was declared carried.

Approved the Individual Voucher to Flight X Corporation:

Mr. Myers moved to approve the individual voucher in the amount of \$8,501.00 to Flight X Corporation for the installation of an Adapt a Bridge on Jetway #3.

Second by Mr. Walstad.

On the call of the roll, members Walstad, Myers, Jordan and Macdonald voted aye.

Absent and not voting: Pawluk

The motion was declared carried.

Approved the Individual Voucher to Grant's Mechanical:

Mr. Myers moved to approve the individual voucher in the amount of \$12,815.50 to Grant's Mechanical for Partial Payment Request No. 1 for installation of the makeup air unit in the Westside Terminal Tug Concourse.

Second by Mr. Walstad.

On the call of the roll, members Walstad, Myers, Jordan and Macdonald voted aye.

Absent and not voting: Pawluk

The motion was declared carried.

Approved the Individual Voucher to Sanitation Products:

Mr. Myers moved to approve the individual voucher in the amount of \$284,750.00 to Sanitation Products for full and final payment for a Stewart & Stevenson rotary snowblower, AIP Project No. 3 38 0017 21.

Second by Mr. Walstad.

On the call of the roll, members Walstad, Myers, Jordan and Macdonald voted aye.

Absent and not voting: Pawluk

The motion was declared carried.

Discussed Geographic Information System:

Mr. Dobberstein stated since the last meeting he has done some checking into a geographical information system. He stated in visiting with City Engineer, Mark Bittner, a lot has been done by the City, along with Ulteig Engineers, to create a base map and overlay of the airport.

Mr. Dobberstein stated it is a time consuming process but it does get better as it goes along. He stated the first thing he believes we should do is have all of the underground and overhead utilities located (water, sewer, electrical, runway/taxiway lights, etc.). He stated this would require having an engineering firm do this for us. He stated this type of project would be eligible for AIP funding. He added that we do not know the amount of our 1999 entitlement funds but we could earmark a portion for this project.

Mr. Dobberstein stated the second phase of this project would be to enter information on all of the buildings and facilities. He stated you can put as much or as little information in the system as you want, from basic dimensions to who leases the space and what type of light bulbs are required. He stated the same would be true of the utilities.

Mr. Dobberstein stated based on information he has gained so far, we are further along than he thought we were. He stated we have AutoCad 10 software in our office and could upgrade to AutoCad 14. He stated the up front costs for the software and hardware are not much, the major expense will be the engineering costs.

Mr. Wes Schon, Ulteig Engineers, stated a lot of the work they have done for the airport since 1986 they have on their system. He stated there are a lot of other utility lines that they do not have recorded but there are drawings for them. Mr. Schon stated the key is to come up with a list of what information you want included.

Mr. Dobberstein stated he would like to see us get an estimate on the cost to locate all utilities, buildings and lease lines, and also information on the Guard property which the airport owns.

Discussed Geographic Information System: (Continued)

Mr. Schon stated a good time to have this location work done is the early part of winter before major amounts of snow and since the locaters are not as busy as they are during construction season.

Chairman Macdonald asked for a estimated figure on that portion of the project.

Mr. Schon stated he feels the surveying work could be done in about two or three weeks (120 hours x \$75/hour for a three man crew).

Mr. Myers stated this is a great idea but his concern is that we may be putting more information in that we will need.

Mr. Dobberstein stated his goal is to have all of the utility information available so when we have preconstruction conferences for upcoming projects all of that information is available.

Chairman Macdonald stated he would also like to have lease information on the airport tenants readily available. He stated he feels for now we at least need to get started and the extent of the information can be determined later.

Mr. Dobberstein stated he will continue to get more information and have an update at the next meeting.

Reviewed JP Development Office Complex and T Hangar Plans:

The communication dated August 20, 1998, from Mr. Pat Sweeney, JP Development, along with a copy of the building plans, was received and filed without objection.

Mr. Dobberstein stated some time ago the Airport Authority approved the concept of the T hangar proposed by JP Development but we have been waiting for building plans and a building permit for final approval. He stated JP Development is proposing the hangar be white with blue trim. The T hangar will be a ten unit hangar with four units initially leased to Weather Modification and six units leased to Fargo Jet Center. JP Development is also requesting they reserve the right to establish long term leases with private clients on the six units leased to Fargo Jet Center.

Mr. Dobberstein asked Mr. Sweeney when the construction will begin.

Mr. Sweeney stated the building has been ordered and the concrete work is scheduled to be done in September.

Mr. Myers stated he does not feel the Airport Authority should get too involved in the design of buildings for tenants, but he would like to alert Mr. Sweeney to the matter of wind load on this hangar as he does not see that this building design will be able to withstand wind load.. He stated he would like a communication from the City Engineer's office that this proposed building meets or exceeds the building requirements.

Mr. Sweeney stated he has a letter from the building indicating he is working with the City Engineer to meet building codes.

Mr. Myers stated he would suggest Mr. Sweeney, as a building owner, requested the building manufacturer to put in writing that the building will meet building codes.

Ms. Jordan moved to approve the T hangar proposed by JP Development, subject to approval by the City Building Inspector and issuance of a building permit.

Second by Mr. Myers.

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

Mr. Myers stated his comments were not meant to slow down Mr. Sweeney's project but to advise him of what he sees as a potential problem.

Mr. Sweeney stated he realizes that and appreciates Mr. Myers's concern and input.

Mr. Dobberstein stated JP Development now has building plans for the proposed office complex. He asked Mr. Sweeney to give the board details on the project.

Mr. Pat Sweeney stated the hangar building was approved and is currently under construction. They are proposing a two story office complex on the back of the

Reviewed JP Development Office Complex and T Hangar Plans: (Continued)

existing hangar to match the length of the new hangar, making the entire square area 170' x 260'. He stated the office addition will be for office space, lab space and technical area. He stated the exterior of the building will match the current office building. Mr. Sweeney stated the building plans have been at the City Engineer's office for a week now and expect to hear word on their approval soon, along with issuance of a building permit.

Mr. Sweeney stated he also has final drawings for the permanent parking lot north of their facilities. He stated the parking lot will have curb and gutter and will be a nicely landscaped area.

Mr. Walstad moved to approve the proposed plans for the parking lot as presented.

Second by Ms. Jordan.

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

Mr. Walstad moved to approve the plans for the JP Development office complex as proposed, subject to approval by the City Building Inspector.

Second by Ms. Jordan.

Mr. Myers stated he discussed with Attorney Stewart the technicalities that should be included in the lease as the Airport Authority owns the main hangar building leased to JP Development.

Attorney Stewart stated the lease will include a party wall agreement.

Chairman Macdonald called for a vote on the motion.

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

Reviewed Flood Control Structure Plans:

Mr. Wes Schon, Ulteig Engineers, stated he has written to the City of Fargo Engineering Department, Southeast Cass Watershed District, and Cass County Engineering on the flood control structure project. He stated he has received responses from all but Cass County Engineering.

Mr. Schon stated since the last meeting the plans have been reviewed and some modifications have been made. He reviewed further detail on the plans and how the system will operate.

Mr. Schon stated he feels we are at the point where we could start advertising the first part of September and open bids around September 29.

Mr. Schon stated he has corresponded with the Corps of Engineers during his work on the environmental assessment for the Runway 8/26 project, and he does have a letter from them indicating that no Section 404 permit was required for any of the work to be done between the runway and the proposed box culvert.

Mr. Schon stated we still need to do some review on the pumps and he and Mr. Dobberstein will continue to meet with Mr. Bittner and Mr. Walaker.

Mr. Schon stated with the Airport Authority's concurrence he will proceed with the project and start advertising in September and open bids the last week in September. He stated if everything is in order there is no reason we will not be able to award the project the first week in October.

Reviewed South General Aviation Area Hangar Proposal from Mr. Gerald Eid:

The drawings submitted by Mr. Gerald Eid were received and filed without objection.

Mr. Dobberstein stated Mr. Eid was not able to be at the meeting today. He stated that for some time now Mr. Eid has indicated an interest in building a hangar and he has reviewed the different options with him. Mr. Dobberstein stated Mr. Eid wants to build on the south side as he feels it would be more convenient for him. Mr.

Reviewed South General Aviation Area Hangar Proposal from Mr. Gerald Eid: (Cont'd)

Dobberstein stated Mr. Eid first expressed interest in the lot west of the Francis Butler hangar, but with Mr. Butler's 90 day right of first refusal on that lot Mr. Eid did not feel he wanted to wait that long and would like to have the hangar constructed yet this year.

Mr. Dobberstein reviewed some of the other options Mr. Eid would have and he indicated he would continue to be in contact with Mr. Eid regarding his options and will report back to the board when Mr. Eid has a better idea of what he would like.

Mr. Myers asked Mr. Dobberstein to make sure Mr. Eid is aware of the benefits to locating in the north general aviation area before making a final decision.

Discussed Human Resources Plan to Review Job Descriptions:

The memorandum dated August 19, 1998 from Carol Hutchison, Director of Human Resources, was received and filed without objection.

Mr. Dobberstein stated some years ago the City of Fargo hired Ernst & Young to conduct a survey of all of the positions within the City. He stated each employee completed a Position Description Questionnaire on their position. He stated from those questionnaires they assigned a classification rating and determined salaries according to their studies of the market.

Mr. Dobberstein stated since that time there have been a number of changes and reclassifications. He stated the City would now like to conduct another wage comparison with other cities. He stated at the same time they are looking for any positions that should be reclassified.

Mr. Dobberstein stated Human Resources and the Civil Service Commission recently changed the job description for Principal Office Associate which would result in the upgrade of the airport Office Associate III to Principal Office Associate. This reclassification has not yet been approved by the City Commission but the Human Resources Department is working on the matter as there are several other departments involved.

Mr. Dobberstein stated in the recent past the Airport Authority submitted a revised Position Description Questionnaire for the Executive Director's position. He stated he does not know that anything was done with that but if the board desired he could submit another PDQ.

Ms. Jordan stated she worked with Mr. Bill Sorenson, previous Human Resources Director, and all of that should be on file in their office. Ms. Jordan stated it was her understanding that this was scheduled to be reviewed at the next reclassification review session but apparently that has not been done.

Mr. Dobberstein stated all of the other employees seem to be satisfied with their descriptions but we have until next week to submit those.

Chairman Macdonald instructed Ms. Jordan to look into the matter of submitting an updated PDQ for the position of Executive Director and report back to the Airport Authority.

Discussed Recommendation for Airport Marketing Program:

Mr. Dobberstein stated the "Fly Fargo" Committee met recently to discuss the three marketing proposals received by the Airport Authority. It was the unanimous consensus of the Committee that Flint Communications be recommended to the Airport Authority and that they be the firm retained should we go ahead with a marketing campaign.

Mr. Dobberstein stated if the Airport Authority concurs with this we may have a representative from Flint Communications to review some of their ideas. He stated we

Discussed Recommendation for Airport Marketing Program: (Continued)

will probably not do anything with this program until we have confirmation of some additional air service. He added that an estimated cost of this campaign would be \$120,000 \$150,000. He stated it could also be decided what funds are available and have the agency do what they can for that amount. He added that there is the possibility of some other entities participating in the cost.

Mr. Myers stated he feel is it important to establish who will be paying for this campaign before we get too far into the process.

After further discussion, Mr. Dobberstein stated he would have an update for the board at the next meeting.

Other Business:

Mr. Myers stated for some time he has had a concern about air traffic over areas with a significant concentration of people, such as the dome and the baseball stadium. He stated he would like to see the Airport Authority encourage the air traffic control tower to divert traffic from Runway 31 during such events. He stated he would like the Airport Authority to authorize the Director to contact the tower regarding diverting traffic from Runway 31 during such events, if the wind allows.

Chairman Macdonald directed Mr. Dobberstein to contact the tower manager to discuss the matter.

Without objection, the regular meeting of the Municipal Airport Authority was adjourned until the next regular meeting to be held Tuesday, September 8, 1998 at 9:00 a.m. in the Airport Boardroom.

Time at adjournment was 9:35 a.m.

The Airport Authority adjourned to executive session to discuss pending litigation matters.

Regular Meeting

Tuesday

September 8, 1998

The regular meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held Tuesday, September 8, 1998 at 9:00 a.m. in the Airport Boardroom.

The members present or absent were as follows:

Present: Walstad, Myers, Pawluk, Macdonald

Absent: Jordan

Others: Stewart, Eldred

Chairman Macdonald presiding.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held August 25, 1998:

The minutes of the regular meeting of the Municipal Airport Authority held August 25, 1998, were approved without objection.

Approved the Airport Vouchers Totalling \$31,950.93:

Mr. Pawluk moved to approve the airport vouchers totalling \$31,950.93.

Second by Mr. Walstad.

On the call of the roll, members Walstad, Myers, Pawluk and Macdonald voted aye.

Absent and not voting: Jordan

The motion was declared carried.

Approved the Individual Voucher to Ulteig Engineers, Inc.:

Mr. Myers moved to approve the individual voucher in the amount of \$2,535.80 to Ulteig Engineers, Inc. for partial payment request for engineering services in connection with the Air Cargo Apron and Access Road Project No. 3 38 0017 20.

Second by Mr. Walstad.

On the call of the roll, members Walstad, Myers, Pawluk and Macdonald voted aye.

Absent and not voting: Jordan

The motion was declared carried.

Approved the Individual Voucher to Ulteig Engineers, Inc.:

Mr. Myers moved to approve the individual voucher in the amount of \$672.35 to Ulteig Engineers, Inc. for partial payment request for engineering services in connection with the North General Aviation Ramp Expansion Project.

Second by Mr. Walstad.

On the call of the roll, members Walstad, Myers, Pawluk and Macdonald voted aye.

Absent and not voting: Jordan

The motion was declared carried.

Approved the Individual Voucher to Herzog Roofing:

Mr. Myers moved to approve the individual voucher in the amount of \$50,914.85 to Herzog Roofing for Partial Payment Request #2 for hangar #2 roofing project.

Second by Mr. Walstad.

On the call of the roll, members Walstad, Myers, Pawluk and Macdonald voted aye.

Absent and not voting: Jordan

The motion was declared carried.

Approved the Individual Voucher to Grant's Mechanical:

Mr. Myers moved to approve the individual voucher in the amount of \$674.50 to Grant's Mechanical for Partial Payment Request #2 (Final) for installation of the makeup air unit in the Westside Terminal tug concourse.

Second by Mr. Walstad.

On the call of the roll, members Walstad, Myers, Pawluk and Macdonald voted aye.

Absent and not voting: Jordan

The motion was declared carried.

Approved the Individual Voucher to Northern Improvement Company:

Mr. Myers moved to approve the individual voucher in the amount of \$25,851.00 to Northern Improvement Company for partial payment request for construction of the Air Cargo Apron and Access Road Project No. 3 38 0017 20.

Second by Mr. Walstad.

On the call of the roll, members Walstad, Myers, Pawluk and Macdonald voted aye.

Absent and not voting: Jordan

The motion was declared carried.

