

Regular Meeting

Tuesday

January 12, 1999

The regular meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held Tuesday, January 12, 1999 at 9:00 a.m. in the Airport Boardroom.

The members present or absent were as follows:

Present: Walstad, Myers, Robertson, Pawluk

Absent: Macdonald

Others Stewart, Bromenschenkel

Vice Chairman Pawluk presiding.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held December 22, 1998:

The minutes of the regular meeting of the Municipal Airport Authority held December 22, 1998 were approved without objection.

Approved the Airport Vouchers Totalling \$30,551.41:

Mr. Walstad moved to approve the airport vouchers totalling \$30,551.41.

Second by Mr. Myers.

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

Absent and not voting: Robertson, Macdonald

The motion was declared carried.

Robertson now present.

Approved the Individual Voucher to Flint Communications:

Mr. Myers moved to approve the individual voucher in the amount of \$19,632.03 to Flint Communications for Partial payment Request for Phase I of the "Fly Fargo" marketing campaign.

Second by Mr. Walstad.

On the call of the roll, members Walstad, Myers, Robertson 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 \$538.90 to Foss Association for Partial Payment Request for professional services in connection with the Eastside Terminal roofing project.

Second by Mr. Walstad.

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

Absent and not voting: Macdonald

The motion was declared carried.

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

Mr. Myers moved to approve the individual voucher in the amount of \$85.90 to Michael J. Burns Architects, Ltd. for Partial Payment Request No. 4 for reimbursable expenses in connection with the Hangar #2 roofing project.

Second by Mr. Walstad.

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

Absent and not voting: Macdonald

The motion was declared carried.

Received 1998 PFC Report:

Mr. Dobberstein distributed copies of the annual PFC report for 1998. He stated in 1998 we received a total of \$515,044.69.

Mr. Dobberstein explained that our first PFC application contained two parts, Impose Only (\$850,000) and an Impose and Use (\$816,105.20). The Impose and Use funds have been collected to reimburse us for our share of past projects and this money has been deposited in our construction fund. The Impose Only portion is what we have been authorized to collect but are not able to use until we submit a use application. He stated the primary project under this portion is the Runway 8/26 safety area (County Drain #10). He stated we are still in the process of waiting for approval and concurrence from the FAA on our environmental assessment, which has been submitted to the Airports District Office in Bismarck. He stated after their approval it is then forwarded to the regional FAA office for a 60 90 day review. Once the FAA has given their full approval we can put forth a use application for the money collected. He stated the use application takes at least 120 days so it will definitely be 2000 before we will be able to do that project.

The report was received and filed without objection.

Received 1998 Passenger Report:

Mr. Dobberstein stated enplaned revenue passengers for calendar year 1998 totalled 193,826, which was 4.6% down from 1997. He stated the Northwest Airlines pilot strike in August and September had a big impact on the numbers. He stated without the strike we may have at least remained the same as 1997.

The report was received and filed without objection.

Mr. Bromenschenkel asked if there has been any concern about the low load factor United Express has experienced so far.

Mr. Myers stated we as an Airport Authority should be concerned about that but the Airport Authority is not in a position where it can promote one airline over another. He stated the City Commission could remind its constituents that there was a time when we did not have the service we have available now. He stated he feels there are some things that need to be said to the business community right now but he does not feel it should come from the Airport Authority.

Received 1998 Passenger Report: (Continued)

Vice Chairman Pawluk stated he agrees with Mr. Myers, but just as he wants to see Northwest Airlines be successful he wants United Express to be successful. He stated he feels as a member of the Airport Authority he can be a promoter of both airlines. He stated he is not as sensitive to that issue as he once was.

Mr. Myers stated he feels that any dialogue that comes from this board should be with the business community through the City Commission, Chamber, CVB, and Economic Development. He stated we need to constantly remind these people that if they want to continue to have competitive air service it needs to be supported.

Mr. Walstad stated there has been one problem with Atlantic Coast and that is they have not joined the Chamber of Commerce. He stated the Chamber has a hard time promoting someone that is not a member.

Mr. Pawluk stated that he feels that is small town thinking.

Mr. Myers stated we want United Express/Atlantic Coast here at any cost and if they don't join the Chamber it should not be a big deal. He stated they need to consider their constituents.

Mr. Walstad stated the Chamber's constituents are paying membership dues.

Mr. Myers stated if their constituents lose that air carrier it will be their constituents that will be adversely affected. Mr. Myers stated he cannot believe that is an issue.

Mr. Dobberstein stated United Express did well over the holiday season. He stated as far as basing performance on the first part of January that is not an accurate reading as January is typically a slower travel month. He stated United has not yet started their marketing program whereas Northwest has done a lot of advertising.

Mr. Myers stated he feels Mr. Pawluk should go down to the Chamber and talk to Mr. Campbell and convey the message that even if Atlantic Coast does not join the Chamber their presence here is good for the Chamber members and the business community.

Mr. Walstad suggested someone talk to Atlantic Coast and encourage them to join the Chamber.

Mr. Dobberstein stated he did write a letter to Mr. Mike Davis, Atlantic Coast, encouraging them to join the Chamber. He stated he does not feel the door is entirely closed, but according to Mr. Davis, for them to join the Chambers in every city they serve means a substantial expenditure.

Mr. Myers asked the cost to the Chamber if they do not join.

Mr. Dobberstein stated less than \$500.

Vice Chairman Pawluk stated this should not be an obstacle.

Ms. Robertson stated she is not ready to panic yet. She stated she feels we have made progress on the issue of convincing people that it is more convenient to fly out of Fargo than driving to Minneapolis or Sioux Falls. She stated now we need to reach those customers that are used to using only one airline. She stated when you have customers that have been on the same path for many years it takes a while for them to change their habits. She stated as far as the Chamber membership issue she can see both sides, but the Chamber needs to stress to Atlantic Coast the benefits of being a member of the Fargo Moorhead Chamber of Commerce.

Mr. Walstad stated that has been done.

Mr. Myers stated he does not feel anyone should wait too long to make sure United Express is successful. He stated everyone waited for Frontier to become successful and before we knew it they started pulling flights.

Ms. Robertson stated a lot of time, energy and money has been invested in expanding air service in Fargo.

Mr. Walstad stated he agrees with Mr. Pawluk that the Airport Authority should support and promote both airlines.

Vice Chairman Pawluk stated he respects the job Northwest has done with marketing their company and improving customer service. He stated his observation is that Northwest is competing and is doing a good job of serving their customers in Fargo.

Received 1998 Passenger Report: (Continued)

Mr. Myers stated it is the competitive element that is driving that machine and once that is lost you are a stepchild.

Vice Chairman Pawluk stated he wants the Airport Authority to know it is his position that the Airport Authority and its members should be able to publicly talk about the importance of competition and the fact that we want both Northwest and United to be successful. He added that the one element that seems to be missing so far is the promotion by United Express.

Mr. Myers stated in looking back at the years since he has been on the board the one question that everyone has asked him is, "When are we going to get another airline?" He stated of all of the issues we deal with out here that has been universal. He stated we now need to say to those people, we now have another airline in position and we are not seeing the numbers supporting them. We are, however, seeing Northwest put forth an aggressive marketing campaign. He added that we have avenues other than the Chamber through which to promote United Express, such as Economic Development, City Commission, CVB, etc.

Ms. Robertson stated we should give passengers a month or two of planning time to adjust their flying habits. She stated if we do not see use go up by the end of March we would then have cause for concern.

Mr. Dobberstein stated we have to factor in the flights that have been cancelled in the last month due to weather in Chicago.

Discussed Use of Airport Property Adjacent to Riviera Heights:

Mr. Dobberstein stated this item is strictly informational today and no action will be requested.

Mr. Dobberstein stated the owner of Riviera Heights, Mr. Bill Block, and the manager, Mr. Butch Love, have approached him several times with the idea of purchasing airport land for the expansion of the trailer court. He stated he indicated to them that he would not support the expansion of the residential neighborhood. He stated this land was purchased by the Airport Authority with federal funds as a runway protection zone, buffer, noise protection, etc.

Mr. Dobberstein stated Mr. Block does want the opportunity to appear before the Airport Authority to sell this idea. He stated Mr. Block also indicated he was going to contact each member individually but apparently has not yet done that.

Mr. Myers stated he does not see any benefit to the airport by selling the land. Mr. Myers stated he feels we are in a position to end this matter today.

Vice Chairman Pawluk stated he feels very strongly that the Airport Authority does not want to sell any land that has been purchased to protect the airport.

Ms. Robertson stated we certainly cannot deny him the opportunity to appear before the board but she agrees that we should not be selling any airport expansion land.

Mr. Dobberstein stated he will send Mr. Block a copy of the minutes discussing this matter today and let him decide what he would like to do.

Mr. Dobberstein stated they have also expressed interest in leasing some of the land near the land we have leased to them for a shelterbelt. He stated he suggested they work with the Fargo Park District on that matter.

Discussed 1999 Construction Projects:

Mr. Steve Synhorst, Ulteig Engineers, was recognized and stated that progress on the flood control project has been moving along. He stated they slowed down somewhat over the holidays but have resumed work. He stated the portable pump has been delivered to the City and the shop drawings for the permanent pumps have been approved and are on order.

Mr. Synhorst distributed and reviewed an overview of the 1999 projects. He stated he would review them in the order of priority given by the Executive Director.

ALTERNATE 1 D. REHABILITATE THE WESTSIDE TERMINAL APRON

Mr. Synhorst stated this project would involve replacing the joint seals, doing some spall repair, and also some repair around some of the inlets.

ALTERNATE 1 C. RECONSTRUCTION OF TAXIWAY B3 (KEEL SECTION REPLACEMENT)

Mr. Synhorst stated a few years ago the Guard reconstructed Bravo Taxiway but at that point they did not put any funding into B 3 because it was a taxiway they did not use. He explained it is a 75 foot taxiway paved in 25 foot widths. He stated the most damage is down the center panel, which has been damaged over the years from the main gear on the 727s. He stated we will be replacing the center portion.

ALTERNATE 1 A. RECONSTRUCT A PORTION OF THE SOUTHEAST GENERAL AVIATION APRON

Mr. Synhorst stated this is a section of concrete in the southeast general aviation area that will be removed and replaced. This concrete has been in place for years and is absolutely shattered.

Mr. Dobberstein added that this area serves as a main taxiway in the southeast general aviation area.

ALTERNATE 1 A1. STORM SEWER REPAIR SOUTHEAST GENERAL AVIATION APRON

Mr. Synhorst stated we did some storm sewer replacement last year and this will take care of the remainder of the collapsed storm sewer which needs replacement.

ALTERNATE 1 B. BITUMINOUS OVERLAY OF THE SOUTHEAST COMMERCIAL APRON

Mr. Synhorst stated the pavement included in this project is two triangle areas in the southeast commercial apron where the pavement has failed. He stated they are proposing to add a two inch overlay to this area which would take care of the problem.

Mr. Synhorst stated the total cost of these projects, along with engineering, GIS Survey and CAD Drafting, testing, and administration is \$747,107.25. The 90% federal share would be \$672,396.53. Mr. Synhorst stated since the Airport Authority will have only a portion of its 1999 entitlement funds available by March 31 (\$667,000), we have

Discussed 1999 Construction Projects: (Continued)

designed a project which will fall into these funding guidelines. He stated the FAA District Office in Bismarck will need the bids received and the cost in hand by March 31st for the projects we plan to do this summer.

Mr. Synhorst stated they have prepared Alternate 2 in which the following items would remain the same:

A. Reconstruction of a portion of the Southeast General Aviation Apron

A1. Storm Sewer Repair Southeast General Aviation Apron

D. Rehabilitate Westside Terminal Apron

Mr. Synhorst stated the items that would change are as follows:

B. Reconstruct a Portion of the Southeast Commercial Apron

He stated rather than an asphalt overlay this would actually remove and replace the pavement, at a cost of \$643,592.50 rather than the \$122,320.00 in Alternate 1. He stated they are recommending the asphalt overlay at this time so the funds can be used elsewhere.

C. Overlay Taxiway B 3

Mr. Synhorst stated rather than the pavement replacement in Alternate 1 (\$97,865.25) this would be an asphalt overlay (\$31,795.00). He stated they recommend the pavement replacement as proposed in Alternate 1, as this taxiway will be in place and used for many years.

Mr. Synhorst stated costs for Alternate 2 total \$1,228,485.50 and the federal share would be \$1,105,636.95.

Mr. Dobberstein stated we anticipate receiving a total of approximately \$950,000 in 1999 entitlement funds but since Congress has appropriated only 70% we have been advised to plan our projects knowing we will receive at least \$667,000. He stated airports in the country, especially those with short construction seasons, are up in arms. He stated he has communicated this with both Senator Dorgan and Senator Conrad and so have the other airports in the stated.

Mr. Synhorst stated we will set up the bid schedule so there are four separate projects and any of them can be taken out if the money is not available. He stated the projects will be bid together and awarded on the total of all projects but will be ready if we have to back out on any of them due to lack of funding. He stated the contractors will be advised of this.

Mr. Synhorst stated his proposed schedule is as follows:

February 9	Present plans and specifications to the Airport Authority for approval. Receive approval to advertise for bids beginning February 22.
March 18	Receive bids
March 23	Make recommendation for award to the Airport Authority
March 31	Deadline for all paperwork to be received by the FAA

Discussed 1999 Construction Projects: (Continued)

Vice Chairman Pawluk asked about Mr. Victor Gelking's request for some additional surface for airplanes in his area.

Mr. Dobberstein stated they are aware Mr. Gelking's request and the surface he has requested between the hangars would be his responsibility. He stated they will continue to work with Mr. Gelking.

Mr. Myers recommended that we require the contractors to sign off on the advisory explaining the details on limited funding.

Mr. Synhorst indicated he would include that.

Other Business:

Mr. Pawluk asked Mr. Dobberstein if the remainder of our entitlement funds could be used to purchase a new jetway.

Mr. Dobberstein explained that would be possible, however, a passenger loading bridge is a very low priority on the FAA's list for entitlement funds. He stated at some time in the near future we will be looking for discretionary funds in the neighborhood of \$5 \$6 million to rehabilitate Runway 17/35 and they will review and take into consideration where we have spent our funds in the past. He stated even though a jetway may be a high priority item for us it is considered an extremely low priority to the FAA and if we were to spend our entitlement funds on a low priority items it could jeopardize future requests for discretionary funds.

Mr. Dobberstein stated another option would be to purchase the jetway out of our construction fund and then make an application for an impose and use PFC. He stated we need to continue our negotiations with Northwest Airlines as the new bridge would have to be located at Gate 1 and they would be the primary users.

Vice Chairman Pawluk stated it would be most desirable to have a jetway that would be able to accommodate a full range of aircraft from a 747 to a regional jet, but if we are not able to get that he would rather compromise on the top end and get something that will serve the aircraft we see here every day.

Mr. Dobberstein stated he would like the concurrence of Northwest Airlines that they would support a new jetway before we moved ahead with a purchase and PFC application.

Mr. Myers stated he feels Mr. Dobberstein is on the right track with this and we could do something to expedite their support as they would greatly benefit.

Mr. Dobberstein stated in addition to the cost of the jetway itself we will probably be looking at some cost to modify the rotunda supporting the jetway. He stated Foss Associates is working on determining if the existing rotunda can support a larger jetway.

Mr. Myers stated he feels we can develop an excellent argument for a jetway being a high priority item for a PFC application as a loading bridge definitely serves the passengers. He added that he felt there were some other options and solutions with respect to the rotunda.

Vice Chairman Pawluk stated the reason he wants to see a new bridge is so that we do not have any passengers that have to walk on the ramp to board their airplane. He added that he wants to see us get a bridge that will serve us in the future, but more importantly serve the passengers we have today.

The regular meeting of the Municipal Airport Authority was adjourned until the Annual meeting to be held Tuesday, February 9, 1999 at 9:00 a.m. in the Airport Boardroom.

Time at adjournment was 10:24 a.m.

Annual Meeting

Tuesday

February 9, 1999

The Annual Meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held February 9, 1999 at 9:00 a.m. in the Airport Boardroom.

The members present or absent were as follows:

Present: Walstad, Myers, Robertson, Pawluk, Macdonald

Absent: None

Others: Stewart

Chairman Macdonald presiding.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held January 12, 1999:

The minutes of the regular meeting of the Municipal Airport Authority held January 12, 1999, were approved without objection.

Approved the Airport Vouchers Totalling \$17,017.97:

Mr. Pawluk moved to approve the airport vouchers totalling \$17,017.97.

Second by Ms. Robertson.

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

Absent and not voting: Walstad

The motion was declared carried.

Approved the Individual Voucher to Ulteig Engineers, Inc.:

Mr. Myers moved to approve the individual vouchers (\$682.96 and \$119.13) in the amount of \$802.09 to Ulteig Engineers, Inc. for Partial Payment Request (Final) for engineering services in connection with the North General Aviation Ramp Expansion Project.

Second by Ms. Robertson.

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

Absent and not voting: Walstad

The motion was declared carried.

Approved the Individual Voucher to Ulteig Engineers, Inc.:

Mr. Myers moved to approve the individual vouchers (\$1,389.25 and \$2,728.04) to Ulteig Engineers, Inc. for Partial Payment Request (Final) for engineering services in connection with the Cass County Drain #10 Environmental Assessment.

Second by Ms. Robertson.

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

Absent and not voting: Walstad

The motion was declared carried.

Approved the Individual Voucher to Surface Systems Inc.:

Mr. Myers moved to approve the individual voucher in the amount of \$552.00 to Surface Systems Inc. for Y2K upgrade of the pavement sensor system.

Second by Ms. Robertson.

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

Absent and not voting: Walstad

The motion was declared carried.

Approved the Individual Voucher to Flint Communications:

Mr. Myers moved to approve the individual voucher in the amount of \$7,303.28 to Flint Communications for Partial Payment Request for Phase I of the Fly Fargo Marketing Campaign.

Second by Ms. Robertson.

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

Absent and not voting: Walstad

The motion was declared carried.

Received Communication Regarding the Airport First Addition Property:

A copy of a communication dated January 16, 1999, from Mr. Tom Kiewel, Coldwell Banker, to Jim Buus, Goldmark Investment, was received and filed without objection.

Mr. Kiewel's letter stated that after further investigation by Detroit Lakes Realty, it has been determined by them that neighborhood approval of their proposed project, at this time, would be difficult if not impossible.

Mr. Myers stated he would suggest the Airport Authority adopt a resolution that would preclude selling that land in the buffer area for any residential purpose.

Attorney Stewart stated there is prohibition in place under the restrictive covenants. He stated the prospective buyers tried to get the restriction on residential use lifted and the only way to do that is with the consent of the neighbors but they were not successful.

Mr. Myers stated even if the restriction is in place he would like to see if the Authority could do anything to get it tightened.

Mr. Pawluk stated he feels the zoning in place would take care of restricting any prohibited use.

Mr. Myers stated he feels whatever we could do to tighten it up would save us from trouble in the future.

Received Communication from the Federal Aviation Administration Approving our DBE Goals:

The communication dated January 8, 1999, from the Civil Rights Staff of the Federal Aviation Administration, approving our DBE goals for the period October 1, 1998 through September 30, 1999.

Mr. Dobberstein explained that we have DBE goals for both our construction projects and our concessionaires. Mr. Dobberstein stated the only concessionaires that qualify are the Giftshop and Interspace Airport Advertising.

Considered Assignment of Lease from Paul Bernabucci:

Mr. Paul Bernabucci has requested that his T hangar ground lease be assigned to American Federal Bank.

Mr. Pawluk moved the Airport Authority approve the Assignment of Lease from Paul Bernabucci to American Federal Bank as requested.

Second by Mr. Myers.

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

Considered Assignment of Lease from JP Development:

Attorney Stewart explained that this assignment of lease from JP Development to Norwest Bank and a secondary assignment to the Small Business Association, is for the parking lot, new hangar, new office addition and garage.

Mr. Myers moved to approve the Assignment of Lease from JP Development to Norwest Bank and the Small Business Administration.

Second by Mr. Pawluk.

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

Received Communication from Don Bye Associates Requesting Eastside Terminal Office Space:

Mr. Dobberstein stated he has received a request from Don Bye Associates to lease the space in the Eastside Terminal formerly occupied by Airborne Express. Mr. Dobberstein stated Mr. Bye has agreed that he would move to another location in the building should it be needed for a cargo operation.

Chairman Macdonald asked if we could also require that he move if we found a tenant that would rent more of the space formerly used by Airborne.

Mr. Dobberstein stated he feels the Airport Authority could take the space back for any reason as long as we gave him a 30 day notice.

Mr. Myers stated something the Airport Authority should consider is assessing tenants in the Eastside Terminal for the use of the parking lot. He stated we are responsible for upkeep and repair of the lot and perhaps we could recoup some of those expenses. He suggest that is something that we look at in the future.

Mr. Pawluk moved the Airport Authority approve the request of Mr. Don Bye to lease office space in the Eastside Terminal.

Second by Ms. Robertson.

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

Authorized Attendance at the Upper Midwest Aviation Symposium, February 28 March 3, 1999:

Mr. Pawluk moved to authorize attendance at the Upper Midwest Aviation Symposium, February 28 March 3 in Bismarck, by the board members or staff wishing to attend.

Second by Mr. Myers.

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

Approved Bid to Replace Carpet in the FAA/FSDO Office, Eastside Terminal:

Mr. Dobberstein stated our lease with the FAA/FSDO requires that we replace the carpet every eight years and the last time we replaced the carpet was 1991. He stated we have received bids from Fargo Linoleum (\$4,909.44) and FM Flooring (\$5,340.00). Mr. Dobberstein stated they have requested that one office have anti static carpet due to all of the computers in that area. He stated their staff is presently deciding on a color.

Mr. Myers suggested we consider installing anti static carpet in the entire area.

Mr. Pawluk stated he is comfortable with approving this bid as it is what the tenant requested.

Mr. Pawluk moved to accept the bid from Fargo Linoleum (\$4,909.44) for the replacement of carpet in the FAA/FSDO office in the Eastside Terminal.

Second by Ms. Robertson.

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

Absent and not voting: Walstad

The motion was declared carried.

Approved Engineering Service Contract for 1999 Improvement Projects:

The board members were provided with a breakdown of the proposed costs under the engineering service contract for the 1999 improvement projects. Mr. Dobberstein stated estimated engineering costs for 1999 are \$101,137.89, which includes the work to be done on the geographic information system.

Mr. Steve Synhorst stated the next step, after approval by the Airport Authority, is the review by an independent engineer to confirm that rates and charges are in line.

Mr. Dobberstein stated we have used City Engineer Mark Bittner to do the review.

Ms. Robertson moved to approve the Engineering Service Contract for 1999 Improvement Projects with Ulteig Engineers, subject to the review by an independent engineer.

Second by Mr. Pawluk.

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

Approved Plans and Specifications for 1999 Construction Projects and Authorize Advertisement for Bids:

Mr. Steve Synhorst, Ulteig Engineers, stated since the meeting on January 12 our schedule for advertising for bids for our 1999 projects has had to be accelerated. He stated since that meeting the FAA/ADO office in Bismarck has advised us that the grant has to be signed and in their office by March 31. He stated this has moved thing up about two weeks. He stated he is now proposing to receive bids on March 8 with a recommendation for award to be presented to the board at their meeting on March 9.

Approved Plans and Specifications for 1999 Construction Projects and Authorize Advertisement for Bids: (Continued)

Mr. Synhorst reviewed the projects to be completed:

Rehabilitate the westside terminal/air carrier ramp

Reconstruct B 3 Taxiway

Reconstruct southeast general aviation area ramp in front of the hangars and add some pavement in the area of Vic's Aircraft Sales

Storm sewer repair in the southeast general aviation area

Bituminous overlay option on the commercial apron in the southeast general aviation area

Repair of the overrun area on the north end of Runway 35, in order to comply with the certification inspection conducted July 6, 1998. He stated they are proposing to use soil/cement.

Mr. Myers stated he has some concern with using an asphalt overlay on the southeast commercial ramp.

Mr. Synhorst stated the FAA specifications for the bituminous on this ramp is a much higher grade than that used on parking lots. He stated it is a very high class of aggregate and it is even hard for local suppliers to meet the specs but they do.

Mr. Myers stated he just wants to know if we are not making a mistake by not just going with a concrete overlay.

Mr. Synhorst stated a concrete overlay would be substantially more in cost and we would also have to look at the thickness and if it is possible. He stated he can work up some figures on a concrete overlay.

Mr. Myers stated he feels asphalt is a band aid solution but maybe we are not looking for a long term solution.

Mr. Dobberstein stated they did have discussions with Irene Porter on this area and an asphalt overlay rather than a total concrete replacement. He stated the asphalt overlay would give us a 10 12 year life cycle. He stated hopefully in the next three to seven years our need for the south general aviation area for cargo use should be reduced and that activity will all take place in the air cargo area.

Chairman Macdonald stated despite that argument the southeast commercial ramp will always be needed for some type of heavy aircraft use.

Mr. Pawluk stated the board approved the asphalt overlay at the last meeting and asked Mr. Synhorst if he would even have time now to rewrite the specs and still be able to meet the deadlines.

Mr. Synhorst stated that would be possible but the other obstacle is that we do not yet have authorization to use our entire entitlement funds for the year.

Mr. Pawluk asked if we were to move ahead with the asphalt overlay now would it preclude a concrete repair being done at the end of the life of the asphalt overlay. He asked Mr. Synhorst which he would recommend.

Chairman Macdonald stated there is no question that any one of the three methods would solve the problem but the question is, how long do we want the solution to last?

Mr. Pawluk stated he would also like to see the concrete overlay rather than the asphalt but he is not sure that is the cost effective solution at this time.

Mr. Walstad now present.

Mr. Myers asked Mr. Synhorst if it would be possible to request bids on a concrete overlay as well.

Chairman Macdonald stated he likes the idea of bidding both ways and then we could base our decision on the cost.

Mr. Synhorst was directed to request bids on both an asphalt overlay and a concrete overlay.

Mr. Pawluk moved to approve the plans and specifications as presented and that bids call for an alternate quote on a concrete overlay for the southeast commercial ramp and soil cement procedure on the north overrun area.

Second by Mr. Myers.

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

Received Communication from Valley Aviation Regarding Valley South Hangar:

The communication from Mr. Robert Hamilton, Valley Aviation, dated February 4, 1999, was received and filed without objection.

Mr. Dobberstein stated the only information he has received on this matter so far is the letter from Mr. Hamilton advising that they have a letter of intent signed by Excel Development LLP (William Wiemann and John Haley) to purchase the Valley South hangar.

Mr. Bill Wiemann was recognized and stated he plans to use the west end of the hangar for his own airplane. He stated he also has a dealers license to buy and sell airplanes. He stated eventually they hope to have an airplane paint and refurbishing shop on the east end of the hangar.

Mr. Dobberstein stated if this sale were to be approved the Airport Authority would have to enter into a lease with Excel Development. He explained that since painting and refurbishing aircraft is a service not currently being provided on the field, Excel would have to either become a single source FBO or align themselves with another FBO on the field.

Mr. Myers stated he feels aircraft restoration and painting is a service that is needed in Fargo, but before the Airport Authority could approve that we would need to have minimum standards in place for such an operation.

Mr. Dobberstein stated there are a lot of other hurdles they would also need to clear before we would approve such an operation (building inspections, planning commission, state and federal government requirements).

Mr. Dobberstein was directed to request an outline of specifications from the City of Fargo for an aircraft refurbishing/painting operation.

Mr. Myers moved to approve the sale of the Valley South hangar by Valley Aviation to Excel Development LLP.

Second by Mr. Pawluk.

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

Received Update on Airfield Signage Request for the North General Aviation Area:

Mr. Pawluk stated that some time ago Mr. Robert Hamilton, Valley Aviation, had requested the Airport Authority approve and install, at our expense, a sign off C 3 Taxiway saying "FBOs" with arrows pointing each direction. He stated he had a nice long visit with Mr. Hamilton and his concern is that as pilots are taxiing in on C 3 the site lines are blocked by aircraft belonging to Fargo Jet Center.

Mr. Pawluk stated he does not feel the signs would change much. He stated it is his recommendation that Fargo Jet Center keep the aircraft parking spots in question open. He stated he has also been there when those spots are open and it makes quite a difference. It was the consensus of the board that Mr. Dobberstein communicate with Fargo Jet Center and make this request.

Ms. Robertson stated she appreciated Mr. Pawluk's efforts and agreed his recommendation seems to be a reasonable attempt at a solution.

Received Communication from the Airport Giftshop:

The communication from Linda Foyen, Airport Giftshop, dated January 21, 1999, was received and filed without objection.

Chairman Macdonald stated he has mixed feelings about this request. He stated he talked with Mr. John Foyen and he indicated they would like to add a 10% airport surcharge to their sales at the giftshop. He stated the reason we went to a surcharge for car rentals was because of the way their contracts were written. He stated it appears to him that Mr. Foyen wants to raise his prices 10% and he does not need a separate 10% airport surcharge.

Received Communication from the Airport Giftshop: (Continued)

Mr. Dobberstein stated he has also talked with Mr. Foyen and the giftshop manager, Kathy Steffan, is here today. He stated they are basing this request on the decrease in passenger boardings but in January 1999 we were up over last year. He added that they would also consider less than 10%.

Mr. Dobberstein stated there is a very distinct difference between a 10% surcharge on a car or hotel room and a 10% charge over and above 6% sales tax. Mr. Dobberstein stated another solution to lower sales may be to look at a different mix of merchandise. He stated he has made some suggestions as far as some other types of items that could be carried, Happy Hooligans merchandise, sweatshirts from area colleges, etc.

Ms. Steffan stated they may try a price increase in some items.

Chairman Macdonald stated he feels the average customer walks into an airport giftshop expecting to be price gouged. He stated most people know things cost more at an airport. They may not like it, but they do expect it.

Mr. Myers stated he feels the success of this giftshop has to do with the mix of merchandise offered. He stated the end result is how the manager and the owner decide what to sell and make sure they stock items the impulse buyer wants to buy and for which they are willing to pay the price. He stated adding a 10% airport surcharge is not going to help their sales.

Mr. Pawluk stated what the Airport Authority can do to help the giftshop is to increase boardings which would increase their customer base.

Ms. Robertson stated that not having looked at an overall business plan she does not know how much difference a 10% surcharge would make so she is not sure how critical this issue is.

Mr. Pawluk stated he does not feel he would agree to setting this precedence. He stated the 10% surcharge for the car rentals is an entirely different issue. He stated the car rental prices are set nationally and they do not have any control over their pricing.

Chairman Macdonald stated another reason we went with the 10% surcharge on the car rentals is because of the conflicts we were having with what was income to them, what wasn't, etc.

Mr. Dobberstein stated Linda did indicate in her letter that they are asking for a surcharge rather than a decrease in the rent.

Ms. Robertson stated she does feel we have a role in supporting the businesses at the airport as they provide an important service to our passengers. She stated she is concerned that a surcharge would not be good for their business.

Mr. Dobberstein stated the giftshop lease expires at the end of this year.

Chairman Macdonald suggested Mr. Dobberstein send Linda Foyen a letter asking them to advise us of their intentions for the lease.

Ms. Robertson moved the Airport Authority decline the request for a surcharge.

Second by Mr. Walstad.

All members present voted aye.

Discussed Airport Perimeter Road Options:

Mr. Dobberstein stated an airport perimeter road has been an issue for a number of years. He stated he wrote a letter to Valley Aviation, Fargo Jet Center and Fargo Aero Tech on the matter of vehicle movement on the airfield and Valley Aviation is the only response he has received.

The communication from Mr. Dobberstein dated January 14, 1999 and the communication from Valley Aviation date January 22, 1999, were received and filed without objection.

Discussed Airport Perimeter Road Options: (Continued)

Mr. Dobberstein stated in 1998 the board approved the concept of an airport perimeter road on our Capital Improvement Plan and the Airport Layout Plan has been updated to show this.

Mr. Dobberstein stated the letter to the FBOs was to see if their fuel trucks could use the public roads rather than the airfield surfaces to reduce traffic on the airfield.

Mr. Don Driscoll, Manager, Fargo ATCT, stated his only request is to bring to the board's attention the high focus everyone involved with FAA safety has on runway incursions and deviation. He stated they realize we cannot eliminate all vehicle traffic on the airfield. He stated all they are asking the Authority to do is eliminate as many vehicles crossing landing surfaces as possible. He stated if we do not show any effort to eliminate some of these vehicles we may have a major catastrophe and then it will be brought to our attention by someone else.

Mr. Driscoll stated he realizes the Airport Authority has limitations on its funding but if they are going to look at spending a lot of money on an airport perimeter road another consideration might be a tunnel under a runway.

Mr. Driscoll stated his proposal to Mr. Dobberstein and Mr. Anderson is to have safety meetings on a regular basis. He stated people forget and make mistakes and it can happen to anyone.

Ms. Robertson asked if the reason for the increased problem is increased traffic or people violating procedures.

Mr. Dobberstein explained that if a driver does have a violation on the airfield we have strict procedures that must be followed. Their driving privileges are immediately suspended until they go through training again.

Chairman Macdonald asked if we are slowly getting away from north south traffic with more of Valley's operations moving north.

Mr. Dobberstein stated he has not yet discussed this with Mr. Hamilton but we want to explore the option of moving Valley's fuel farm to the north end of the airport. He stated the Airport Authority assisted Fargo Jet Center with their fuel farm and we would be willing to do the same for Valley.

Chairman Macdonald stated he feels that is something we should move on right away.

Mr. Myers stated he agrees with the concept of moving the fuel farms to the north end of the airport, but also feels the important issue is the training of people driving on the airfield.

Mr. Pawluk asked Mr. Driscoll what action he would like to see the board take at this time.

Mr. Driscoll stated he wants the board to continually keep in mind, as they plan improvements and add businesses on the airport, the ramifications of what the increased traffic will mean for airport safety.

Mr. Myers moved the Airport Authority recognize Mr. Driscoll's appearance today, receive and file his comments, and encourage Mr. Dobberstein to continue his aggressive efforts on safety as he has done in the past.

Second by Mr. Pawluk.

Mr. Pawluk asked Mr. Pat Sweeney, Fargo Jet Center, was recognized and stated the rules have gotten a lot more strict. He stated they used to run a maintenance truck across the airfield occasionally but they do not do that any more. He agreed that training for the short term seems to be the solution. He stated he feels in the near future a perimeter road will be necessary.

Chairman Macdonald called for a vote on the motion.

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

Discussed Airport Perimeter Road Options: (Continued)

Chairman Macdonald asked if the Airport Authority wishes to write a letter to Valley Aviation proposing that the Airport Authority will participate in the location of their fuel farm on the north end of the field, as we did with Fargo Jet Center, and ask them to advise us of their intentions.

Mr. Pawluk stated this was part of his discussion with Mr. Hamilton and he indicated that he anticipates they will be moving their fuel operation and at some time and will be asking the Authority for assistance.

Chairman Macdonald stated he does not agree we should wait but should make an effort to get the process started.

Mr. Pat Sweeney stated Valley's fuel farm on the south side has been grandfathered in under old codes so technically it is not up to code and if there were a spill it would be a real problem.

Ms. Robertson stated she feels it would be good to visit with Valley Aviation and see what they have in mind for a timetable to move their fueling operation, and also discuss costs involved. She stated one question she would ask is if they cannot afford to pay the excise taxes on their fuel trucks to put them on public roads how are they going to participate in a new fuel farm.

Chairman Macdonald stated we are not forcing anyone to do anything.

Mr. Walstad moved the Executive Director contact Valley Aviation and pursue moving their fuel farm location to the north side of the airport.

Second by Ms. Robertson.

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

Received Report from Foss Associates/Moen Engineering Regarding Boarding Bridge Footing Foundations:

Mr. Dobberstein requested this item be deferred until the next meeting as Mr. Cowman was still waiting for information from FMC Jetway.

Discussed Administration Office Computer Upgrade Proposal:

Chairman Macdonald stated we have received a proposal from The Network Center and he has discussed the proposal with Mr. Anderson. He would like to see a proposal from another company or another proposal from Network Center, just to make sure we are getting the best equipment available. He stated he fully supports the upgrade of computers.

After further discussion, Chairman Macdonald stated he would like to table this until Mr. Anderson has had time to do some further investigation on some of the issues raised today.

Mr. Pawluk stated he would like to see a proposal from Corporate Technologies as well as one other firm.

Mr. Myers stated the total price of the proposal is about \$7,000. He stated if we were to shop this and cut by as much as 20% we are nickel and diming a very extensive issue. He stated if Network Center is servicing the City of Fargo, which is a much bigger business that we are, and if we can mesh with them for an additional \$1,400 and be hassle free that is a more important issue.

Chairman Macdonald stated he is not looking for a lower price but getting the most capability.

Ms. Robertson stated she understands Chairman Macdonald's concern about hard drive capacity but if this is going to be a network and some of the data base will be something they just have access to rather than actually having to store it. She stated she does not know the answer to that.

Discussed Administration Office Computer Upgrade Proposal: (Continued)

Chairman Macdonald stated he is only one member but he would like the staff to go back and do some further investigation on other options.

Mr. Myers stated the management staff has made a recommendation to the board and he does not feel the board should be micro managing the airport. He stated they have obviously done research on what is needed and this is what they are recommending.

Mr. Myers moved the board accept the proposal put forth by the Executive Director.

Second by Ms. Robertson.

Mr. Anderson stated he is certainly willing to do some further investigation and get answers to some of the questions.

Mr. Dobberstein agreed they would be willing to get answers to concerns expressed by the board members.

Ms. Robertson stated the issues brought up are warranted but the time frame of getting this done is a year or two late.

Chairman Macdonald called for a vote on the motion.

Ms. Robertson asked if the motion approves the exact proposal presented today.

Mr. Myers stated we have hired an Executive Director to make these decisions and now we are coming in and undoing this work. He stated Mr. Dobberstein has come to us with this recommendation and he is willing to say move ahead with this proposal and make any changes needed.

Chairman Macdonald called for a vote on the motion.

Members Myers and Robertson voted aye.

Members Walstad, Pawluk and Macdonald voted no.

The motion failed.

Elected Mr. Ken Pawluk Chairman of the Municipal Airport Authority for Calendar Year 1999, As Per Bylaws:

Mr. Myers moved to elect Mr. Ken Pawluk Chairman of the Municipal Airport Authority for calendar year 1999, as per bylaws.

Second by Ms. Robertson.

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

Elected Mr. Dick Walstad Vice Chairman of the Municipal Airport Authority for Calendar Year 1999, As Per Bylaws:

Ms. Robertson moved to elect Mr. Dick Walstad Vice Chairman of the Municipal Airport Authority for calendar year 1999, as per bylaws.

Second by Mr. Pawluk.

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

Adopted Resolution of Appreciation to Outgoing Chairman of the Municipal Airport Authority, Gen. Alexander P. Macdonald:

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

WHEREAS, Gen. A.P. Macdonald 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 Gen. Macdonald's chairmanship the Municipal Airport Authority moved steadily and successfully forward in improving the aviation facilities

Adopted Resolution of Appreciation to Outgoing Chairman of the Municipal Airport Authority, Gen. Alexander P. Macdonald: (Continued)

and airline service at Hector International Airport, and

WHEREAS, Gen. Macdonald 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 Gen. Alexander P. Macdonald 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 Gen. Alexander P. Macdonald.

Second by Mr. Walstad.

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

Chairman Macdonald passed his vote.

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

The Annual Meeting of the Municipal Airport Authority was adjourned until the next regular meeting to be held Tuesday, March 9, 1999 at 9:00 a.m. in the Airport Boardroom.

Time at adjournment was 11:00 a.m.

Regular Meeting

Tuesday

March 9, 1999

The regular meeting of the Municipal Airport Authority was held Tuesday, March 9, 1999, at 9:00 a.m. in the Airport Boardroom.

The members present or absent were as follows:

Present: Walstad, Myers, Macdonald, Pawluk

Absent: Robertson

Others: Stewart, Bromenschenkel

Chairman Pawluk presiding.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held February 9, 1999:

The minutes of the Annual Meeting of the Municipal Airport Authority held February 9, 1999, were approved without objection.

Approved the Airport Vouchers Totalling:

Gen. Macdonald moved to approve the airport vouchers totalling \$33,183.23.

Second by Mr. Walstad.

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

Absent and not voting: Robertson

The motion was declared carried.

Approved the Individual Voucher to Flint Communications:

Mr. Myers moved to approve the individual voucher in the amount of \$21,954.00 to Flint Communications for partial payment request for Phase I of the Fly Fargo marketing campaign.

Second by Mr. Walstad.

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

Absent and not voting: Robertson

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 \$30,625.35 to Ulteig Engineers, Inc. for partial payment request for engineering services in connection with the 1999 Improvement Projects, AIP 3 38 0017 22.

Second by Mr. Walstad.

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

Absent and not voting: Robertson

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 \$11,551.62 to Ulteig Engineers, Inc. for partial payment request for engineering services in connection with the Geographic Information System portion of Project 3 38 0017 22.

Second by Mr. Walstad.

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

Absent and not voting: Robertson

The motion was declared carried.

Approved the Individual Voucher to Forum Publishing:

Mr. Myers moved to approve the individual voucher in the amount of \$259.20 to Forum Publishing Company for advertisement for bids for 1999 Improvement Projects, AIP 3 38 0017 22.

Second by Mr. Walstad.

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

Absent and not voting: Robertson

The motion was declared carried.

Approved FAA Ground Lease Extensions for Navigational Aid Equipment Areas: 17 MALSR; 17LOC; 35 MALSR; 17 Glideslope:

Mr. Dobberstein stated these are renewals of leases between the Airport Authority and the Federal Aviation Administration dating back to the early seventies. He stated they are asking for 20 year extensions on these leases.

Gen. Macdonald moved to approve the lease extensions for ground leases with the Federal Aviation Administration as requested.

Second by Mr. Walstad.

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

Received Communication Regarding Airport Farmland Lease:

Mr. Dobberstein stated he anticipated receiving a letter from Mr. Bill Borgen, who has a three year lease with the Airport Authority for the 1998/1999/2000 crop years. He stated the Borgen family is reducing the size of their farm operation and recently held an auction. They have advised us that they are seeking someone to whom the lease could be assigned.

Attorney Stewart stated he spoke to Curt Borgen and he indicated they have not found anyone yet.

Chairman Pawluk stated he would assume if the Borgens are not successful in finding someone the Airport Authority would again open it up for bids and if there is a deficiency it would be up to the Borgens to make up the difference.

Attorney Stewart stated we will notify them of that fact.

Chairman Pawluk asked if the Airport Authority should be initiating some action at this point to secure a lessee. He also asked if the Airport Authority does not take any action and we get further into the year without someone to take over the lease could we solicit proposals without going through the formal bidding process as it would be on an emergency basis.

Attorney Stewart perhaps the Airport Authority should authorize Mr. Dobberstein to contact Mr. Borgen again and if nothing has been resolved we should solicit proposals right away.

Gen. Macdonald stated we should have a definite date.

Chairman Pawluk stated he would like to see the board work with Mr. Borgen as much as possible.

Received Communication Regarding Airport Farmland Lease: (Continued)

Gen. Macdonald moved the Airport Authority authorize Mr. Dobberstein to enter into such negotiations as are reasonable and that he be authorized to take the necessary steps recommended by legal counsel to re solicit proposals if Mr. Borgen is not successful in finding a sublessee.

Second by Mr. Myers.

Mr. Myers stated the Airport Authority spent some money modifying the gate to accommodate Mr. Borgen's machinery and he feels the Airport Authority should be reimbursed for those expenses.

Chairman Pawluk called for a vote on the motion.

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

Received Report from Foss Associates/Moen Engineer Regarding the Passenger Boarding Bridge:

Mr. Dobberstein stated Mr. Bill Cowman, Foss Associates, is present today to review his findings. He stated he was instructed to contact Foss Associates regarding the structural capability of the boarding bridge footing foundation at Gate 1 and the size boarding bridge it would be capable of handling.

Mr. Cowman was recognized and stated he contacted Jetway Systems, with whom the Airport Authority has discussed this matter in the past. He stated Mr. Garrett Macfarlane sent a letter dated February 16, 1999, with a layout plan showing a RJ 747 capable bridge at Gate 1 and the existing bridge relocated from Gate 1 to Gate 4. His letter also indicated the bridge they would recommend for the Gate 1 position is their largest Three Tunnel Apron Drive. He also indicated that they are not recommending the 747 power out position at Gates 1 or 4, although the drawing does show the clearance for this operation.

Mr. Cowman also referred to a letter from Mr. Arnie Moen, Moen Engineering, dated February 22, 1999. Mr. Moen has reviewed the footing at Gate 1 to determine if a larger boarding bridge could be installed on the existing pier and footing. According to his calculations this existing footing will not safely carry the new loads and would have to be replaced with a larger footing. He added that the footing foundation at Gate 4 could accommodate the boarding bridge which is currently located at Gate 1.

Mr. Myers asked if there has been any question about running a fixed bridge from Gate 1 and putting a pylon away from the building. He asked if this would be an option.

Mr. Dobberstein stated anything would be an option at this point but the consideration would be the feasibility and cost involved.

Gen. Macdonald stated he feels we need to find out the difference in cost between a bridge that will accommodate up to an L1011 rather than a 747. He stated if the cost is not that much more we should put in the 747 bridge even if it is not used right away. He stated that way we would have the capability and if in the future Northwest Airlines wanted that capability they would need to provide the equipment for towing that aircraft.

Chairman Pawluk asked Mr. Cowman what the existing pylons will support.

Mr. Cowman stated the pylons are the same at all four gates and they will support the end of a fixed bridge.

Mr. Myers stated he has a strong feeling that we are going to see larger aircraft here for charters, etc. He stated if there is no chance of larger aircraft ever coming then we should just stay with what we have. He stated he is looking to the future and feels in order for us to be prepared he feels we need a jetway that will accommodate larger aircraft.

Mr. Bromenschenkel stated when the terminal was built Republic Airlines was at Gate 4 and their jetway could reach a 747 with an extended stairway but it was used just in emergency situations.

Received Report from Foss Associates/Moen Engineer Regarding the Passenger Boarding Bridge:
(Continued)

Gen. Macdonald stated he feels we should get estimates on installing a tunnel and jetbridge at Gate 4. He stated he does not want it at Gate 1 because that if Northwest's gate and if they want something better they can pay for it. He stated he is sick and tired of catering to Northwest Airlines.

Chairman Pawluk stated he would like to see this airport have a bridge capable of serving everything from a RJ to a 747. However, he is not convinced that if we spend the extra money to have the 747 capability that it will ever be used because of the other mitigating circumstances (ground equipment needed). He stated he would rather not get hung up on the 747 capability but rather being able to service the aircraft we do have here on a daily basis.

Gen. Macdonald stated the only objection he has to that statement is that the cost for 747 capability may not be enough to be an issue.

Chairman Pawluk asked that at the next meeting the board be presented with a proposal on a new jetway at Gate 4 so we are ready to move on to the next step.

Mr. Dobberstein stated that will be our goal.

Mr. Bromenschenkel stated handling a 747 on an emergency basis is one thing but to handle charters is entirely different because Northwest does not have ground equipment in Fargo capable of handling luggage from a 747.

Mr. Cowman stated he will have available for the next meeting figures on the cost of a bridge, cost of footing foundations and pedestal, and the time frame for delivery.

(Further comments were made under OTHER BUSINESS.)

Received Tabulation of Bids and Recommendation of Award for AIP Project 3 38 0017 22,
Rehabilitation of Westside Terminal Apron, Southeast GA Apron, B 3 Taxiway and Storm Sewer
Rehabilitation:

Mr. Steve Synhorst, Ulteig Engineers, was recognized and stated bids were received yesterday for the 1999 Airport Improvement Projects. He stated bids were received from five contractors and the low bidder was Northern Improvement with a bid of \$645,809. He added that the engineer's estimate was \$751,397. Mr. Synhorst stated after review of the bids it is his recommendation that the contract be awarded to Northern Improvement Company.

Mr. Synhorst stated in addition to the items bid by Northern Improvement, we are looking to add the following items

Engineering	\$ 70,137.89
GIS Survey & CAD Drafting	25,000.00
Testing	6,000.00
Administration	1,500.00
Air Cargo Apron/Access Road	7,383.00
Access Control System Y2K	6,000.00
Runway Surface Sensor System Y2K	3,200.00
 Northern Improvement	 \$ 645,809.00
 TOTAL	 \$ 765,029.89

Mr. Synhorst stated 90% federal share of this amount would be \$688,526.90, and we know our AIP grant as of 3/31/99 will be \$667,806.00, which leaves a deficit of \$20,720.90 until the rest of our funding comes through.

Received Tabulation of Bids and Recommendation of Award for AIP Project 3 38 0017 22, Rehabilitation of Westside Terminal Apron, Southeast GA Apron, B 3 Taxiway and Storm Sewer Rehabilitation: (Continued)

Mr. Myers moved the Airport Authority receive the bid tabulations and award the contract to Northern Improvement Company, subject to the concurrence of the Federal Aviation Administration, and that Mr. Dobberstein be authorized to exercise in his best judgement the financing details.

Second by Gen. Macdonald.

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

Absent and not voting: Robertson

The motion was declared carried.

Received Communication from Ulteig Engineers, Inc. Reviewing Efforts by the Recommended Contractor to Meet DBE Goals for the Project:

Mr. Synhorst stated our DBE goal was 10.45% and Northern Improvement submitted all of the documentation on their solicitation of DBE subcontractors. Mr. Synhorst stated Northern Improvement has always done an excellent job in this area and they have provided the necessary documentation showing their good faith efforts. Mr. Synhorst explained that one of the other contractors DBE participation was over 10% and Northern Improvement did contact the DBE firm that put them over 10% but that firm declined to provide Northern Improvement with a bid.

Mr. Myers moved the Airport Authority acknowledge the good faith efforts of Northern Improvement to meet the DBE goals.

Second by Macdonald.

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

Received Update on the Soccer Complex:

Mr. Brad Wimmer, FM Soccer, was recognized and updated the board on their plans for the soccer complex. He stated they have not varied much from the original plans. He stated they are ready to go to bid on all of their irrigation, piping and lighting. He stated they are approximately \$250,000 short of the approximately \$850,000 estimate needed for the project. Mr. Wimmer stated Pepsi has agreed to donate the final \$100,000 and will receive prominent advertising space for that.

Mr. Wimmer stated they hope to light some of the fields and the cost for that is not in the \$850,000 estimate. He stated they have tried to make sure they have plenty of parking and have planned for three gates. He stated the Park Board is also planning some of the parcel as a picnic area.

Mr. Wimmer stated he feels things are going well and this has proven to be a good partnership between the Park Board and the Airport Authority. He stated their best laid plan is to start moving dirt in the next couple of months.

Chairman Pawluk clarified that he is not interested that the Airport Authority be named on any sign as a participant in the partnership of the soccer complex. His concern is that the sign advises the users that the complex is on airport property intended for airport use.

Mr. Wimmer indicated the proposed signage plan would be brought to the Airport Authority for approval.

Mr. Wimmer stated they appreciate the cooperation of the Airport Authority and will continue to keep the board up to date.

Received Communication from Gerald Eid Regarding a Proposal to Acquire the Former Airport Maintenance Shop:

Mr. Dobberstein stated Mr. Gerald Eid has in the past months indicated interest in locating a hangar in the southeast general aviation area. He stated just recently Mr. Eid has indicated an interest in acquiring the airport's old maintenance shop. He stated the building is currently leased to Fargo Aero Tech for cold storage.

Mr. Gerald Eid was recognized and stated he is aware that the property would have to be advertised publicly and he would like to see that process begin. He indicated his plans would be to remodel the building into an aircraft hangar.

Mr. Dobberstein stated he has made Fargo Aero Tech aware of the possibility that this building will be offered for sale. He stated as far as a monetary value on the building he is not sure what that would be. He added that it does need extensive roofing as well as other maintenance items.

Gen. Macdonald moved the Airport Authority begin the process of selling the old maintenance shop building.

Second by Mr. Walstad.

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

Received Update from Excel Development LLP Regarding Southeast General Aviation Area Hangar Plans:

Mr. Dobberstein stated at the last meeting the Airport Authority concurred with Valley Aviation's request to sell the Valley South hangar. He stated Mr. Weimann is here today to present the board with his plans for the building for our approval before moving ahead.

Mr. Weimann was recognized and stated they are waiting for a lease and they will then proceed on the closing. He stated they are proposing a plan for an addition to the building. This would house offices on the south side of the building, one for himself and his aircraft sales operation, and the second would be an office for a paint operation when that is established. He stated the use of the building would be aviation related.

Gen. Macdonald stated the office addition should not be a problem as any space Mr. Weimann would sublease would have to be approved by the Airport Authority.

Mr. Weimann indicated he understood that.

Mr. Dobberstein stated the proposed addition does not exceed the setback of the other buildings along that line. He stated if the Airport Authority approves of the concept Mr. Wiemann can then move ahead with specific plans which would later be brought to the Airport Authority for final approval.

Mr. Myers moved to approve the concept of the building addition/renovation, subject to final review by the board.

Second by Gen. Macdonald.

Mr. Dobberstein stated the use of the premises as proposed now does not include any FBO related activity so the lease would be based on eight cents per square foot on the footprint of the building plus five feet. He stated if in the future there would be any FBO related activities taking place in the building the operator would either have to establish themselves as an FBO or align themselves with an existing FBO and pay 1.5% of gross sales or a minimum of \$200 per month.

In answer to a question from Mr. Jim Sweeney, Mr. Dobberstein stated the term of the lease requested was 20 years, which would coincide with other facilities in that area.

Chairman Pawluk called for a vote on the motion.

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

Received Communication from Mr. Pete Haug Requesting a Lease Extension for The Barnstormer:

Mr. Dobberstein stated the Barnstormer lease expires December 31, 1999, and Mr. Haug has requested a five year lease extension. He stated he met with Mr. Haug and discussed the current arrangement. He stated presently the Airport Authority is getting 2% of gross sales. The Airport Authority is paying the electricity, gas and water bill, along with the maintenance and repair costs for all equipment. He stated a few months ago he gave the board a summary of revenue and expenses and for 10 months of 1998 we were at a deficit of approximately \$6,900.

Mr. Dobberstein stated he would concur with granting a five year extension subject to final negotiations he would have with Mr. Haug, Attorney Stewart, and one board member. He stated his concern is that the Airport Authority at least break even.

Gen. Macdonald stated he would concur with Mr. Dobberstein's thoughts on that but the restaurant operator cannot lose money. He stated he feels it is vital we have a restaurant here and if we have to subsidize it then we have to. He stated he agrees that we should break even but if we don't he is not willing to throw him out.

Chairman Pawluk stated we are all optimistic that boardings will increase and he would like to see some thresholds set that if profitability in the restaurant increases the percentages to the Airport Authority increase.

Gen. Macdonald moved the Airport Authority approve a five year lease extension for The Barnstormer and that the Executive Director be authorized to negotiate lease rates on an annual basis.

Second by Mr. Walstad.

Mr. Myers stated he still feels there is a need to create more space for the snack bar area and seating for that area. He stated he sees a lot of potential to increase the fast food business as a lot of the travelling public is reluctant to spend the time going into a formal setting in a dining room.

Mr. Haug stated he is not necessarily reluctant to make a change in that area but he is not sure it is cost effective at this time.

Chairman Pawluk stated he would also like to make the snack bar area more inviting at some time in the future, but that can occur within the realm of this lease extension.

Chairman Pawluk called for a vote on the motion.

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

Received Communication from Linda Foyen Regarding the Giftshop:

Mr. Dobberstein explained that at the last meeting the Authority received a request from Linda Foyen to add a 10% surcharge to purchases in the giftshop and the Authority denied that request. He stated Mrs. Foyen is now requesting a reduction in her monthly rent to five percent of gross sales rather than ten, until such time the revenues increase to the 1993 level. He indicated he was not sure what she meant by the "1993 level." Mr. Dobberstein stated he did bring to Mrs. Foyen's attention the fact that her lease expires at the end of this year. He stated he expected a request from her for a five year extension but he has not yet received that.

Mr. Dobberstein stated the board may consider taking proposals for the operation of the giftshop. He stated different suggestions have been made to her as far as merchandise to carry or the installation of credit card capability, but there seems to be some reluctance in putting up the cash to make those improvements.

Chairman Pawluk recommended we take no action on this request today and that we advertise a request for proposals for the operation of the giftshop.

Received Communication from Linda Foyen Regarding the Giftshop: (Continued)

Mr. Myers stated if we advertised nationally we may have some interest from a nationally recognized chain of giftshop operations. He stated he does not know how much interest it will attract but we should find out.

Mr. Dobberstein stated there are a number of different operations that are nationwide. He stated in one aspect it would be nice to keep it local but we can see what is out there.

Chairman Pawluk stated members of his family have gone to the giftshop to buy certain items of merchandise particular to this area and often they are not able to find anything that appealed to them.

Mr. Myers moved the Airport Authority authorize Mr. Dobberstein to advertise a request for proposals for the giftshop operation.

Second by Mr. Walstad.

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

Mr. Myers moved the Airport Authority deny the request to reduce the rent to five percent of sales as we are too close to the end of the lease and that things continue as they are.

Motion died for lack of a second.

Gen. Macdonald moved the Airport Authority table the request.

Second by Mr. Walstad.

Members Walstad, Macdonald and Pawluk voted yes.

Mr. Myers voted no.

The motion was declared carried.

Mr. Myers stated he would like to clarify his "no" vote. He stated the idea of allowing leases to be modified mid term is not a good idea as it sets a precedence. He stated a lease is supposedly well thought out on the front end and is legally binding. He stated if you modify one you are going to find yourself modifying all of them. He stated he feels once a legal document is established it should stand.