Approved the Individual Voucher to Northern Improvement Company:

Mr. Myers moved to approve the individual voucher in the amount of \$25,435.17 to Northern Improvement Company for partial payment request for construction of Runway 17/35 Rehabilitation, Southeast GA Drainage Improvements and Airport Beacon Relocation, AIP Project No. 3 38 0017 20.

On the call of the roll, members Walstad, Myers, Pawluk and Macdonald voted aye.

Absent and not voting: Jordan

The motion was declared carried.

Approved the Individual voucher to Northern Improvement Company:

Mr. Myers moved to approve the individual voucher in the amount of \$14,157.50 to Northern Improvement Company for partial payment request for construction of the North General Aviation Apron Expansion Project.

On the call of the roll, members Walstad, Myers, Pawluk and Macdonald voted aye.

Absent and not voting: Jordan

The motion was declared carried.

Approved Change Order No.1, AIP Project No. 3 38 0017 20, Runway 17/35 Rehabilitation, Southeast GA Drainage Improvements and Airport Beacon Relocation:

Mr. Pawluk moved to approve Change Order No. 1 to AIP Project No. 3 38 0017 20, Runway 17/35 Rehabilitation, Southeast GA Drainage Improvements and Airport Beacon Relocation, in the amount of \$2,048.36.

Second by Mr. Myers.

Approved Change Order No.1, AIP Project No. 3 38 0017 20, Runway 17/35 Rehabilitation, Southeast GA Drainage Improvements and Airport Beacon Relocation: (Continued)

Mr. Wes Schon, Ulteig Engineers, was recognized and explained that in the improvement projects in the southeast general aviation area they ran into some problems after getting into the project which resulted in this change order. The additional items were as follows:

- 1) additional fill for large holes which were discovered after pavement was excavated.
- 2) additional pumping of excess water in storm sewer
- 3) damage to existing under drain system along 13/31

Mr. Schon stated these items total \$2,048.36.

Chairman Macdonald called for a vote on the motion.

On the call of the roll, members Walstad, Myers, Pawluk and Macdonald voted aye.

Absent and not voting: Jordan

The motion was declared carried.

Received Update on Flood Control Structure:

Mr. Dobberstein stated that since the last Airport Authority meeting he and Mr. Schon met with Dennis Walaker, Fargo Public Works, to review the plans for the flood control structure, as well as a subsequent meeting with City Engineer Mark Bittner. He stated Mr. Bittner also advised that during the grant process he has discovered that since the grant is in the name of the City of Fargo the Airport Authority cannot be the lead agency on this project. He stated this will require cancelling the contract with Ulteig Engineers and the City of Fargo will enter into a contract with Ulteig and the project will be advertised for bids.

Mr. Dobberstein stated that based on the latest estimate the project will still be about \$400,000. He stated FEMA will pay 85% of the cost and the Airport Authority will pick up the remaining 15%. He stated we had considered a special assessment district for the airport and tenants benefiting from this, but after further discussions with Mr. Bittner and also Attorney Stewart it was determined that the process to set up a special assessment district would delay the project and he feels we should forego that process and instead recover the costs through a future PFC project. Mr. Dobberstein stated we have guaranteed 100% of the local share out of our airport improvement fund. He added that the City is also looking at two additional trailer pumps and the City of Fargo will pick up the cost for those units as well as the maintenance responsibilities.

Mr. Myers suggested we contact our congressional delegation regarding the loss of entitlement funds for those passengers lost during the Northwest Airlines pilot strike. He added that he does not feel we should be penalized in our funding as a result of this strike.

Mr. Dobberstein reviewed the information related to the estimated financial budget the strike will have on our budget. He stated he agrees that we should not be penalized in our entitlement funds due to the strike and the other airports in North Dakota have the same feeling. He indicated we would be making the appropriate contact with our congressional delegation.

Approved Request from Victor Gelking to Allow Sublease of Hangar Office Space:

Mr. Dobberstein stated he received a communication dated September 2, 1998, from Vic's Aircraft Sales requesting permission to sublease an office in his hangar to Mr. Dale Williams, a grain dealer.

The communication from Vic's Aircraft Sales was received and filed without objection.

Mr. Dobberstein stated it is a standard requirement in all of our leases that any sublease be approved by the Airport Authority. He added that the rental income will be included in his 1 1/2 percentage to the Airport Authority. He recommended approval of this sublease.

Mr. Walstad moved to approve the sublease of office space as requested by Mr. Victor Gelking. Second by Mr. Pawluk.

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

Discussed South General Aviation Area Property:

Mr. Dobberstein stated that at the last meeting the Airport Authority received a request from Mr. Gerald Eid to construct a hangar in the southeast general aviation area. Mr. Eid was not at the last meeting but since then he has spoken with Mr. Eid and he has agreed to look at other sites available. Mr. Dobberstein stated that Mr. Eid is also exploring some other options with existing buildings on the airport.

Chairman Macdonald stated one of the reasons we asked Mr. Eid to consider a location other than his first choice is because he wants to build this year and there is not presently a taxiway in the area he has chosen and the Airport Authority does not have funding for such a project at this time.

Mr. Dobberstein added that Mr. Eid has not totally written off locating in the north general aviation area.

Mr. Dobberstein stated he has received an inquiry from an aviation related group interested in a one year option on the section of land in the southeast corner of the airport. He added that Gen. Darrol Schroeder is present today to give details on their plan.

Mr. Myers moved to approve the request for a one year option on the property in the southeast corner of the airport.

Second by Mr. Walstad.

Gen. Darrol Schroeder was recognized and stated that about one year ago a group of about twenty aviation enthusiasts got together and decided to explore the possibility of building an air museum. He stated they are still in the exploratory stages right now and the next step, before they continue with any plans, is to secure property.

Mr. Dobberstein stated he could see a one year option with no monetary exchange due to the proposed use of the property.

Mr. Myers stated he agrees since this is not a "for profit" business and would go a long way in promoting aviation he would go along with granting the option at no cost. He added he feels it is important to preserve the aviation heritage in Fargo.

In answer to a question from Mr. Pawluk, Gen. Schroeder stated the museum would cover all facets of aviation. He stated we already have enough aircraft, both military and general aviation aircraft, in the area to fill a building. He added that most of the aircraft is in flying condition.

Mr. Walstad asked what type of agreement or document would be required.

Attorney Stewart stated the museum group is a 501C3 corporation and if the Airport Authority contributes the one year option he will contribute the legal service to draft the appropriate option agreement.

Discussed South General Aviation Area Property: (Continued)

Gen. Schroeder stated the museum group is really a spin off from our Fargo Airsho activities and some of the same group members are interested in the museum.

Chairman Macdonald suggested an effective date of today, September 8, 1998, through September 30, 1999.

Chairman Macdonald stated that he has met with this organization on several occasions and wanted his association with them to be a matter of record.

Mr. Dobberstein stated if the plans for this museum do work out it will be a great promotion of aviation.

Mr. Myers stated this is a one of a kind option and this same type of option is not available to everyone.

Gen. Macdonald stated once the group is established and if the ground is occupied they will pay the same amount of rent as other tenants.

Chairman Macdonald called for a vote on the motion.

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

Received Update on Airport Marketing Program:

Mr. Dobberstein stated he recently met with Roger Reiersen and Christy McLachlan, Flint Communications, to discuss the Fly Fargo marketing proposal. He stated they are planning to meet with the Fly Fargo committee and may have some more information on the campaign at the next meeting. He stated that with the strike they will need to gain some more information on the impact the strike will have on this process and see how other markets have been affected following a strike. He stated they still have a lot more questions that need to be answered and information to be gathered.

Mr. Dobberstein stated that the Airport Authority and the Fly Fargo committee seem to agree that we should not move ahead with this until we have some expanded service to promote.

Chairman Macdonald stated he is concerned about three issues relative to the marketing program:

- 1) The Northwest strike. He stated when the strike is settled he would have a hard time agreeing to spending our money to get Northwest's customers back for them. He does not feel the day after the strike is an appropriate time to institute a marketing campaign.
- 2) Fly North Dakota Program. He stated this program with reduced fares to select cities was supposed to start September 14. He stated that if Northwest reduces their fares after the strike to win back customers then the Fly North Dakota program really means nothing.
- 3) He stated he feels that we should not start the Fly Fargo program until we have some expanded service in Fargo.

Mr. Pawluk stated while he agrees that the purpose of the Fly Fargo program should not be to help one airline in its marketing and in that respect he can see why we would want to wait until we get additional air service. On the other hand, however, he stated when he still hears about people driving to Minneapolis and Sioux Falls he feels the public needs to be educated about the advantages of using this airport. He stated it is our intention to get additional service but he is not ready to say that the Fly Fargo program should be put on hold until then.

Mr. Dobberstein indicated Flint Communications would have a presentation at the next meeting.

Adopted Resolution for a Speedy Recovery to Airport Employee, Gale Swan:

Mr. Myers offered the following resolution and moved its adoption:

WHEREAS, The Municipal Airport Authority has learned of the recent medical diagnosis of Mr. Mernon "Gale" Swan, Airfield Maintenance Supervisor, and of his need to be absent from work during medical treatments, and

WHEREAS, Mr. Gale Swan had previously indicated his intention to retire at the end of 1998, and will be on sick leave until his retirement, and

WHEREAS, Mr. Swan's family, friends and co workers eagerly await his successful completion of treatments.

NOW THEREFORE BE IT RESOLVED, that the Municipal Airport Authority does hereby offer its best wishes for a speedy treatment and recovery period for Mr. Swan.

NOW THEREFORE 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. Gale Swan.

Second by Mr. Walstad.

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

Without objection, the meeting of the Municipal Airport Authority was adjourned until the next regular meeting to be held Tuesday, September 29, 1998 at 9:00 a.m.

Time at adjournment was 9:55 a.m.

Regular Meeting

Tuesday

September 29, 1998

The regular meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held Tuesday, September 29, 1998, at 9:00 a.m. in the Airport Boardroom.

The members present or absent were as follows:

Present: Myers, Robertson (Jordan), Pawluk, Macdonald

Absent: Walstad

Others: Stewart, Eldred

Chairman Macdonald presiding.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held September 8, 1998:

The minutes of the regular meeting of the Municipal Airport Authority held September 8, 1998, were approved without objection.

Approved the Airport Vouchers Totalling \$36,652.10:

Mr. Myers moved to approve the airport vouchers totalling \$36,652.10.

Second by Mr. Pawluk.

On the call of the roll, members Myers, Pawluk and Macdonald voted aye.

Absent and not voting: Walstad, Robertson

The motion was declared carried.

Approved the Individual Voucher to Henry Bros. Excavating, Inc.:

Mr. Myers moved to approve the individual voucher in the amount of \$4,618.00 to Henry Bros. Excavating, Inc. for removal of underground fuel storage tank.

Second by Mr. Pawluk.

On the call of the roll, members Myers, Pawluk and Macdonald voted aye.

Absent and not voting: Walstad, Robertson

The motion was declared carried.

Approved the Individual Voucher to Dakota Fence Company:

Mr. Myers moved to approve the individual voucher in the amount of \$18,731.00 to Dakota Fence Company for modification of northeast general aviation security vehicle gate to an overhead gate (Project APFC01).

Second by Mr. Pawluk.

On the call of the roll, members Myers, Pawluk and Macdonald voted aye.

Absent and not voting: Walstad, Robertson

The motion was declared carried.

Approved the Individual Voucher to Roadway Services:

Mr. Myers moved to approve the individual voucher in the amount of \$1,584.00 to Roadway Services for asphalt crack sealing the employee parking lot, car rental lot, and south general aviation area.

Second by Mr. Pawluk.

On the call of the roll, members Myers, Pawluk and Macdonald voted aye.

Absent and not voting: Walstad, Robertson

The motion was declared carried.

Approved the Individual Voucher to Obermiller Nelson Engineering:

Mr. Myers moved to approve the individual voucher in the amount of \$238.00 to Obermiller Nelson Engineering for partial payment request for engineering services in connection with the Westside Terminal Tug Concourse HVAC Analysis.

Second by Mr. Pawluk.

On the call of the roll, members Myers, Pawluk and Macdonald voted aye.

Absent and not voting: Walstad, Robertson

The motion was declared carried.

Mr. Myers requested that Obermiller provide us with a certified document indicating the tug concourse area now meets or exceeds all OSHA requirements.

Received Communication from Answer Plus:

The communication from Answer Plus dated September 18, 1998, was received and filed without objection.

Mr. Dobberstein stated this letter from Answer Plus was prompted by a complaint from an individual who was blaming the airport for lack of planning on her part when she had guests flying in during the We Fest. The individual could not get a message to a passenger coming in late at night. The message was not of an emergency nature but simply to advise the passenger of a different mode of transportation from the airport to her home.

Mr. Dobberstein stated since that time this subject came up at one of the meetings of the Fly Fargo Committee. He stated the Convention and Visitor's Bureau is looking into having paid volunteers at the information center but they have not proposed a plan yet. He stated most of the calls coming in on the information center line are looking for information for which they need to call the airline numbers so he is not sure this service would be necessary. Mr. Dobberstein stated he is not sure this is feasible.

Mr. Pawluk stated we may be trying to solve a problem that is not really a problem. He stated we may get some information further into the Fly Fargo program.

Mr. Dobberstein stated if someone has a true emergency they can call the airlines' 800 numbers and a message will get through to the local office.

Received Report From EideBailly on FBO Financial Review:

The report from EideBailly on the FBO financial review dated September 18, 1998 was received and filed without objection.

Mr. Dave Stende, EideBailly, was recognized and reviewed the findings of the financial review for the month of April 1998 as follows:

Valley Aviation: No exceptions noted for the month of April 1998.

Flight Training, Ltd.: No exceptions noted for the month of April 1998.

Received Report From EideBailly on FBO Financial Review: (Continued)

Fargo Jet Center:

During the testing of the sequential order of source documents for completeness for the month of February 1998, we noted that two invoices were missing. Per discussion with the staff, the source documents used to record sales represent several invoice books that are used by different staff to record sales. If any invoices are voided or otherwise deemed unusable, all of the copies of the invoices are discarded. Thus, no master log or source booklets are maintained that show all invoices in sequentially numbered order. There was also an instance when the same invoice number appeared on two invoices. They discussed the need to have a control in place that does not allow duplicate invoice numbers to be used.

While they did not note any errors in the process of accumulating revenue subject to the rent adjustment, the control lapses discussed above do allow for errors to occur and not be readily detectable.

Vic's Aircraft Sales:

We noted that Vic's Aircraft Sales charges \$X/hr. when Vic accompanies customers for flight training in addition to the hourly charges for the use of the planes. Vic does not include the gross fees from training in the gross sales submitted to the Authority. He only calculates the gross revenues based on the total monthly flight hours and these flights in the total hours used to calculate the monthly gross sales. It appears that the revenue generated from Vic's training time and introductory flights should be included in the monthly totals to calculate the Authority's fee. We recalculated the monthly gross using all logged hours and the regular hourly charges, including Vic's flight training charges. We noted the total gross sales for the month was well below the dollar threshold stipulated in the lease agreement and thus the agreed upon minimum fee applied regardless of whether this revenue was included in the overall amount submitted to the Authority. We recommend that Vic begin to include these additional revenues in the monthly amounts subject to the Authority fee.