Continued Discussion Regarding the Administration Office Computer Upgrade:

Mr. Dobberstein stated the Airport Authority received a proposal from The Network Center at the last meeting for computers for the administration office, and Mr. Darren Anderson was asked to come back to the board with two additional proposals.

The additional bids received were from Corporate Technologies and MicroAge, and the Network Center was considerably less.

Gen. Macdonald moved to approve the proposal from The Network Center for the upgrade of the office computer system.

Second by Mr. Walstad.

Mr. Bromenschenkel asked if the staff was aware that the Pentium 3 is now available.

Mr. Anderson indicated he was aware of that. He stated that in the computer industry there are changes every month and something new is always coming out. He stated he will check with The Network Center to see if the price of the Pentium 2 would now be less.

Chairman Pawluk called for a vote on the motion.

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

Absent and not voting: Robertson

The motion was declared carried.

Approved Assignment of Lease for Victor Gelking on the Carousel Hangar:

Mr. Dobberstein stated that for financing purposes Mr. Gelking is requesting the Airport Authority assign the lease on his Carousel Hangar to Viking Bank. He stated this is a five year note on the hangar. He added that Attorney Stewart has reviewed the document.

Mr. Myers moved to approve the assignment of lease to Viking Bank on Victor Gelking's Carousel Hangar.

Second by Gen. Macdonald.

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

Received and Filed 1998 Statement of Operations:

The 1998 Statement of Operations was received and filed without objection.

Mr. Dobberstein explained that there are two parts to the statement: Operations and Maintenance and the Airport Improvement Fund.

Gen. Macdonald reported that he was able to secure a check from Mr. Arnold Larson in the amount of \$48,000 in payment of all arrears on his farm lease. He stated he was authorized to negotiate with Mr. Larson on a final arrangement.

Gen. Macdonald recommended the Airport Authority accept this as full and final payment of all arrears and that we issue a document to Mr. Larson expressing this payment is received as full payment of anything owed to the Airport Authority.

Chairman Pawluk asked if Mr. Larson has any further claims against the Airport Authority.

Gen. Macdonald indicated that Mr. Larson had no further claims.

Mr. Dobberstein stated Mr. Larson was in this morning and he is happy.

Mr. Dobberstein stated on behalf of the board he would like to express his appreciation to Gen. Macdonald on his efforts in settlement of this matter.

Authorized Attendance at the 71st Annual AAAE Conference and Exposition, May 16 19, 1999, Phoenix, AZ:

Mr. Myers moved that the Airport Authority authorize Mr. Dobberstein, Mr. Anderson and any members interested to attend the 71st Annual AAAE Conference, May 16 19 in Phoenix.

Second by Macdonald.

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

Other Business:

Mr. Myers stated he would encourage the board to look to the future on the matter of the jetways. He stated we may not see high capacity aircraft at any time in the future but we should be prepared should that change in the future. He stated if the current bridges are more than 30 years old the new bridge we buy should be selected with the idea that they too will last many years into the future. He stated the cost of the bridge will be paid for by the passengers through the PFC charge. He stated customer service is very important and a passenger bridge is an essential element.

Gen. Macdonald stated he feels the Airport Authority is probably one of the most fiscally responsible boards in this area. He stated as we build up funds in various accounts we will be hit by the airlines for lower costs, as they will not allow those funds to continue to build. He stated he feels spending some of the funds in preparation for the future is good stewardship and we will be able to replace those funds.

Other Business: (Continued)

Mr. Dobberstein stated he has had conversations with the properties representatives at the airlines and they are aware of our reserves and are supportive of the need for capital improvements. He stated they also understand that at some time within the next five years the architect recommends the roof on this building be replaced. He added some of the other maintenance items that will need attention are the stucco painting on the exterior of the building and the steel siding on the ramp side of the building. He stated there are other touch up things that need to be done to keep up the facility's appearance.

Mr. Myers stated he feels if the Airport Authority moved ahead with a new passenger bridge for Gate 4 that we would see Northwest Airlines make a move and we should be prepared to address that issue.

Chairman Pawluk stated the Authority is spending a lot of money on marketing the airport but he feels we do not have enough as far as signage for the airport. He stated he feels we should think about some signage that will draw more attention to the airport.

Gen. Macdonald reported on the meeting with Northwest Airlines on the Fly North Dakota program. He stated representatives from airports in North Dakota met with Northwest Airlines in Minneapolis on February 22. He stated they reported that business from Fargo under this program has increased enough that Northwest will keep those fares in place for the time being.

Gen. Macdonald stated he was very disappointed in the meeting as the Northwest representatives spent a lot of time talking about how they do not want the Passenger Bill of Rights to pass. He stated he is disappointed on how they treat their passengers, how they treat us, and even how they treat their own people.

Mr. Myers stated he feels the airline industry is in turmoil and he does not see this as an issue unique to Northwest.

Mr. Don Driscoll, Air Traffic Control Manager, was recognized and stated he would like to pass on comments he heard from a Northwest captain on a flight this morning. The pilot indicated that he does not run into snow removal operations or airport service any better than in Fargo, ND.

The meeting of the Municipal Airport Authority was adjourned until the next regular meeting to be held Tuesday, March 23, 1999.

Time at adjournment was 10:52 a.m.

Regular Meeting

Tuesday

March 23, 1999

The regular meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held Tuesday, March 23, 1999, at 9:00 a.m. in the Airport Boardroom.

The members present or absent were as follows:

Present: Walstad, Macdonald, Pawluk

Absent: Myers, Robertson

Others: Stewart, Eldred

Chairman Pawluk presiding.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held March 9, 1999:

The minutes of the regular meeting of the Municipal Airport Authority held March 9, 1999, were approved without objection.

Approve the Airport Vouchers Totalling \$27,584.64:

Gen. Macdonald moved to approve the airport vouchers totalling \$27,584.64.

Second by Mr. Walstad.

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

Absent and not voting: Myers, Robertson

The motion was declared carried.

Received Communication from the Office of Intergovernmental Assistance Regarding AIP Project 3 38 0017 22:

Mr. Dobberstein stated he received a communication from the Office of Intergovernmental Assistance dated March 12, 1999, advising that this project application has been reviewed and clearance given to the project, only with respect to this consultation process. Mr. Dobberstein stated this is standard procedure with all of our federal projects.

The communication was received and filed without objection.

Accepted FAA Grant Offer and Authorized Signature for Project AIP 3 38 0017 22:

Mr. Dobberstein stated he talked with Mr. Tom Schauer in the Bismarck FAA office this morning and they are scrambling to get the grant offers out. He stated they require the grant be executed by the Executive Director, Chairman and the Attorney. He stated the amount of the grant award for Project 22 is \$667,806. He explained that this award would also include an amendment to the grant for Project 20 in the amount of \$7,382, which was the overage on that project and will be subtracted accordingly from the \$667,806.

Accepted FAA Grant Offer and Authorized Signature for Project AIP 3 38 0017 22:
(Continued)

Gen. Macdonald moved the Airport Authority accept the grant offer from the FAA for Project AIP 3 38 0017 22 and authorize signature of the documents.

Second by Mr. Walstad.

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

Received Communications from Aviation Resources, Ltd. and Fargo Jet Center, Inc.:

The communications from Dr. Hamilton dated March 12, 1999, and from Mr. Darren Hall, Line Service Manager, Fargo Jet Center, dated February 22, 1999, were received and filed without objection.

Chairman Pawluk stated we have been discussing the problem of runway incursions on the airfield and we have sought the input of the FBOs regarding the movement of fuel trucks from the north end to the south end.

Mr. Jim Sweeney, Fargo Jet Center, was recognized and stated, as indicated in their letter, that driving the fuel trucks on the public roads is not an option due to the design of the truck and requirements for vehicles on public roads.

Mr. Dobberstein stated that at the meeting of February 9 he was directed to communicate with Aviation Resources, Ltd. regarding the relocation of their fuel farm to the north side of the airport and the possibility of the Airport Authority participating in the relocation. Mr. Dobberstein stated Dr. Hamilton's letter addresses the issue of moving their fuel farm as well as the issue of vehicle traffic on the airfield. A previous letter from Aviation Resources discussed the perimeter road.

Gen. Macdonald outlined his suggestion for a perimeter road to the east of Runway 8/26 running south and joining with Taxiway B, as those vehicles will eventually have to cross a taxiway.

Chairman Pawluk stated he does not see that we have a problem with traffic on the taxiways but rather the points at which the taxiways cross active runways.

Mr. Don Driscoll, Manager, FAA/ATCT, was recognized and stated any taxiway that is considered a movement area must be controlled by the tower.

Chairman Pawluk stated he agrees with Gen. Macdonald's suggestion. He stated ultimately we would like a true perimeter road but in the meantime utilize the taxiways as well.

Gen. Macdonald suggested the Airport Authority direct Mr. Steve Synhorst, Ulteig Engineers, Mr. Dobberstein and Mr. Driscoll get together and bring back a proposal for a semi low cost perimeter road that would meet the objections of crossing active runways but also utilizing the taxiways.

Mr. Dobberstein stated that in January 1998 the board received estimates from Ulteig Engineers on a perimeter road and we can go over that and refine it. He stated there are some seasonal issues that would have to be addressed; drifting snow, profile of the road, etc. He stated during certain times it may not be feasible for the road to be cleared of snow. He stated there is also the period when the frost is coming out of the ground the road may not be able to bear the weight of the vehicles.

Mr. Dobberstein stated that Irene Porter and Tom Schauer, FAA Airports District Office, will be here to review our Capital Improvement Plan.

Chairman Pawluk asked for a preliminary plan for the first meeting in May.

Received Communication from F M Convention & Visitors Bureau:

The communication from Mr. Cole Carley, Executive Director, F M Convention & Visitors Bureau, was received and filed without objection.

Mr. Cole Carley was recognized and stated the FMCVB is asking the Airport Authority to consider forming a new marketing partnership. He stated the mission statement of the FMCVB is to "market Fargo Moorhead as a destination for visitors." He stated they do this in many different ways and in many different segments. He stated they would like to request funds from the Airport Authority so the FMCVB is able to reach further in more detail and more frequency than they are able to now to attract conventions and meetings. He added this would mean more passengers through the airport and more revenue for airport businesses.

Mr. Carley stated their efforts would be in the areas of conventions and tournaments. He explained that they often deal with events years in the future.

Mr. Carley stated they are asking for an investment of \$80,000 per year. He stated this would enable them to tell the story of Fargo Moorhead to a larger audience.

In answer to a question from Mr. Walstad, Mr. Carley stated their budget is funded almost exclusively by lodging taxes.

Chairman Pawluk stated this is an interesting proposal as we both have a somewhat similar goal, only the Authority's goal is to see an increase in traffic through the airport. He stated the Authority has initiated a marketing program targeted toward groups that we feel are the best potential customers.

Mr. Carley stated their theme is "More Than You Expect" and many groups who choose Fargo Moorhead for their events are pleasantly surprised with what we have available here and the reasonable costs.

Mr. Walstad asked where the funds would come from for this request.

Mr. Dobberstein stated the funding for the "Fly Fargo" campaign has come from our improvement fund and those funds are supported by the mill levy. He stated the board approved \$125,000 on that campaign and we have authorized payment of half that amount.

Mr. Dobberstein stated this project could be funded from either the improvement or the Operations and Maintenance fund but if we did take it from the O&M we would have to tap into reserves as we have not budgeted for this.

Chairman Pawluk stated if we did not go any further with the Fly Fargo campaign we would have almost the amount the CVB requested.

Gen. Macdonald stated he would urge that we not get into an "either/or" situation. He stated he feels both programs have to stand on their own merit and he feels if the board decided to go ahead with this we would have funds to support both. Mr. Carley stated he agrees and would not want to see the Authority cut off its current marketing program as it has just gotten started.

Gen. Macdonald suggested Mr. Carley give the Authority a line item detail of how the funds would be spent. He stated the Authority could then review that and see if those are items the Authority should be funding.

Mr. Carley stated the reason for their request is to get their message about Fargo Moorhead out even more than they already are. He stated they would also like to do more with bringing event planners to Fargo Moorhead and let them see what we have to offer for their events, which is more effective than pictures and videos.

Mr. Dobberstein explained that the difference between this program and the Fly Fargo campaign is that Fly Fargo is designed to increase awareness of the air service opportunities to the surrounding area, which will hopefully increase our boardings. The purpose of the CVB campaign would be to bring more people from around the country to Fargo via the airlines to attend conventions, etc.

Chairman Pawluk stated he feels what the CVB wants to do is good and it is something they are already doing. He stated personally he tends to want to guard the airport funds and it is a real stretch for him to go along with giving those funds to the CVB to spend in that way. He stated not that the function of the CVB is not good, because it is, but he does not feel it is the function of the Airport Authority to fund those efforts.

Received Communication from F M Convention & Visitors Bureau: (Continued)

After further discussion, Chairman Pawluk stated he is not ready to act on this request today and directed Mr. Carley to prepare a detailed summary on what the funds would be used for and submit it to the Authority for review.

Mr. Dobberstein asked Mr. Carley if they have exhausted all efforts in getting the ND legislature to extend the tourism tax to rental cars.

Mr. Carley indicated it is dead for this session but they could certainly make another attempt in the next session.

Continued Discussion on Passenger Boarding Bridge:

Mr. Bill Cowman, Foss Associates, was recognized and distributed a proposal on two options for a passenger boarding bridge.

Mr. Cowman stated Option #1 would provide a loading bridge to accommodate CRJ to DC10 aircraft and could be installed at either Gate 1 or Gate 4 using the existing concrete pier and footing system. The cost for this option is \$267,914, with an additional cost of \$23,266 to relocate the existing bridge.

Option #2 would provide a loading bridge to accommodate CRJ to 747 aircraft with a walkway at a cost of \$428,749. This bridge could be installed at Gate 1 or Gate 4. This installation requires an outboard pier/footing in addition to the existing. Estimated cost to relocate the existing bridge is the same as Option #1, \$23,266.

Chairman Pawluk asked if the bridge in Option #2 is a lot larger than in Option #1.

Mr. Dobberstein stated the actual bridge is the same but it has a 12' lift column and also a larger jet power pack.

Gen. Macdonald stated he does not know why the 747 capable bridge takes a larger jet power when a 747 takes less power than a DC10. He stated there are some items that need some further clarification.

Gen. Macdonald stated after reviewing all of the information regarding the bridge and where it should be located, he stated he would recommend installing a 747 capable bridge at Gate 4, not including the walkway as proposed in Option #2, but we will still have the option at some time in the future to add the walkway. He stated we would then have a bridge that would handle any airplane. He added that he does not see the need for the 140 KVA jet power but perhaps Mr. Dobberstein can get an answer for that.

Mr. Dobberstein stated the reason for the walkway proposed in Option #2 is that we were under the assumption that Northwest did not have the equipment capable to push back a 747 but we have received word from their plant maintenance people in Minneapolis that the push back tractor Northwest has in Fargo is capable of maneuvering a loaded 747, provided the condition of the ramp is not icy. He stated we are waiting for written confirmation of that information. Mr. Dobberstein stated that Gen. Macdonald also suggested that when a 747 needs to use the bridge the aircraft could be loaded from the galley side of the aircraft.

Chairman Pawluk stated this discussion changes his perspective on the subject of a 747 capable bridge, since the 747 capable bridge would not cost that much more than one that will serve the aircraft that are here every day.

Gen. Macdonald stated for an additional \$13,000 we have the capability of more options in the future, as we do not know what type of aircraft we will be seeing here in the future.

Gen. Macdonald moved the Airport Authority authorize the procurement of an A3 58/110 125R loading bridge with the 12' lift column (747 capable), that the decision of the jet power option be left up to the Executive Director, and that the bridge be installed at Gate 4 (Option 1 with the exception of using the bridge proposed in Option #2), and that Foss Associates be retained to prepare plans and specification and advertise for bids.

Second by Mr. Walstad.

Continued Discussion on Passenger Boarding Bridge: (Continued)

Chairman Pawluk asked Mr. Dobberstein to identify the other issues in writing that would need to be addressed, such as capability of airline ground equipment, training issues, etc.

Chairman Pawluk called for a vote on the motion.

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

Absent and not voting: Myers, Robertson

The motion was declared carried.

Received Update from the Air Museum Committee:

On behalf of the Air Museum Committee, Mr. Walstad reported that the Air Museum Committee now has its 501C3 status so they are able to accept tax deductible contributions. He stated tomorrow they are going to have a meeting to further discuss their ideas for building.

Mr. Pawluk stated the Air Museum Committee has discussed, and is considering, trying to use the existing two round roof, wood hangars in their present location rather than moving them to the southeast corner they had requested. He stated they are still not sure what they want to do and they are still considering that. He stated one of the possibilities he has heard them discuss is the retention of the existing Eastside Terminal as well as the old control tower. He stated at this point the committee is not in a position to make a firm commitment on that possibility.

Discussed Plans for the Demolition of the 4th 7th Floors of the Eastside Terminal:

Mr. Dobberstein stated for some time it has been the plan of this board and previous members on the board to demolish the 4th through 7th floors on the old tower. He stated we are no longer able to lease out any portion of the tower due to ADA requirements and fire code restrictions. He stated we have disconnected the cooling system from the tower area and extensive maintenance is required on that portion of the building and it would not be economically feasible to make those repairs. Mr. Dobberstein provided the members with a copy of the estimate provided by Foss Associates dated May 30, 1996, for the removal of that portion of the structure.

Chairman Pawluk stated this is obviously something that has been considered for some time and he would request any action on this be delayed for 30 days.

Gen. Macdonald moved this item be tabled.

Second by Mr. Walstad.

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

Gen. Macdonald suggested we ask the Air Museum Committee to indicate their desires at the next meeting.

Authorized Ulteig Engineers to Prepare Plans and Specifications to Rehabilitate a Portion of the Eastside Terminal Parking Area, Watermain and Sanitary Sewer:

Mr. Dobberstein stated this is another project that has been planned for a number of years. He stated these water lines are in desperate need of replacement and while those are being replaced the sanitary sewer lines should be replaced as well. He added that the extensions into the privately owned buildings would be the responsibility of the owners.

Mr. Dobberstein stated as far as the parking lot, some repairs were done in 1995 but more repairs are needed.

Gen. Macdonald asked if those costs are assessed back to the tenants.

Mr. Dobberstein stated we have not done that in the past for parking lot improvements in the south general aviation area but it could be a consideration. Mr. Jim Sweeney, Fargo Jet Center, was recognized and stated the parking lot areas on the north general aviation area are the responsibility of those tenants.

Mr. Steve Synhorst, Ulteig Engineers, was recognized and stated the sanitary

Authorized Ulteig Engineers to Prepare Plans and Specifications to Rehabilitate a Portion of the Eastside Terminal Parking Area, Watermain and Sanitary Sewer:
(Continued)

sewer line currently runs to a line under the ramp and they would propose to run the line to the west interceptor and go east instead. He stated it would be nice if we could get the sanitary sewer out from underneath the aircraft parking ramp. He stated the Guard is also looking at making some sanitary sewer improvements in their area and the two projects could be done in conjunction.

Gen. Macdonald moved the Executive Director be authorized to proceed with plans and specifications for the replacement/rehabilitation of the Eastside Terminal parking area, watermain and sanitary sewer.

Second by Mr. Walstad.

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

Appointed a Committee for the Airline Lease Renewal Process:

Mr. Dobberstein stated the current leases with the airlines expire on December 31, 1999. He stated in the past it has been the practice to appoint a committee consisting of the Executive Director, Airport Attorney, and two board members. Mr. Dobberstein stated the board could either continue with that mix of people or change it if they wish.

Gen. Macdonald stated he would like to serve on that committee.

Chairman Pawluk suggested Gen. Macdonald be the lead board member on the committee and that Mr. Myers also be asked to serve.

Gen. Macdonald stated as far as fee structure for the lease he would suggest we look at what the cost of living has done since 1986 and use that in our formula for setting rates and fees.

Mr. Dobberstein indicated the committee would probably have its first meeting sometime in late April.

Discussed Westside Terminal Improvements:

Mr. Dobberstein reviewed some of the improvements planned for the Westside Terminal this year. He stated we are currently getting estimates for painting the exterior stucco areas of the building. He stated we are also soliciting estimates from contractors for upgrading the restrooms in the building. He stated the laminant in those areas have outlived their useful life.

Mr. Dobberstein stated we have also budgeted for the replacement of carpet in the departure lounge. He stated we received a sample of the carpet installed in the Minneapolis terminal. He stated we have not received any cost estimates at this time but have received some samples. Mr. Dobberstein stated the carpet in the east half of the departure lounge is worn out to the point here it is difficult to clean it. He added that the carpet in the west half is not as bad. He added that Milliken does have a recycling program and there may be an allowance for that. Mr. Dobberstein stated we would also look at doing the hallway and office areas at the same time. Mr. Dobberstein asked the board how they would like to proceed.

Chairman Pawluk recommended Mr. Dobberstein and Joan Stading be appointed to the committee to make a recommendation to the board. He added that he does not feel we should decide on a particular brand before looking at others. He suggested that the committee bring two recommendations back to the board.

Mr. Dobberstein stated that not all carpet manufacturers make the modular squares, which we have found would be necessary because if a stain will not come out of an area we simply replace the square.

After further discussion, Mr. Dobberstein was directed to proceed with these items and report back to the board.

Authorized Attendance at the Fourth Annual Air Service Conference, April 25 27, 1999, Chicago, IL:

Gen. Macdonald moved to authorize attendance at the AAAE's Fourth Annual Air Service, April 25 27, 1999, by one staff member and one board member.

Second by Mr. Walstad.

All members present voted aye and the motion declared carried.

Other Business:

Chairman Pawluk asked for an update on the farm lease.

Attorney Stewart stated he talked Mr. Curt Borgen and they have advertised the property for sublease. He added that they are fully aware that it is their responsibility.

Mr. Dobberstein stated he spoke with Mr. Bill Borgen yesterday and they do have one individual who is interested but would be able to pay half the rent in April and the other half in May. Mr. Dobberstein stated Mr. Borgen also indicated he may just farm the land himself and would then request that he be allowed to pay half the rent in April and half in November.

Attorney Stewart clarified that the Borgens are required to retain the lease and if they found another party to farm the land there would be a sublease.

Gen. Macdonald suggested that if the Borgens do farm the land and want to pay half now and half later that Attorney Stewart draft an appropriate document whereby the Borgens personally guarantee the payment.

Mr. Dobberstein stated if the Authority grants the payment option to the Borgens would we be obliged to offer the same to our other farm lessees.

Chairman Pawluk stated he feels there are unforeseen circumstances and if someone else has an urgent request we could look at that.

Gen. Macdonald asked if the Borgens would be charged interest during that period.

Mr. Dobberstein stated the lease does call for interest on unpaid portions.

Chairman Pawluk stated we should follow the terms of the lease in place.

Gen. Macdonald stated he would be comfortable with authorizing Mr. Dobberstein to work out those details with Mr. Borgen, as he is aware of the opinion of the board on the matter.

Chairman Pawluk requested that in the future we also make available to people attending the meeting copies of documents being reviewed by the board at that particular meeting.

Mr. Dobberstein indicated we would make that change.

Other Business: (Continued)

Chairman Pawluk stated he would like to see the Airport Authority communicate more with potential general aviation users of the airport. He stated he would like to see this idea incorporated with the second phase of our "Fly Fargo" program and would like an airport newsletter to be one aspect of that.

Mr. Jim Sweeney, Fargo Jet Center, was recognized and stated he would like to see the Airport Authority look into enhancing the signage around the airport. He stated he understands there are restrictions and codes on signage in certain areas, but he feels the current signage does not adequately direct people to where they are going. Chairman Pawluk stated he agrees with Mr. Sweeney and invited him and the members of the board to identify some of the areas that need attention.

Mr. Dobberstein stated we were working on a signage plan and have an initial draft ready and he can present that at the next meeting.

Gen. Macdonald stated Mr. Walstad is an expert on signage and the regulations involved and he would like to see him participate on a committee.

The meeting of the Municipal Airport Authority was adjourned until the next regular meeting to be held Tuesday, April 13, 1999, at 9:00 a.m. in the Airport Boardroom.

Time at adjournment was 10:55 a.m.

Regular Meeting

Tuesday

April 13, 1999

The regular meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held Tuesday, April 13, 1999, at 9:00 a.m. in the Airport Boardroom.

The members present or absent were as follows:

Present: Walstad, Myers, Macdonald, Pawluk

Absent: Robertson

Others: Johnson, Eldred

Chairman Pawluk presiding.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held March 23, 1999:

The minutes of the regular meeting of the Municipal Airport Authority held March 23, 1999, were approved without objection.

Approved the Airport Vouchers Totalling \$26,505.88:

Mr. Walstad moved to approve the airport vouchers totalling \$26,505.88.

Second by Mr. Myers.

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

Absent and not voting: Robertson

The motion was declared carried.

Approved the Individual Voucher to Foss Associates:

Gen. Macdonald moved to approve the individual voucher in the amount of \$1,736.23 to Foss Associates for partial payment request for professional services in connection with the Westside Terminal passenger boarding bridge.

Second by Mr. Walstad.

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

Absent and not voting: Robertson

The motion was declared carried.

Approved the Individual Voucher to Ulteig Engineers, Inc.:

Gen. Macdonald moved to approve the individual voucher in the amount of \$10,805.60 to Ulteig Engineers, Inc. for partial payment request for engineering services in connection with AIP Project No. 3 38 0017 22, Terminal Apron Rehabilitation, Taxiway B3 Reconstruction and Eastside Terminal Apron Improvements.

Second by Mr. Walstad.

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

Absent and not voting: Robertson

The motion was declared carried.

Approved the Individual Voucher to Ulteig Engineers, Inc.:

Gen. Macdonald moved to approve the individual voucher in the amount of \$582.92 to Ulteig Engineers, Inc. for partial payment request for engineering services in connection with the GIS portion of AIP Project No. 3 38 0017 22.

Second by Mr. Walstad.

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

Absent and not voting: Robertson

The motion was declared carried.

Approved the Individual Voucher to Flint Communications:

Gen. Macdonald moved to approve the individual voucher in the amount of \$11,854.46 to Flint Communications for partial payment request for Phase I of the Fly Fargo marketing campaign.

Second by Mr. Walstad.

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

Absent and not voting: Robertson

The motion was declared carried.

Approved the Individual Voucher to Forum Communications:

Gen. Macdonald moved to approve the individual voucher in the amount of \$37.12 to Forum Communications for advertisement for bids for the sale of building #7, former maintenance shop.

Second by Mr. Walstad.

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

Absent and not voting: Robertson

The motion was declared carried.

Approved the Individual Voucher to Forum Communications:

Gen. Macdonald moved to approve the individual voucher in the amount of \$192.00 to Forum Communications for advertisement in legals for the sale of Building #7, former maintenance shop.

Second by Mr. Walstad.

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

Absent and not voting: Robertson

The motion was declared carried.

Approved the Individual Voucher to Surface Systems:

Gen. Macdonald moved to approve the individual voucher in the amount of \$535.00 to Surface Systems for the runway surface sensor system Y2K upgrade, AIP Project No. 3 38 0017 22.

Second by Mr. Walstad.

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

Absent and not voting: Robertson

The motion was declared carried.

Approved the Individual Voucher to Network Center Inc.:

Gen. Macdonald moved to approve the individual voucher in the amount of \$8,036.65 to the Network Center Inc. for the purchase of the office computer network, as per proposal.

Second by Mr. Walstad.

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

Absent and not voting: Robertson

The motion was declared carried.

Received Communication from FAA Airway Facilities Manager Advising of an FAA Project:

Mr. Dobberstein stated Mr. Larry Miller, Manager, FAA Airway Facilities, was not able to be at the meeting today.

Mr. Dobberstein stated that FAA Airway Facilities has provided us with standard notification that they intend to remove the two buildings that are located just south of County 20 on the approach end of Runway 17 and replace them with one new building. He stated during construction they will need to shut down the Fargo 35 Localizer, Fargo 35 glideslope and MALSR for Runway 17 from May 3 to May 28. He stated the airlines have been advised of this and we do not anticipate any problems. Mr. Dobberstein asked Mr. Tom Thompson, Fargo Tower, to comment on any anticipated problems.

Mr. Thompson was recognized and indicated they do not anticipate any problems.

The communication was received and filed without objection.

Reviewed Proposed Traffic Signage Plan:

Mr. Dobberstein stated last fall we began working with the City of Fargo Traffic Planners on an airport signage plan for directional signage for the perimeter roads. He stated the signage plan we are proposing is estimated to cost in the neighborhood of \$15,000. He stated the one area that is under contention, and for which we are waiting for further information, is the signage along County Road 20. He stated signage for the air cargo area and the north general aviation area (Fargo Jet Center and Valley Aviation). He stated we are proposing the signs be designed to allow the businesses the opportunity to put their logo on the signs. He stated we assume the bone of contention is that this is advertising rather than a public knowledge advisement. Mr. Dobberstein stated to us it makes sense and would be beneficial to people looking for those buildings. He stated County Road 20 does not come under the State road system so technically they do not have the authority to overrule the City or the County on that roadway system. He stated that 19th Avenue is part of the State's roadway system.

Reviewed Proposed Traffic Signage Plan: (continued)

Mr. Pawluk asked Attorney Eric Johnson, sitting in for Attorney Stewart, to comment on this matter. Mr. Johnson is also the attorney for the Fargo Planning & Development Commission. Chairman Pawluk asked if we will need to get permits for these signs.

Mr. Johnson stated he is not certain whether or not you need a permit for traffic type signs.

Mr. Dobberstein clarified that the Airport Authority would not be paying for the signs for the individual businesses.

Mr. Johnson stated this is somewhat of a gray area to the extent that you are providing direction to the traffic, yet it is not really clear when it goes over the line and becomes advertising.

Chairman Pawluk stated he does not feel this is advertising but rather directing travelers to those particular buildings.

Mr. Dobberstein stated the scenario that was given to him by Jim Gilmour would be a precedence set and then it would become an issue for the industrial park.

Gen. Macdonald moved the board authorize the continuance of this project as presented, subject to final decision on the legalities, and that the proposed plan be provided to those interested parties on the airport and their comments be solicited.

Second by Mr. Myers.

Chairman Pawluk stated he would like to put as much information on the signs as allowable.

Chairman Pawluk called for a vote on the motion.

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

Received Communication from the National Weather Service Regarding Their Lease in the Eastside Terminal:

Mr. Dobberstein stated the National Weather Service moved their office to Grand Forks a few years ago but maintained an office in the Eastside Terminal for their liaison, Mr. Lou Bennett. He stated the lease continues through 2001 but he has received a letter from them advising that they will discontinue their lease effective April 1, 1999.

Mr. Dobberstein stated in 1992 the Airport Authority granted the NWS space to house the communication system to operate their ASOS system. He stated that basically consists of some computers and modems in a small storage area adjacent to this office. He stated the agreement was that even if the NWS vacated their office space they would be allowed to continue to use that space for 15 years. He added that he is working with a current tenant who is interest in leasing the office that will be vacated.

The communication from the National Weather Service was received and filed without objection.

Considered Proposals Received for the Purchase of Building #7, Former Airport Maintenance Shop:

Mr. Dobberstein stated we advertised the former maintenance shop (Building #7) for sale the required number of times in The Forum. He stated we received only one written proposal by the deadline.

Mr. Dobberstein stated the offer received was from Mr. Gerald Eid and he is proposing to purchase the building for \$30,000. He stated it is his intention to make major renovations to the building so that it can be used as a heated hangar for his airplane and helicopter.

Considered Proposals Received for the Purchase of Building #7, Former Airport Maintenance Shop: (Continued)

Mr. Dobberstein stated the building is currently leased to Fargo Aero Tech and they have been using it strictly for cold storage. He stated he has talked to Mr. Emory Babolian and they have been anticipating the sale of this building. He stated the lease calls for a 60 day notice to the tenant.

Mr. Dobberstein recommended the board accept this offer and enter into a sales agreement with Mr. Eid.

Mr. Myers moved the Airport Authority accept the offer from Mr. Eid and that Fargo Aero Tech be notified of the termination of the lease.

Second by Mr. Walstad.

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

Absent and not voting: Robertson

The motion was declared carried.

Reviewed Hangar #2 Roof Project:

Mr. Dobberstein stated he met with representatives from Michael Burns Architects, Herzog Roofing, Rick Electric, and Mr. Roger Buscher, adjuster for the insurance carrier, on April 1, 1999.

Mr. Dobberstein stated we are still withholding an \$11,133 payment to Herzog Roofing, which represents 50% of the amount that was over and above the bid price. He stated the reason we withheld this was because of the failure of the lightning protection system sometime in October or November. He stated up until our meeting last week the theory that the failure was due to a weather related incident was not suggested so he had never submitted a notice of loss to ND State Fire & Tornado.

Mr. Dobberstein stated the theory is that the lightning protection system, which was installed by a subcontractor (Rick Electric) and completed August 29, 1998. The UL inspector came out and inspected it September and sometime in late October the UL stamp of approval was put on the hangar. He stated the Airport Authority paid for the work. Mr. Dobberstein explained that during the first heavy snowfall last year the lightning system cables were torn from the roof by the weight of the snow.

Mr. Dobberstein stated it is our understanding that Carlisle Roofing (roof manufacturer) approved the method by which the lightning system was attached to the membrane in order to maintain the warranty.

Mr. Dobberstein stated the bottom line is the lightning protection system failed. He stated one option would be to repair the lightning system with the same design at a cost of approximately \$7,000 \$8,000. He stated the other option being recommended by the architect and the contractor is to redesign the lightning system to go over the top of the roof, which would make it less likely to be damaged during a weather event at some time in the future. He stated the estimated cost of that option is \$25,000.

Mr. Dobberstein stated Mr. Roger Buscher, who has been the State's adjuster throughout the project, has not yet had a chance to talk to the head of the insurance department to see if it would be a covered expense. He stated regardless of whether or not it is a covered loss, the lightning protection system will need to be either repaired or replaced.

In answer to a question from Chairman Pawluk, Mr. Dobberstein stated the insurance carrier may not cover the loss if it is determined that the system was improperly installed.

Mr. Mark Gradin, Michael Burns Architects, was recognized and stated the UL certification deals with the intent of what it is up there for, not necessarily how it is fastened.

Mr. Dobberstein stated when the Guard put on the new roofing system (the roof that failed and is being replaced) the code at that time required less lightning protection. When Herzog and Rick Electric went to look at the design, the change in

Reviewed Hangar #2 Roof Project: (Continued)

the code required more lightning protection therefore there were more strands installed.

Mr. Gradin stated when the new design came back, in order for the system to be UL certified they added two additional rows on each side for a total of four on each side. He stated it is their theory that the lower strands were the ones that tore the lightning rods.

Mr. Walstad asked if the original design should have been over the roof rather than parallel.

Mr. Myers stated he is bothered by the fact that we have hired an architect to make sure that we got a good design and that specified products were applied. He stated we bought a system recommended by the architect we hired. He stated the Airport Authority did not hire an architect so we could engineer the system. Mr. Myers stated he is bothered by the fact that the contractor is not being paid because that is bull.

He stated that is passing the buck and the contractor should not be liable. He stated the contractor should have submitted shop drawings for approval and if he did not he would like to know why.

Mr. Gradin stated the contractor installed the system according to the shop drawings per Carlise specifications.

Mr. Myers asked why the payment was being withheld from the contractor.

Mr. Dobberstein stated the payment is being withheld because the board decided to withhold payment until the lightning protection system was addressed.

Mr. Myers stated as a former contractor it bothers him that the contractor has not been paid as it is not the contractor's fault. He stated he also behooves the board to lay this back on the architect's lap and tell them to get this done. He stated he does not think we want to sit here in judgement of whether or not it was installed properly as that is an issue for the adjuster. He stated we hired an architect to handle the design.

Mr. Gradin stated they consulted with Carlisle Roofing and used their recommended attachment for the lightning system.

Gen. Macdonald stated he feels the key issue is whether or not the insurance company is going to pay.

Mr. Gradin stated Carlisle indicates they do not feel it is a warranty issue as it was not a failure.

Mr. Dobberstein stated he would like a letter from Carlise indicating the following:

1. They recognize the lightning protection system failed
2. There was no damage to the roof membrane
3. The warranty will still be maintained whether the new lightning system is repaired or we go with the over the top design.

Chairman Pawluk asked Mr. Gradin how he would like to solve this problem.

Mr. Gradin stated because of the uniqueness of the building there can be no 100% guarantee that it would not happen again. He stated it is their recommendation, in order to provide the maximum protection, to go back and review the detail provided by Carlisle.

Chairman Pawluk asked if that had not already been done.

Mr. Gradin stated they did the first time.

Chairman Pawluk asked if Mr. Gradin's recommendation then is to go back and repair the system in the same method.

Mr. Gradin stated that is one option which may hold or it could happen again. He stated they have talked with some other consultants around town and they also feel it may have been a fluke but it is possible it could happen again. He stated if it did happen again we would have spent the money and yet have the same problem.

Reviewed Hangar #2 Roof Project: (Continued)

Chairman Pawluk stated he feels that first we should get this claim resolved with the insurance carrier. He stated as far as the correct course of action on the lightning system he cannot say what that is as he is not an architect or an engineer, but the Airport Authority has hired an architect to determine the correct course of action. He stated Mr. Gradin needs to make a recommendation to the board and must be prepared to support their argument if they are recommending changes which will cost more money.

Mr. Gradin stated the new system would be labor intensive and that is where a lot of the cost would come.

Mr. Dobberstein stated based on the April 1 meeting it was his understanding that the recommendation was that to repair it "as is" was not the way to go. He stated when he received the estimate of \$23,910 plus architectural fees, he assumed that was their recommendation. He stated he would hesitate putting it back in the same and risk the same thing happening.

Chairman Pawluk stated that Step 1 is to get a response from the insurance carrier and Step 2 is to resolve the matter of repair or replacement.

Gen. Macdonald moved the Airport Authority release the withheld payment to Herzog Roofing.
Second by Mr. Walstad.

Mr. Pawluk stated he agrees the contractor deserves to be paid but he would rather wait two weeks until the matter is settled.

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

Pawluk voted no.

Absent and not voting: Robertson

The motion was declared carried.

Received Notice from Vic's Aircraft Sales Regarding an Office Sublease Agreement:

Mr. Dobberstein stated he received a copy a communication dated April 1, 1999, from Team Systems North Central Regional Office to Victor Gelking indicating their intent to rent office space in Victor Gelking's hangar.

Mr. Walstad moved to approve the sublease between Vic's Aircraft Sales and Team Systems.
Second by Mr. Myers.

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

Received Communication from Mr. Victor Gelking Regarding the Traffic Pattern:

Mr. Dobberstein received a communication dated April 7, 1999, from Mr. Victor Gelking, requesting that the Airport Authority consider raising the traffic pattern.

Mr. Gelking was recognized and stated he would like to see the traffic pattern raised from the current 700' to 1000'.

Chairman Pawluk asked for comment from Mr. Tom Thompson, Fargo Tower.

Mr. Thompson was recognized and stated that the 700' is not a set altitude but rather a recommended altitude. He stated if Mr. Gelking wants to fly at 1000' he can do that.

Mr. Gelking stated his reason for the request is safety concerns. He stated if a pilot runs into trouble they have more options if they are at a higher altitude.

Received Communication from Mr. Victor Gelking Regarding the Traffic Pattern:

Mr. Charles Winkenwerder, FAA Flight Standards, was recognized and stated that in an airport traffic area 700' over a populated area would be a legal altitude so the airport is not in violation of any regulations. He stated the turns in the traffic pattern are regulated by the FAA but the altitude is up to the Airport Authority at each airport. He stated the FAA has recommended (for standardization, training, etc.) that the altitude be 800 1000 feet. He stated the only regulations they have as far as altitude is for large turbine powered aircraft and that is a minimum of 1500 feet over populated areas.

Mr. Dobberstein stated that Mr. Gelking's request is for the FAA to mandate a 1000' altitude and it is his understanding from Mr. Winkenwerder that it is not necessary to mandate that.

Mr. Winkenwerder stated Hector Airport currently has 700 feet published in the Airport Facility Directory but the airport can certainly initiate a change to 1000 feet if it so desired.

Mr. Dobberstein asked if we would then have to change the requirements for the Guard.

Mr. Winkenwerder stated that would not be necessary as the separation is more than adequate.

Gen. Macdonald indicated he would have no objection to this and Chairman Pawluk indicated he would be in favor of it.

Gen. Macdonald moved the Airport Authority recommend changing the airport traffic pattern for piston powered aircraft to 1000 feet above ground, subject to the concurrence of the FAA.

Second by Mr. Walstad.

Mr. Dobberstein stated Mr. Gelking had indicated that other flight instructors on the airport would be sending letters of support but he has received none. He added that Mr. Thompson also indicated that he has talked to people who would object to this, so we have not heard all sides.

Chairman Pawluk called for a vote.

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

Received Notice of Public Hearing from the Fargo Planning Commission Regarding Requested Zoning Change of Property Adjacent to the Airport:

Chairman Pawluk explained that Dakota Fence bought a small parcel of land south of County 20 and west of Highway 81, and they are requesting from the City of Fargo a change of zoning for that parcel from agricultural to limited industrial. The public hearing will be held on Wednesday, April 14 at 8:00 in the City Commission Chambers.

The communication was received and filed without objection, and no objections to the proposed zone change were voiced.

Approved Contract with Northern Improvement Company for AIP Project 3 38 0017 22, Terminal Apron Rehabilitation, Taxiway B3 Reconstruction and Eastside Apron Improvements and Authorize Issuance of Notice to Proceed:

Mr. Dobberstein stated Mr. Synhorst, Ulteig Engineers, has the contract with Northern Improvement here today, with the exception of the amendment being provided by Northern which contain the certificate of insurance documents.

Mr. Dobberstein stated the preconstruction conference will be held Monday, April 26, 1999.

Mr. Synhorst stated the contractor wants to start May 3 on the terminal apron portion of the project.

Approved Contract with Northern Improvement Company for AIP Project 3 38 0017 22, Terminal Apron Rehabilitation, Taxiway B3 Reconstruction and Eastside Apron Improvements and Authorize Issuance of Notice to Proceed: (Continued)

Mr. Myers moved to approve the contract with Northern Improvement Company for AIP Project 3 38 0017 22, and authorize the issuance of the notice to proceed.

Second by Gen. Macdonald.

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

Absent and not voting: Robertson

The motion was declared carried.

Reviewed Pavement Analysis Data:

Mr. Steve Synhorst, Ulteig Engineers, stated he, Mr. Dobberstein, and Mr. Anderson met with Ekrose and Green, as well as representatives from the ND Aeronautics Commission, yesterday to review the results of the pavement analysis conducted for Hector Airport. He stated this is part of the ND Aeronautics Commission's project to conduct pavement analysis at the larger airports in the state.

Mr. Synhorst distributed a colored diagram showing the grades of the pavement in the various areas. Mr. Synhorst stated this report was developed to help the airports in determining their Capital Improvement Plans.

Mr. Synhorst stated he would like to discuss the yellow area (fair condition) on Runway 17/35. He stated this section is scheduled to be removed and replaced in 2004. He stated right now it is in fair condition and they project the condition to drop to "poor" by 2004. He stated there has been some discussion on rehabilitating that area which would last for about five years at a cost of \$400,000 \$500,000. He stated to shut down the runway and spend that amount of money to gain only five years of life does not seem to be a viable option.

Mr. Dobberstein stated Irene Porter and Tom Schauer from the Bismarck FAA Airports District Office will be making a visit to Fargo soon to discuss our Capital Improvement Plan. He stated that in order to secure grants from the FAA an airport has to have a pavement analysis in place. He stated that traditionally we have tried to match our Capital Improvement Plan with projects that need to be done to maintain the existing pavements in an acceptable service level, and at the same time plan for expansion, such as the expansion of Runway 8/26 or the expansion of the air cargo apron. He stated we will be reviewing all of that detail with the FAA.

In an answer to a question from Gen. Macdonald, Mr. Dobberstein stated that if the Airport Improvement Reform Act is passed (AIR21) and there is \$5 billion added to the federal Airport Improvement Program, we would see an increase to almost \$2.7 million a year, through the duration of that program.

Gen. Macdonald asked Mr. Dobberstein what he sees as our most pressing need.

Mr. Dobberstein stated beyond the projects we are doing this year, we have a need for some additional snow removal equipment. He stated as far as construction on the airfield we would look at the G2 and G4 areas, continue with the operating surfaces that are below minimum standards, and at the same time looking at some of the asphalt areas on 13/31 and possibly rehabilitate those areas with an overlay. He also stated that there are some airfield drainage problems that we need to continue with. Mr. Dobberstein stated that before we have to close Runway 17/35 for replacement he would like to see us extend Runway 8/26, which would give the regional jets more opportunity rather than operating on the taxiway.

Mr. Dobberstein stated that the tower has suggested that in the year prior to shutting down 17/35, that we begin construction of the cross over between 17/35 and Taxiway A for traffic going to the terminal ramp.

Mr. Dobberstein stated he will continue to keep the board advised and come back with further information after our visit with the FAA.

Other Business:

Mr. Dobberstein stated bids for the passenger boarding bridge will be opened on Monday, April 26.

Mr. Myers stated he has an aversion to tying a structure as heavy as a jetway to the building. He stated he does not know why we would not put the main bridge structure on a pedestal away from the building. He stated if it is a matter of cost we should consider that this project will at some time in the future be funded through our PFC and this bridge will be a definite benefit to the passengers.

Chairman Pawluk stated there was lengthy discussion on the boarding bridge and the idea of the new bridge extending so far out onto the ramp was a problem, as was the cost. He stated that it made sense for us at this time to go with the RJ 747 capable bridge attached to the building rather than the additional walkway. He stated it was definitely part of the thought process.

Mr. Myers asked if the board explored the option of designing and building a tunnel from the building to the boarding bridge rather than purchasing a walkway from a jetway manufacturer. He stated that could be done for less than purchasing a tunnel and asked if it was too late to explore that option.

Chairman Pawluk stated he does not think that option was explored to the extent of designing our own tunnel, but he believes it is too late, unless the board is willing to reconsider their decision. Hearing no support for that option Chairman Pawluk stated that he did feel the board spent a lot of time discussing the matter of the boarding bridge and felt all of the members were satisfied that the decision made was the best alternative.

Mr. Dobberstein stated he has received verbal confirmation from Denver International Airport's marketing department that they will participate up to \$25,000 in matching funds to promote non stop service between Fargo and Denver. He stated he does not yet have in writing the stipulations put on the funds, such as ad approval, etc. He stated he is not yet sure if we should take the \$25,000 out of the remaining \$62,500 with Flint or if we should create an additional fund. He added that the Denver flights are doing very well.

Mr. Dobberstein stated one thought is that we approach United and sustain their radio campaign going in the community to promote non stop service between Fargo and Denver.

Chairman Pawluk stated that sounds like a good idea but we need to make the same offer to Northwest.

Mr. Dobberstein stated this is an arrangement between airports, not the airport and airline.

Gen. Macdonald stated he has no objection with making the same offer to other airports. He suggested we send letters to the airport commissions at Minneapolis and Chicago O'Hare, as well as Northwest Airlines and United Airlines inquiring as to whether they have any cooperative marketing dollars available.

Gen. Macdonald stated at the last meeting we tabled the item on the demolition of the old tower on the Eastside Terminal building. He asked if anything further has developed.

Mr. Wasltad stated nothing new has been resolved or confirmed at this point.

Gen. Macdonald stated he feels we should ask the Museum Committee for a response on their intentions by the first meeting in May.

The meeting of the Municipal Airport Authority was adjourned until the next regular meeting to be held Tuesday, April 27, 1999, at 9:00 a.m. in the Airport Boardroom.

Time at adjournment was 10:43 a.m.

Regular Meeting

Tuesday

April 27, 1999

The regular meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held Tuesday, April 27, 1999, at 9:00 a.m. in the Airport Boardroom.

The members present or absent were as follows:

Present: Walstad, Myers, Macdonald, Pawluk

Absent: Robertson

Others: Stewart, Eldred

Chairman Pawluk presiding.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held April 13, 1999:

The minutes of the regular meeting of the Municipal Airport Authority held April 13, 1999, were approved without objection.

Approved the Airport Vouchers Totalling \$9,321.86

Mr. Myers moved to approve the airport vouchers totalling \$9,321.86.

Second by Mr. Walstad.

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

Absent and not voting: Robertson

The motion was declared carried.

Approved the Individual Voucher to Michael J. Burns Architects:

Gen. Macdonald moved to approve the individual voucher in the amount of \$1,055.00 to Michael J. Burns Architects for architectural services for the period March 16 April 19, 1999, in connection with the Hangar #2 lightning protection system.

Second by Mr. Walstad.

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

Absent and not voting: Robertson

The motion was declared carried.

Approved the Individual Voucher to The Forum:

Gen. Macdonald moved to approve the individual voucher in the amount of \$99.84 to The Forum for advertisement for bids for the passenger boarding bridge.

Second by Mr. Walstad.

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

Absent and not voting: Robertson

The motion was declared carried.

Approved the Individual Voucher to Ulteig Engineers, Inc.:

Gen. Macdonald moved to approve the individual voucher in the amount of \$4,936.13 to Ulteig Engineers, Inc. for engineering services in connection with the 1999 Improvements: Terminal Apron Rehabilitation, Taxiway B3 Reconstruction, Concrete Pavement Reconstruction and Rehabilitation, AIP Project No. 3 38 0017 22.

Second by Mr. Walstad.

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

Absent and not voting: Robertson

The motion was declared carried.

Received Passenger Boarding Bridge Bid Tabulation and Recommendation of Award:

Mr. Dobberstein stated that he, Darren Anderson and Bill Cowman, Foss Associates, attended the bid opening for the passenger boarding bridge yesterday at 2:00 p.m. He stated the only bid received was from FMC Jetway Systems.

Mr. Cowman was recognized and stated the bid from FMC Jetway Systems was opened and read. He stated that Thyssen Stearns had indicated in interest in bidding but they failed to put in place a North Dakota contractor's license, which is a requirement in the bidding process, according to state law. He stated it was his understanding that they were going to align themselves with a local general contractor but that was not accomplished.

Mr. Cowman stated the bid received from FMC Jetway Systems in the amount of \$312,003 meets all of the requirements of the bidding documents. He stated that Jetway Systems has submitted a number of commercial qualifications/clarifications which have been provided to Attorney Stewart for review. Mr. Cowman added that it is his opinion that these qualifiers are not the types of things that would prevent the Airport Authority from awarding the contract.

Mr. Myers asked if Jetway Systems is planning to have local people trained to service the boarding bridge.

Mr. Cowman stated the specifications required that at the time of installation they do have factory certified installers here. He stated in terms of maintaining the unit there are no requirements.

Mr. Dobberstein stated we have the option of entering into a service agreement with Jetway Systems or use someone else, such as Fargo Aero Tech.

In answer to a question from Mr. Myers, Mr. Dobberstein stated the warranty is for one year.

Mr. Myers suggested we look into purchasing an extended warranty.

Mr. Myers moved to receive the bid tabulation and award the bid to FMC Jetway Systems, that the Director be authorized to explore extended warranty and maintenance options.

Second by Gen. Macdonald.

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

Absent and not voting: Robertson

The motion was declared carried.

Received First Quarter 1999 PFC Report:

The PFC Report for the first quarter of 1999 was received and filed without objection.

Received Communication from Denver International Airport:

The communication dated April 7, 1999, from Mr. Bruce Baumgartner, Manager of Aviation, was received and filed without objection.

Mr. Dobberstein stated when we started our negotiating process with United Airlines for expanded service a couple of years ago, Denver International Airport was an integral part in bringing four North Dakota communities together for various feasibility studies presented to United Airlines. He stated at that time Mr. Jim DeLong, who was the Manager of Aviation at that time, and Leslie Madsen, DIA Marketing, joined with the county and the state to create a cooperative marketing fund. This fund provides matching dollars to promote the use of Denver International Airport.

Mr. Dobberstein stated at the direction of the board he wrote to DIA and indicated that we were interested in participating in this matching program. He stated how we spend the money is totally at our discretion, as long as all of the ads or other type of promotion are strictly for Fargo Denver service and that DIA receives credit and also gives prior approval.

Mr. Dobberstein stated at that last meeting the board directed him to communicate with Chicago O'Hare, Minneapolis St. Paul Intl. Airport, Atlantic Coast, and Northwest Airlines, and see if they have similar programs. He stated he has done that but has not received responses from everyone.

Mr. Dobberstein stated the Airport Authority is half way through the Fly Fargo campaign with Flint Communications. He stated the Airport Authority needs to decide if they want the \$25,000 to go toward our current campaign and change the direction to advertise only Fargo Denver service or if these funds will be in addition to what we have committed. Chairman Pawluk suggested we move on to the next agenda item which is an update from Flint Communications for further discussion on this matter.

Received Update from Flint Communications:

Ms. Christy McLachlan, Flint Communications, was recognized and reviewed the 1999 advertising plan for the Fly Fargo campaign. She stated that for the second half of the year their plan is to hold off on any more newspaper and radio ads for the months of June and July, since those are heavy travel months anyway, but to proceed with a direct mail piece in June.

Ms. McLachlan stated she was also asked to come up with some figures for an aviation newsletters. She stated he is not sure of the content or intent of the newsletter but gave rough estimates on both two color and four color copies.

Chairman Pawluk stated he does not look at it so much as an "aviation" newsletter as he does an "airport" newsletter. He feels there are a lot of people involved in or interested in the airport who would benefit from a newsletter. He stated he does not feel that it would be worth \$4,000, but he would like us to see us commit some funds so we have some communication with the people that use the airport, other than those boarding flights.

After further discussion on the current advertising program, Chairman Pawluk stated that the Airport Authority approved the concept and general plan of this campaign and Ms. McLachlan is here today to present to us their recommendation for the last segment of this campaign. He stated that rather than reevaluate and redirect the focus of this campaign he would like Ms. McLachlan to present their plan and comments can be made after that time.

Ms. McLachlan outlined their proposed \$62,500 budget for the next six months, which does not include any specific Denver Airport plans. She stated this budget will include two direct mailings in June and October. She explained that because the months of June and July are heavy travel months anyway they would back off on the radio and newspaper advertisements.

Received Update from Flint Communications: (Continued)

There was discussion on some type of coupon offer in the direct mailing but Ms. McLachlan stated at this time there is no specific offer to be included on a coupon.

Ms. McLachlan stated it is their recommendation that this campaign run the entire year. She stated if it is cut off now we will never see any results. Ms. McLachlan stated that Mr. Dobberstein has received feedback from people and groups he speaks to and they have heard the advertisements and know about AI Timeter.

Mr. Dobberstein stated the Airport Authority needs to decide if the \$25,000 matching funds from DIA should go toward the remaining \$62,500 or be in addition to that amount.

Chairman Pawluk stated he feels the Airport Authority's \$25,000 match should come out of the \$62,500 we have planned to spend. He stated if we do that it may change the focus of the campaign somewhat, but not substantially.

Gen. Macdonald stated he would like to see Flint continue on the campaign as planned. He stated he feels that if we cut \$25,000 out of the next phase we won't have much left.

Chairman Pawluk stated since the campaign will be slowing down during the months of June and July, he suggested Flint come up with a proposal for how we will handle the Denver marketing funds.

Gen. Macdonald stated he likes the idea of continuing with the Fly Fargo program and spending an additional \$25,000 to match the DIA funds.

Gen. Macdonald suggested that we go to the airlines and get them to provide some type of a coupon offer for travel out of Fargo and we can distribute them with our advertising.

Chairman Pawluk stated it seems the consensus is that we continue with the second half of the Fly Fargo program and spend an additional \$25,000 to match the DIA funds to promote direct travel between Fargo and Denver.

Flint Communications was instructed to come back with a proposal for the first meeting in June.

Continued Discussion Regarding Hangar #2 Roofing Project:

Mr. Dobberstein introduced Mr. Roger Buscher, adjuster with GAB Robbins representing the ND State Fire & Tornado Fund, Mr. Michael Burns and Mr. Mark Gradin, architects.

Mr. Dobberstein stated at the last meeting this item was tabled until we received a response from the insurance carrier. Mr. Dobberstein stated we have now received that response.

Mr. Buscher was recognized and stated this morning he visited with the ND State Fire & Tornado Fund, who insures the airport buildings. He stated NDSFT is considering the damage to the lightning system by the snow as a loss, separate from the original loss under which the roof is being replaced. He stated a separate loss notice will need to be submitted.

Mr. Myers asked if, when the loss to the lightning system occurred, the project had been completed or did the contractor still have some care, custody and control, and would there be a chance of the contractor having some responsibility or insurance coverage.

Mr. Buscher stated we reviewed the initial specifications and they asked for insurance to be carried by the contractor. He stated at the meeting he and Mr. Dobberstein had with the architect and all of the contractors stated they had not insured the project.

Continued Discussion Regarding Hangar #2 Roofing Project: (Continued)

Mr. Myers stated all contractors carry business operations insurance.

Mr. Buscher stated from a liability standpoint he is sure that is true. He stated that NDSFT is aware that none of the contractors insured the project specifically so they are willing to take care of it under a separate loss. He stated he does not believe the decision has yet been made on how to repair the lightning system, whether to repair it as it was before the loss or improve the design.

Mr. Myers asked if it is not the responsibility of the architect to make sure that all of the contract documents are in place.

Mr. Gradin stated all of the documents were in place.

Mr. Myers asked if the contractors then had builder's risk insurance in place.

Mr. Gradin indicated the contractors did have builder's risk insurance in place.