Mr. Dobberstein stated that all of the other FBOs include these charges in their gross revenue figures and this is a common practice among airports in the country, so Mr. Gelking is not required to do something that everyone else is not doing.

Fargo Aero Tech, Inc.:

No exceptions noted for the month of January 1998.

Chairman Macdonald commended the FBOs on their fine operations and added that we could not have asked for a better report.

Chairman Macdonald stated it is his opinion that we extract from this report the portions that contain any discrepancies and they should be sent to the appropriate party and ask that they respond to us.

Receive Notice from Airborne Express to Vacate Eastside Terminal Space:

The communication from Mr. Peter D. Crane, Airborne Express, dated September 11, 1998, was received and filed without objection.

Mr. Dobberstein stated Airborne has indicated they wish to vacate the 1,398 square feet of space in the Eastside Terminal and desires the lease to terminate October 1, 1998. He stated with their new facility they no longer need the space. Mr. Dobberstein stated no action is necessary as the lease was on a month to month basis with a 30 day notice of cancellation.

Received Request from AvSupport OnLine to Occupy Additional Eastside Terminal Space:

Mr. Dobberstein stated AvSupport OnLine has requested to occupy a total of 853 square feet, presently occupied by Airborne, at \$6.00/foot, \$5,118 annually.

Mr. Dobberstein stated the lease amendment will include a clause providing that if the space is needed for a cargo incubator the lease will be cancelled with a 30 day notice. He stated he does not believe Mr. Hemelstrand will have a problem with that as there would be other space available should that happen.

Mr. Myers moved to approve the request to lease additional space to AvSupport OnLine, subject to AvSupport's approval of the 30 day cancellation clause.

Second by Mr. Pawluk.

Mr. Myers stated he would like to see that space in the Eastside Terminal continue to be available to cargo companies as incubator space for those looking to start or expand operations on the airport.

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

Received Notice from the City of Fargo Regarding the Annexation of Property Adjacent to the Airport:

A communication from the City of Fargo Finance Office dated September 14, 1998 regarding the annexation of property near the airport was received and filed without objection.

Mr. Dobberstein stated this had been before the City Commission in August but they discovered an error in the legal description so they had to start the process over. He stated this will be before the City Commission October 19 and any protests must be received by October 14. Mr. Dobberstein stated he does not feel the Airport Authority would be in any position to protest as we do not own any of the property being annexed.

Mr. Pawluk moved the Airport Authority issue no comment or protest regarding the annexation.

Second by Mr. Myers.

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

Received Vacate Notice from the Army Corps of Engineers for Hangar #9:

The communication from the Department of the Army dated September 11, 1998, serving as official notice of termination of Lease No. DACA45 4 98 00063 (to expire September 30, 1998) was received and filed without objection.

Chairman Macdonald stated we have received several inquiries on this hangar and would assume we would want to put out a notice this is now available.

Mr. Dobberstein stated the Guard has indicated an interest and are trying to work it into their 1999 budget. He stated there are other possibilities as well.

Mr. Pawluk moved the Airport Authority accept the notice of termination of the lease on Hangar #9 and that the Authority advertise this facility as available for lease.

Second by Mr. Myers.

Received Vacate Notice from the Army Corps of Engineers for Hangar #9:

Mr. Myers asked if the Authority has the ability to prioritize the use of that facility, such as military or cargo related.

Mr. Pawluk stated it may be sufficient to publicly state at this time that priority use would be either military or cargo related.

Considered Proposed Southeast General Aviation Area Location for Gerald Eid:

This item was delayed to later in the meeting, awaiting the arrival of Mr. Eid.

Received Notice Regarding the Opportunity for a Public Hearing as Required by the Environment Assessment Process:

The notice regarding the Opportunity for a Public Hearing was received and filed without objection.

Mr. Dobberstein stated the advertisement is currently running in The Forum, and a copy of the document is available in our office, Ulteig Engineers' office and the Fargo Public Library. He stated this is part of the notification process as we proceed with the project to fill in the safety area in County Drain 10.

Mr. Wes Schon, Ulteig Engineers, was recognized and stated we had four projects identified under this environmental assessment as follows:

1. Construct an extension of Runway 8/26 from 4,385 feet to approximately 6,300 feet. All of the 1,915 foot expansion will be on the Runway 8 end (west end). The width of the runway will remain 100 feet.
2. Construct a parallel Taxiway C extension of approximately 1,915 feet from its existing location where it terminates at Taxiway A. The extension would also be to the west. The width would be 75 feet.
3. Install a box culvert in the existing County Drain 10 and backfill it with earth and seed to grass. The box culvert will be approximately 1,000 feet in length and centered over the extended centerline of Runway 8/26.
4. Realign 31st Street where it connects to Cass County Highway 20.

Mr. Schon stated the advertisement will be run in The Forum for three consecutive weeks inviting any written protests to be mailed to the Airport Authority. He stated if no protests are received we will submit this to the FAA and request a Finding of No Significant Impact.

Received Update on Airport Construction Projects, Geographic Information System:

Mr. Schon stated the airport beacon has now been relocated so all of the work items are done. He stated we are going to have a change order to add some lighting protection to the security card system on the gates on the north end of the field which will be approximately \$900.

Mr. Schon stated another small item to be covered under this year's projects are shielded conductors to be installed on the runway end identifier lights (REILS). He stated we have been having a problem with these lights for some time and this was the manufacturer's solution. He stated we are still holding the retainage amounts on the projects but final payments should be made in October.

Received Update on Airport Construction Projects, Geographic Information System(Continued):

On the subject of the Geographic Information System, Mr. Schon stated on a project like this it is hard to estimate the amount of time it will require to complete. He stated right now he is estimating two weeks of survey time and approximately 160 hours to compile all of the information. He stated they would be going through the data they have as well as the information the City of Fargo has. He stated there would also be some labor costs to do actual locations.

Mr. Schon stated a rough estimate for this portion of the project is \$25,000.

Mr. Dobberstein stated he would propose this work be included in our AIP project for 1999. He added that even though we have not received official word of our entitlement funds for 1999 and Congress has not yet passed the reauthorization act, we know this project would be eligible for AIP funding and we could proceed with the engineering portion.

Ms. Robertson moved the Airport Authority include the Geographic Information System in the 1999 Airport Improvement Program entitlement dollars and that we continue to move forward on this project.

Second by Mr. Pawluk.

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

Authorized Replacement of Airport Operations Supervisor/Airfield:

Mr. Myers moved the Executive Director be authorized to proceed with the replacement for the Airport Operations Supervisor/Airfield position.

Second by Ms. Robertson.

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

Reviewed Proposal to Relocate Airport Communications Equipment:

Mr. Dobberstein stated we are looking at moving the antenna and repeater for our radio system to the Westside Terminal in order to take advantage of our emergency generator on this side of the field. He stated the equipment is presently on the east side and when that area loses power our radios go out.

Mr. Dobberstein stated we have received estimates from Elders Communications for a couple of different options. One option is to install a separate pole for the antenna and the other is to add it to an existing light pole.

Mr. Pawluk moved the Executive Director be authorized to chose the most advantageous option for the relocation of the radio antenna equipment.

Second by Ms. Robertson.

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

Received Update from Air Traffic Control Tower Regarding Runway 13/31 Operations During Events:

Mr. Dobberstein stated he previously wrote a letter to Mr. Don Driscoll, Manager of the air traffic control tower. He stated he also had a conversation with Mr. Driscoll and asked Mr. Driscoll to comment.

Mr. Don Driscoll was recognized and stated they have every intention of honoring the wishes of the Airport Authority, however, they will need to be advised of a scheduled of events. He stated they would also like some guidelines on the length of events such as the baseball games at the stadium, when they start and when they finish.

Received Update from Air Traffic Control Tower Regarding Runway 13/31 Operations During Events: (Continued)

Gen. Macdonald stated it was not the intent of the Authority to restrict traffic or to not allow the tower to use that runway but rather to close the runway for normal operations when the wind allowed landings on the other runways during times when the tower felt there was a conflict. He added that it would be up to the discretion of the tower.

Mr. Driscoll stated it is the Authority's airport and the tower will abide with the Authority's wishes but they will need some more information on schedules of events.

Chairman Macdonald directed Mr. Dobberstein to work with Mr. Driscoll and tower personnel on this matter. He added that we do not want to close a runway if the winds demand that an aircraft use that runway.

Approved Proposal to Update Airport Security System to Meet Y2K Requirements:

Mr. Dobberstein stated the software has just now become available to upgrade our airport security system to comply with year 2000 requirements. He stated we propose to recapture these costs through a future PFC project. He stated the cost for the software upgrade is \$5,982 plus the cost of a new computer.

Mr. Pawluk move the Airport Authority approve the proposal to upgrade the software (\$5,982) and purchase a new computer for the airport security system.

Second by Ms. Robertson.

On the call of the roll, Robertson, Pawluk, Macdonald voted aye.

Absent and not voting: Walstad, Myers

Mr. Myers now present.

Adopted Resolution of Congratulations to Retiring City Forester, John Wesolowski:

Mr. Pawluk offer the following resolution of appreciation and moved its adoption:

WHEREAS, The Municipal Airport Authority of the City of Fargo, has learned of the upcoming retirement of Mr. John Wesolowski, Fargo's City Forester, and

WHEREAS, Mr. John Wesolowski has been a valuable and dedicated member of the community and has served the City of Fargo and Hector International Airport exceedingly well, and

WHEREAS, Mr. John Wesolowski, through his untiring devotion and dedication to duty has added to the beautification of the city of Fargo and Hector International Airport.

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. John Wesolowski for his many years of dedicated service and wish him the best in his well deserved retirement.

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. John Wesolowski.

Second by Ms. Robertson.

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

Adopted Resolution of Appreciation to Mr. Lou Bennett, Retiring National Weather Service Employee:

Mr. Pawluk offer the following resolution of appreciation and moved its adoption:

WHEREAS, The Municipal Airport Authority of the City of Fargo, has learned of the upcoming retirement of Mr. Lou Bennett, National Weather Service employee, and

Adopted Resolution of Appreciation to Mr. Lou Bennett, Retiring National Weather Service Employee:

WHEREAS, Mr. Lou Bennett has been a valuable and dedicated member of the community and has served the National Weather Service, Hector International Airport, and the citizens of the Fargo area exceedingly well, and

WHEREAS, Mr. Lou Bennett, during 38 years of federal service with 18 of those years with the National Weather Service in Fargo, through his untiring devotion and dedication to duty, has been a important part of the vital service the National Weather Service provides to area citizens.

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. Lou Bennett for his many years of dedicated service and wish him the best in his well deserved retirement.

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. Lou Bennett.

Second by Ms. Robertson.

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

Considered Request from Victor Gelking for Additional Paving Adjacent to His Hangar to Improve Aircraft Parking Options:

The diagram showing the proposed additional paving requested by Mr. Victor Gelking was received and filed without objection.

Gen. Macdonald stated he questions whether the Fire Department will allowing aircraft to park between two hangar buildings.

Mr. Gelking stated he has had some problem with parking and would like to pave between his hangar and his neighbor to park airplanes. He added there is another area of pavement which is quite broken up and in bad shape.

Chairman Macdonald stated the Airport Authority certainly wants to do what it can to help in this project but until Mr. Gelking gets approval from the Fire Department for parking between buildings we can't approve anything.

Mr. Gelking was directed to work with Mr. Dobberstein on the parties he will need to contact.

Considered Proposed Southeast General Aviation Area Location for Gerald Eid:

Mr. Dobberstein stated Mr. Eid is still not present but we should proceed with his request.

The diagram showing the proposed location for Mr. Eid's hangar was received and filed without objection.

Mr. Dobberstein explained that right now Mr. Eid is just looking for approval on the site. He does not yet have building plans ready for approval. Mr. Dobberstein stated that Mr. Eid has considered other locations but has decided the lot west of Flight Training, Ltd. (igloo building) best fits his needs.

Mr. Pawluk moved the Airport Authority approve the location requested by Mr. Eid for construction of an aircraft hangar.

Second by Ms. Robertson.

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

Attorney Stewart now present.

Discussed Fly Fargo Program:

Mr. Dobberstein introduced Christy McLachlan and Kim Kemmer from Flint Communications to make a presentation on their ideas for the Fly Fargo Program.

Mr. Kemmer was recognized and indicated their purpose today is to update the Authority on their preliminary efforts and secondly to seek the authority's approval for an initial expenditure.

Mr. Kemmer stated the goal of this program is to position Hector International Airport as the preferred point of departure in the primary target area, which is within a 50 mile radius, and to increase the number of airline boardings with individuals from that primary market. The secondary target, beyond the 50 mile radius, will call for a different message and method.

Mr. Kemmer stated the next step is trying to find out where we can tap into additional flying public.

Mr. Kemmer stated they are proposing to do two types of research:

- 1) Qualitative gather detailed information from travel agents
Cost: \$2,000
- 2) Quantitative phone interviews with people in the area regarding their travel habits.
Cost: \$5,500

Mr. Myers stated he believes Fargo is on the threshold of obtaining additional air service and once that happens it will be an entirely different ballgame. He stated additional service will more than likely moderate the prices which hopefully will drive additional air travel from the area.

Chairman Macdonald suggested that question be included in the survey (would reduced prices in Fargo make driving to Minneapolis or Sioux Falls not as attractive?)

Mr. Myers stated what the Airport Authority is trying to do is attract additional service to Fargo and get back our passengers. He stated he feels it will have to be a city wide effort and not just the Airport Authority. He stated he feels this should be a shared effort by other agencies such as the Chamber of Commerce, Economic Development, City of Fargo, etc.

Ms. Robertson suggested the phone survey include questions on the public's perceptions of the convenience of using the Fargo Airport. She stated we have been seeing a customer buying pattern of driving to Minneapolis or Sioux Falls. She stated she has talked to people who automatically fly out of another airport because they assume they cannot get a better deal out of Fargo and do not even try, when that is not always true. She added that the Authority cannot control price but competition plays that part.

Chairman Macdonald stated he sees two issues:

- 1) Will the survey give us the information we want and need to press on with a program?
- 2) Are we going to authorize the payment of this expenditure or will we say that we will participate but require participation from others (Chamber of Commerce, Economic Development, etc.)

Mr. Dobberstein stated he would recommend Flint Communications be authorized to proceed and we will look for assistance in funding the program.

Mr. Pawluk stated he feels this is a first step and once we have this information we may have the data we need to implement a marketing program.

Ms. Robertson moved the Airport Authority authorize the research proposed today to take place at a cost not to exceed \$7,500.

Second by Mr. Pawluk.

Discussed Fly Fargo Program: (Continued)

Mr. Myers stated he has a real problem with the Airport Authority assuming this responsibility itself. He stated he would like to see Mr. Dobberstein go the Chamber, Economic Development and the Convention Bureau.