Mr. Buscher stated he was not aware that the contractors had builder's risk coverage in place. He stated that fact sheds a whole new light on the matter.

Mr. Myers asked if the builder's risk coverage would take care of an alternate design on the lightning system so that the same thing does not happen.

Mr. Buscher stated he cannot answer for another insurance company.

Mr. Buscher stated his recommendation for action today is for the Airport Authority to file a Notice of Loss with the NDSFT and proceed with looking into the costs of repair or replacing the system with a modified design. He stated if the design is changed due to a code change that is another issue entirely.

Chairman Pawluk asked if it has been determined that the method was correct but the problem was with the fasteners.

Mr. Buscher stated he does not have the architectural expertise to comment on that.

Mr. Gradin stated the lightning system was installed exactly as specified in the Carlisle manual to coincide with the warranty on the membrane. He stated in his discussions with Carlisle they indicated this was an isolated case.

Chairman Pawluk asked Mr. Gradin if anyone has inspected the fasteners since the damage to the lightning system occurred.

Mr. Gradin stated he has not been on the roof since the damage to the lightning system but they are in the process of getting Carlisle to come out for an inspection.

Mr. Myers stated at this time he is inclined to repair the lightning system as it was, rather than redesigning the wheel. He stated he would like the architect to go back to UL and see if we cannot get them to allow us the lightning protection that we had in the past (over the top).

Mr. Gradin stated when Rick Electric got the design drawings for the lightning system he asked if they could eliminate the lower rods and at that time their response was that they required the entire roof be covered.

Mr. Myers asked Mr. Gradin if we went to Mr. Bruce Laugtug and told him we want a lightning protection system to go right down the middle of the roof, period, with nothing on the sides, could he get it approved for us.

Mr. Gradin indicated he would have to research that.

Mr. Myers stated the reason he suggested that an engineer approach UL to get approval on another method is that UL may listen to them rather than an electrician. He stated it may not be necessary to have those lower rows. He added that he has found that UL engineers listen to other engineers.

Gen. Macdonald stated he would think the insurance company would be interested in doing something different if this is a loss that could occur again.

Chairman Pawluk stated the Airport Authority hired Michael J. Burns Architects to prepare plans and specifications on this project and have been our representatives. He stated we did have a problem with the change in the roof system which resulted in

Continued Discussion Regarding Hangar #2 Roofing Project: (Continued)

additional costs, but we worked through that. He stated now we have a lightning system that was installed as it was designed and that design failed the first opportunity it had, which just happened to be within weeks of completion. He stated he does not feel the Airport Authority is being represented properly. He stated the Burns firm has a responsibility to see that this project is completed and he is not satisfied that the Authority's interest is being represented as well as the Burns firm is representing their own interests. Chairman Pawluk stated the Authority has done everything in good faith to get this job completed and we still are not done.

Mr. Gradin stated he can understand the board's frustration, but they used the manufacturer's recommendation for installation of the system. He asked if they should have gone beyond the recommendations and done something that was not approved.

Chairman Pawluk asked what recourse the Airport Authority have. He asked if our complaint is with the manufacturer, the contractor or the architect? He asked who was representing our interests.

Mr. Gradin stated without pointing fingers this is a situation over whom no one had control.

Mr. Myers stated he feels we need to look at this system and see if we can improve it by putting fewer rods on that roof. He asked Mr. Buscher if the insurance company would pick up any engineering costs to design a lightning system with only one row across the top.

Mr. Buscher stated that would be tough for him to answer. He stated insurance takes care of things "as is". He stated if there is any improvement in terms of cost they would not cover the difference.

Gen. Macdonald stated we are not going to resolve this until we have more information from Mr. Buscher after the builder's risk insurance matter is investigated.

Chairman Pawluk asked Mr. Michael Burns how he feels this matter should be resolved.

Mr. Burns stated if there is builder's risk coverage involved that needs to be discussed with the contractor. He stated they are interested in finding a resolution that will be a long term solution rather than have this be a recurring problem. He stated if it is returned to the way it was we are going to have the same problem and that would not be a good choice.

Chairman Pawluk stated we still have not had confirmation that the system was properly installed.

Mr. Burns stated the roofing manufacturer will not issue a warranty until an inspection is made and it is determined that the installation meets with the factory recommendations.

Mr. Dobberstein stated Carlisle is coming back again to make certain that the failure did not damage the membrane and it will cost the Airport Authority \$800 \$1,000 to do that.

Mr. Burns stated what they are trying to do is bring all of the parties together for cooperative and collateral discussion so that there is consensus on the resolution. He stated he would not be comfortable with putting the lightning system back the way it was.

Mr. Buscher stated he would like to have an opportunity to review all of the documents to see if there was builder's risk coverage in place when the loss occurred and before the building had been accepted by the Authority.

Chairman Pawluk indicated this would be continued at the next meeting.

Continued Discussion Regarding the Eastside Terminal Tower Project:

Mr. Dobberstein stated at a recent meeting the matter of the demolition of the Eastside Terminal tower was tabled until we heard from the Air Museum Committee and if they were interested in the structure. He stated the Air Museum Committee has now indicated that they are not interested in the tower structure.

Mr. Dobberstein stated he would like to retain Foss Associates to proceed with the plans for the demolition of the structure.

Mr. Myers suggested we put the word out that if anyone is interested in moving the structure it would be made available to them. He stated it may be of some value to a smaller airport.

Mr. Dobberstein stated the structure was built in place so he does not know if it is possible to take it off and move it.

Gen. Macdonald moved to authorize Foss Associates to proceed with the plans and specifications and solicitation of bids for the demolition of the third through seventh floors of the Eastside Terminal tower structure, but that Mr. Dobberstein also make the small area airports aware that the structure is available if anyone is interested.

Second by Mr. Walstad.

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

Absent and not voting: Robertson

The motion was declared carried.

Discussed the Status of a Car Rental Service Facility on the Airport's West Side and the Process to Request Proposals Required for the Leases that Expire 12/31/99:

Chairman Pawluk explained that the current car rental leases originally expired 12/31/99, but when we renegotiated the contract in 1997 they were extended to 12/31/01, so we do not need to discuss a request for proposals.

Chairman Pawluk stated he feels it is a good idea for the Authority to decide on a concept for a car rental service facility and proceed with discussions to determine what it is we want. He stated it remains to be seen whether it will be put in place before the contracts expire or include it in the new contracts. Chairman Pawluk stated he would like to work with the car rental agencies and come up with a consensus for a service facility.

Mr. Dobberstein stated this issue has been before the board a number of times. He stated at one time the board wanted them to locate on the west side of the drainage ditch but there was not interest on behalf of the owners. Mr. Dobberstein stated another area that has been suggested is the site between our maintenance shop and the Northwest fuel farm. He stated we do have the plans for the facility which was built in Sioux Falls in which the owners of the agencies partnered and constructed a facility they own and maintain. He stated he talked to Mr. Ryan (Budget) and he is interested in looking at some numbers and so is Mr. Hansen (Hertz). Mr. Dobberstein stated Mr. Lamb (National) had indicated to him that if the Airport Authority owned the facility and leased it to the agencies he would not want anything to do with that. Mr. Dobberstein presented a plan which was put together in 1994 for a condo type facility with service/wash bays and office areas for each tenant.

Gen. Macdonald stated it is not only in the best interest of the Airport Authority but also in the best interest of the car rental agencies to be on the west side.

Discussed the Status of a Car Rental Service Facility on the Airport's West Side and the Process to Request Proposals Required for the Leases that Expire 12/31/99:
(Continued)

Chairman Pawluk asked why it would be in everyone's best interest.

Mr. Mark Hovde, Hertz, was recognized and stated they have traffic problems, pedestrian problems, speeding service agents, and run down shop facilities on the east side which are unsightly for the eastside terminal area. He stated it will be hard for everyone to agree but if we can get three tenants to agree to participate it would be worthwhile.

Gen. Macdonald stated he agrees with some of Mr. Hovde's comments and he would be in favor of sweetening the pot for the car rental agencies, such as extending their leases. He stated he would also recommend that we increase the minimum rent as they are all exceeding \$40,000.

Chairman Pawluk stated he feels the agencies should notice greatly increased efficiency with having their service facilities located near the terminal. He stated he would not be in favor of the Airport Authority building the facility and not charging anything for it.

Mr. Hovde stated the owner of Hertz has exactly the opposite feelings of Mr. Lamb. He would like the Airport Authority to build it.

Gen. Macdonald stated there would be no reason that the Airport Authority could not be one of the condo owners if we do not receive 100% participation.

Chairman Pawluk stated he feels our first mission should be to identify a concept or a facility that we can work with. He stated the owners would then be able to decide whether or not they are interested. He suggested we develop a subcommittee to come up with a concept.

Mr. Myers suggested if the Sioux Falls facility is working we could pattern ours after that and make it become part of the rent. He stated if one of the agencies is not interested then they will have to go off the field as there are other operators who would like to be on the airport. He stated we have four good tenants and we have tried to limit the number of agencies to four.

Gen. Macdonald stated it is his recommendation that if we cannot reach an amicable arrangement with our tenants now, when our 2001 proposal comes out it will include a west side service facility and the rent will be X number of dollars.

Mr. Hovde stated currently there is no incentive for the car rentals to move their facilities. He stated the current facilities do work. Mr. Hovde stated there are some problems and it is a situation that will be difficult to settle. He stated we will be asked to collude as competitors. He stated he feels Gen. Macdonald's recommendation is sound and we need an incentive to build.

Chairman Pawluk stated he believes the board will provide that incentive and it will not be a negative incentive. He stated that by the Annual Meeting in January 2000 we will have a concept we can work toward and for which we can budget.

Gen. Macdonald stated he would be glad to meet with the owners along with Mr. Dobberstein and get the consensus of the four owners.

Received Communication from Aviation Resources, Ltd. Regarding South General Aviation Facility Lease Extension:

Mr. Dobberstein stated he has received a communication from Mrs. Yvonne Hamilton, Aviation Resources, Ltd., dated April 20, 1999, indicating they wish to execute the option to extend the lease until April 30, 2004, on Hangars 3, 4 and 8. Mr. Dobberstein stated the letter failed to recognize the fact that we would have to agree on the terms.

Mr. Dobberstein stated the Airport Authority currently received 10% of the gross revenue for the rental income from Hangars 3 and 4, \$350 per month for the administrative portion of Hangar 3, and \$150 per month for Hangar 8 (or 90% of rent if

Received Communication from Aviation Resources, Ltd. Regarding South General Aviation Facility Lease Extension:

the building is subleased.) Mr. Dobberstein stated he has left a message for Dr. Hamilton but he must be out of town as he has not yet heard from him.

Mr. Dobberstein stated the lease includes the provision that in order to grant the five year option both parties must agree to terms. He stated if we do not agree to the terms the five year option will not be granted. Mr. Dobberstein stated a number of ideas have been talked about if they wish to continue to occupy Hangars 3 and 4. He stated that would require getting the hangars to a structurally and aesthetically sound condition and if the Airport Authority were to spend money in that area we would amortize the costs over the five year option period. Mr. Dobberstein stated he does not see that as a realistic option as he would hesitate to spend any money on them.

Mr. Dobberstein stated that at a meeting with he and Attorney Stewart, Dr. Hamilton offered to vacate Hangar #4 if the Airport Authority agreed to demolish the hangar. Mr. Dobberstein stated the reason we have not moved on that is because the Air Museum Committee expressed some interest in those hangars.

Mr. Dobberstein addressed Mrs. Hamilton's comment on their request to paint the southwest side of Hangar 3. He stated at the time of that request we did consult a painting contractor and he indicated they could not paint rotted wood, the siding would have to be replaced.

Gen. Macdonald stated it would take half a million dollars to bring those two hangars up and he would say that we should give Dr. Hamilton the option of a ten year lease that would amortize those costs over that period. He stated he would not object to a 20 year lease, as long as the buildings are repaired the way they should be repaired.

Chairman Pawluk stated his objective would be to have those buildings aesthetically and structurally acceptable, and if we cannot do that then they should be torn down. He added that he is not willing to spend \$300,000 on each building for \$100 rent per month.

Mr. Myers stated he feels those hangars are inherently dangerous. He stated if those buildings are removed and that area becomes available for more businesses, the Hamiltons would have an opportunity to bid on the footprint, along with anyone else. He stated he feels the Airport Authority should review the rental rates on the airport as he feels they are too low.

Mr. Myers stated he wants to make sure that the Hamiltons sense that whatever action is being taken is in the best interest of both parties and that their interest are being taken into consideration.

Chairman Pawluk stated this board has a commitment to treating everyone fairly. He stated that has been the case in the past and will continue to be the case.

Mr. Dobberstein indicated he would respond to Mrs. Hamilton.

Received Update on Airport Improvement Projects and Discussed Capital Improvement Plan:

Mr. Steve Synhorst, Ulteig Engineers, was recognized and stated we held a preconstruction conference with Northern Improvement and they will start on the westside ramp with the joint seal repair. He stated PKG has contacted him and with the drier weather they are ready to complete the Drain 10 lift station project. He stated he and Wes Schon met with Mr. Dobberstein and Darren Anderson to review the GIS map.

Mr. Dobberstein stated Irene Porter and Tom Schauer, FAA Airport District Office in Bismarck, were supposed to make a visit to discuss our Capital Improvement Plan. He stated with the continuous delays in Washington with the AIP Program they advised us on April 24 that we will need to have our Capital Improvement Plan submitted to them prior to May 10.

Received Update on Airport Improvement Projects and Discussed Capital Improvement Plan:
(Continued)

Mr. Dobberstein stated our 1999 entitlement dollars, which should have been appropriated October 1, 1998, should total \$918,000. He stated in Phase I we have received \$667,000. He stated we have been advised that Phase II will be approximately \$180,000 and the remaining portion in a possible Phase III of \$70,000. Mr. Dobberstein stated the FAA needs a letter by tomorrow telling them that we will have the remaining 1999 dollars under grant sometime between June 1 and September 30.

Mr. Dobberstein stated one suggestion has been that we move up our Airport Master Plan (estimated cost \$200,000) which was slated for 2000. He stated our current plan is 10 years old and they require us to update it. He stated if the board decided to go ahead with that option we would retain Ulteig Engineers and they would partner with another planning firm.

Mr. Dobberstein reviewed some of the other project options we could accomplish with these funds.

Gen. Macdonald stated it is his desire to spend the funds on actual airport improvements rather than a Master Plan at this time. He stated there are so many things on our current Master Plan that still need to be done so he does not want a new Master Plan until it is absolutely necessary.

Mr. Myers stated he agrees with Gen. Macdonald.

Mr. Dobberstein stated the revised ALP has never been approved by the FAA, we are still working off a 1970 ALP. He stated the FAA has not gotten around to it and Grand Forks, Sioux Falls and Rapids City are in the same situation.

Mr. Myers stated Mr. Dobberstein should convey to Irene Porter that the Airport Authority does not desire to do another master plan for the airport until the ALP is approved and the planned projects on the current plan are approved.

Other Business:

Mr. Dobberstein stated Interspace Airport Advertising has requested to add space for a boat display on the east end of the terminal building.

Gen. Macdonald recommended the Executive Director be authorized to make the decision on such requests.

All of the members agreed that Mr. Dobberstein could make these decisions.

Chairman Pawluk stated he received a letter from Mr. Tracy Myers submitting his resignation from the Airport Authority at the end of August. He stated it is with reluctance that he accepts this resignation and expressed his appreciation for the many contributions made by Mr. Myers.

Gen. Macdonald stated he would like for Mr. Myers to propose to the Mayor some suggestions for his replacement with the expertise in construction, which has been invaluable to this board. Mr. Myers stated he told the Mayor and Mr. Dobberstein that if something should come up after his term he would be happy to help in an ex officio capacity. Mr. Myers stated he sent a lengthy letter to Mayor Furness advising that perhaps the Board of City Commissioners at times may take a lot of what the Airport Authority does for granted. He stated he detailed the projects he has been involved in during his time on the board and he stressed the fact that the previous, as well as the present, board members have done a good job as stewards of the public's funds.

Mr. Myers added that he conveyed to the Mayor that it was important to appoint someone that will be able to attend meetings and technically capable in airport matters and if not someone who will learn and get up to speed on those matters.

Mr. Dobberstein stated at the next meeting we will be having discussion on the Airport Authority's bylaws and part of that discussion will be the meeting dates.

The meeting of the Municipal Airport Authority was adjourned until the next regular meeting to be held Tuesday, May 11, 1999.

Time at adjournment was 11:27 a.m.

Regular Meeting

Tuesday

May 11, 1999

The regular meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held Tuesday, May 11, 1999, at 9:00 a.m. in the Airport Boardroom.

The members present or absent were as follows:

Present: Walstad, Myers, Macdonald, Pawluk

Absent: Robertson

Others: Stewart, Bromenschenkel

Chairman Pawluk presiding.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held April 27, 1999:

The minutes of the regular meeting of the Municipal Airport Authority held April 27, 1999, were approved without objection.

Approved the Airport Vouchers Totalling \$13,630.92:

Gen. Macdonald moved to approve the airport vouchers totalling \$13,630.92.

Second by Mr. Myers.

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

Absent and not voting: Walstad, Robertson

The motion was declared carried.

Approved the Individual Voucher to Johnson Controls:

Mr. Myers moved to approve the individual voucher in the amount of \$5,982.00 to Johnson Controls for the access control system Y2K upgrade, AIP Project No. 3 38 0017 22.

Second by Gen. Macdonald.

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

Absent and not voting: Walstad, Robertson

The motion was declared carried.

Approved the Individual Voucher to Flint Communications:

Mr. Myers moved to approve the individual voucher in the amount of \$6,120.41 to Flint Communications for partial payment request for the Fly Fargo Campaign.

Second by Gen. Macdonald.

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

Absent and not voting: Walstad, Robertson

The motion was declared carried.

Approved the Individual Voucher to Foss Associates:

Mr. Myers moved to approve the individual voucher in the amount of \$1,655.00 to Foss Associates for partial payment request for professional services for the period April 1 30, 1999, Westside Terminal Jetway Project.

Second by Gen. Macdonald.

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

Absent and not voting: Wasltad, Robertson

The motion was declared carried.

Approved the Individual Voucher to Surface Systems, Inc.:

Mr. Myers moved to approve the individual voucher in the amount of \$266.00 to Surface Systems, Inc. for system commission charges for the Y2K upgrade of the surface sensor system.

Second by Gen. Macdonald.

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

Absent and not voting: Walstad, Robertson

The motion was declared carried.

Tabled Payment Request from Michael J. Burns Architects:

The payment request from Michael J. Burns Architects for professional services in connection with the Hangar #2 roofing project was tabled.

Adopted Resolution of Sympathy for the Family of Paul "Buck" Gallagher:

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

WHEREAS, It is with profound that the Municipal Airport Authority has learned of the death of its longtime and very valued member, Mr. Paul M. "Buck" Gallagher, and

WHEREAS, Mr. Gallagher served as a member of the Municipal Airport Authority from 1971 to 1997, gave generously and unsparingly of his time, and was instrumental in the growth and success of Hector International Airport over those years, many of those accomplishments which came under his chairmanship, and

WHEREAS, Mr. Gallagher's regular presence and valuable contribution to the board have been missed by the Municipal Airport Authority since his leaving the board in 1997, and his death will leave an even larger void for the community as well as the Gallagher family.

NOW, THEREFORE, BE IT RESOLVED, That the Municipal Airport Authority does hereby express its heartfelt and deepest sympathy to Mrs. Dorothy Gallagher and the entire Gallagher family.

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 sent to the family of our dear friend, Mr. Paul "Buck" Gallagher.

Second by Gen. Macdonald.

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

Continued Hangar #2 Roofing Project Discussion:

Mr. Dobberstein stated that Mr. Michael Burns is pursuing, at the direction of this board, an electrical engineering firm to validate a different lightning system. He stated at this point they have not been successful in accomplishing that. Mr. Dobberstein stated unless Mr. Burns receives notification from this board that he

Continued Hangar #2 Roofing Project Discussion: (Continued)

should stop that process, he will continue and we will be billed for those services.

Mr. Dobberstein stated the roof inspection that was scheduled for last Friday with Carlisle was cancelled due to the weather. He stated Mr. Roger Buscher, GAB Robins (adjuster for ND State Fire & Tornado Fund) sent a letter to Mr. Herzog advising that he should notify his builder's risk insurance carrier of the loss, which is the beginning of NDSFT's subrogation process.

Mr. Dobberstein stated he has submitted a notice of loss to NDSFT for the damage to the lightning system and the decision that will need to be made is whether to repair it to its original state or to redesign the system to go over the top of the roof.

Mr. Myers stated he feels this loss is more likely to fall under the contractor's Completed Operations insurance coverage rather than Builder's Risk.

Mr. Myers stated that lightning protection is not something new and is actually quite old and primitive. He stated he would recommend looking at the Factory Mutual specifications for lightning protection, as they have very strict codes. Mr. Myers stated he even questions if we even have to have lightning protection on that hangar. He stated if an insurance underwriter came out and inspected the building and advised that the insurance premiums would be somewhat higher because of no lightning protection but we would still have insurance coverage.

Mr. Myers stated he would like Mr. Dobberstein to pose the question to Mr. Burns whether or not we are required to have lightning protection on that building.

After further discussion, Mr. Dobberstein was directed to meet with Mr. Burns on this matter and Mr. Myers indicated he would be available to assist in any way he could.

Received Notice from Fargo Planning Department Regarding Proposed Zoning Change for Property Adjacent to the Airport:

Mr. Dobberstein stated we received a notice dated April 27, 1999, advising us that the Fargo Planning Commission will conduct a Public Hearing on Wednesday, May 12, to consider recommending that the Fargo City Commission approve or deny a petition requesting the zoning be changed from agricultural to limited industrial in the tract of land located east of I 29, west of the railroad tracks, from County Road 20 to 1.5 miles south.

Mr. Dobberstein stated his concern is that if the zoning is changed to limited industrial it might include buildings at some time and that area is on the approach end of a runway and if buildings were allowed there would be noise problems. He added that in the past these discussions have come up with the Planning Department and they have been reminded that when these issues come up they need to refer to the airport's Master Plan. He stated there is a lot of green space around the airport but it is there for a reason, to buffer the airport. He stated we would need more information on the intended use of the land. If it was for billboards that would not pose the same problem as buildings, but limited industrial zoning allows for both.

Chairman Pawluk stated that even though an area of land may not be off the approach end to a runway it is probably in a traffic pattern for aircraft landing or taking off and he feels it is in the best interest of the airport to keep that land clear. Chairman Pawluk added that limited industrial would allow buildings on that land.

Gen. Macdonald stated he agrees. He stated every airport in the country keeps getting hemmed in and this is part of that process.

Mr. Myers stated he feels the Airport Authority should make a legal protest against the rezoning.

Attorney Stewart suggested that a legal protest go through the City Commission.

Mr. Myers stated he believes that if the City Commission knew the Airport Authority was opposed to this due to its potential adverse affects on the airport they would support our request for a protest.

Received Notice from Fargo Planning Department Regarding Proposed Zoning Change for Property Adjacent to the Airport: (Continued)

Gen. Macdonald stated he is confident that if this is that big an issue it will come before this board again.

After further discussion, Gen. Macdonald moved the Airport Authority officially protest, both in written form and verbally in tomorrow's hearing, the requested change in zoning of the land in question from agricultural to limited industrial.

Second by Mr. Myers.

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

Discussed FAA Capital Improvement Plan (Perimeter Road, Master Plan Update):

Mr. Dobberstein stated the FAA required that we submit our Capital Improvement Plan by yesterday (May 10) so this was forwarded to the FAA Airports District Office in Bismarck.

Mr. Steve Synhorst, Ulteig Engineers, stated we had originally planned to be able to meet with representatives of the FAA Airports District Office so they could review some matters with the board but that did not materialize. He stated the CIP was submitted with the understanding that all items are subject to change should the board make any changes.

Mr. Synhorst stated in our discussions with the FAA/ADO on some proposed projects they asked when the Master Plan was going to be updated and if the proposed projects fit into the Master Plan. He stated that he and Mr. Dobberstein conveyed to them that it was not the board's desire to spend that money on an updated master plan at this time, however, there were some issues relative to the current Master Plan that they pointed out. He stated the current Master Plan calls for the closure of Runway 13/31, but if it is the desire of the board to keep 13/31 we may lose the option of Runway 17L/35R. The FAA has implied they do not intend to fund four runways at this airport.

Mr. Synhorst stated they also addressed the issue of air cargo. He stated they would like to see some study done on the air cargo issue and what will be developing in the future.

Mr. Synhorst stated they have discussed the possibility of two perimeter roads which would eliminate the majority of runway crossings by vehicles. He stated one road would take care of general aviation traffic going from the north to the south end of the airport, the other would handle the traffic going from the north end to the terminal ramp. He stated he and Mr. Dobberstein met with Don Driscoll and they agree these would eliminate the majority of the runway crossings.

Mr. Synhorst stated those two projects are planning for the year 2000. He stated for 2001 we would plan to purchase snow removal equipment (truck plow and sander), and construct Runway 8/26 and Taxiway C Site Preparation. The Runway 8/26 project would call for discretionary funds.

Chairman Pawluk stated initially he was opposed to spending the money on a Master Plan at this time, and he still thinks it is embarrassingly expensive, but he does feel with the growth we have experienced it may be a good idea to update it at this time.

Mr. Dobberstein agreed it is time to update our Master Plan. He stated that our current air cargo area is not specifically shown on the Master Plan but shown as an option along with three alternates.

Gen. Macdonald stated he feels the biggest decision that needs to be made is if we are going to close 13/31 and build the new runway, 17L/35R.

Mr. Dobberstein stated he would also like to see the next step of planning for the air cargo area and how that would be developed for future growth.

Mr. Walstad now present.

Review Municipal Airport Authority Bylaws and Discuss Meeting Dates:

Mr. Dobberstein stated the bylaws needed some updating and changes are made by resolution. He stated the members have been provided with copies and asked for any comments.

Gen. Macdonald stated his question was with Section 1 stating that the Secretary (Executive Director) is an officer.

Chairman Pawluk asked for comments on the meeting dates of the board.

Mr. Walstad stated it has been his feeling since being appointed to the board that one meeting per month would be sufficient.

Chairman Pawluk stated his concern with scheduling only one meeting is the problems we might encounter when we are not able to produce a quorum. He stated it seems when we have had only one meeting a month those meetings are very long. He stated the Planning Commission meets only once a month and their meetings last four hours. He stated he feels one reason this airport is so well run is that the Airport Authority does meet often enough to address issues.

Gen. Macdonald stated he would rather see two meetings scheduled and have only one than schedule just one and run into problems.

Mr. Dobberstein stated he would agree with the timeliness of two meetings when dealing with items such as approval for new buildings.

Mr. Myers stated he feels at times the Airport Authority does more managing than they should.

Chairman Pawluk stated from a personal standpoint he would rather have only one meeting per month but feels it is better for the operation of the airport to have two meetings.

Mr. Myers stated he feels a lot of the issues that come before the board can be handled by the Executive Director himself and if there are some things he is not comfortable with he could call the members.

Mr. Walstad suggested we try going with one meeting per month for a trial period.

Mr. Bromenschenkel suggested the Authority might take into consideration adding to the bylaws a minimum attendance requirement for membership.

Gen. Macdonald suggested using terminology such as "unexcused absences" as there are certainly times when absences are necessary.

Chairman Pawluk stated he would like to see the annual meeting moved to the first meeting in January rather than the second and that the first meetings of the month be considered the primary meeting. He indicated he had no problem with having two meetings per month.

Mr. Walstad stated he would like to at least try one meeting a month for a while.

Mr. Dobberstein stated he has a conflict with the second meeting in June so it was agreed that the board would meet only once in June (second Tuesday).

Chairman Pawluk directed Attorney Stewart to draft the bylaws to include the changes discussed (address the issue of the Secretary/Executive Director being an officer, change the annual meeting to the first meeting in January, require a minimum attendance with limited unexcused absences), for review by the board at the first meeting in July.

Discussed Westside Terminal Carpet Replacement Project:

Mr. Dobberstein stated we have been working with Foss Associates in getting some samples from different manufacturers. He stated we received samples from Shaw and Milliken and we feel the Milliken product is superior and we have found a color and pattern that we like. He stated we have chosen one type of carpet for both the office area and departure lounge, but the tiles in the departure lounge will have a pattern added in order to better hide stains and wear. He added that Milliken does have a recycling process and we hope to get some credit for the old carpet tiles.

Discussed Westside Terminal Carpet Replacement Project: (Continued)

Chairman Pawluk stated he is happy to let the Executive Director make the decision on the particular carpet.

The other members agreed.

Mr. Dobberstein stated Foss Associates will draft the specifications for the carpet and we will receive bids from various Milliken suppliers.

Received Communication from Linda Foyen, Airport Giftshop:

The communication dated May 1, 1999, from Linda Foyen, Airport Giftshop, was received and filed without objection. This communication was a formal request that the Airport Authority terminate the lease three months early, October 1, 1999.