Ms. Robertson stated he agrees with Mr. Myers but she believes we have asked that question and have been told "no."

Chairman Macdonald stated he feels this is a small amount to spend in order to get the information we need to get started.

Chairman Macdonald called for a vote on the motion.

On the call of the roll, members Myers, Robertson, Pawluk and Macdonald voted aye.

Absent and not voting: Walstad

The motion was declared carried.

Flint Communications indicated they would have the results of their surveys in three weeks.

Adopted Resolution of Sympathy to the Family of John D. Odegard, Dean of the John D. Odegard School of Aerospace Sciences:

Mr. Myers offered the following resolution of sympathy 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 passing of Mr. John D. Odegard, and

WHEREAS, North Dakota has lost a pioneer of aviation with the passing of Mr. John D. Odegard, who gave unsparingly of his time and energies to promote aviation in the State of North Dakota.

NOW, THEREFORE BE IT RESOLVED, that the Municipal Airport Authority of the City of Fargo, North Dakota does hereby express its heartfelt condolences to the family of Mr. John D. Odegard.

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 herein resolution be forwarded to the family of John D. Odegard.

Second by Mr. Pawluk.

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

Other Business:

Chairman Macdonald extended congratulations on behalf of the Airport Authority to member Bonnie Jordan, now Bonnie Robertson, on her recent marriage.

The meeting of the Municipal Airport Authority was adjourned until the next regular meeting to be held Tuesday, October 13, 1998 at 9:00 a.m. in the Airport Boardroom.

Time at adjournment was 11:18 a.m.

Regular Meeting

Tuesday

October 13, 1998

The regular meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held Tuesday, October 13, 1998 at 9:00 a.m. in the Airport Boardroom.

The members present or absent were as follows:

Present: Walstad, Myers, Pawluk, Macdonald

Absent: Robertson

Others Stewart, Bromenschenkel

Chairman Macdonald presiding.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held September 29, 1998:

The minutes of the regular meeting of the Municipal Airport Authority held September 29, 1998, were approved without objection.

Approved the Airport Vouchers Totalling \$37,206.83:

Mr. Pawluk moved to approve the airport vouchers totalling \$37,206.83.

Second by Mr. Walstad.

On the call of the roll, members Walstad, Myers, Pawluk and Macdonald voted aye.

Absent and not voting: Robertson

The motion was declared carried.

Received Communication from Fargo Department of Planning and Development Regarding Proposed Annexation of Airport Property North of Cass County Road #20:

The notice from the Department of Planning and Development/City of Fargo, advising of a meeting to discuss future annexation of property north of Cass County 20 was received and filed without objection.

Mr. Dobberstein stated this matter had been discussed before the Airport Authority sometime ago when Mr. Michael Domitrovich, City Planner, addressed the board regarding the land development code recently adopted by the City of Fargo.

Mr. Dobberstein stated at that time we were advised of the City's plan to annex the property we own north of Cass County 20, which would allow them to extend their extraterritorial zoning, and at that time the Authority had no problems with the plan. Mr. Dobberstein stated the meeting will be held Thursday, October 15, 1998 at 1:00 p.m. in the City Commission Room.

Received Communication from Fargo Department of Planning and Development Regarding Proposed Annexation of Airport Property North of Cass County Road #20: (Continued)

Mr. Myers stated this is the area the airport would use for the extension of Runway 17/35 and asked if the City is aware of that fact.

Mr. Dobberstein stated the City of Fargo has been advised of that and the annexation of the property will not change the original intent for use of the property.

Chairman Macdonald stated he feels it would be a good idea for the Authority to put some signs in that area advising that this is the site intended for runway expansion.

Mr. Dobberstein stated the Airport Authority did that with area affected by Runway 8/26 years before that runway was constructed.

Mr. Pawluk stated he feels it is important for the airport to continue to be a good neighbor and keep residents in the area advised of events, such as fly ins, so perhaps some of the things that might be offensive to some might be less offensive if they are aware they are happening. He added that this needs to be a continuing process as residents in neighborhoods change and not all residents may be aware of information regarding the airport.

Mr. Bromenschenkel stated the City did that with the neighborhood around the new water treatment plant and kept them advised throughout the process, which resulted in a much more harmonious project.

Received Request from Fargo Jet Center to Allow Northern Jet Aviation to Operate Charter Service Under Their FBO Lease:

The communication from Fargo Jet Center dated October 8, 1998 was received and filed without objection.

Mr. Myers moved to approve the request from Fargo Jet Center to allow Northern Jet Aviation to operate a charter service under Fargo Jet Center's FBO lease.

Second by Mr. Walstad.

Mr. Dobberstein stated Northern Jet Service has been running their operation through Aviation Resources/Valley but have relocated their operation to Fargo Jet Center. He stated that Northern Jet Aviation pays the Airport Authority 1 1/2% of their gross sales or \$200 per month, whichever is greater. He added that Attorney Stewart will draw up the agreement.

Chairman Macdonald called for a vote on the motion.

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

Considered Request from US Fish and Wildlife Service to Place an Information Module in the Passenger Terminal:

The communication from US Fish and Wildlife Service was received and filed without objection.

Mr. Dobberstein stated he received this request from the US Fish and Wildlife Service to allow a display in the terminal building. They are requesting the space at no charge and since this is a government entity not in business for a profit he sees no problem in honoring this request. Mr. Dobberstein stated he has contacted our advertising contractor, Interspace, to advise them of this request. He stated their goal is to have these displays in the four major airports in the state. He added that the display is already in the Bismarck airport and Interspace also handles their advertising.

Mr. Myers stated he does not have a problem with this as long as the Airport Authority maintains control over similar requests we will receive in the future. Mr. Pawluk stated each request should be considered individually.

Mr. Walstad moved to approve the request of the US Fish and Wildlife Service to put a display in the terminal building, and that all similar requests in the future continue to be considered on an individual basis.

Second by Mr. Myers.

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

Discussed Vehicle Parking on Airport Property Adjacent to 19th Avenue North:

Mr. Dobberstein stated a matter came to light again during the recent Garth Brooks concerts at the dome. He stated that in the past a non profit youth hockey organization (Patriot Hockey) has been parking cars on airport property for a fee during large crowd events at the dome. He stated Mr. Victor Gelking was holding an open house that same weekend and requested the this organization be contacted and asked to leave adequate space for parking at his facility.

Mr. Dobberstein stated he did some research on how this situation started. He stated he received copies of minutes from a City Commission meeting back in 1993 and found where this hockey group had written a letter to Mayor Lindgren requesting permission to park cars on city owned property near the dome (vacant lot in Airport First Addition and also boulevard area in the southeast general aviation area.) He stated the City Commission granted them permission to park on airport property. Mr. Dobberstein stated this was the first that he was aware the City Commission took action on this matter.

Mr. Dobberstein stated the Fargo Police Department has expressed concern about the ingress and egress of this traffic onto 19th Avenue. He stated he also has a letter on file from Rick Lane, Traffic Engineer, recommending this be discontinued.

Mr. Dobberstein stated one of his main concerns is the consumption of alcohol on airport property, which was witnessed that weekend and stopped. He stated another concern is that during smaller events when the hockey group is not parking cars, the people who have parked there before park wherever they want during smaller events.

Mr. Dobberstein stated that this is also a frustration for the airport tenants in that area as it causes difficulty in getting to and from their buildings.

After further discussion, Mr. Dobberstein stated he feels the best solution is to not allow any parking at all on airport property.

Mr. Pawluk stated his inclination is to allow this group to continue using the area for parking, but at the same time he shares the concern about pedestrians crossing 19th Avenue North.

Mr. Dobberstein stated he has been trying to get all of the parties together (Airport, Police Department, Dome, Patriot Hockey) to discuss the matter but we have not been able to do that yet.

Chairman Macdonald directed Mr. Dobberstein to continue on the matter and report back to the board at a later date.

Received Notice of "Fly North Dakota" Reception:

The notice of the "Fly North Dakota" reception to be held Thursday, October 22, 1998, was received and filed without objection.

Mr. Dobberstein stated this event will introduce Northwest's new sales manager in our area, Mr. Chuck Pineo, their new Fargo station manager, Mr. Jonathon May, and also present an opportunity discuss the "Fly North Dakota" promotion. The four airports in North Dakota agreed to host a promotional meeting to get the message to travel agents and business leaders about Northwest's significant reduction in walk up fares to ten airports in the country. These rates will be available October 1, 1998 through March 31, 1999 and in order to sustain the reduced fares beyond this period traffic will need to increase to the five primary markets included.

Mr. Dobberstein stated this same offer is on the table for United Airlines if they so desire.

Received Third Quarter 1998 PFC Report:

The third quarter 1998 PFC report was received and filed without objection.

Mr. Dobberstein stated the total PFC receipts year to date for 1998 are \$387,696.99.

Discussed 1999 Construction Projects:

Mr. Dobberstein stated this discussion today will continue our ongoing discussions of our proposed projects for the 1999 construction season. He stated the House and Senate have not yet passed the AIP reauthorization legislation so the funds we will be receiving, if any, are still in jeopardy. We are hoping a bill will be passed in the next few days.

Mr. Dobberstein stated we are anticipating receiving entitlement funds of just under \$1 million. He stated this will be AIP Project 22 and will consist of three main portions:

- 1) Reconstruction of a portion of the southeast general aviation ramp
- 2) Rehabilitate a portion of the air carrier apron
- 3) Reconstruction and rehabilitation of Taxiway B3.

Mr. Dobberstein stated at the last meeting the board approved and authorized that we proceed with the survey and data collection for the Geographic Information System, and the estimate on that was over \$25,000. He stated we are still waiting for concurrence from the Bismarck FAA Airports District Office that this project will be eligible for federal funds.

Mr. Dobberstein stated the other part of the 1999 improvements we would like to begin is the safety area for the extension of Runway 8/26. He stated the box culvert in Cass County Drain 10 will be funded with PFC funding, provided everything comes back fine with the environmental assessment and public hearing. He stated this is a project we could start this fall or next spring, or at least get plans and specifications out and bid the project.

Mr. Wes Schon, Ulteig Engineers, was recognized and stated one area we need to look at and make some decisions about is the south general aviation pavement adjacent to the old terminal. He stated that pavement was constructed as medium to heavy duty, as that was the air carrier ramp. Mr. Schon stated if the pavement is going to be reconstructed we need to look at the long term plan for that area and how it will be used.

Mr. Schon stated the area by the terminal has been most recently used by Airborne Express with their DC 9. He stated the triangle area near the terminal is 12" 13" concrete and some of the concrete is beyond rehabilitation and would need to be removed and replaced.

Chairman Macdonald stated he feels we should look into the cost of keeping that triangle area medium to heavy strength.

Mr. Dobberstein stated the Guard also uses that triangle area to park heavy aircraft when their ramp areas are full.

After further discussion, Chairman Macdonald stated it seems to be the consensus of the board that we look into replacing the triangle area with heavy strength pavement and make a decision after we review the cost. He added that we also seem to agree that we should wait on the area in front of Hangars 3 and 4 until we know more about what will be happening with them.

Mr. Pawluk stated he feels we need to look at continuing to keep up the area in front of Hangars 3 and 4. He stated the reason that pavement is in such bad shape is because it is used.

Mr. Myers stated he is not advocating that we not do anything with the ramp in front of Hangars 3 and 4, but he feels we need to wait and see what will be developing in that area so that we do not have to go back and do something over.

Discussed 1999 Construction Projects: (Continued)

Chairman Macdonald stated we are not going to make any decisions on this today but today's discussion has given us more information to consider and we will continue the planning process for the next few weeks.

Other Business:

(Receive Credit Card Proposal from APCOA, Inc.)

The letter from Mr. Mike Coleman, APCOA, Inc., dated October 7, 1998, was received and filed without objection.

Chairman Macdonald stated that at Mr. Dobberstein's request, APCOA has provided us with information on credit card acceptance at the APCOA parking lot. Mr. Coleman indicated in his letter that APCOA would provide and install the necessary hardware and phone lines to start up and maintain an American Express 3000 Credit Card System. Along with this APCOA would pay for the service fees and all other associated costs for 4.5% of all credit card revenue. For example: 1998 annualized long term revenue is \$468,745, from experience they anticipate that a minimum of 15% of this revenue will convert to credit card (\$70,311.86). Under this proposal the annual cost would be 4.5% of \$70,311.86 or \$3,164.03. This fee includes all bank processing charges, lease payments on the equipment and phone line expense, there are no other costs to the airport.

Mr. Dobberstein stated he knows there has been some concern about the operation of the machines during winter months and that he would get some further information on that. He added that the credit card users would have a separate exit lane.

Mr. Dobberstein stated APCOA's lease expires in December 2000. He stated there will be a significant expense on APCOA's part to install this equipment and we can probably expect APCOA to request an extension of their lease to give them an opportunity to recover this expenditure. Mr. Dobberstein stated he would like to pursue this change.

Mr. Walstad moved the Executive Director be authorized to pursue the matter of credit card acceptance in the APCOA parking lot and present a formal proposal to the Airport Authority for final approval.

Second by Mr. Pawluk.

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

(Receive Information on Public Internet Access)

Chairman Macdonald stated for some time now he has been interested in getting information on public internet access for the terminal and Darren Anderson has received some information on this.

Mr. Anderson stated US West offers three types of terminals: free standing two station unit, single user wall module and the walk up terminal. He stated this would offer all of the major internet providers and the user swipes their credit card and can log into their internet account. The cost is \$3.95 for 15 minutes. He stated there is no cost to the airport for the units or their operation, and if a unit generates \$500 per month we would receive a commission after that.

Mr. Pawluk moved to authorize the Executive Director to proceed with the installation of the US West public internet terminals.

Second by Mr. Myers.

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

Mr. Myers moved to adjourn the regular meeting of the Municipal Airport Authority until the next regular meeting to be held Tuesday, October 27, 1998 at 9:00 a.m. in the Airport Boardroom.

Second by Mr. Pawluk.

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

Time at adjournment was 10:09 a.m.

Regular Meeting

Tuesday

October 27, 1998

The regular meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held Tuesday, October 27, 1998, at 9:00 a.m. in the Airport Boardroom.

The members present or absent were as follows:

Present: Walstad, Myers, Pawluk, Macdonald

Absent: Robertson

Others: Stewart

Chairman Macdonald presiding.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held October 13, 1998:

The minutes of the regular meeting of the Municipal Airport Authority held October 13, 1998, were approved without objection.

Approved the Airport Vouchers Totalling \$31,906.68:

Mr. Myers moved to approve the airport vouchers totalling \$31,906.68.

Second by Mr. Walstad.

On the call of the roll, members Walstad, Myers, Pawluk and Macdonald voted aye.

Absent and not voting: Robertson

The motion was declared carried.

Approved the Individual Voucher to EideBailly:

Mr. Pawluk moved to approve the individual voucher in the amount of \$1,352.00 to EideBailly for professional services provided in connection with the FBO financial review. (FBOs will reimburse 50% (\$676.00) to the Airport Authority.

Second by Mr. Walstad.

On the call of the roll, members Walstad, Myers, Pawluk, and Macdonald voted aye.

Absent and not voting: Robertson

The motion was declared carried.

Approved the Individual Voucher to Forum Communications:

Mr. Pawluk moved to approve the individual voucher in the amount of \$74.88 to Forum Communications for legal advertisement for the opportunity for public hearing notice.

Second by Mr. Walstad.

On the call of the roll, members Walstad, Myers, Pawluk and Macdonald voted aye.

Absent and not voting: Robertson

The motion was declared carried.

Approved the Individual Voucher to Ulteig Engineers, Inc.:

Mr. Pawluk moved to approve the individual voucher in the amount of \$2,381.78 to Ulteig Engineers, Inc. for partial payment request for engineering services in connection with the Air Cargo Apron and Access Road Project, AIP 3 38 0017 20.

Second by Mr. Walstad.

On the call of the roll, members Walstad, Myers, Pawluk and Macdonald voted aye.

Absent and not voting: Robertson

The motion was declared carried.

Approved the Individual Voucher to Ulteig Engineers, Inc.:

Mr. Pawluk moved to approve the individual voucher in the amount of \$1,958.55 to Ulteig Engineers, Inc. for partial payment request for engineering services in connection with the North General Aviation Ramp Expansion Project.

Second by Mr. Walstad.

On the call of the roll, members Walstad, Myers, Pawluk and Macdonald voted aye.

Absent and not voting: Robertson

The motion was declared carried.

Approved the Individual Voucher to Ulteig Engineers, Inc.:

Mr. Pawluk moved to approve the individual voucher in the amount of \$531.79 to Ulteig Engineers, Inc. for partial payment request for engineering services in connection with the Environment Assessment.

Second by Mr. Walstad.

On the call of the roll, members Walstad, Pawluk, Myers and Macdonald voted aye.

Absent and not voting: Robertson

The motion was declared carried.

Discussed Request for Replacement of Equipment, Barnstormer Restaurant:

Mr. Dobberstein stated this is not an official request but rather a point of information for the board. He stated Mr. Pete Haug has expressed a need for the replacement of the cash register system in The Barnstormer. He stated the Airport Authority owns the current system which has been in place since the building opened. He stated he would like the board to consider the acquisition of a new integrated system which would track sales. Mr. Dobberstein stated Mr. Haug has received estimates ranging from \$6,000 to \$15,000. He stated the Authority has provided this equipment in the past, but this is not to say that the arrangement may change in the future, possibly sharing the cost with the restaurant operator.

Mr. Dobberstein stated this is just a matter of information at this time. He stated if the board were to decide to go ahead with this we would probably need to get bids since this would be in excess of \$5,000.

Mr. Pawluk stated it may be the Airport Authority's responsibility to provide the restaurant operator with the equipment needed to run the restaurant but he does not know to what degree of sophistication we are obligated on the cash register system, as that seems to be more of a management tool. He stated he would have to be convinced before approving such an expenditure.

Mr. Myers stated he would like an update from the Director on the current status of the restaurant/bar operation. He stated before buying cash registers he would like to see a need for cash registers.

Mr. Pawluk stated that based on a recent personal experience, he feels if we do not see a more consistent product being delivered to the people who want to use the restaurant he would see no point in spending any money on cash registers.

Discussed Request for Replacement of Equipment, Barnstormer Restaurant: (Continued)

Mr. Dobberstein stated the comments made today are what he has been looking for and he will share these with Mr. Haug.

Mr. Myers stated he would like an idea of what it is costing the Airport Authority to keep the restaurant operating.

Mr. Pawluk stated if passengers arrive for their flight an hour early but they have to wait 20 minutes in the restaurant before they are waited on they will quit using the restaurant.

Mr. Dobberstein also stated that he received this request after the budget for 1999 had already been prepared so we probably would not be able to do anything until the following year. He stated he will review these comments with Mr. Haug.

Received Update on Air Museum:

Mr. Dobberstein stated the Air Museum group presently has a consultant in town conducting a study on the feasibility of an Air Museum in Fargo and he asked Mr. Walstad to give the board an update.

Mr. Walstad stated Mr. Jim Fausz, who lives in Florida, is recognized as an authority on starting air museums. He stated Mr. Fausz has visited Jerry Beck in Wahpeton and Bob Odegaard in Kindred. Mr. Walstad stated Mr. Fausz is impressed with what he has seen so far and is particularly impressed with the proposed site.

Mr. Dobberstein stated Gen. Darrol Schroeder is aware of the Authority's plans to eventually demolish Hangars 3 and 4. He stated the museum group has expressed an interest in trying to salvage what they can from those buildings for the museum. He stated Gen. Schroeder has suggested, in light of the fact that the Airport Authority received preliminary estimates on the demolition of those buildings, that the Authority consider using the funds that would be required for demolition and giving those funds to the museum for moving the buildings.

Chairman Macdonald stated he feels if the Airport Authority is going to have to pay someone to remove the buildings anyway it would make sense to put that money toward moving the buildings, as long as the end result is the removal of those hangars from the site.

Received Request from Fargo Jet Center to Lease Space in the Eastside Terminal:

The communication from Fargo Jet Center dated October 23, 1998, was received and filed without objection. The letter requested to lease the former Airborne Express space in the Eastside Terminal building for two years effective November 1, 1998.

Mr. Walstad moved to approve the request from Fargo Jet Center to lease space in the Eastside Terminal.

Second by Mr. Myers.

Mr. Dobberstein stated this request is in conjunction with a two year contract the US Post Office has entered into with Evergreen International Airlines to carry mail with a route consisting of Bismarck Fargo Sioux Falls Indianapolis. He stated they have contracted with Fargo Jet Center to do the ground handling and operation of the aircraft when it arrives in Fargo. He stated Evergreen has directed Fargo Jet Center to lease the space in the Eastside Terminal on their behalf.

Mr. Myers stated the lease with Fargo Jet Center should stipulate that the space be used for a cargo operation and should the Evergreen operation cease the lease would also terminate.

Mr. Walstad amended his motion to include the condition that the space be used for a freight/cargo operation.

Mr. Myers agreed to the amended motion.

Chairman Macdonald called for a vote on the motion.

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

Received Update on Airport Construction Projects:

Mr. Dobberstein stated he and Mr. Wes Schon will be going to Bismarck on Thursday to meet with Irene Porter, FAA, regarding the environmental assessment and PFC application.

Mr. Schon stated we are presently working on the flood control structure. He stated we will be pouring the slab for that on Thursday.

Mr. Schon stated he hopes to have final payment requests on the other three projects for the next meeting.

Mr. Schon stated they are working on identifying the problem pavement areas in the southeast general aviation area. He stated they will have recommendations at some time in the future.

Mr. Dobberstein stated Congress has extended the AIP authorization bill for only six months. He stated this causes problems for the northern states with short construction seasons. He stated he has had extensive conversations with Dorgan's office on this matter and they are aware of our problems. He added that he feels Irene Porter will still advise that we go ahead with plans/specifications and advertisement for bids so we can have our entitlement dollars committed by March 31, 1998. He added that projects would be bid subject to the availability of funds.

Mr. Myers stated he feels now is a good time to get more aggressive on the matter of a new jet bridge.

Mr. Dobberstein stated a new jet bridge is in our new PFC application which is now being considered. He added that the airline station managers have access to their own engineering departments who would have input on the best location and arrangement of jet bridges for their operations.

Mr. Pawluk stated part of the service that passengers expect at the Fargo airport is to board the airplane through a jetway.

After further discussion, Mr. Pawluk suggested we start new on this matter now that we are aware of the plan for regional jets. Mr. Pawluk asked Mr. Dobberstein to have some options to review at the next meetings.

Received Update from Gerald Eid Regarding South General Aviation Area Hangar:

Mr. Dobberstein stated Mr. Gerald Eid is still exploring some options for a location for his hangar in the southeast general aviation area. He stated Mr. Eid's latest suggestion is south of the Valley South building (blue hangar) along 19th Avenue.

Mr. Dobberstein stated that in addition to hangar space Mr. Eid is proposing to include some office space.

Mr. Dobberstein stated he would not favor that location as he likes the site line as it is now.

Chairman Macdonald stated he agrees with Mr. Dobberstein. He added that if the space were opened to retail he feels the lease rate would have to be a lot different than six cents.

Mr. Myers moved the Airport Authority not approve the proposed location but that Mr. Eid be assured that the Authority wants him to locate on the airport and that he be encouraged to continue to consider another location.

Second by Mr. Walstad.

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

Received Communication Regarding US Customs User Fee Association:

The communication dated September 29, 1998 from the Greater Tri Cities Foreign Trade Zone, Inc. was received and filed without objection.

Mr. Dobberstein explained that our US Customs Office is a "User Fee" station. He stated that when user fee ports were started there was a set of criteria or goals the

Received Communication Regarding US Customs User Fee Association: (Continued)

US Customs Service had that a port could work toward in order to become a full time international port. He stated it is the desire of Mr. Terry Barnes, Greater Tri Cities Foreign Trade Zone, Inc., to form a consortium of user fee airports so we have one voice when they go to the US Department of Treasury and congressional delegations. He stated the Customs Service keeps raising the minimum requirements to become a full time port and it is this group's belief that a lot of the user fee port stations in the Customs systems should have been grandfathered in terms of those goals.

Mr. Dobberstein stated he has been working with Dorgan's staff on getting in touch with US Customs to request that Fargo be made a full time international port which would mean the US Customs Service would pay for the operation of the port rather than charging the City of Fargo. He stated that Sioux Falls was set up as a full time port for a test period of three years but they have not met the criteria so they will be losing that status. Mr. Dobberstein stated that the port director in Pembina has indicated that the Fargo Customs Office will do more business than Sioux Falls, Grand Forks and Minot combined.

Mr. Dobberstein stated this group is still in the formulation stages of its bylaws, etc.

Chairman Macdonald directed Mr. Dobberstein to continue to explore the options with the Customs Office and report back to the board at a later date.

Received Update Regarding Flint Communications Project:

Mr. Dobberstein stated he met with representatives from Flint Communications last week and reviewed some of the data gathered from their survey. He stated the data is still in rough form and they indicated they would have a presentation for the Airport Authority at our meeting on November 10. He stated they did request that two members from the board review the data before formal presentation to the board.

Mr. Myers moved to adjourn the meeting of the Municipal Airport Authority until the next regular meeting to be held Tuesday, November 10, 1998, at 9:00 a.m. in the Airport Boardroom.

Second by Mr. Pawluk.

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

Time at adjournment was 10:19 a.m.

Regular Meeting

Tuesday

November 10, 1998

The regular meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held Tuesday, November 10, 1998, at 9:00 a.m. in the Airport Boardroom.

The members present or absent were as follows:

Present: Walstad, Myers, Pawluk, Macdonald

Absent: Robertson

Others: Stewart

Chairman Macdonald presiding.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held October 27, 1998:

The minutes of the regular meeting of the Municipal Airport Authority held October 27, 1998, were approved without objection.

Approved the Airport Vouchers Totalling \$30,527.84:

Mr. Pawluk moved to approve the airport vouchers totalling \$30,527.84.

Second by Mr. Myers.

On the call of the roll, members Myers, Pawluk and Macdonald voted aye.

Absent and not voting: Walstad, Robertson

The motion was declared carried.

Approved the Individual Voucher to Dalsin Roofing:

Mr. Myers moved to approve the individual voucher in the amount of \$25,470.00 to Dalsin Roofing for Partial Payment Request No. 1 for the Eastside Terminal roofing project.

Second by Mr. Pawluk.

On the call of the roll, members Myers, Pawluk and Macdonald voted aye.

Absent and not voting: Walstad, Robertson

The motion was declared carried.

Approved the Individual Voucher to Northern Improvement Company:

Mr. Myers moved to approve the individual voucher in the amount of \$24,664.23 to Northern Improvement Company for Partial Payment Request (Final) for construction of the Air Cargo Apron and Access Road Project, AIP 3 38 0017 20.

Second by Mr. Pawluk.

On the call of the roll, members Myers, Pawluk and Macdonald voted aye.

Absent and not voting: Walstad, Robertson

The motion was declared carried.

Approved the Individual Voucher to Northern Improvement Company:

Mr. Myers moved to approve the individual voucher in the amount of \$886.00 to Northern Improvement Company for Change Order #3 for the Air Cargo Apron and Access Road Project No. 3 38 0017 20.

Second by Mr. Pawluk.

On the call of the roll, members Myers, Pawluk and Macdonald voted aye.

Absent and not voting: Walstad, Robertson

The motion was declared carried.

Approved Change Order #4 (Final Balancing Change Order):

Mr. Myers moved to approve Change Order #4 (Final Balancing Change Order) resulting in a credit of \$56,958.55 for the Air Cargo Apron and Access Road Project, AIP 3 38 0017 20.

Second by Mr. Pawluk.

On the call of the roll, members Myers, Pawluk and Macdonald voted aye.

Absent and not voting: Walstad, Robertson

The motion was declared carried.

Approved the Individual Voucher to Northern Improvement Company:

Mr. Myers moved to approve the individual voucher in the amount of \$24,512.92 to Northern Improvement Company for Partial Payment Request (Final) for the construction of Runway 17/35 Rehabilitation, Southeast GA Drainage Improvements and Airport Beacon Relocation, AIP Project No. 3 38 0017 20 (1998 construction projects).

Second by Mr. Pawluk.

On the call of the roll, members Myers, Pawluk and Macdonald voted aye.

Absent and not voting: Walstad, Robertson

The motion was declared carried.

Approved the Individual Voucher to Northern Improvement Company:

Mr. Myers moved to approve the individual voucher in the amount of \$1,225.25 to Northern Improvement Company for the Final Balancing Change Order for the construction of Runway 17/35 Rehabilitation, Southeast GA Drainage Improvements and Airport Beacon Relocation, AIP Project No. 3 38 0017 20 (1998 construction projects).

Second by Mr. Pawluk.

On the call of the roll, members Myers, Pawluk and Macdonald voted aye.

Absent and not voting: Walstad, Robertson

The motion was declared carried.

Approved the Individual Voucher to Northern Improvement Company:

Mr. Myers moved to approve the individual voucher in the amount of \$12,730.00 to Northern Improvement Company for Partial Payment Request (Final) for construction of the North General Aviation Ramp Expansion.

Second by Mr. Pawluk.

On the call of the roll, members Myers, Pawluk and Macdonald voted aye.

Absent and not voting: Walstad, Robertson

The motion was declared carried.

Approved Final Balancing Change Order for North General Aviation Ramp Expansion Project:

Mr. Myers moved to approve the final balancing change order for the construction of the North General Aviation Ramp Expansion Project resulting in a deduct of \$36,275.70.

Second by Mr. Pawluk.

On the call of the roll, members Myers, Pawluk and Macdonald voted aye.

Absent and not voting: Walstad, Robertson

The motion was declared carried.