Gen. Macdonald suggested that in our request for proposals we require a minimum amount of inventory. He suggested Mr. Dobberstein check with officials at West Acres and see what they require.

Mr. Dobberstein stated we will also require that the operator take credit cards and the giftshop currently does not and they lose a lot of sales.

Mr. Walstad moved the Executive Director be authorized to advertise a request for proposals for the operation of the giftshop and that the current lease be terminated October 1, 1999, contingent upon the new operator being in place by that date.

Second by Gen. Macdonald.

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

Mr. Dobberstein stated in her letter Mrs. Foyen also eluded to the fact that the new operator would be acquiring her inventory but he does not feel that is something we can require. It was the consensus of that board that assumption of the current inventory would have to be worked out between Mrs. Foyen and the new operator.

Received Update on Airport Construction Projects:

Mr. Steve Synhorst, Ulteig Engineers, was recognized and stated that despite the wet weather Northern Improvement is moving along on the joint seal replacement on the terminal ramp and is making good progress.

Authorized Attendance at the FAA/DBE Briefing, June 22, 1999, Chicago, IL:

Mr. Dobberstein stated the FAA has changed its DBE requirements and the FAA has recommended we attend this briefing.

Gen. Macdonald moved to authorize attendance at the FAA/DBE Briefing in Chicago, IL, June 22, 1999.

Second by Mr. Walstad.

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

Received Notice of Airport Emergency Tabletop Exercise Scheduled for May 26, 1999:

The notice for the Airport Tabletop Exercise to be held Wednesday, May 26, 1999 at 9:00 a.m. in the dining room at the ND Air National Guard Headquarters building, was received and filed without objection.

Mr. Dobberstein stated that this is a requirement of our FAA certification to review our emergency plan with area participants.

The meeting was adjourned until the next regular meeting to be held Tuesday, May 25, 1999, at 9:00 a.m. in the Airport Boardroom.

Time at adjournment was 10:45 a.m.

Regular Meeting

Tuesday

May 25, 1999

The regular meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held Tuesday, May 25, 1999, at 9:00 a.m. in the Airport Boardroom.

The members present or absent were as follows:

Present: Walstad, Myers, Macdonald, Pawluk

Absent: Robertson

Others: Stewart

Chairman Pawluk presiding.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held May 11, 1999:

The minutes of the regular meeting of the Municipal Airport Authority held May 11, 1999, were approved without objection.

Approved the Airport Vouchers Totalling \$13,671.00:

Gen. Macdonald moved to approve the airport vouchers totalling \$13,671.00.

Second by Mr. Myers.

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

Absent and not voting: Robertson

The motion was declared carried.

Approved the Individual Voucher to Carlisle SynTec Corporation:

Mr. Myers moved to approve the individual voucher in the amount of \$325.00 to Carlisle SynTec Corporation for the technical assistance inspection on the Hangar #2 roof.

Second by Mr. Walstad.

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

Absent and not voting: Robertson

The motion was declared carried.

Reviewed Zoning/Land Use Agreement with NDSU for Property Located West of the Airport:

Mr. Dobberstein stated that NDSU had proposed a change in zoning for property west of the airport, south of County 20 between I 29 and the railroad tracks. Mr. Dobberstein stated as discussed at the Authority's meeting on May 11, 1999, it was this board's desire to file a protest with the Planning Commission, as the proposed change to limited industrial allows for uses that are not compatible with the airport, such as hospitals, colleges, daycares, etc. He stated it is our obligation to preserve the runway protection zone.

Reviewed Zoning/Land Use Agreement with NDSU for Property Located West of the Airport:
(Continued)

Mr. Dobberstein stated the primary reason for NDSU's request for the zoning change was to allow billboards. He stated it is our obligation to make certain that no obstructions are placed within the runway clear zone. He stated the advisory is that the property adjacent to this area is subject to height restrictions and FAA concurrence of any proposed construction.

Mr. Dobberstein stated it has been suggested that there is a process which would allow the billboards to go through and that is an airport overlay to allow only the use of billboards but nothing else.

Attorney Stewart explained that what an overlay would do is restrict all uses but one, and in this case it would be billboards. He stated in years to come if they were to request another change it would have to come through the Planning Commission and consequently the Airport Authority would be advised.

Mr. Myers stated he feels the Airport Authority needs to be on permanent record with the Planning Commission that any area around the airport is subject to noise and vibration and it is not going to get any better. He stated they need to be aware that any proposed change in zoning needs to take the airport into consideration. He gave the example of residents in Mesa, AZ who are suing the City of Mesa because they allowed residential development near Williams Gateway Airport, which was once an abandoned military airfield, and they are now developing a cargo operation. He stated this Authority needs to officially communicate with the Planning Commission so we are on permanent record.

Chairman Pawluk stated it is his understanding that there is also some proposed zoning changes in land south of the airport. He stated these changes concern him as well because of safety concerns if buildings are allowed even if they are out of the runway clear zone. He stated until we have completed our master plan update he would not be willing to sign off on any proposed zoning changes.

Gen. Macdonald stated there is no question there will be development around the airport as the city grows, the question is where and what kind. He stated he feels we have three options:

- 1) buy the land, then we will own it and can do as we see fit
- 2) attempt to keep all development out of that area, which will be difficult to do
- 3) come up with some kind of an agreement that will bind NDSU to agree with certain aspects in order for us to remove our objection

Mr. Dobberstein stated it is his understanding that we will come to such an agreement with NDSU for the area west of the airport. He stated the agreement has not yet been drafted.

Attorney Stewart stated the pressure will be there to develop around the airport. He stated we just have to be on top of anything that comes up.

Gen. Macdonald stated we need more development with uses that are compatible with the airport.

Mr. Myers suggested we request the City to respond in writing that they have received the communication from the Airport Authority (letter from Shawn Dobberstein to Fargo Planning & Development dated April 29, 1999).

Gen. Macdonald suggested the Airport Authority have an official resolution on this matter in place by our next meeting, June 8, for presentation to the Planning Commission at their meeting on June 9.

Mr. Dobberstein stated he recommended to Mr. Rayl and Mr. Johnson that before their next meeting with the Planning Commission that they contact a representative from the FAA Airports District Office in Bismarck to revisit the intent and requirements of the existing agreement for the approach ends of 31 and 35.

Reviewed Zoning/Land Use Agreement with NDSU for Property Located West of the Airport:
(Continued)

Chairman Pawluk stated another zoning issue that has been approved by the Planning Commission and is now before the City Commission involves the parcel of land the Authority sold to Dakota Fence (south of County 20, west of Hwy. 81). He stated the Airport Authority did not protest the request for zoning change to this property.

Gen. Macdonald stated that property is not in the clear zone and the proposed use is compatible with airports.

Mr. Myers stated we wrote restrictive covenants into the sales contract so we essentially protested by including those restrictive covenants.

Mr. Dobberstein stated he believes we can enter into an agreement with NDSU that would allow the billboards in certain areas, and at the same time protect the airport's interest by restricting other uses allowed under limited industrial zoning which are not compatible with the airport.

Gen. Macdonald moved the Airport Authority approve the concept of allowing billboards, but restrict any other use, in the area in question and to direct our attorney to bring a proposed agreement before the Airport Authority at the next meeting.

Second by Mr. Walstad

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

Continued Discussion on Hangar #2:

Mr. Dobberstein stated that Carlisle Roofing conducted a review of the roof structure and found that the lightning protection failure did not affect the warranty in any way.

Mr. Dobberstein he communicated with both Mr. Jerome Miller, Inspections, and Mr. Norm Scott, Fire Department, and there is no requirement for lightning protection on buildings in the city's building code. He stated he also communicated with the insurance carrier, ND State Fire & Tornado Fund, asking if lightning protection is required, if you evaluate a building on which a lightning protection system is not installed does your agency take into consideration that issue when you determine the coverage allowable, and does the lack of lightning protection affect the premium amount. He stated the answer to all three questions was "no".

Mr. Mark Gradin, Michael Burns Architects, was recognized and stated he had expected to have an official response from Carlisle on their inspection but he has not received that. He stated he was with the Carlisle representatives on the inspection and there were no membrane punctures to the roof system. He stated the warranty has not been affected.

Mr. Gradin stated at the request of Mr. Myers that we contact an electrical engineer, he stated he contacted Robbins Lightning, which was the company that designed the original layout for the lightning protection system. He stated they also contacted several area electrical engineers and they were either committed to other projects or were not interested. He stated it was at that point that he contacted Mr. Dave Robbins. He stated they discussed several things, one of those was if we reduce the number of lightning rods could we maintain the UL certification, and the answer was "yes." He stated the other question Mr. Myers wanted him to ask was the availability of some type of breakable coupling which would break apart instead of tearing the whole system down. He stated Mr. Robbins's answer to that question was that something like that was unavailable. He stated they also checked with Thompson Lightning in Minneapolis and they mirrored the answers given by Mr. Robbins.

Mr. Myers stated the questions the board directed Mr. Dobberstein to ask should have been asked by the architect. He stated he would have felt good if the architect had recommended the lightning system be removed and not replaced. He stated he would suggest they be removed as there is no requirement for lightning protection and it will not affect our insurance coverage. Mr. Myers stated he sees no need for the lightning protection and suggests abandoning it.

Continued Discussion on Hangar #2: (Continued)

Chairman Pawluk asked if the Guard wants lightning protection on the building.

Mr. Dobberstein stated we have not asked them that. He stated when the Guard did the roof project a few years ago they put the lightning protection back on because it was there before.

Gen. Macdonald stated according to our insurance carrier we do not need lightning protection, and if we don't need it but want to put lightning protection back up there, the fact that it is not UL approved is of no consequence.

Mr. Steve Synhorst, Ulteig Engineers, stated the Guard ran into some trouble in a recent inspection because they did not have lightning protection on some of their buildings.

Mr. Myers suggested we leave the remaining rows of rods on the roof as there would be no reason to remove them. He stated Carlisle inspected the roof and reported that the roof is in tact.

Mr. Gradin stated it is his feeling that if the remaining rows are left in tact they should not be subject to the snow slide that caused the initial problems.

Mr. Myers moved the Executive Director be authorized to work with whatever company he deems fit to get the three rows of lightning arresters repaired and that the system be adequately grounded.

Second by Gen. Macdonald.

Gen. Macdonald suggested Mr. Dobberstein also discuss the matter with the Guard.

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

Received and Filed Communication from Business Systems Aviation:

The communication from Business Systems Aviation (Steve Schlangen) dated May 12, 1999, was received and filed without objection. The letter advised that Business Systems Aviation sold its airplane. He indicated the aircraft is now owned by one of Fargo Jet Center's holding companies and they are attempting to put a lease in place which would give them continue use of that aircraft for charter operations.

Received Communication from Team Systems Regarding Their Sign Placement on the Vic's Aircraft Sales Hangar:

The communication from Team Systems dated May 20, 1999, was received and filed without objection.

Mr. Rod Frenow, Team Systems, is requesting permission to place an exterior sign on Victor Gelking's hangar, in which Team Systems leases office space. The sign will be placed above the east window on the siding and will be 18" x 96".

After further discussion there were no objections made to the placement of the proposed sign.

Reviewed Proposals to Replace a Portion of the Westside Terminal Metal Siding:

Mr. Dobberstein stated that some of the damaged metal siding panels on the terminal need to be replaced and we have been working on getting estimates on replacement. He stated we received an estimate from Retro Building Systems, which is the company that installed the original siding. He stated that Dakota Door Services, Inc. provided us with the lowest bid of \$9,155.00.

Mr. Dobberstein stated the factory that manufactures the siding has a minimum order of 60 sheets. He stated that we were not able to match the existing type of siding exactly. He also stated that with the fading of the original color of the building we are going to try to match that as closely as possible.

Mr. Myers suggested checking into customs crates for the shipping process to prevent any damage in shipping.

Reviewed Proposals to Replace a Portion of the Westside Terminal Metal Siding:
(Continued)

Mr. Walstad moved to approve the proposal from Dakota Door Services and that Mr. Dobberstein proceed with the project.

Second by Gen. Macdonald.

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

Absent and not voting: Robertson

The motion was declared carried.

Reviewed Proposals to Paint the Exterior Stucco Areas of the Westside Terminal:

This item was deferred until we receive further information from Foss Associates.

Received Communication from Western Protection:

The communication from Western Protection dated May 18, 1999, was received and filed without objection.

Mr. Myers authorized the Executive Director to negotiate a satisfactory agreement with Western Protection.

Second by Gen. Macdonald.

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

Chairman Pawluk recommended that any hourly increase go directly to the guards rather than administration.

Mr. Myers also suggested that he would be willing to give a larger increase if the guards would spend some of their time with some simple tasks such as picking up any litter in front of the building.

Received Communication from Ulteig Engineers Regarding Cass County Drain #10 Flood Control Structure:

Mr. Dobberstein stated that Mr. Steve Synhorst, Ulteig Engineers, has provided us with an update on the financial aspect of the Drain #10 Flood Control Structure Project.

Mr. Dobberstein stated we committed to pick up the 15% local share of this project which as of now amounts to \$62,979.32. Mr. Dobberstein stated that Mr. Synhorst is recommending that rather than wait and attempt to recoup these funds through a PFC that we apply some of our entitlement funds for this project and then recapture the remaining 10% at some time in the future through a PFC. He stated we are still unsure about the remainder of our entitlement funds for 1999 and we are running out of construction time for other projects.

Mr. Synhorst stated this project has been identified on the Capital Improvement Plan. He added that this project is almost complete.

Received Update on Airport Construction Projects:

Mr. Steve Synhorst, Ulteig Engineers, stated the terminal ramp rehabilitation project should be done by Thursday. He stated this project has been ahead of schedule. He stated the next item to be completed is the concrete work in the southeast general aviation area near Vic's Aircraft Sales.

Other Business:

Gen. Macdonald asked for an update on the status of Hangars 3 and 4.

Mr. Dobberstein stated he was contacted by Dr. Hamilton's attorney, Mr. Pat Weir, regarding the status of the matter. He stated that Mr. Bill Cowman, Foss Associates, also had a conversation with Dr. Hamilton regarding some of the structural matters with the hangars.

Attorney Stewart stated he also talked to Mr. Weir and he indicated he was going to sit down with Dr. Hamilton and develop a counter proposal.

Gen. Macdonald stated was it not the intention of the Airport Authority to agree to modified or limited improvements to Hangar #3 if Dr. Hamilton agrees to vacate Hangar #4 in order for us to tear it down.

Mr. Dobberstein stated he has heard that suggested but it is nothing on which the Airport Authority has taken official action.

Attorney Stewart stated the Airport Authority has made a proposal to Dr. Hamilton and the next step is for Dr. Hamilton to offer a counter proposal.

Chairman Pawluk stated it his position that he would not want the old hangars torn down but if it is not feasible that they be repaired then they need to be demolished.

Mr. Myers stated this board does recognize the contribution the Hamiltons have made to aviation and aviation related businesses, but from a point of sheer economics the income from those hangars does not support spending that kind of money on rehabilitation.

The regular meeting of the Municipal Airport Authority was adjourned until the next regular meeting to be held Tuesday, June 8, 1999, 9:00 a.m. in the Airport Boardroom, and will be the only meeting in the month of June.

Time at adjournment was 10:17 a.m.

Regular Meeting

Tuesday

June 8, 1999

The regular meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held Tuesday, June 8, 1999, at 9:00 a.m. in the Airport Boardroom.

The members present or absent were as follows:

Present: Walstad, Myers, Macdonald and Pawluk

Absent: Robertson

Others: Stacey Aasland, Leo Eldred

Chairman Pawluk presiding.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held May 25, 1999:

The minutes of the regular meeting of the Municipal Airport Authority held May 25, 1999, were approved without objection.

Approved the Airport Vouchers Totalling \$9,768.18:

Gen. Macdonald moved to approve the airport vouchers totalling \$9,768.18.

Second by Mr. Walstad.

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

Absent and not voting: Robertson

The motion was declared carried.

Approved the Individual Voucher to Flint Communications:

Gen. Macdonald moved to approve the individual voucher in the amount of \$36.63 to Flint Communications for partial payment request for Phase I of the Fly Fargo Marketing Campaign.

Second by Mr. Walstad.

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

Absent and not voting: Robertson

The motion was declared carried.

Approved the Individual Voucher to FMC Jetway:

Gen. Macdonald moved to approve the individual voucher in the amount of \$62,400.60 to FMC Jetway for partial payment request #1 for the passenger boarding bridge.

Second by Mr. Walstad.

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

Absent and not voting: Robertson

The motion was declared carried.

Approved the Individual Voucher to Northern Improvement Company:

Gen. Macdonald moved to approve the individual voucher in the amount of \$91,918.62 to Northern Improvement Company for Partial Payment Request #2 for construction of AIP Project No. 3 38 0017 22, for the Rehabilitation of Westside Terminal Apron, Southeast GA Apron, B 3 Taxiway, and Storm Sewer Rehabilitation.

Second by Mr. Walstad.

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

Absent and not voting: Robertson

The motion was declared carried.

Approved the Individual Voucher to Foss Associates:

Gen. Macdonald moved to approve the individual voucher in the amount of \$2,352.25 to Foss Associates for Partial Payment Request for professional services in connection with the passenger boarding bridge.

Second by Mr. Walstad.

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

Absent and not voting: Robertson

The motion was declared carried.

Approved the Individual Voucher to Foss Associates:

Gen. Macdonald moved to approve the individual voucher in the amount of \$680.43 to Foss Associates for Partial Payment Request for professional services in connection with the replacement of carpet, Westside Terminal.

Second by Mr. Walstad.

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

Absent and not voting: Robertson

The motion was declared carried.

Approved Payment of Individual Vouchers to Herzog Roofing and Michael J. Burns Architects:

Payment requests from Herzog Roofing (\$812.50) and Michael J. Burns Architects (\$920.23, \$629.21, and \$715.00) in connection with the Hangar #2 lightning protection system were received.

Gen. Macdonald moved the Authority approve the payment of these requests, subject to final negotiations and approval by Mr. Dobberstein.

Second by Mr. Myers.

Gen. Macdonald asked Mr. Dobberstein for an update on the lightning system.

Mr. Dobberstein stated at the last meeting the board authorized him to obtain firm proposals to remove the lightning protection from the building, except for the top three rows. Mr. Mark Gradin, Michael J. Burns Architects, in a letter dated June 4, 1999 to Herzog Roofing, requested a price on the removal.

Mr. Dobberstein indicated the NDANG has expressed no concern in the removal of all but the three rows of lightning protection. He stated he is waiting for final word from Mr. Ron Solberg.

Chairman Pawluk called for a vote on the motion.

Members Walstad, Myers, Macdonald and Pawluk voted aye.

Absent and not voting: Robertson

The motion was declared carried.

Received Communication from Hansen Lease & Rental (Hertz):

The communication from Steve Hansen, President, Hansen Lease & Rental, dated May 28, 1999, was received and filed without objection.

Mr. Dobberstein stated the board directed him to communicate with the car rental agency owners and solicit their opinions on a car rental vehicle service facility on the west side of the airport. Mr. Dobberstein stated the only written response he has received has been from Hertz. He stated Budget has verbally indicated some interest in such a facility.

Mr. Dobberstein stated he has talked to the owners of both National and Avis and they have indicated verbally that they would not be interested in a condo facility.

Mr. Dobberstein stated he did request their responses in writing prior to our July 13 meeting.

Mr. Myers stated he feels it is important that the facility be built and maintained by the Airport Authority and that we lease the facility at a fair rate. He stated he feels the current situation in the southeast area is a mess and he does not know why we would want to risk that happening again. He stated he wants to see a nice neat area for these facilities.

Chairman Pawluk stated he feels the facility should be built prior to the expiration of the leases in 2001 and possible change of tenants at that time.

Mr. Myers stated he agrees that it should be built now with the capability of expansion in the future.

Gen. Macdonald stated he agrees with Mr. Myers.

Chairman Pawluk stated he has been asked why the Airport Authority cares where the car rental agencies do their service work.

Gen. Macdonald stated in his opinion we do not care, as long as it is not a bunch of junk on our property.

Mr. Myers stated another reason for relocating them to the west side is to cut down on traffic and excessive speeds by the car rental employees.

Gen. Macdonald suggested we wait for further discussion on the matter until we receive their written responses at the next meeting.

Received Proposals for the Purchase of the Airport Owned House:

Mr. Dobberstein stated we advertised for proposals on the former Heller farmhouse. He stated we received many inquiries but no one submitted a proposal. He stated another option we will pursue is to check with the Habitat for Humanity organization and see if the house would be of any value to them. He stated if no one is interested the Fire Department or NDANG will use it for tactical practice.

Authorized Attendance at the AAAE Airport Safety Operations School, July 11 14, 1999, Chicago, IL:

Mr. Dobberstein stated that Mr. Henry Swedberg, Airport Operations Supervisor/Airfield, has indicated an interest in attending this seminar.

Mr. Myers moved to authorize attendance at the AAAE Airport Safety Operations School.

Second by Mr. Walstad.

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

Absent and not voting: Robertson

The motion was declared carried.

Received Update on Airport Construction Projects:

Mr. Steve Synhorst, Ulteig Engineers, was recognized and stated the contractor has completed the rehabilitation of the terminal ramp. He stated they have now moved to Taxiway B 3 and will start breaking up the pavement today. He stated we will be starting up the County Drain #10 flood control structure pumps tomorrow morning, both the electric and power take off.

Mr. Dobberstein stated Phase B of our 1999 entitlement funds amounts to \$179,501 and he would like authorization to negotiate a change order with Northern Improvement for consideration of additional asphalt work, of which we can appropriate part of that Phase B entitlement to cover those costs. He stated the area we would consider is the portion between Runway 35 and Taxiway D, which was not done in 1996 due to lack of funds. He stated this would be a \$25,000 \$30,000 project. He stated we would also add some drainage work along Taxiway A, south of Runway 13/31. He stated the final item in the change order would be to utilize our entitlement funds to pick up the local share of the flood control structure.

Gen. Macdonald authorized the Executive Director to negotiate a change order to AIP Project 3 38 0017 22 not to exceed \$179,501.

Second by Mr. Myers.

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

Absent and not voting: Robertson

The motion was declared carried.

Received Update From Flint Communications:

Ms. Christy Mclachlan, Flint Communications, was recognized and distributed a budget update for the Fly Fargo Campaign. She stated she talked to the people at Denver International and they have approved the layouts submitted to them. She stated one item that has been changed is that the radio spots do not have to say "paid in part by the Denver International Airport."

Mr. Dobberstein explained that marketing representatives from the Denver International Airport are offering, at no cost, for them to come to Fargo to promote travel packages to Denver at various Chamber and travel promotion functions.

Chairman Pawluk stated in his past experience with advertising agencies the cost for advertising has been on a net basis. He stated it is his understanding that Flint Communications has been receiving a 15% commission from the different media outlets in addition to the fees the airport is paying for production, etc. He asked Ms. Mclachlan if that was true.

Ms. Mclachlan stated that is the case with some of them but some of the charges have been net. She stated she does not have all of the details on that but she could get more information on that.

Chairman Pawluk stated the fact that this was not disclosed to us when we entered into a contract with Flint left him with the impression that everything was on a net basis. He stated if the Airport Authority is being charged for all of Flint's time and out of pocket costs he does not know that it is appropriate for them to be taking a commission from the media as well.

Mr. Myers stated we are not criticizing Flint but we have hired them as the advertising experts and they are entitled to make a profit but this may be over and above what we thought we were buying.

Mr. Myers moved the Airport Authority authorize Flint Communications to proceed with the media campaign for approximately \$41,000.

Second by Mr. Walstad.

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

Absent and not voting: Robertson

The motion was declared carried.

Considered Request from FM Soccer to Place Soccer Complex Sign on Airport Property:

Mr. Brad Wimmer, FM Soccer, was recognized and stated they are requesting permission to place a sign for the FM Soccer Complex on airport property. He stated they are proposing to place the sign west of Joe Parmer Drive and north of Highway 81. He stated this would be signage to recognize our donors as well as give direction to the soccer complex. The sign would be about 15' to 25' tall. He stated they would like approval of the concept and then come back to the board with specifics.

Gen. Macdonald stated that area is an entrance to the airport and he does not have a problem with a directional sign pointing out the complex but he would be against having an advertising sign showing donors. He stated he is against advertising signs and if this were approved we would also get requests from others wanting signs on the airport property.

Chairman Pawluk stated he had not thought of it that way.

Mr. Dobberstein stated a precedence in this matter has been set. He stated when the Westside Terminal opened, Northwest Airlines requested permission to place a billboard along the access road and the board did not want advertising signs along the access road.

Mr. Myers stated Gen. Macdonald has a good point. He stated he also remembers the Northwest Airlines billboard request being a heated issue. He recommended the soccer people consider a directional sign and then have the donor sign at the complex.

Gen. Macdonald stated he thinks it is a great idea for the soccer complex to recognize their donors, but placing the sign in such a busy traffic area is not going to allow the people to read all of the names.

Chairman Pawluk asked Mr. Wimmer to come up with another proposal and bring it back before the board.

Mr. Myers stated he feels Mr. Dobberstein has an understanding of the board's feeling on this issue and he can meet with the soccer people and bring his recommendation back to the board.

Received Minutes from Airport Tabletop Emergency Exercise Review:

Mr. Dobberstein stated the airport emergency tabletop exercise was held May 26, 1999, and it is standard procedure to receive the minutes from this exercise.

The minutes from the Hector International Airport Tabletop Exercise held May 26, 1999, were received and filed without objection.

Received Notice from the Fargo Planning Department Regarding Proposed Zoning Change for Property Adjacent to the Property:

Mr. Dobberstein stated this request for a zoning change is from Mr. Lloyd Thompson and Mr. Monte Jerstad, who operate out of the Border States Paving facility north of County 20, just west of Runway 17/35. He stated they are requesting some of the lots be rezoned from agricultural to light industrial. He stated our concern would be that our noise contours go through the property in question. After conversations with Mr. Jerstad, Attorney Stewart has indicated they will agree to restrictive covenants recognizing the existence of the airport and agree not to complain about the airport. He stated what they are proposing to do with these four lots is compatible with the airport, but they need to be put on notice that if they plan on having an office in the warehouse they cannot complain about noise.

Gen. Macdonald stated he has no objection as long as the covenant exists.

Mr. Dobberstein stated Cindy Gray from the Fargo Planning Department is here today and can answer any questions.

Ms. Gray was recognized and stated her reason for being here today was to see if the Authority has discussed the conditional overlay. She stated they intend to go

Received Notice from the Fargo Planning Department Regarding Proposed Zoning Change for Property Adjacent to the Property: (Continued)

back and work on some kind of an overlay for specific uses around the airport.

Mr. Myers stated he appeared before the Planning Commission recently on the matter of the zoning change to the land west of the airport. He asked if the Airport Authority can go on public record stating simply that the airport is here, we produce noise and vibrations and it will only increase.

Ms. Gray stated the airport is already on record with all of those points. She stated more important than that are things like conditional overlays, zoning, covenants, etc., so we can make sure the types of uses are compatible with the airport.

Mr. Myers stated he thought the conditional overlay was a good move on the Planning Department's part.

Mr. Dobberstein stated that vibration was not included in this covenant but it would be added.

Chairman Pawluk suggested that we also need to include pollution and exhaust in the list of hazards.

After further discussion, Chairman Pawluk stated the fact is, the airport is here, it will continue to be here, and we will continue to vigorously defend and protect the area around the airport.

In answer to a question about use of the land in questions, Mr. Dobberstein stated Mr. Thompson and Mr. Jerstad plan to use the land for a warehouse, garage/shop and office area.

Mr. Myers moved the Airport Authority approve the agreement with the change adding vibration to the hazards.

Second by Gen. Macdonald.

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

Adopted Resolution Requesting Northwest Airlines Extend the Fly North Dakota Fare Program Until October 1, 1999:

Gen. Macdonald offered the following resolution and moved its adoption:

WHEREAS, The Municipal Airport Authority of the City of Fargo, North Dakota, has participated in joint effort with other airports in the state of North Dakota along with Northwest Airlines to increase air travel from passengers in North Dakota through the Fly North Dakota Program, and

WHEREAS, The Municipal Airport Authority of the City of Fargo, North Dakota, has found this program to be beneficial to all parties (passengers, airports and Northwest Airlines).

NOW, THEREFORE, BE IT RESOLVED, that the Municipal Airport Authority of the City of Fargo, North Dakota, does hereby join the North Dakota Aeronautics Commission in requesting that Northwest Airlines extend the Fly North Dakota fare program until October 1, 1999.

BE IT FURTHER RESOLVED, That this resolution be inscribed upon the permanent minutes of the Municipal Airport Authority of the City of Fargo, North Dakota, and that copies be forwarded to Northwest Airlines and the North Dakota Aeronautics Commission.

Second by Mr. Walstad.