Considered Assignment of Ground Lease from JP Development to First National Bank North Dakota:

Mr. Dobberstein stated for financial purposes JP Development has assigned their ground lease to First National Bank North Dakota. He added that this is for their new T hangar and is a standard financial procedure.

Mr. Pawluk moved to approve the assignment of lease on the JP Development T hangar to First National Bank North Dakota.

Second by Mr. Myers.

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

Received Communication from Interspace Airport Advertising Exercising Their Second Five Year Option:

The communication from Mr. Bill Hogan, Interspace Airport Advertising, dated October 23, 1998, was received without objection.

Mr. Dobberstein stated Interspace Airport Advertising has had the contract for the corporate showcase displays in the terminal since April 1996. He stated many of the contracts with those corporate advertisers have been for three and five years. He explained that since some of those contracts will be coming up for renewal soon Interspace would like to exercise their second five year option.

Mr. Myers asked if Interspace has been continually seeking new advertisers as he does not see that they have made that many changes lately.

Mr. Dobberstein stated he also shared that concern until he heard from some of the local firms who have been contacted. He stated their sales representative has also been in regular contact with us.

Mr. Jim Sweeney, Fargo Jet Center, stated they are on their prospect list and he has received several calls in the past 60 90 days.

Chairman Macdonald stated we should make it clear that any contracts they renew not extend beyond the dates of this second five year term. Mr. Dobberstein stated he would pass these comments and concerns on to Interspace.

Considered Proposal Regarding Airport First Addition Property (Goldmark):

Mr. Jim Buus, Goldmark, was recognized and stated that their firm has been marketing the property in the Airport First Addition for about a year and a half. He stated this property was in the multiple listing service and was advertised to all brokers in town. He stated the offer he has for the Airport Authority to consider came through Mr. Tom Kiewel, Coldwell Banker First Realty, who has been working with an investment group in Detroit Lakes. He stated for reasons of confidentiality they do not wish to reveal details on the project, but they have indicated that the project will meet all of the restrictive covenants in place.

Mr. Buus stated the property was listed at \$1.44 per square foot and the offer on the table is approximately \$.97 per square foot, or \$145,000.

Considered Proposal Regarding Airport First Addition Property (Goldmark): (Cont'd)

Mr. Pawluk asked Mr. Buus, as the airport's representative, what he would recommend.

Mr. Buus stated he feels this is pretty close and is a good offer.

One of the conditions of the purchase agreement is that the seller provide, at its cost, a satisfactory environmental report on property to the buyer within 30 days of acceptance of the Purchase Agreement. Mr. Pawluk asked what this will cost.

Mr. Kiewel stated this is a fairly standard contingency in this type of transaction. He stated he does not anticipate any problems with this as the land has basically been farmland.

Mr. Buus stated he handled a sale recently and the cost of the environmental assessment was \$2,000.

Chairman Macdonald stated at the suggestion of the Executive Director he would recommend that he, Mr. Dobberstein and Attorney Stewart be authorized to negotiate a final sale price or decide to reject the offer.

Mr. Pawluk moved the Airport Authority authorize Chairman Macdonald, Mr. Dobberstein and Attorney Stewart to negotiate a final sale price.

Second by Mr. Myers.

Mr. Myers stated he feels confident the environmental assessment will come back with no findings and he suggested the buyer pay for that assessment. He feels we should set a price for the lot with the buyer paying all other costs.

Another matter discussed that needs further clarification is the "Buffer Easement."

Mr. Pawluk agreed that the sale price should be the net amount to the Airport Authority and any other costs associated with the sale be the responsibility of the buyer.

Chairman Macdonald called for a vote on the motion.

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

Received Communication from Surface Systems, Inc. Regarding System Upgrade Requirements:

The communication from Surface Systems, Inc. dated October 30, 1998, was received without objection.

Mr. Dobberstein explained that this system uses sensors in the runways which will give information on temperature, moisture, ice conditions, etc., plus some other weather data. He stated the Airport Authority entered into a partnership with the ND Department of Transportation for this system. He stated the NDDOT has now decided to break away from this system and have the information on their area network. He stated there are some logistics problems with the airport's ability to be able to access the state's area network. He stated we are able to look at data through the Internet but that information may be an hour old.

Mr. Dobberstein stated Surface Systems Inc. is now proposing to salvage the equipment from the NDDOT and install that at the airport. He added that we received no information from this company advising that this change would be taking place. He stated without this change to the system we will have \$150,000 worth of surface sensor equipment that currently is useless.

Mr. Dobberstein stated in addition to the \$2,976.00 cost for the proposal to get the system in operating condition there will be the monthly fee for a phone line. He stated this information is used to observe runway conditions and also as a management tool on how to direct the maintenance staff. He stated we have not relied on the weather forecasting information available through this system.

Mr. Pawluk moved that the Authority accept the proposal from Surface Systems, Inc. and that the Executive Director be authorized to negotiate with SSI on the details.

Second by Mr. Myers.

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

Discussed Removal of buildings from the Heller/Airport Farmstead:

Mr. Dobberstein stated Mr. Bill Heller has moved out of the farmhouse he has continued to live in since the sale of his land to the airport many years ago. Mr. Dobberstein stated he would recommend we advertise the house for sale to be moved from the premises. He stated Mr. Heller plans to sell two of the buildings himself and have them moved from the site. Mr. Dobberstein stated the remaining buildings and those buildings which do not sell will be used for training burn sites by the Fargo Fire Department.

Chairman Macdonald stated the consensus of the board was that Mr. Dobberstein be instructed to continue with the plan as proposed.

Discussed the Airport Liability Insurance Policy Renewal Process:

Mr. Dobberstein explained that for many years the Airport Authority had a relationship with Alexander & Alexander (loss control specialist) and our liability coverage was with Associated Aviation Underwriters. He stated our loss control specialist is now Sedgwick and the coverage was placed with Great American.

Mr. Dobberstein stated he and Kent Costin, Finance Coordinator, City of Fargo, have been reviewing this coverage. He stated the City of Fargo has contracted with AON Risk Services, which is a loss control manager, to review the entire insurance program for the City of Fargo. Mr. Dobberstein stated AON provided the findings from their review of the airport's insurance coverage to Sedgwick.

Mr. Dobberstein stated Sedgwick has obtained a renewal quote from Great American and we should see a slight reduction in our premium for the year. Mr. Dobberstein stated there are still a couple of issues that need to be resolved (medical payments coverage and off premises auto liability). Mr. Dobberstein added that he feels it is in our best interest to stay with the same company for reasonable period of time.

Mr. Walstad now present.

Mr. Myers stated he agrees with Mr. Dobberstein and he found over the years that his company benefited from the expertise of the insurance company's loss control people.

Attorney Stewart stated on the matter of the off premises auto liability, if we were to have an accident in another state we would not be entitled to the cap on municipal liability of \$250,000/\$500,000 as we are in North Dakota. He stated the additional premium should not be that much.

Mr. Dobberstein stated he was given a quote of a \$300 additional premium for the off premises auto liability.

It was the consensus of the board that the off premises auto liability coverage be added immediately to our current policy and Mr. Dobberstein was authorized to make that change.

Mr. Pawluk stated at the same time we should confirm that non owned autos would be covered as well.

Received Update on Passenger Boarding Bridge Options and Approve Purchase of Airstairs Unit:

Mr. Dobberstein stated we often have a need for an air stairs to accommodate aircraft that would not use a jetway. He stated an air stairs would also be very beneficial during times when we have flights diverted to Fargo. Mr. Dobberstein stated the price he has been quoted for such a portable unit is \$2,800.00. He stated we have been able to borrow a unit from the Guard but it would be helpful to have one available on a permanent basis.

Chairman Macdonald stated as long as we are considering purchasing this type of unit he would like to see us look further into something that might be larger and able to accommodate more aircraft.

Received Update on Passenger Boarding Bridge Options and Approve Purchase of Airstairs Unit:
(Continued)

The communication from Ameribridge Services dated November 9, 1998, was received and filed without objection.

Ameribridge offered two proposals for passenger loading bridges at either Gate #3 or Gate #4.

Mr. Dobberstein stated the properties people from Northwest Airlines and Atlantic Coast will be here on Friday, November 20, and he recommended some of the Airport Authority members attend this meeting and hear what they have to say about jetways.

Mr. Myers stated he feels the Airport Authority needs to be the leader in taking this leap into the next century.

Chairman Macdonald stated we will be receiving at least one other proposal for consideration before moving further on this matter.

Received Update from Flint Communications:

Mr. Dobberstein explained that he and Chairman Macdonald reviewed the results of the Flint surveys with Christy McLachlan and Amy Steinkopf from Flint Communications.

Ms. Amy Steinkopf was recognized and explained that they conducted both a telephone survey and focus groups with travel agents.

After reviewing all of the findings and results from the survey and focus groups the representatives from Flint Communications proposed three different plans for the Fly Fargo program.

PLAN A

Direct mail (3 mailings)

Print

Television

Radio

Creative and Production

\$125,000 (would reach the most people)

PLAN B

All items in Plan A but the television

\$100,000

PLAN C

Direct mail (2 mailings)

Print

Radio

Creative and Production

\$75,000

Ms. Steinkopf stated that all of these plans would cover the span of one year.

Ms. Steinkopf stated that they survey showed that people surveyed felt the most effective way to reach them about airport and airline news would be either (1) direct mail or (2) newspaper. She stated that we can do a lot with direct mail and this gives them something to keep as a reminder.

Mr. Dobberstein stated he would like to see the Airport Authority consider Plan A. He added that we have budgeted this amount in our airport improvement fund.

Chairman Macdonald stated he would be reluctant to approve any of these plans right now until we firm up our Denver service and until we have worked with both airlines on some cooperative advertising dollars. He stated he wants badly to move ahead with this but does not want to jump in too early.

It was the consensus of the Airport Authority that the matter be tabled until a later date.

Honorary Life Membership Presentation to Joseph T. Parmer from the American Association of Airport Executives:

Mr. Dobberstein stated we started the process to nominate Mr. Parmer for an Honorary Life Membership in the American Association of Airport Executives in early 1997. This process required that a member be nominated by three other accredited members. The members who nominated Mr. Parmer were Steve Johnson, Grand Forks, ND, Mike Marnach, Sioux Falls, SD and Jerry Olson, Cheyenne, WY. Mr. Dobberstein read the letters of recommendation.

Chairman Macdonald stated to be recognized by your peers is the ultimate honor. Chairman Macdonald read the resolution on the plaque then invited current and former members to join him in presenting this plaque to Mr. Parmer. Members present were: S.F. "Sid" Cichy, Richard Hentges, Alexander Macdonald, Tracy Myers, Dick Walstad and Ken Pawluk.

Received Lease Proposals for Hangar #9:

Mr. Dobberstein stated we received three written and one verbal proposal for the lease of Hangar #9.

The proposals were received without objection.

Mr. Dobberstein reviewed the proposals as follows:

1) Halel Consulting, Mike Halel

Mr. Halel proposes to lease Hangar #9 for the purpose of operating a business washing planes, detailing and custom waxing, interior cleaning and detailing, interior repair, other services that might be added.

Mr. Halel requested a 16 month lease on a percentage basis, with a monthly or yearly lease after that.

2) RDO Automotive Group

Mr. David Selland proposes to lease the hangar for a five year lease with an option for a five year rental at \$2,100.00 per month.

3) The verbal offer was from a military helicopter detachment group with the North Dakota Air National Guard. He stated they would not be able to submit a monetary offer at this time due to budgetary reasons.

4) Fargo Jet Center

Fargo Jet Center proposes to lease Hangar #9 on a monthly lease of \$3,160, which includes gas, electric and water. Fargo Jet Center will pay insurance and taxes. They would be using the building for a freight incubator for Evergreen. Mr. Dobberstein explained that Fargo Jet Center recently occupied the space in the Eastside Terminal formerly leased by Airborne. He stated that after just a few days in that space they realized they will need more space. Mr. Dobberstein stated he has also had conversations with UPS and they may be interested in co locating with Evergreen in that hangar, as Evergreen does with other freight operators in other locations.

Mr. Dobberstein stated the average cost for expenses in Hangar 9 (utilities, insurance, building maintenance) have averaged \$756.00 per month over the past four years. He stated he supports the freight concept for this building but would rather see the tenant have the responsibility for the utility expenses as we would have no control over regulating those items. He would rather see a reduced monthly rate with the tenant assuming all other costs.

Received Lease Proposals for Hangar #9: (Continued)

Mr. Myers moved the Airport Authority offer a lease on Hangar #9 to Fargo Jet Center for \$2,500 per month, with the tenant assuming all other costs.

Second by Mr. Pawluk.

Mr. Jim Sweeney counter offered at \$2,300 per month.

Mr. Myers stated he feels \$2,500 per month net to the airport is substantially less than anything else on the commercial market. He added that Fargo Jet Center would have the option to get out of the lease if the freight operation does not continue.

Mr. Sweeney stated he would be interested in signing a two year lease, based on their contract with Evergreen. Mr. Sweeney indicated he would accept the offer of \$2,500, contingent upon the approval of Evergreen.

Chairman Macdonald called for a vote on the motion to offer the lease to Fargo Jet Center for \$2,500 per month.

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

Authorized Replacement of Equipment Operator III Position:

Mr. Dobberstein stated this request is for an Equipment Operator III to replace Henry Swedberg, who was promoted to the Airport Operations Supervisor/Airfield.

Mr. Pawluk moved to authorize the replacement of the Equipment Operator III position.

Second by Mr. Walstad.

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

Received Communication from Valley Aviation:

The communication from Valley Aviation dated November 4, 1998, was received and filed without objection.

Mr. Dobberstein stated Mr. Robert Hamilton, Valley Aviation, is requesting permission to place a sign adjacent to Taxiway C 3 showing the location of Valley Aviation. He stated he has forwarded this request to the FAA Airports District Office and has also provided Mr. Hamilton with the FAA Advisory Circular relating to this request.

Mr. Pawluk moved to table this matter until a later date.

Second by Mr. Myers.

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

Received Update on Airport Improvement Projects:

Mr. Wes Schon, Ulteig Engineers, gave an update on the flood control structure. He stated progress has been good and if the weather holds we should be able to get a lot of work done.

Adopted Resolution of Appreciation to the Organizations Involved with the Efforts for Expanded Air Service:

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

WHEREAS, The Municipal Airport Authority and Hector International Airport has recently learned of the plans of United Airlines to upgrade their air service to Fargo with three daily non stop regional jet flights to Chicago starting December 15, 1998, and non stop service to Denver to be announced the first quarter of 1999, and

Adopted Resolution of Appreciation to the Organizations Involved with the Efforts for Expanded Air Service: (Continued)

WHEREAS, This is an announcement we have long waited for and many people were involved in the success of this effort.