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

Received Update from the Fargo Air Museum Committee:

Gen. Darrol Schroeder, Fargo Air Museum Committee, was recognized and introduced other members of the committee: Doug Anderson, David Kack, Bob Odegaard, Jake Gust and Jim Stockeland.

Gen. Schroeder stated they are here today to propose the concept of a museum on the airport in the southeast corner of the airport and get permission to begin construction on Phase I. He stated the Museum Committee has received their 501C3 tax exempt status. He stated Lightowler Johnson is the architect on the project and Mr. Chad Peterson and Mr. Frank Kratky are here today to answer any technical questions.

Gen. Schroeder stated they are requesting a 20 year lease with five year reviews and renewals. He stated the leaseholder will be the Fargo Air Museum Committee. He stated site work can begin when all of the codes are met. He stated they are proposing either grey or white for the color of the building and are proposing that the structure be enclosed by November.

Gen. Schroeder stated the Phase I building will be 150' x 150' and they already have the following aircraft committed: DC 3, P51, Corsair, TBM, T 6, B25, BT13, which could vary. He stated they are also planning to have a giftshop and some type of a food facility.

Gen. Schroeder stated the Committee would like to bring building plans before the Authority for approval once bids are in, and also an update of any changes.

After further discussion, Gen. Macdonald moved the Airport Authority approve the lease to the Fargo Air Museum the 300' x 400' area in the southeast corner of the airport for a period of 20 years with an indefinite renewal term as long as it remains a museum, at a lease rate of \$1 per year and that rate subject to adjustment after the twenty year period and each five year anniversary, and subject to approval of construction requirements.

Second by Mr. Myers.

Chairman Pawluk stated he would like it on record that if the museum should become successful that they be required to pay the same rate of ground rent as the other tenants in that area.

Mr. Myers suggested the Museum Committee visit with the City regarding any potential snow problems on 19th Avenue North.

Mr. Dobberstein stated that the legal description will be amended to include the second phase area as well as the first building, all parking area and green space.

Chairman Pawluk commended the Fargo Air Museum Committee on their efforts and the work they have done.

Chairman Pawluk called for a vote on the motion.

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

Other Business:

Mr. Dobberstein stated that congratulations are in order for Darren and Sheri Anderson on the birth of their daughter, Kaitlyn, on June 5.

The meeting of the Municipal Airport Authority was adjourned until the next meeting to be held Tuesday, July 13, 1999, at 9:00 a.m. in the Airport Boardroom.

Time at adjournment was 10:45 a.m.

Regular Meeting

Tuesday

July 13, 1999

The regular meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held Tuesday, July 13, 1999, at 9:00 a.m. in the Airport Boardroom.

The members present or absent were as follows:

Present: Walstad, Myers, Pawluk

Absent: Robertson, Macdonald

Others: Stewart, Eldred

Chairman Pawluk presiding.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held June 8, 1999:

The minutes of the regular meeting of the Municipal Airport Authority held June 8, 1999, were approved without objection.

Approved the Airport Vouchers Totalling \$48,126.42:

Mr. Walstad moved to approve the airport vouchers in the amount of \$48,126.42.

Second by Mr. Myers.

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

Absent and not voting: Robertson, Macdonald

The motion was declared carried.

Mr. Myers asked if we are getting a portion of the parking ticket revenue from the City.

Mr. Dobberstein stated we have made that request at least two times and the Finance Committee has denied the request.

Mr. Myers stated if they do not want to give us a portion of the revenue then they should at least participate in the cost of the security service.

Approved the Individual Voucher to Northern Improvement Company:

Mr. Myers moved to approve the individual voucher in the amount of \$366,686.42 to Northern Improvement Company for partial payment request #3 for construction of AIP Project No. 3 38 0017 22, Rehabilitation of Westside Terminal Apron, Southeast GA Apron, B 3 Taxiway, Storm Sewer Rehabilitation.

Second by Mr. Walstad.

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

Absent and not voting: Robertson, 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 \$9,515.40 to Ulteig Engineers, Inc. for partial payment request for engineering services in connection with AIP Project No. 3 38 0017 22, Rehabilitation of Westside Terminal Apron, Southeast GA Apron, B 3 Taxiway, Storm Sewer Rehabilitation.

Second by Mr. Walstad.

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

Absent and not voting: Robertson, 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 \$1,785.00 to Ulteig Engineers, Inc. for partial payment request for engineering services in connection with the Cass County Drain #10 Environmental Study for the Expansion of Runway 8/26.

Second by Mr. Walstad.

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

Absent and not voting: Robertson, 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 \$13,645.84 to Ulteig Engineers, Inc., for partial payment request for engineering services in connection with AIP Project No. 3 38 0017 22, Rehabilitation of Westside Terminal Apron, Southeast GA Apron, B 3 Taxiway, Storm Sewer Rehabilitation.

Second by Mr. Walstad.

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

Absent and not voting: Robertson, 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 \$388.92 to Ulteig Engineers, Inc. for engineering services in connection with the GIS portion of AIP Project No. 3 38 0017 22.

Second by Mr. Walstad.

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

Absent and not voting: Robertson, Macdonald

The motion was declared carried.

Approved the Individual Voucher to Michael J. Burns Architects:

Mr. Myers moved to approve the individual voucher in the amount of \$148.75 to Michael J. Burns Architects for partial payment request for professional services in connection with the Hangar #2 lightning system.

Second by Mr. Walstad.

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

Absent and not voting: Robertson, Macdonald

The motion was declared carried.

Reviewed July 4, 1999 Storm Damage:

Mr. Dobberstein reviewed the storm damage to various areas of the airport property and buildings.

Maintenance Shop:

Sustained some minor roof damage. Dalsin Roofing is preparing a quotation.

Westside Terminal and Surrounding Area

Rock and rolled roofing was blown back. Dalsin Roofing has estimate for repairs. Approximately 12 windows were broken and Dakota Plate Glass will be repairing those.

Mr. Myers stated he would like to have Patrick DeLapointe, Foss Associates, and specifically look at the flashings on the roof. He also suggested looking at the size of the rock on the roof and changing to larger rock if the smaller rock was the reason the windows were broken.

There are about 12 trees along the access road and near the building that were destroyed. Mr. Dobberstein stated he has talked with the Forestry Department about these. He stated we will buy the trees and Forestry will provide the labor.

Approximately 12 light poles were damaged and Border States Electric has provided us with an estimate of about \$5,000 for parts. He stated we will be applying to FEMA for assistance with this loss.

Airfield

Mr. Dobberstein stated there was minimal damage to the airfield signage and lighting and those repairs have been made.

Hangar #4

Mr. Dobberstein stated the back wall of the hangar blew down and in and a number of aircraft in the hangar were damaged. He stated we will wait for word from the insurance carrier and the structural engineer the State has retained.

Hangar #8 (Block Building)

There was some flashing damage and a ramp side window that was broken. Dalsin Roofing has been directed to proceed with the roof repairs. Dakota Plate Glass will replace the window.

Hangar #3

Hangar #3 was empty during the storm due to ramp construction in the area. The roof lost a lot of shingles. It is uncertain what the insurance carrier will say about that hangar but comments from people in the area during the storm said they saw the roof flexing.

Administrative Portion of Hangar #3

The air conditioning unit on this building was tipped from its pedestal and repairs have been made.

Eastside Terminal

The new roofing system on this building withstood the storm well. There were two or three air conditioning units damaged but those have been repaired. A panel blew off one of the air conditioning units and broke a window on the second floor. A window from the tower cab blew out and has been secured with plywood.

Reviewed July 4, 1999 Storm Damage: (Continued)

Hangar 9 (Cargo Hangar)

One hangar door latch broke and was repaired.

Hangar #2

This hangar received major structural damage. A good share of the roof and hangar doors were damaged. Mr. Dobberstein stated we will await the final report from the insurance company as to our options. We need to determine what would be in our best interest, demolish the structure, will the insurance carrier participate in repairing the structure? He stated the dilemma the insurance company is experiencing is the timing of this storm as it is during the busiest season for the contractors. If the decision is made to repair the building but we are not able to find a contractor to do the work the insurance company does not know that the building could survive the winter. The insurance department has authorized Herzog Roofing to secure the hangar. They have been directed to sever the large piece that has flipped over and prepare it for demolition. Mr. Dobberstein stated he plans to have a meeting with the insurance carrier and representatives of the NDANG to decide what will be in our best interest. He added that the personnel located in Hangar #2 have been relocated to the Eastside Terminal.

Mr. Ron Solberg, Base Engineer, was recognized and stated they will await word from the insurance carrier and make a decision at that time.

Mr. Myers suggested the Airport Authority formally ask the NDANG to give us some information as to the direction they plan to take on Hangar #2. They should include information on how important that building is to their operation.

Perimeter Fence

Some of the eight foot chain link perimeter fence was damaged and Dakota Fence will make those repairs and maintain our security.

Chairman Pawluk stated he would like to commend Mr. Dobberstein and the airport staff on the excellent job they did in handling this situation. He stated it took a lot of energy and coordination.

Received Communication from ND Aeronautics Commission:

The communication from the ND Aeronautics Commission dated June 29, 1999, was received and filed without objection.

Mr. Dobberstein stated we have received official notification from the ND Aeronautics Commission on the state aid granted to Fargo at their meeting on June 29, 1999.

Mr. Dobberstein stated we were eligible for and applied for \$753,651 but the State had only \$425,000 to distribute.

Received City Special Assessment Notice:

The notice from the City of Fargo dated 6/18/99 was received and filed without objection.

Mr. Dobberstein stated this notice is for the extension of water and sewer from the Armed Forces Reserve Center area over to the business park north of County Road 20.

Chairman Pawluk asked how that will benefit the airport property.

Received City Special Assessment Notice: (Continued)

Mr. Dobberstein stated now water and sewer is on the west side of County Drain 10 and will be closer when we get along further in the development of the Airport Industrial Park.

Chairman Pawluk asked if the Airport Authority is being asked to pay a disproportionate share of the cost.

Mr. Dobberstein stated he does not feel that is necessarily true because if we extended the utilities we would bear the entire cost.

Mr. Synhorst, Ulteig Engineers, was recognized and stated the line had to go under County Drain #10 and he did not feel it was a disproportionate share. He stated he could provide Mr. Dobberstein with some cost figures.

After further discussion Mr. Dobberstein was directed to call the Special Assessment Office for further explanation.

Received and Filed Second Quarter 1999 PFC Report:

The PFC Report for the second quarter of 1999 was received and filed without objection.

Received Communications from Smith, Dawson & Andrews, and the Air Carrier Association of America:

The communications from Smith, Dawson & Andrews, and the Air Carrier Association of America, were received and filed without objection.

Mr. Dobberstein stated he attended a meeting at the AAAE Conference with Smith, Dawson & Andrews. He stated the Airport Director in Eugene, OR, contacted these people regarding organizing a coalition of small and medium sized airports in the United States into a group called the Airport Competition Caucus to address a number of issues. He stated the Air Carrier Association of America is also an organization that solicits airport support for their lobbying efforts in Washington.

Mr. Dobberstein stated it is his opinion that the AAAE serves our interest well and this information has been passed on to the ND Aeronautics Commission.

Mr. Myers stated he agrees with Mr. Dobberstein. He added that we also have a good rapport with our congressional delegation.

After further discussion, it was the consensus that the Airport Authority decline participation with either entities.

Approved One Year Listing Extension with Goldmark Commercial Corporation for Airport First Addition Property:

Mr. Dobberstein stated Goldmark Commercial Corporation has represented the Airport Authority on the remaining property in the Airport First Addition for two years. He stated our current agreement with Goldmark ended on June 30, 1999. He stated he would recommend the Airport Authority authorize the extension of this agreement one more year through June 30, 2000.

Mr. Walstad moved to approve the one year listing extension with Goldmark Commercial Corporation.

Second by Mr. Myers.

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

After discussion on the price of the land, Mr. Myers stated he feels there is no priority to lower the price of the land. He stated it is not costing anything for us to keep it.

Chairman Pawluk stated he agrees with Mr. Myers and feels no pressure to sell the land.

Approved One Year Listing Extension with Goldmark Commercial Corporation for Airport First Addition Property: (Continued)

Chairman Pawluk called for a vote on the motion, members Walstad, Myers and Pawluk voted aye.

Absent and not voting: Robertson, Macdonald

The motion was declared carried.

Approved One Year Extension to Existing Lease and Operating Agreement with Northwest Airlines and Atlantic Coast Airlines:

Mr. Myers moved to approve a one year extension to the existing lease and operating agreements with Northwest Airlines and Atlantic Coast Airlines.

Second by Mr. Walstad.

Mr. Dobberstein explained that the Airport Authority appointed him to a subcommittee along with Gen. Macdonald, Mr. Myers and Attorney Stewart, to work with the airlines on their lease and operating agreements, which expire 12 31 99. He stated they discussed the matter and the airlines have agreed to extend their existing lease and operating agreements one year. He added that we are still in the discovery stage with Northwest's Fly North Dakota Program and United's new service and extending this one year will give us a track record to review before entering into new agreements.

Chairman Pawluk called for a vote on the motion, members Walstad, Myers and Pawluk voted aye and the motion was declared carried.

Reviewed Fargo Jet Center Request to Plan Trees Adjacent to Their Facility and Access Road and Receive Communication from the Fargo City Forester Regarding The Plan:

Chairman Pawluk stated he would be comfortable with whatever meets the approval of the Executive Director.

Mr. Walstad moved Mr. Dobberstein be authorized to work with Fargo Jet Center on their plan for tree planting at their facility.

Second by Mr. Myers.

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

Received Update on Airport Construction Projects:

Mr. Steve Synhorst, Ulteig Engineers, was recognized and stated Northern Improvement is 71% done with the entire project. He stated next week they plan on getting started with the south general aviation commercial apron. He stated after the apron is done the only work left will be partial depth repairs. He added that we will be extending the quantities as a result of the change order approved for the second portion of AIP funding that was released.

Approved 2000 Operations and Maintenance Budget:

Mr. Dobberstein distributed a breakdown of anticipated revenues and expenses for the operations and maintenance budget for calendar year 2000. Mr. Dobberstein stated although the budget is determined and approved by the Airport Authority he has reviewed the proposed budget with Mayor Furness.

Mr. Myers moved to approve the Operations and Maintenance Budget for 2000, as proposed by Mr. Dobberstein.

Second by Mr. Walstad.

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

Absent and not voting: Robertson, Macdonald

The motion was declared carried.

Certified to the Board of City Commissioners a Two Mill Levy for Airport Improvements for 2000, as Per Section 2 06 14 of the North Dakota Century Code:

Mr. Myers asked Mr. Dobberstein if we need a two mill levy next year.

Mr. Dobberstein stated he feels it is important for us to continue to pool construction funds as we will need a substantial amount of cash reserves available for the ultimate replacement of Runway 17/35, which will be a project in excess of \$7 million and will be done in the next few years.

Mr. Walstad moved to certify to the Board of City Commissioners a two mill levy for airport improvements for 2000, as per Section 2 06 14 of the North Dakota Century Code.

Second by Mr. Myers.

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

Absent and not voting: Robertson, Macdonald

The motion was declared carried.

Adopted Resolution of Sympathy to the Family of Mernon "Gale" Swan:

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

WHEREAS, it is with profound sorrow that the Municipal Airport Authority of the City of Fargo, North Dakota, learned of the passing of recently retired employee of Hector Airport, Mr. Mernon Gale Swan, and

WHEREAS, Mr. Gale Swan began his employment with Hector Airport in 1966 and served Hector Airport in a very conscientious and dedicated manner until his illness in August 1998 and retirement January 1999, and

WHEREAS, During his over 32 years of employment at the airport Gale made many friends who will greatly miss him.

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 Mernon Gale Swan.

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 Mernon Gale Swan.

Second by Mr. Myers.

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

Other Business:

Chairman Pawluk stated at the last meeting we had a presentation by Flint Communications at which time they were asked about the advertising budget and commissions Flint receives from various media sources.

Mr. Dobberstein stated he has talked briefly with Mr. Roger Reiersen and he indicated he would call Mr. Pawluk.

Chairman Pawluk stated he did received a message from Mr. Reiersen to call him on a certain day but he was not able to get back to him. He stated he feels this is something we should look into as he does not feel the airport's interest are being served appropriately. He stated if we found out our engineer was getting a commission from a contractor we would think that was inappropriate.

Mr. Walstad stated he thinks this is something that is common in the advertising business.

Chairman Pawluk stated he does not feel commissions are paid when the customer is paying creative costs to the advertising agency.

Mr. Myers stated he agrees Flint is not telling us the whole truth.

Mr. Dobberstein state he would contact Mr. Reiersen again and have further information for the next meeting.

Other Business: (Continued)

Mr. Myers stated he would like Mr. Dobberstein to prepare information for the board members on the salaries of airport directors at other airports similar to the size and scope of operation of Hector International Airport. He stated Mr. Dobberstein is doing an excellent job as Airport Director and we do not want to lose him. He stated we want to make sure the pay structure for this position is in line with that of a comparable airport facility. Mr. Myers stated the Airport Authority is an autonomous body and has the ability to point out to the City Commission that the salary for this position is not comparable to other airports this size and also that the salaries for airport staff are paid by user fees, not tax dollars, which is different than any other sector of the City.

Mr. Dobberstein stated the City Commission recently hired Fox Lawson to do a market analysis of all of the positions within the City. He stated the City Commission directed Human Resources to also do a market analysis of other cities in the region. He stated this study did not include salary information for airport positions in Grand Forks, Duluth, Rochester and Sioux Falls, as those airports are separate from those City governments, but our Human Resources office was not aware of that fact.

After further discussion, Chairman Pawluk asked Mr. Dobberstein to provide the board members with the information Mr. Myers has requested.

Mr. Myers stated once the board members are provided this information it is then the job of the board members to request that change.

Mr. Myers stated he still feels the restaurant operation is not doing all it can to serve the passengers. He stated he feels there is reluctance on the part of the travelling public to go into a formal dining room setting and we should have more service and options in the snack bar/fast food area.

Chairman Pawluk stated he is not always in favor of hiring consultants, but possibly we could get an opinion from someone on how the restaurant could be set up differently to address those issues. He stated there should be a certain percentage of people we can expect to use the restaurant or snack bar and if we are below that percentage we should look into why. He stated he is not saying we should go in and remodel the restaurant this year but we do need to do something.

The meeting of the Municipal Airport Authority was adjourned until the next regular meeting to be held Tuesday, July 27, 1999, at 9:00 a.m. in the Airport Boardroom.

Time at adjournment was 10:30 a.m.

Regular Meeting

Tuesday

July 27, 1999

The regular meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held Tuesday, July 27, 1999, at 9:00 a.m. in the Airport Boardroom.

The members present or absent were as follows:

Present: Myers, Macdonald, Pawluk

Absent: Walstad, Robertson

Others: Stewart

Chairman Pawluk presiding.

Approved the Minutes of the Regular Meeting Held July 13, 1999:

The minutes of the regular meeting of the Municipal Airport Authority held July 13, 1999, were approved without objection.

Approved the Airport Vouchers Totalling \$17,451.24:

Mr. Myers moved to approve the airport vouchers totalling \$17,451.24.

Second by Gen. Macdonald.

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

Absent and not voting: Walstad, Robertson

The motion was declared carried.

Approved the Individual Voucher to Foss Associates:

Gen. Macdonald moved to approve the individual voucher in the amount of \$461.45 to Foss Associates for partial payment request for professional services in connection with the Westside Terminal Boarding Bridge Project.

Second by Mr. Myers.

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

Absent and not voting: Walstad, Robertson

The motion was declared carried.

Mr. Myers stated he would like to see a press release announcing the addition of the new boarding bridge and this expanded passenger comfort.

Approved the Individual Voucher to Foss Associates:

Gen. Macdonald moved to approve the individual voucher in the amount of \$1,436.92 to Foss Associates for professional services in connection with the Westside Terminal Carpet Replacement project.

Second by Mr. Myers.

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

Absent and not voting: Walstad, Robertson

The motion was declared carried.

Approval of this payment was rescinded later in the meeting.

Approved the Individual Voucher to Ulteig Engineers:

Gen. Macdonald moved to approve the individual voucher in the amount of \$4,207.00 to Ulteig Engineers, Inc. for partial payment request for engineering services in connection with the Cass County Drain #10 Environmental Assessment.

Second by Mr. Myers.

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

Absent and not voting: Walstad, Robertson

The motion was declared carried.

Approved the Individual Voucher to Forum Publishing:

Gen. Macdonald moved to approve the individual voucher in the amount of \$120.96 to Forum Publishing for advertisement for bids for the Westside Terminal Carpet Replacement Project.

Second by Mr. Myers.

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

Absent and not voting: Walstad, Robertson

The motion was declared carried.

Approved the Individual Voucher to Forum Publishing:

Gen. Macdonald moved to approve the individual voucher in the amount of \$26.88 to Forum Publishing for advertisement of request for proposals for airport giftshop.

Second by Mr. Myers.

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

Absent and not voting: Walstad, Robertson

The motion was declared carried.

Approved the Individual voucher to M.J. Dalsin Roofing:

Gen. Macdonald moved to approve the individual voucher in the amount of \$3,455.00 to M.J. Dalsin Roofing for storm related roof repairs, Westside Terminal, Eastside Terminal and administration portion of Hangar #3.

Second by Mr. Myers.

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

Absent and not voting: Wasltad, Robertson

The motion was declared carried.

Approved the Individual Voucher to Sig Olson & Sons Plastering:

Gen. Macdonald moved to approve the individual voucher in the amount of \$739.33 to Sig Olson & Sons Plastering for plaster repairs in preparation for the Westside Terminal painting project.

Second by Mr. Myers.

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

Absent and not voting: Walstad, Robertson

The motion was declared carried.

Received Bid Tabulation for Westside Terminal Carpet Replacement Project:

Mr. Dobberstein stated bids for the carpet replacement project were received and opened on July 22. The bids were reviewed by Rebecca Amundsen, Foss Associates, and their recommendation is that the bid be awarded to Interiors by France, Fargo, in the amount of \$52,495.00, using the Milliken product.

Mr. Dobberstein stated Interiors by France was the apparent low bidder as the other low bidder, St. Paul Linoleum, did not have the required ND contractor's license in place.

Mr. Myers asked why the bidders were allowed to bid on a product other than the Milliken.

Mr. Dobberstein stated there were some suppliers who had asked for an opportunity to bid.

Mr. Myers stated if they were approved as an "equal" then they are entitled to do the work.

Mr. Dobberstein stated it is not necessarily an equal as it is a different type of carpet.

Mr. Myers suggested that if we do not award this contract to the low bidder that we consult with Attorney Stewart and make sure we have a solid reason for not accepting that bid. He stated if the product was not acceptable they should not have been allowed to bid.

Gen. Macdonald stated he would also question this. He stated if we arbitrarily let someone bid knowing we are not going to take their bid that is fraud and is not right.

Mr. Myers moved we receive and file the bids and direct Mr. Dobberstein to purchase the carpet he feels is needed, making sure we are legal in every respect.

Motion died for lack of a second.

Gen. Macdonald stated he feels we should have Foss Associates present before the board to explain why the project should not be awarded to the low bidder and if not, why they were even allowed to bid.

Mr. Myers moved to receive and file the bid information and instruct Mr. Dobberstein to have Foss Associates present at the next meeting to provide us with the information needed to make a decision.

Mr. Myers asked Attorney Stewart if there is any reason we have to take low bid.

Attorney Stewart stated he would like to hear the explanation as well and whether or not the alternate bid is an inferior product.

Motion was seconded by Gen. Macdonald.

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

Gen. Macdonald moved to withhold payment of \$1,436.92 for Foss Associates.

Second by Mr. Myers.

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

Discussion was held later in the meeting after the arrival of Rebecca Amundsen, Foss Associates.

Chairman Pawluk asked why we would not want to accept Base Bid B.

Ms. Amundsen stated we had primarily focused on using the Milliken product as that is what is currently in place and had worked well for a number of years. She stated we wanted Base Bid B in order to keep Base Bid A more competitive and in order to be able to compare the cost estimates.

Chairman Pawluk asked if we offered Base Bid B as an alternate.

Ms. Amundsen stated we had Base Bid A or Base Bid B so a dealer could bid on both or either one.

Received Bid Tabulation for Westside Terminal Carpet Replacement Project:
(Continued)

Mr. Myers stated that from an former contractor's point of view, Ms. Amundsen's statement leads him to believe that Foss was purposely using people bidding Base Bid B to keep Base Bid A competitive. He stated there was one contractor who bid only Base Bid B and Mr. Myers asked if that contractor was not entitled to compensation for his time in putting the bid together, since he did not stand a chance to get the bid.

Ms. Amundsen stated it was not their intention that the Collins & Aikman product did not stand a chance.

Mr. Myers asked if the Collins & Aikman product did stand a chance and would work in the terminal.

Ms. Amundsen stated she felt it would work.

Mr. Myers asked Ms. Amundsen if she felt the product would work why would she not recommend we take Base Bid B, considering the \$15,000 difference.

Ms. Amundsen stated the direction she got from the airport that Milliken was the preferred product.

Mr. Myers stated if that was the case then there should not have been a second product offered. He stated as a former contractor he feels the low bidder is entitled to something if we do not award the bid to him.

Ms. Amundsen stated no where in the specifications was it stated that the low bidder would be awarded the project.

Mr. Myers stated he is sure there is a clause in the specifications that say we can accept or reject any and all bids, which is standard, but he is talking about the morality of this issue. He stated if we are just using them to keep someone else honest we have a definite moral problem.

Chairman Pawluk stated he would rather give the project to the low bidder, but he does not know how objectionable the color samples were.

Mr. Dobberstein stated he was not provided with any samples from Collins & Aikman. He stated there is a definite difference in quality between the 1/8" and 1/13".

Gen. Macdonald asked how Foss chose Collins & Aikman as an alternate.

Ms. Amundsen stated they chose Collins & Aikman as the alternate because they have the ability to do custom pieces and we had already worked with Milliken to get a sample of something everyone approved. She stated C&A has a program where they can almost match it.

Gen. Macdonald asked if she has installed Collins & Aikman in any other projects.

Ms. Amundsen stated she has not personally worked with that product before but it is presently being considered for Meritcare.

Gen. Macdonald stated he has a real problem with this situation.

Chairman Pawluk stated it does not bother him as much as it seems to bother the other members.

Mr. Myers stated he would like the record to show that he feels this is a moral issue. He stated the Airport Authority is not a board that wants to use people to keep other companies honest.

Gen. Macdonald stated he would throw this back at Foss Associates and say that it is not the Airport Authority with the moral problem but rather Foss Associates.

Gen. Macdonald asked if it would be possible to go to Wendt Construction and tell them we like their bid but could we get Milliken carpet.

Ms. Amundsen stated she received a call from Lintex in Minneapolis and they used Wendt Construction's contractor's license to provide this bid. Lintex is the supplier of the Collins & Aikman carpet.

Chairman Pawluk asked Ms. Amundsen if there was anything objectionable about the Collins & Aikman product.

Received Bid Tabulation for Westside Terminal Carpet Replacement Project:

Ms. Amundsen stated she felt we could come up with something that would work.

Mr. Myers moved the bids be received and filed and that all bids be rejected and that we instruct Foss Associates to rebid the project based on the discussion here this morning.

Gen. Macdonald stated he would second that motion if it included the specification that we would only accept bids on Milliken carpet.

Mr. Myers amended his motion to include Gen. Macdonald's amendment.

Gen. Macdonald seconded the motion.

Chairman Pawluk stated so now we are going to tell all of the bidders to go back and do the work all over again and come back with another bid.

Mr. Dobberstein stated we had checked into the possibility of buying the carpet directly from Milliken under the GSA contract but there did not seem to be any advantage to doing that.

Mr. Myers stated the fact that we do not even have any samples from Collins & Aikman is reason enough to reject the bid. He stated we do not know if they would be able to match what we are looking for.

Chairman Pawluk stated he would like to award this to the low bidder.

Gen. Macdonald stated he would like to withdraw his second to the motion.

Gen. Macdonald stated if the Collins & Aikman carpet is satisfactory then the bid should be awarded to the low bidder.

Chairman Pawluk stated the architect is telling us it is acceptable.

Mr. Dobberstein stated we did research on the cleaning and upkeep of the carpet and it is our understanding that the fused carpet (Milliken) vs. looped pile (C&A) is better at resisting dirt.

Ms. Amundsen stated the surface of the both carpets will be similar but the major difference is in the backing of the carpet.

Chairman Pawluk asked Ms. Amundsen if we would be compromising by choosing the C&A carpet.

Ms. Amundsen stated you would possibly be compromising the pattern.

Mr. Dobberstein stated we spent hours looking at carpet samples and picking out the final colors and pattern we felt would look best in the terminal.

Mr. Myers withdrew his motion.

Gen. Macdonald moved the Authority accept low bid.

Motion died for lack of second.

Mr. Myers moved to receive and file the bids and be prepared at the next meeting to either accept or reject the proposals as they stand, which will give the Board an opportunity to review the information and samples of each.