NOW, THEREFORE, BE IT FURTHER RESOLVED, That the Municipal Airport Authority does hereby extend its gratitude and thanks to those parties involved in this effort, Senator Byron Dorgan, Mr. Greg Rohde, Senior Legislative Aide, Gary Ness, North Dakota Aeronautics Commission, Governor Ed Schafer, Fargo Moorhead Chamber of Commerce, Fargo Cass County Economic Development, F M Convention and Visitor's Bureau, as well as other, whose diligence resulted in expanded air service for Fargo and the surrounding area.

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 the parties named.

Second by Mr. Pawluk

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

Adopted Resolution of Congratulations to the Fargo FAA Flight Standards District Office for Receiving the National Office of the Year for Accident Investigation:

Mr. Myers offered the following resolution and moved its adoption:

WHEREAS, The Fargo FAA Flight Standards District Office has recently been named the National Office of the Year for Accident Investigation, and

WHEREAS, The Municipal Airport Authority of the City of Fargo is proud to be associated with the members of the Fargo FAA/FSDO office and have appreciated their presence on the airport and the service provided to the aviation community.

NOW, THEREFORE, BE IT RESOLVED, That the Municipal Airport Authority does hereby congratulate the Fargo FAA Flight Standards District Office on the receipt of this award.

BE IT FURTHER RESOLVED, That this Resolution be inscribed on the permanent records of the proceedings of the Municipal Airport Authority and a certified copy of the herein Resolution be forwarded to the Fargo FAA Flight Standards District Office.

Second by Mr. Pawluk.

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

Adopted Resolution of Congratulations to the North Dakota Air National Guard on Over 40,000 Hours/Nine Years of Operation Without an Accident:

Mr. Myers offered the following resolution and moved its adoption:

WHEREAS, the 119th Fighter Group of the North Dakota Air National Guard, the "Happy Hooligans," recently completed over 40,000 hours (9 years) of operation without an accident, and

WHEREAS, the "Happy Hooligans" have been an outstanding unit, winning many awards and honors over the years, and

WHEREAS, the Municipal Airport Authority appreciates the relationship it has enjoyed with the 119th Fighter Group for many years.

Adopted Resolution of Congratulations to the North Dakota Air National Guard on Over 40,000 Hours/Nine Years of Operation Without an Accident: (Continued)

NOW, THEREFORE, BE IT RESOLVED, That the Municipal Airport Authority of the City of Fargo does hereby congratulate the Happy Hooligans on this milestone achievement.

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 be forwarded to the Happy Hooligans.

Second by Mr. Pawluk.

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

Other Business:

A communication from Northern Jet Aviation dated November 9, 1998 was received without objection.

Mr. Tom Kopperud, Northern Jet Aviation, advised that they will no longer be operating at Hector International Airport. They have sold their airplane.

Mr. Walstad moved to adjourn the meeting of the Municipal Airport Authority until the next regular meeting to be held Tuesday, December 8, 1998, at 9:00 a.m. in the Airport Boardroom.

Second by Mr. Pawluk.

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

Time at adjournment was 11:31 a.m.

Regular Meeting

Tuesday

December 10, 1998

The regular meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held Thursday, December 10, 1998, at 9:00 a.m. in the airport boardroom.

The members present or absent were as follows:

Present: Walstad, Robertson, Pawluk, Macdonald

Absent: Myers

Others: Stewart

Chairman Macdonald presiding.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held November 10, 1998:

The minutes of the regular meeting of the Municipal Airport Authority held November 10, 1998, were approved without objection.

Approved the Airport Vouchers Totalling \$62,656.76:

Mr. Pawluk moved to approve the airport vouchers totalling \$62,656.76.

Second by Mr. Walstad.

On the call of the roll, members Walstad, Robertson, Pawluk and Macdonald voted aye.

Absent and not voting: Myers

The motion was declared carried.

Approved the Individual Voucher to Flint Communications:

Mr. Pawluk moved to approve the individual voucher in the amount of \$7,500.00 to Flint Communications for the Fly Fargo Program marketing survey.

Second by Ms. Robertson.

On the call of the roll, members Walstad, Robertson, Pawluk and Macdonald voted aye.

Absent and not voting: Myers

The motion was declared carried.

Approved the Individual Voucher to Ulteig Engineers, Inc.:

Mr. Pawluk moved to approve the individual voucher in the amount of \$6,659.62 to Ulteig Engineers, Inc. for Partial Payment Request (Final) for engineering services in connection with AIP Project No. 3 38 0017 20.

Second by Ms. Robertson.

On the call of the roll, members Walstad, Robertson, Pawluk and Macdonald voted aye.

Absent and not voting: Myers

The motion was declared carried.

Approved the Individual Voucher to Ulteig Engineers, Inc.

Mr. Pawluk moved to approve the individual voucher in the amount of \$2,507.13 to Ulteig Engineers, Inc. for Partial Payment Request for engineering services in connection with the Cass County Drain #10 Environmental Assessment.

Second by Ms. Robertson.

On the call of the roll, members Walstad, Robertson, Pawluk and Macdonald voted aye.

Absent and not voting: Myers

The motion was declared carried.

Approved the Individual Voucher to Michael J. Burns Architects:

Mr. Pawluk moved to approve the individual voucher in the amount of \$1,410.38 to Michael J. Burns Architects for Partial Payment Request for professional services in connection with the Hangar #2 roofing project.

Second by Ms. Robertson.

On the call of the roll, members Walstad, Robertson, Pawluk and Macdonald voted aye.

Absent and not voting: Myers

The motion was declared carried.

Approved the Individual Voucher to Herzog Roofing:

Mr. Pawluk moved to approve the individual voucher in the amount of \$14,097.85 to Herzog Roofing for Partial Payment Request for the Hangar #2 roofing project.

Second by Ms. Robertson.

On the call of the roll, members Walstad, Robertson, Pawluk and Macdonald voted aye.

Absent and not voting: Myers

The motion was declared carried.

Approved the Individual Voucher to Dalsin Roofing:

Mr. Pawluk moved to approve the individual voucher in the amount of \$25,596.00 to Dalsin Roofing for Partial Payment Request #2 for the Eastside Terminal Roofing Project.

Second by Ms. Robertson.

On the call of the roll, members Walstad, Robertson, Pawluk and Macdonald voted aye.

Absent and not voting: Myers

The motion was declared carried.

Approved the Individual Voucher to Ulteig Engineers, Inc.:

Mr. Pawluk moved to approve the individual voucher in the amount of \$2,495.75 to Ulteig Engineers, Inc. for Partial Payment Request for engineering services in connection with the County Drain #10 Environmental Assessment.

Second by Ms. Robertson.

On the call of the roll, members Walstad, Robertson, Pawluk and Macdonald voted aye.

Absent and not voting: Myers

The motion was declared carried.

Approved the Individual Voucher to Ulteig Engineers, Inc.

Mr. Pawluk moved to approve the individual voucher in the amount of \$549.04 to Ulteig Engineers, Inc. for Partial Payment Request for engineering services in connection with the North General Aviation Apron Expansion Project.

Second by Ms. Robertson.

On the call of the roll, members Walstad, Robertson, Pawluk and Macdonald voted aye.

Absent and not voting: Myers

The motion was declared carried.

Approved Change Order No. 2 from Michael J. Burns Architects and Herzog Roofing, Hangar #2 Roofing Project:

Chairman Macdonald explained that after the Airport Authority awarded the bid for this project to Herzog Roofing the contractor ran into some problems and the roofing system installed was changed. After much debate on the issue of who should be responsible for the additional costs due to insufficient exploration of the existing roof before the project was bid, the Airport Authority felt the additional cost was the responsibility of both the architect and contractor but did agree to pay 50% of the documented additional costs, not to exceed \$34,000.

Chairman Macdonald stated we have now received the final bill from Herzog from the additional costs totalling \$22,266, and at 50% the Airport Authority would pay Herzog \$11,133.

Mr. Pawluk moved to approve Change Order #2 for the Hangar #2 roofing project in the amount of \$11,133.00 to Herzog Roofing.

Second by Mr. Walstad.

Mr. Dobberstein stated he will be withholding some of the money for a while yet until the lightning protection system, which failed, has been repaired.

On the call of the roll, members Walstad, Robertson, Pawluk and Macdonald voted aye.

Received Communication from Michael J. Burns Architects Requesting Additional Compensation for Hangar #2 Professional Services Performed:

Chairman Macdonald stated Mr. Burns is not present at the meeting and this matter requires discussion so the matter was tabled until a later date.

Received Notice from Great Lakes Aviation, Ltd. Requesting Assignment of Their Lease to Atlantic Coast Airlines:

The communication from Great Lakes Aviation, Ltd. date November 24, 1998, was received and filed without objection.

Mr. Walstad moved to approve the Assignment of Lease to Atlantic Coast Airlines effective December 14, 1998.

Second by Ms. Robertson.

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

Received Notice from Atlantic Coast Airlines Requesting Authorization to Assume the Great Lakes Aviation, Ltd. Lease and Operating Agreement:

The communication from Atlantic Coast Airlines dated November 30, 1998 was received and filed without objection. The communication indicated Atlantic Coast Airlines is willing to assume the Great Lakes Aviation, Ltd. Lease and Operation Agreement at Hector International Airport effective December 15, 1998.

Received Notice from Atlantic Coast Airlines Requesting Authorization to Assume the Great Lakes Aviation, Ltd. Lease and Operating Agreement: (Continued)

Mr. Walstad moved to approve the request from Atlantic Coast Airlines to assume the Great Lakes Aviation, Ltd. Lease and Operating Agreement at Hector International Airport effective December 15, 1998.

Second by Ms. Robertson.

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

Received Update from APCOA/Standard Parking Regarding Their Offer to Provide a Credit Card Payment System for the Parking Lot:

The communication from Mr. Michael Coleman, APCOA/Standard Parking, dated December 8, 1998, was received and filed without objection.

Chairman Macdonald stated APCOA is proposing the following:

1. Effective January 1, 1999, install, maintain and incur all expenses associated with credit card acceptance. Approximate annual cost \$3,200.
2. Spring of 1999 re stripe all parking spaces, repaint all curbs and provide minor curb repair to areas within the parking facility. Capital commitment of \$5,000.
3. \$2,500 marketing fund to be used at the sole discretion of the Airport Authority.

In exchange for these three enhancements and improvements they are requesting a two year contract extension to their current agreement, which would then extend to December 31, 2002.

Mr. Pawluk moved to approve the extension of the APCOA lease term two years, through December 31, 2002, in exchange for the three items proposed.

Second by Ms. Robertson.

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

Received Communication from Midwest Development & Construction:

Mr. Dobberstein stated Midwest Development & Construction is the developer that built and owns the Airborne Express facility. Mr. Dobberstein stated in a letter dated November 17, 1998, Mr. Jerry Dean, President, MDC, Inc., proposed to enter into a partnership with the Airport Authority for the completed Airborne Express facility for the purpose of obtaining tax exempt bond funding for the project.

Mr. Dobberstein stated he referred the matter to Attorney Stewart, who in turn consulted with bond attorney Mr. Brian Neugebauer.

Attorney Stewart stated that Mr. Dean's proposal would not be able to be done since the facility has already been built. He added that he has a couple other items to check before a final determination and will report to the board at a later date.

Received Communication from Sedgwick Aviation to Renew the Airport Liability Insurance Policy:

Mr. Dobberstein stated we received an Executive Summary from Sedgwick regarding our aviation liability coverage. He stated it is their recommendation that we continue our coverage with Great American for a premium of \$52,683.

Mr. Dobberstein the other issue that is still pending is the gap in our liability coverage for exposures in Minnesota. He stated the City of Fargo is still reviewing this issue for exposure in all departments and we should hear something further.

Received Communication from Sedgwick Aviation to Renew the Airport Liability Insurance Policy:
(Continued)

Mr. Pawluk moved to renew our airport liability policy with Great American Insurance Company for an annual premium of \$52,683.

Second by Mr. Walstad.

On the call of the roll, members Walstad, Robertson, Pawluk and Macdonald voted aye.

Absent and not voting: Myers

The motion was declared carried.

Continued Discussion on Airport Marketing Program:

Representatives from Flint Communications, Kim Kemmer, Christy McLachlan, and Laura Zabel were present.

Copies of their 1999 Advertising Proposal/Budget Plan A were distributed and details were reviewed. Cost summary was as follows:

Newspaper	\$10,754.03
Radio	\$30,353.80
Quest Radio Network	\$ 2,790.00
Direct Mail	\$ 5,000.00
	\$48,897.83 plus creative & production costs

Ms. McLachlan stated the advertising and direct mailings covered by this proposal would run now through April 1999. Proposed cost for the total program running December 1998 through November 1999 was \$125,147.83.

After further discussion, Mr. Walstad moved to approve a portion of the program proposed by Flint Communications, December 1997 through April 1999, at a cost of \$62,500.

Second by Ms. Jordan.

On the call of the roll, members Walstad, Robertson, Pawluk and Macdonald voted aye.

Absent and not voting: Myers

The motion was declared carried.

Robertson now absent.

Received Communication from Valley Aviation Regarding Additional Airfield Signage:

The communication from Robert Hamilton, Valley Aviation, dated November 17, 1998, was received and filed without objection.

Chairman Macdonald stated this request was before us at the last meeting and the matter was tabled until Valley Aviation made their request to the FAA.

Mr. Dobberstein stated that Mr. Hamilton was provided with the FAA Advisory Circular pertaining to additional airfield signage. He stated this request was also provided to the certification inspector in Chicago, who would have to approve any change in our sign plan. Mr. Dobberstein stated the FAA indicated that the proposed sign would not meet FAA standards and they would not approve a sign advertising a business on the airport.

Mr. Dobberstein stated Mr. Hamilton requested that at the very least the Airport Authority erect a sign saying "FBOs" and with arrows in both directions.

Mr. Pawluk stated the two buildings are totally different and distinguishable buildings.

Mr. Wes Schon, Ulteig Engineers, reviewed some of the FAA signage regulations.

He added that he would be hard pressed to believe that a pilot could get to that point on the airport and could not distinguish that there are two FBOs.

Received Communication from Valley Aviation Regarding Additional Airfield Signage: (Continued)

Chairman Macdonald stated the questions seems to be with the personal who comes in and does not really that there are two FBOs, he just turns into the first one. He stated this is a matter of "location, location, location" and he does not know what can be done to overcome that. He stated he has no objection to putting up a sign if it would help.

Mr. Pawluk stated he does not feel this is an issue but he would like the other members to ride out to the site to get a better idea of the area and what is being requested and then we can discuss it further.

Chairman Macdonald directed Mr. Pawluk to review the matter, meet with Mr. Hamilton and report back to the board.

Received Notice from the FAA Approving the Passenger Facility Charge Application:

The communication from the Federal Aviation Administration dated November 18, 1998, was received and filed without objection.

Mr. Dobberstein stated the FAA has advised us that they have approved our application to impose a Passenger Facility Charge (PFC) at Hector International Airport. The amount of the application was \$1,341,857 with an estimated expiration date of September 1, 2002.

Received Update Regarding Passenger Boarding Bridge Options:

Mr. Dobberstein stated when Mr. John DeCoster, Northwest Airlines properties representative, met with him recently they discussed the matter of a passenger boarding bridge and some of the available options. Mr. Dobberstein stated the scenario proposed to Mr. DeCoster was that Northwest Airlines turn their jetway over to the Airport Authority for placement on Gate 4 and that a new jetway be located on Gate 1. He stated that Northwest has their jetway scheduled for \$40,000 \$60,000 in rehabilitation.

Mr. Dobberstein stated there are many details yet to be worked out and Mr. DeCoster indicated he would put a proposal in writing but he has not yet received that. Mr. Dobberstein stated this is a positive indication that Northwest Airlines is willing to work with us on this matter.

Other Business:

Mr. Wes Schon, Ulteig Engineers, gave a brief update on the flood control structure project. He stated they are also working on plans for the upcoming rehabilitation project in the southeast general aviation area. He stated they have also resubmitted the environmental assessment for the extension of Runway 8/26. He stated the air cargo project and 1998 improvement projects have been closed out and final documentation is being prepared.

Mr. Schon stated that Ulteig Engineers, Inc. has had offices in Fargo, Bismarck and Minneapolis for some time and have now bought an existing electrical engineering firm in Sioux Falls. Mr. Schon stated he has been asked to head up the civil engineering department in Sioux Falls and he has accepted the position. He stated the Airport Authority is and will continue to be a valued client. Mr. Schon stated Mr. Steve Synhorst, who has been with Ulteig for over ten years. He stated Mr. Synhorst has also been the facility engineer for the North Dakota Air National Guard on the

Other Business: (Continued)

field for a number of years. He has also done work on the Grand Forks airport, other airports in the region, as well as some of the projects on this airport. He stated he will not be walking away cold turkey but will be available to consult on projects. He stated he will commuting to Sioux Falls until the end of the school year in the spring.

The communication from the North Dakota Department of Transportation dated December 7, 1998, was received and filed without objection.

Chairman Macdonald stated this was in response to a request from Mr. Dobberstein that when the Highway Department closes I 29 during winter storms that it consider closing the highway at 19th Avenue rather than 12th Avenue. The letter explained their procedures during storm conditions.

Chairman Macdonald stated that Mr. Dobberstein had a request to place an advertising display/sign in the area above the stairway. He stated a vote taken of the members today resulted in denial of that request.

Mr. Pawluk moved to adjourn the meeting of the Municipal Airport Authority until the next regular meeting to be held Tuesday, December 22, 1998, at 9:00 a.m. in the Airport Boardroom.

Second by Mr. Walstad.

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

Time at adjournment was 10:50 a.m.

The board adjourned to executive session to discuss legal matters.

Regular Meeting

Tuesday

December 22, 1998

The regular meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held Tuesday, December 22, 1998, at 9:00 a.m. in the Airport Boardroom.

The members present or absent were as follows:

Present: Walstad, Pawluk, Robertson, Macdonald

Absent: Myers

Others: Stewart

Chairman Macdonald presiding.

Adopted Resolution of Appreciation to Individuals Involved in the Efforts to Secure Fargo Denver Service:

Mr. Pawluk offered the following resolution and moved its adoption:

WHEREAS, United Airlines has recently announced its plans to begin non stop service between Fargo and Denver starting March 4, 1999, and

WHEREAS, This additional service now gives travellers in Fargo and the surrounding area airline service into three hub cities, Minneapolis, Chicago and Denver, and

WHEREAS, This would not have been possible without the effort put forth by many parties but special thanks should be extended to a certain few individuals who extended tireless and continued effort to this successful end.

NOW, THEREFORE, BE IT FURTHER RESOLVED, That the Municipal Airport Authority does hereby extend its gratitude and thanks to those parties involved in this effort, Senator Byron Dorgan, Mr. Kevin Price, Mr. Mike Unjhem and Mr. Shawn Dobberstein. 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 the parties named.

Seconded by Mr. Walstad.

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

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held December 10, 1998:

The minutes of the regular meeting of the Municipal Airport Authority held December 10, 1998 were approved without objection.

Approved the Airport Vouchers Totalling \$34,747.51:

Mr. Walstad moved to approve the airport vouchers totalling \$34,747.51.

Second by Mr. Pawluk.

On the call of the roll, members Walstad, Pawluk, and Macdonald voted aye.

Absent and not voting: Myers, Robertson

The motion was declared carried.

Approved the Individual Voucher to Cass County Treasurer:

Mr. Pawluk moved to approve the individual voucher in the amount of \$19,069.08 to the Cass County Treasurer for 1998 Special Assessments (\$109.73 for Airport First Addition).

Second by Mr. Walstad.

On the call of the roll, members Walstad, Pawluk and Macdonald voted aye.

Absent and not voting: Myers, Robertson

The motion was declared carried.

Approved the Individual Voucher to Michael J. Burns Architects:

Chairman Macdonald stated at the last meeting the board approved payment to Herzog Roofing for 50% of additional costs for the Hangar #2 roofing project as previously agreed. He stated the architect on the project, Michael J. Burns Architects, has now also submitted a request for payment on additional architectural fees. He stated we have offered to reimburse the architect at the same 50% rate.

Chairman Macdonald stated he feels this should be approved only as a full and final payment.

Mr. Dobberstein stated this payment request covers additional services through December 15, 1998. He stated there may be some additional services yet required, most of which would be related to the lightning protection system.

After further discussion, Mr. Pawluk moved to approve the individual voucher in the amount of \$4,332.50 to Michael J. Burns Architects for Partial Payment Request for professional services in connection with the Hangar #2 roofing project and that future payment requests be considered individually as they are submitted.

Second by Mr. Walstad.

Chairman Macdonald stated he feels the whole project was handled poorly from the beginning and it seems the Airport Authority has ended up paying for someone else's error.

On the call of the roll, members Walstad, Pawluk and Macdonald voted aye.

Absent and not voting: Myers, Robertson

The motion was declared carried.

Approved the Individual Voucher to Dalsin Roofing:

Mr. Pawluk moved to approve the individual voucher in the amount of \$4,860.00 to Dalsin Roofing for Partial Payment Request No. 3 for the Eastside Terminal roofing project.

Second by Mr. Walstad.

On the call of the roll, members Walstad, Pawluk and Macdonald voted aye.

Absent and not voting: Myers, Robertson

The motion was declared carried.

Detroit Lakes Realty Representative Presented Proposal for Airport First Addition Property:

Chairman Macdonald stated he and Mr. Dobberstein were authorized to negotiate a contract for the sale of the land in the Airport First Addition, subject to final approval of the use of the land by the Airport Authority. He stated a price was negotiated and there are many more steps to approve before the project can be approved.

Mr. Tom Kiewel, Coldwell Banker was recognized and introduced Mr. Al Gross with Detroit Lakes Realty and Builders Management Investment Company.

Mr. Gross distributed copies of plans for apartment buildings with 72 units on the site.

Mr. Kiewel stated these drawings are very preliminary. He stated he has talked to Mr. Domitrovich in Planning and he added that there is still some question on the buffer area.

Mr. Gross stated the City requires two parking spots per unit but they are looking at providing a minimum of three or four spots per unit. He stated Builders Management has been in the apartment business for over 40 years and they know the business quite well. He added that they would also provide 1.2 to 1.5 garages per unit. Mr. Gross stated the type of apartment units they have in mind are upscale and will be a community within itself. He stated they are presently building one similar structure on 8th Avenue North, right next to a railroad track, and already have one building filled. He stated the first building was filled within 24 hours of completion. He stated there is a demand for upscale apartment units near the college.

Ms. Robertson now present.

Mr. Pawluk stated he is concerned that at some point in the future we will have objection to the airport noise from the tenants.

Mr. Gross stated they would use additional sound proofing materials in the buildings. He added that airport noise is a fraction of the noise their other buildings receive from the trains and no one has complained about the train noise. He added that their leases would address this up front.

Mr. Dobberstein stated that until today the Airport Authority did not know the buyer's plan for the property.

Chairman Macdonald asked Mr. Green if he is aware that apartments would be a prohibited use for that site and they would have to get a variance.

Mr. Green stated they realize this is the first of many steps.

Attorney Stewart stated the restrictive covenants on that land were put into place by the City and the Planning Commission before the Airport Authority was formed. He suggested Mr. Green's group talk to the homeowners in the area and if there is opposition from them they will have problems with the Zoning Commission.

Mr. Dave Currier, Dakota Fence, was recognized and stated as the owner of a business in the Airport First Addition he would not have any problem with the proposed project at this time. He agreed that something should be done to clean up the trees in the buffer zone but since the homeowners like the trees they have taken the friendly neighbor approach and have left them alone.

Attorney Stewart stated the developer will definitely have to sell the idea to the neighbors.

Chairman Macdonald stated the only way he would agree to apartments is if there is a covenant to recognize the existence of the airport.

Ms. Robertson stated she is not concerned about the noise for the apartment tenants, as they would know what they are getting into, as much as she would be concerned about the neighbors.

Mr. Pawluk stated as the owner of the property the Airport Authority has taken the step to sell this property and we have a potential buyer. Mr. Pawluk stated his main concern is that the Airport Authority not create problems for the residents as he does not want the neighbors to hold a grudge against the airport.

Detroit Lakes Realty Representative Presented Proposal for Airport First Addition Property:
(Continued)

Chairman Macdonald stated the sale contract gives the buyer 60 days to obtain approval from the City of Fargo Planning Commission. It was suggested that this term be extended as we are now aware of the intended use of the property.

Chairman Macdonald stated the Airport Authority would also want to review the final plans and specifications of the proposed buildings before giving final approval.

Mr. Walstad moved the Airport Authority approve the sale of the property subject to the buyer following all proper procedures to get the project approved and that any sale agreement include a hold harmless agreement whereby the buyer recognizes the location of the airport and agrees not to complain about airport noise.

Second by Ms. Robertson.

Attorney Stewart stated now that we are aware of the intended use he suggested an addendum to the sales contract extending the 60 day time limit to 120 days and there was no objection to that suggestions.

Chairman Macdonald called for a vote on the motion.

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

Received Update on Airfield Signage Request:

Mr. Pawluk stated since our last meeting he has stopped at Valley Aviation twice and called Robert Hamilton four times. He stated the first time he has been able to speak to Mr. Robert Hamilton was this morning at the airport as he was leaving town for two weeks.

The matter was tabled until a later date.

Discussed Parking Regulation Services:

Mr. Dobberstein stated that Western Protection has provided our vehicle security services for many years but lately we have had a problem with them being able to cover the shifts on a consistent basis. He stated they are probably experiencing the labor market problems many other businesses in the area are experiencing. He stated we have one very dedicated guard who has been here for several months but they cannot provide him adequate relief. Mr. Dobberstein stated Mr. Darren Anderson has visited with the new general manager, Brian Dresser, and conveyed our concerns. The company is presently going through a change of ownership.

Mr. Dobberstein stated our requirements prohibiting unattended vehicles in front of the terminal have come under even more scrutiny with the Iraq situation and will probably get even more strict in the future.

Mr. Dobberstein stated we have advised Western Protection that if things do not improve in the next 30 45 days he would like to prepare a request for proposals.

Chairman Macdonald stated that to demand certain services and to penalize them when they are not able to meet those requirements is reasonable and if that escalates our cost somewhat then so be it. He stated the alternative is to get into trouble with the FAA.

Ms. Robertson stated she feels there are a couple of issues here. She stated there should never be unattended vehicles or luggage, but at the same time the security guards are providing a public relations service. She stated she would rather double our expenditures for security services and give a positive impression than a bad one. She stated she gets calls from people who are mad about an encounter with a security guard. She stated the guards are representing the airport and at times the way they deal with the public is sometimes embarrassing and it has bothered her.

Chairman Macdonald stated we should demand certain services and if they do not provide that service we will get someone else. He stated if that doubles our cost we will address that.

Discussed Parking Regulation Services: (Continued)

Mr. Dobberstein stated we have made another request to the City Finance Committee to receive a portion of the parking ticket revenue. He stated we have made this request at least twice before this and we have been denied. He stated presently 100% of the ticket revenue goes to the City of Fargo.

Mr. Dobberstein stated we will be having an automated message system installed that will broadcast an untended vehicle and luggage announcement every 15 minutes, which should help get the message out even more.

Chairman Macdonald stated he feels we should take another look at our coverage hours and consider increasing those.

Mr. Pawluk stated our goal should be to appease the FAA and their requirements. He added that if the City of Fargo is receiving all of those funds we would not be out of line to ask them to provide this service with their uniformed police officers.

Ms. Robertson stated again that it is not only an issue of protection but also of public relations for the airport. She stated to get quality service we will probably have to expect more.

Mr. Pawluk stated he has never had an encounter with any of the security guards and he would guess that most of the people have not because most of the people coming to the airport park in the parking lot.

Mr. Dobberstein stated he would not have a problem with extending the hours in the morning as suggested by Chairman Macdonald.

Mr. Dobberstein stated he would continue working on this matter and report back to the board in 30 45 days.

Considered Assignment of Ground Lease from Paul Bernabucci to American Federal Bank:

This matter was tabled as no written communication was received.

Received Update on Airport Construction Projects:

Mr. Steve Synhorst, Ulteig Engineers, was recognized and gave a brief update on the Geographic Information System. He added they are also working on plans for this year's upcoming projects.

Other Business:

Mr. Dobberstein stated he has been working with Atlantic Coast on details for the use of our jetway. He stated in the past we have charged the airlines \$50 per operation. Mr. Dobberstein stated Atlantic Coast has offered \$50 per use up to a monthly maximum of \$1,000 and increasing that to \$1,500 when Air Wisconsin comes on board. Mr. Dobberstein stated he has given verbal agreement to that arrangement. He added that Atlantic Coast will be the primary airline using that jetway and it will continue to be available to Northwest on a secondary basis.

Mr. Dobberstein stated we are still looking at modifications to the canopy on the jetway to accommodate the regional jets.

Chairman Macdonald stated the Airport Authority has recently discussed the matter of requiring, for noise purposes, that pilots climb to a certain altitude before turning the aircraft on takeoff. He explained that the FAA requires the airport to buy a certain amount of land off the end of a runway and then place restrictions on that land, yet the aircraft turns before using up that area of land.

Other Business: (Continued)

Mr. Dobberstein stated he has talked with Mr. Don Driscoll, Tower Manager, and he indicated there has not been a procedure for them to fly the runway to a certain altitude in order to minimize the impact of noise in populated areas. He stated Mr. Driscoll's response was that if the Airport Authority wanted that procedure in place the tower would comply but there would have to be an environmental assessment done to make sure the procedure would be proper. He added this would require working with Irene Porter, FAA Airports District Office.

Chairman Macdonald directed Mr. Dobberstein to continue on the matter and discuss it with Irene Porter.

Mr. Walstad moved to adjourn the meeting of the Municipal Airport Authority until the next regular meeting to be held Tuesday, January 12, 1999, at 9:00 a.m. in the Airport Boardroom.

Second by Mr. Pawluk.

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

Time at adjournment was 10:45 a.m.