Gen. Macdonald stated he would like Foss to be present at the next meeting to review the advantages and disadvantages of both.

Chairman Pawluk stated that Foss should go over the samples with Airport Administration before the next meeting because the plain truth is no one has looked at anything from Collins & Aikman.

Mr. Myers stated if the product is not an "or equal" it is his suggestion that the project be re bid. He stated by "or equal" he means in the mind of the board members, not necessarily in a technical sense.

Mr. Myers restated his motion to receive and file the bids and be prepared at the next meeting to either accept or reject the proposals as they stand, which will give the Board an opportunity to review the information and samples of each.

Second by Gen. Macdonald.

Mr. Myers stated if the product is not an "or equal" in the board's mind this project will be re bid. He added that Mr. Dobberstein is definitely in favor of the Milliken product for a number of reasons, and it is the board's job to determine if the alternative is comparable or equal.

Chairman Pawluk called for a vote on the motion.

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

Received Communication from Fargo Jet Center Requesting Permission for Business Systems Aviation to Operate a Charter Service from Their Facility:

Mr. Dobberstein stated he received a communication dated July 23, 1999, from Fargo Jet Center requesting permission for Business Systems Aviation. He stated they used to have an agreement with Valley Aviation but earlier in the year sold their aircraft. He stated they are now requesting to operate through Fargo Jet Center.

Gen. Macdonald moved to approve the agreement between Fargo Jet Center, Inc. and Business Systems Aviation.

Second by Mr. Myers.

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

Continued Discussion Relating to Airport Storm Damage:

Mr. Dobberstein stated he had anticipated receiving a report from North Dakota State Fire & Tornado but that has not been received. He stated as far as the repair items we discussed at the last meeting, such as window repairs and roof repairs, some of those have been completed and with some we are still waiting for materials.

Mr. Dobberstein stated the majority of the storm related damage will be in the report from NDSFT (Hangars 2, 3 and 4). He stated two FEMA representatives were here yesterday and obtained all of the information for the damage to the access road lighting and signage and it appears they will participate in those repairs. He stated they will even have funds available for our NDSFT deductibles.

Mr. Dobberstein stated the Forestry Department is aware of our tree damage and at some point will do an assessment of the trees that will need to be replaced.

Gen. Macdonald stated he would like to make sure that the replacement trees are at least close in size to those that were lost so they will tie in with the rest.

Chairman Pawluk stated maybe it is too much to expect a resolution to the damaged hangars, but he would like to see the Airport Authority chart a course for Hangars 2, 3 and 4.

Gen. Macdonald stated in the recent past the Hamiltons have given the Airport Authority the impression that they would have no problem with tearing down Hangar 4. They have indicated they could be out tomorrow if the Authority wanted to tear it down. He added that they have indicated different feelings about Hangar 3.

Mr. Myers stated at one point Robert Hamilton indicated they were going to request the Airport Authority tear them both down but then Dr. Hamilton came back and stated that Robert does not speak for him.

Mr. Myers stated it is not a question of what we want to do but what is physically and economically feasible. He stated all of the information we have gathered to date is that Hangar 4 should come down.

Gen. Macdonald stated with the present rental structure there is no way we can recapture the investment it would take to fix that hangar. He feels that needs to be in the record and should determine our future action.

Chairman Pawluk stated we have to make some assumptions and Assumption #1 should be that Hangar #4 probably will be deemed to be demolished. He stated he also feels NDSFT will recommend Hangar #2 be demolished as well. He stated he realizes ultimately the decision is in the hands of the insurance carrier but we should have some direction as well.

Mr. Myers stated he feels the Authority should have Northern Improvement lined up to do the demolition. He stated it seems Hangar #4 will have to be demolished for sure, Hangar #2 without much question should be demolished, and then it becomes the question of how much money we want to put into Hangar #3 to keep it operational.

Chairman Pawluk stated as far as demolition of the buildings, the Guard may have some resources available to help in that.

Continued Discussion Relating to Airport Storm Damage: (Continued)

Mr. Myers suggested that Attorney Stewart write a letter to NDSFT advising them that we have a problem with the damaged building and possible safety hazards in their current condition. He stated he feels that letter should get some action from them.

Chairman Pawluk stated with the removal of two hangars we will be losing a lot of hangar space on the airport.

Gen. Macdonald asked if Hangar #2 comes down would the Guard be interested in more space.

Mr. Ron Solberg, NDANG Base Engineer, was recognized and stated if Hangar #2 were torn down they would be eligible for funds from the Air Guard for additional cold storage building space.

Gen. Macdonald asked if the replacement building would go in that same spot.

Mr. Solberg indicated the building would be placed in another location.

Gen. Macdonald stated if we receive an insurance settlement from NDSFT for Hangars 2 and 4, why could we not negotiate with Dr. Hamilton to demolish Hangars 3 and 4, build a new structure, and lease it to Valley Aviation at a fair rent.

Chairman Pawluk stated he is not ready at this point to decide how the insurance settlement funds from the destroyed hangars should be spent but it is good to run through various scenarios so we have an idea of the possibilities.

Mr. Myers asked if the board would have any problem with him visiting with Robert Hamilton regarding his ideas for the future of those building.

Gen. Macdonald stated he is not sure Robert has anything to say about it. He indicated that if Mr. Myers wished to do that it would be in an "off the record" manner and just an exchange of ideas.

Attorney Stewart stated as far as the status of Valley's lease on those buildings, we made our proposal to them for the terms of the extension and we have received no counter proposal from them.

Chairman Pawluk stated we have not made any official decision on the disposition of Hangars 3 and 4.

Attorney Stewart stated unless the insurance company comes back to us and declares those buildings uninsurable and are a risk, we are in "good faith negotiations."

Gen. Macdonald stated if the insurance company comes back and says the buildings are uninsurable then legally we can tear them down regardless of the contract.

Chairman Pawluk stated it is of utmost importance that we get the issue of these hangars resolved and as soon as we receive all of the information we are going to act on that.

Approved Contract Amendment #1 with Ulteig Engineers, Inc. on Project AIP 22 and 23:

Mr. Dobberstein explained that this amendment will identify the additional work and funds that the FAA has now allocated to our current project AIP 3 38 0017 22 and the new project that was created for the disposition of these funds.

Gen. Macdonald moved to approve Contract Amendment #1 with Ulteig Engineers, Inc. for AIP Projects 3 38 0017 22 and 3 38 0017 23.

Second by Mr. Myers.

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

Absent and not voting: Walstad, Robertson

The motion was declared carried.

Received Update on Airport Construction Projects:

Mr. Steve Synhorst, Ulteig Engineers, was recognized and stated everything with the construction projects is moving smoothly and Northern Improvement is on or ahead of schedule on all aspects.

Other Business:

Mr. Dobberstein stated the family of Gale Swan has requested they be allowed to plant a tree on the airport grounds in memory of Gale.

Mr. Myers moved to approve the request from the family of Gale Swan to plant a tree in his memory.

Second by Gen. Macdonald.

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

The regular meeting of the Municipal Airport Authority was adjourned until the next regular meeting to be held Tuesday, August 10, 1999, at 9:00 a.m. in the Airport Boardroom.

Time at adjournment was 10:07 a.m.

Regular Meeting

Tuesday

August 10, 1999

The regular meeting of the Municipal Airport Authority of the City of Fargo, ND was held Tuesday, August 10, 1999, at 9:00 a.m. in the Airport Boardroom.

The members present or absent were as follows:

Present: Walstad, Myers, Macdonald, Pawluk

Absent: Robertson

Others: Stewart, Aasland, Eldred

Chairman Pawluk presiding.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held July 20, 1999:

The minutes of the regular meeting of the Municipal Airport Authority held July 20, 1999, were approved without objection.

Approved the Airport Vouchers Totalling \$13,576.73:

Gen. Macdonald moved to approve the airport vouchers totalling \$13,576.73.

Second by Mr. Myers.

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

Absent and not voting: Walstad, Robertson

The motion was declared carried.

Approved the Individual Voucher to Flint Communications:

Gen. Macdonald moved to approve the individual voucher in the amount of \$325.33 to Flint Communications for advertisement in Fargo Airsho '99 brochure.

Second by Mr. Myers.

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

Absent and not voting: Walstad, Robertson

The motion was declared carried.

Approved the Individual Voucher to Dalsin Roofing:

Gen. Macdonald moved to approve the individual voucher in the amount of \$6,214.00 to Dalsin Roofing for Partial Payment Request (Final) for Eastside Terminal Roofing Project.

Second by Mr. Myers.

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

Absent and not voting: Walstad, Robertson

The motion was declared carried.

Approved the Individual Voucher to Northern Improvement Company:

Gen. Macdonald moved to approve the individual voucher in the amount of \$171,546.07 to Northern Improvement Company for partial payment request for construction of AIP Project No. 3 38 0017 22.

Second by Mr. Myers.

Absent and not voting: Walstad, Robertson

The motion was declared carried.

Approved the Individual Voucher to Bret's Painting:

Gen. Macdonald moved to approve the individual voucher in the amount of \$9,870.46 to Bret's Painting for Westside Terminal exterior painting project.

Second by Mr. Myers.

Absent and not voting: Walstad, Robertson

The motion was declared carried.

Approved the Individual Voucher to Ulteig Engineers, Inc.:

Gen. Macdonald moved to approve the individual voucher in the amount of \$1,957.50 to Ulteig Engineers, Inc. for partial payment request for engineering services in connection with Cass County Drain #10/Runway 8/26 Environmental Assessment.

Second by Mr. Myers.

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

Absent and not voting: Walstad, Robertson

The motion was declared carried.

Approved the Individual Voucher to 3 D Specialties:

Gen. Macdonald moved to approve the individual voucher in the amount of \$28,577.00 to 3 D Specialties, Inc. for airport perimeter road signage upgrade.

Second by Mr. Myers.

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

Absent and not voting: Walstad, Robertson

The motion was declared carried.

Approved the Individual Voucher to Dalsin Roofing:

Gen. Macdonald moved to approve the individual voucher in the amount of \$528.00 to Dalsin Roofing for repairs to maintenance shop roof damaged by storm.

Second by Mr. Myers.

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

Absent and not voting: Walstad, Robertson

The motion was declared carried.

Approved the Individual Voucher to Foss Associates:

Action on this payment request was taken later in the meeting.

Received Proposals for the Operation of the Airport Giftshop:

Mr. Dobberstein stated we published a request for proposals for the operation of the airport giftshop and received proposals from the following three parties:

Kevin and Cheryl Clapp
Penny Martin
Mable Singer

Received Proposals for the Operation of the Airport Giftshop: (Continued)

Mr. Dobberstein stated present at today's meeting are Kevin and Cheryl Clapp and Penny Martin. Mable Singer is out of town and not able to be here today.

Verbal presentations were given by Kevin and Cheryl Clapp and by Penny Martin with various questions posed by the board members.

Chairman Pawluk stated he would like to hear from Mable Singer at the next meeting before making a decision.

Continued Discussion Regarding Westside Terminal Carpet Project:

Chairman Pawluk stated present today are representatives from Foss Associates, Bill Cowman and Rebecca Amundsen.

Mr. Dobberstein presented samples of the Milliken carpets that were chosen and samples from Collins & Aikman which were received only minutes ago.

Chairman Pawluk stated we received bids for the carpet project at the last meeting but were not in a position to take action because we did not understand why the architect was not recommending that the low bid be accepted. He stated after further investigation it was discovered that no one had ever looked at the samples proposed by the low bidder. He asked Mr. Cowman to explain why they did not recommend the low bid.

Mr. Bill Cowman was recognized and stated he would like to update the board with some additional information they received. He stated they have since learned from Lintex that there was a clarification memo on the specifications sent to them but the people putting the bid together failed to take that into consideration. He stated the memo had to do with Carpet Type 1 and Carpet Type 2 (two different patterns chosen for departure area and administration area). He stated that Lintex is the company that used Wendt Construction as their local contractor.

Mr. Cowman stated the reason we were looking at the Milliken carpet only was partly due to the fact that the airport felt the Milliken carpet presently in place had performed well over the years since the terminal opened. He stated at the time they were putting the bid package together they had been contacted by Lintex, which represents the Collins & Aikman product, asking if they would be able to bid on the project. He stated they had looked at their credentials and the quality of the product and their judgement at the time on the quality of the product was that it was equal to the Milliken product. He stated the question then was could they meet the color and pattern selected. Mr. Cowman stated they indicated to him that they could match any color and pattern offered by another company. He stated based on that information they decided to allow them to bid on an alternate basis.

Mr. Cowman stated when the bids were received there was a \$15,000 difference between the low bidder on the Milliken (Interiors by France) and Collins & Aikman (Wendt Construction) but based on the letter received from Lintex regarding the clarification memo the difference is now \$8,000.

Mr. Cowman stated what it gets down to is feeling comfortable with the ability of Collins & Aikman to match the color and pattern of the Milliken product. He stated it is their opinion that they quality of the carpet is equal to Milliken. He stated the final decision is obviously up to the board. He stated one consideration is that the Milliken product would be installed by Interiors by France, which is a local firm and would be here should something go wrong. He stated based on their reputation and the experience within this community we know they would take care of anything. He stated Wendt Construction, however, is not a carpet supplier or installer, they are simply the contractor which Lintex used in order to place their bid.

Continued Discussion Regarding Westside Terminal Carpet Project: (Cont'd)

Mr. Myers stated there are still some issues that bother him. He stated first of all we allowed someone to bid when we knew the quality of their product did not equal Milliken. He stated their second issue is the bid from St. Paul Linoleum should not have been opened without a contractor's license, which should have been on the outside of the bidding envelope. He stated he does not feel it is right to lay that decision in the board's hands when the architect should not have opened the bid without the contractor's license.

Mr. Cowman stated as far as allowing Collins & Aikman to come in as Base Bid B, we talked to them in a very short time frame before the bidding. He stated in retrospect perhaps we should have delayed the bid. He stated Collins & Aikman was fully aware of the schedule of the bid and they guaranteed us they could come close to matching color and pattern and we took them at their word. He stated they were aware of the time frame and the risk they were taking but they chose to move ahead and submit a bid anyway.

Chairman Pawluk stated now that we have this information we are now in a position to evaluate the two products and make a decision based on that.

Mr. Myers stated he does not have a problem making that decision, but Collins & Aikman should never have been allowed to bid on an "or equal" basis because it is obvious that the quality is not equal. He stated you can see that the thickness of the Collins & Aikman product is only about half of the thickness of the Milliken.

Mr. Cowman stated he was not here for the bid opening but he would agree with Mr. Myers that it was the responsibility of Foss Associates to see that the bidding laws are followed and an incomplete bid should not have been opened.

Mr. Dobberstein stated the bid from St. Paul Linoleum did have a contractor's license but it was expired and they included a copy of an application for a new license.

Chairman Pawluk stated he would like a motion to accept the bid from Interiors by France and approve payment request from Foss Associates.

Gen. Macdonald asked if it would be appropriate first of all to take official action stating that the Collins & Aikman product does meet our standards for quality and color/pattern.

Mr. Myers asked if we could reject any and all of the bids and rebid the project.

Chairman Pawluk stated Mr. Myers had expressed concern about the low bidder on Base Bid B who spent time and effort on the bid for nothing, but if all of the bids were rejected and we rebid the project we would be putting the rest of the bidders in the same position. He stated he believes that we have the information we need to make a decision and award the bid.

Gen. Macdonald moved the board reject all Collins & Aikman bids based on the fact that the carpet does not meet quality and color standards.

Second by Mr. Myers.

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

Gen. Macdonald moved the board award the bid for the carpet project to Interiors by France, based on their bid of \$52,495.

Chairman Pawluk relinquished the chair to Mr. Myers.

Mr. Pawluk seconded the motion.

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

Acting Chairman Myers voted no.

Absent and not voting: Walstad, Robertson

The motion was declared carried.

Mr. Dobberstein stated the representative from St. Paul Linoleum talked extensively with Attorney Stewart and he acknowledges that he did not meet the requirements.

Continued Discussion Regarding Westside Terminal Carpet Project: (Contd)

Gen. Macdonald stated to clarify his vote on this, he does not feel it would be fair to Interiors by France to reject all bids because St. Paul Linoleum made the error.

Acting Chairman Myers returned the chair to Mr. Pawluk.

Gen. Macdonald moved to approve the two individual vouchers to Foss Associates for payment requests on this project.

Second by Mr. Myers.

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

Absent and not voting: Walstad, Robertson

The motion was declared carried.

Continued Discussion Regarding Storm Damage:

Chairman Pawluk stated we have had ongoing meetings with the adjuster for ND State Fire & Tornado (NDSFT) and are still waiting for their final determination on how they are going to handle the damage to the hangars. He stated at this point it appears that Hangar #2 is going to be a total loss and preparations are being made to demolish Hangar #2.

Chairman Pawluk stated it also appears that Hangar #4 will be demolished. He stated that leaves us with Hangar #3 and at this time the proposal has been made that Hangar #3 be repaired. Chairman Pawluk stated he would like to see Hangar #3 repaired. He stated we will be receiving a settlement from the insurance carrier which will partially fund the repairs, as well as settlement on the other two hangars. He stated the airport is losing over 70,000 square feet of hangar space.

Gen. Macdonald stated he feels we have a problem with the tenant.

Chairman Pawluk stated he does not feel we do have a problem as he feels we are in a position to declare that the lease has expired since all of our good faith efforts to agree on terms for a lease extension have not resulted in any communication from the tenant in the last few months.

Chairman Pawluk added that whether we continue the lease with the current tenant or enter into a new lease with another party, he is not willing to let that building continue to deteriorate. He stated he feels it is a building that can and should be salvaged and we have the funds to do that.

Mr. Walstad now present.

Gen. Macdonald stated he feels the building is an eyesore. He stated we can fix it up and put new hangar doors on it, etc., but he does not want to fix it up and then end up fighting with the tenant for the next year.

Chairman Pawluk asked if the decision to repair the hangar is co mingled with the lease or are they two separate issues.

Gen. Macdonald stated he cannot give a legal opinion on that, but he does not want to spend half a million dollars fixing the hangar up and then end up leasing it for another five years and not getting a dime out of it like we are now.

Mr. Myers stated he feels this board would be absolutely dead wrong but to do anything but cosmetically repair that building for the remainder of the lease term with the idea of getting rid of it. He stated the building is an eyesore and a liability.

Gen. Macdonald stated he would be more willing to build a new, state of the art hangar to replace that hangar and give us that much hangar space, because we are going to spend more fixing Hangar #3 than building a new one.

Mr. Myers stated we have a unique window of opportunity at this point in time with the insurance proceeds that we will be receiving. He stated we could build a storage facility for a fraction of the cost it is going to take to repair that hangar. He added that the ongoing repairs as well would not make any sense.

Continued Discussion Regarding Storm Damage: (Continued)

Chairman Pawluk stated we have here today both Mr. Bill Cowman, Foss Associates, who did an in depth structural study on both Hangar 3 and 4, and also Mr. Chad Peterson, Lightowler Johnson, who did a study on those hangars and the feasibility of using them for the Air Museum.

Mr. Myers stated all he is saying is that the information that has been made available to this board and with his background in construction tells him that spending \$300,000 on that building is just a beginning issue and over the long haul it will be considerably more. He stated if the board does anything other than plan to replace that structure, with the window of opportunity now, it will be a mistake. He stated we do not need the height of the present structure.

Mr. Bill Cowman, Foss Associates, stated they put together a report on Hangars 3 and 4 in September 1995 at the request of the Airport Authority. He stated for Hangar #3 they listed work on a priority basis that could be done if the hangar was going to be retained. He stated some minor work was done a few years ago to reinforce the arches which had wood rot. He stated in the overview of this report their structural engineer also made reference to the other arches that had the potential of wood rot in the top 4" 6" of the arches. He stated it is hard to make a clear decision on the condition of those arches unless you can examine them from the top which would require the removal of roof boards.

Mr. Cowman stated to a certain extent Mr. Myers is right in that you really don't know what you are getting into as far as repairs until you actually start doing the work. He stated if you start looking at these arches, which is one of the most important elements of the building, it could be more severe than described in the report, along with the fact that the report was done four years ago and we have not looked at the building since that time. He added that the current condition may alter the recommendations in the report.

Gen. Macdonald stated if we could arrive at an accommodation with the tenant he would be willing to demolish Hangar #3 and build a new hangar.

Mr. Chad Peterson was recognized and stated the situation on Hangar #3 has not gotten any better. He stated the condition of the building is worse than it was four years ago. He stated the Air Museum Committee's intention was to use both Hangars 3 and 4 for the air museum as the buildings are salvageable, but if you are looking for a dollar for dollar value compared with a new building you would definitely get more value with a new building. He stated the intention of the Air Museum Committee was the historical preservation of the buildings. He stated if you are looking for cash flow on the space it is best to go with a new building.

Chairman Pawluk asked Mr. Peterson what we would have to do in order to repair the building for the long term.

Mr. Peterson stated most of the wood at the bearing points, where the wood meets the foundation, is rotted. He stated they had proposed engineering a steel shoe, cut away the rotted wood, replace it with a steel shoe to transfer the load to the foundation. He stated they would also need to get into the roof, look at the top of the trusses and then resheath. There are things that could be done to make that building work but to what extent you would have to go is unknown.

Chairman Pawluk stated there are several decisions that need to be made:

- 1) Should we fix the building for the short term
- 2) Should be fix the building for the long term
- 3) Should we replace the building
- 4) Should we demolish the building and leave the space empty at this time

Mr. Myers stated in his recent discussion with Mr. Robert Hamilton it was his contention that they were planning to continue with the lease agreement as it is now. In other words they want just what they have there now. He stated he does not know that is actually true but this is what Robert has told him. He stated apparently the flight school is not a money maker for them but we need flight schools on this

Continued Discussion Regarding Storm Damage: (Continued)

airport. Mr. Myers asked if the Authority would be further ahead to build a new building and subsidize part of the operation with the new building. He stated this is dialogue that needs to take place between the Authority and the Hamiltons.

Chairman Pawluk stated he does not feel this situation requires one big decision but rather several components which need decisions. He stated the problem is we are unable to meet the Hamiltons on this because we have been trying to negotiate the lease extension since March and we have not been successful.

Mr. Myers stated he has not found it difficult to get in touch with the Hamiltons. He feels there needs to be dialogue between the two parties to find out where the problem lies so that this matter can be settled.

Chairman Pawluk stated he does not feel that the decisions we need to make today should be hung up on the inability or decision on anyone's part to not be involved in the negotiation process on a particular issue. He stated a requirement for anyone doing business on this airport is that they must deal with this board, and this board is more than willing to meet with anyone. He stated if a party is not willing to deal with the board on the issue we can hardly just sit here and talk about it and deal with ourselves.

Chairman Pawluk stated the fact is there is a lease he considers terminated or in the process of being terminated and the facts surrounding that lease really have no bearing on the decision and the discussion he wants to have on how we resolve the matter of Hangar #3.

Chairman Pawluk stated we know for sure we need to order the demolition of Hangar #2 and Hangar #4 so we can remove the eyesores and our liability risks.

Mr. Myers stated he feels we should request the NDSFT pay us for demolition costs as well.

Gen. Macdonald stated he does not know what the next step should be but we need to move ahead. He stated his intention would be to demolish Hangar #3 and replace it with a modern hangar. He stated he feels we should go to Dr. Hamilton and tell him that is what we want to do. He stated in order to get this done he would also be willing to subsidize that hangar by holding the present lease until its expiration in 2004, but at that time we start all over again. He said in other words for the next four and a half years we will give him a sweetheart lease but after that time we will have a new building that we will put out for bids.

Mr. Myers stated Gen. Macdonald's idea was well stated and he would go along with that plan.

Chairman Pawluk stated regardless of the current lease we have decisions to make regarding that property.

Gen. Macdonald stated he can tell exactly what will happen. He stated we will vote to demolish Hangar 3, Dr. Hamilton will write to the Mayor, the Mayor will come to us and we will be right back to where we are now. He stated Mr. Myers is correct that we have to carry this through logically.

Chairman Pawluk stated that is what he is saying.

Gen. Macdonald stated he would recommend that we get Attorney Stewart and Chairman Pawluk to get together with Dr. Hamilton and Attorney Weir and tell them exactly what he just proposed. We will demolish Hangar 3, build a new hangar and give them a sweetheart deal until 2004, but then it is a new ballgame.

Mr. Myers stated essentially that is what is going to happen anyway. He stated the Hamiltons are going to lease the present structure until the lease runs out and he would be willing to bet that they are going to walk away from that facility at that time. He stated rather than building a new facility today we are going to be faced with demolition and building a new facility in 2004. He stated he agrees with Gen. Macdonald's proposal to subsidize the current lease with a new building until the end of his lease period but then it's a new ballgame.

Continued Discussion Regarding Storm Damage: (Continued)

Chairman Pawluk stated that is certainly a possibility but he is not prepared to make that decision today. He stated the decision he is prepared to make today is that we call for the demolition of Hangar #2, call for the demolition of Hangar #4, and that we chart the course for Hangar #3, which at this time looks like it should be demolished as well.

Mr. Dobberstein stated he has asked Northern Improvement to provide us with an informal bid for the demolition of the hangars.

Mr. Myers asked if we would need to go through the formal bidding process due to the emergency nature of this situation.

Chairman Pawluk stated he does not believe we would.

Gen. Macdonald stated he would at least like informal proposals from more than one contractor.

Mr. Dobberstein stated with regard to Hangar #4, he stated he had a discussion with the Attorney for NDSFT and she is looking at a substantially higher replacement cost that Mr. Jerry Enebo has been using.

Gen. Macdonald moved the Airport Authority authorize the demolition of Hangar #2.

Second by Mr. Myers.

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

Mr. Dobberstein stated with regard to Hangar #2, we have been advised by Mr. Ron Strand, Inspections/City of Fargo, that there is a group of people extremely interested in salvaging the arch beams. He stated that Northern Improvement indicated that salvaging the beams would triple the cost of demolition.

Gen. Macdonald stated the party interested in the beams would have to be negotiated with the demolition company.

Mr. Myers agreed we do not want any part of that.

Mr. Myers moved the Executive Director be authorized to get informal demolition proposal in place should we decide to demolish Hangar #4.

Second by Gen. Macdonald.

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

Mr. Myers moved the Airport Authority not consider or entertain any thoughts of disposing of any the materials in any of our demolition projects and that we not get involved with the sale or the gifting of any of the salvage due to the added cost of demolition and contingent liability, with the exception of the NDANG's ability to remove anything in the hangar, which was leased to the NDANG.

Second by Gen. Macdonald.

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

Gen. Macdonald moved that Chairman Pawluk and Attorney Stewart meet with Dr. Hamilton and his attorney to resolve the issue of Hangar #3, with the intent of the board being to demolish Hangar #3, construct a new, state of the art hangar in its place, provided we are able to arrive at an agreement.

Second by Mr. Myers.

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

Mr. Myers now absent

Authorized the Sale of Airport Equipment at City Auction (9/18/99):

Mr. Dobberstein stated we have some salvage/surplus items we would like to dispose of at the City's auction.

Gen. Macdonald moved the Executive Director be authorized to dispose of surplus equipment at his discretion.

Second by Mr. Walstad.

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

Received Notice from Department of Planning & Development Regarding Public Hearing for Airport Property Zoning Change from AG to Public/Institutional (Approved by MAA 3 24 98):

Mr. Dobberstein stated this was a zoning change the Airport Authority agreed to on March 24, 1998. He stated the reason the City suggested this change of zoning from agricultural to public/industrial is that technically they cannot issue a building permit on agricultural land.

The notice from the Department of Planning & Development was received and filed without objection.

Received Communication from the North Dakota Division of Community Services Regarding Grant Application AIP 3 38 0017 23:

Mr. Dobberstein stated whenever we apply for Federal Assistance the ND Division of Community Services, formerly the Office of Intergovernmental Affairs, is notified. He stated we have received a communication from them advising that they have reviewed our application to the Federal Aviation Administration for funding of AIP Project No. 3 38 0017 23 and clearance is given to the project as described.

The communication from the ND Division of Community Services was received and filed without objection.

Accepted FAA Grant Offer and Authorized Signature for Project AIP 3 38 0017 23:

Gen. Macdonald moved to accept FAA Grant Offer for AIP Project 3 38 0017 23 and authorized signature by the Chairman.

Second by Mr. Walstad.

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

Mr. Myers now present.

Received Update on Airport Construction Projects:

Mr. Steve Synhorst reported that everything has been moving smoothly and on schedule. He stated they will be slowing down the closer we get to the Airsho so that we do not interfere with that. He stated after the Airsho they will get started on the Runway 13/31 portion of the project.

Mr. Myers suggested we contact the ND Aeronautics Commission regarding the page on Hector Airport in their 1999 2000 Airport Directory. He stated the map shows "CLOSED" on Runway 3/21 and he found that confusing.

Mr. Synhorst stated that should be shown as Taxiway D.

Mr. Dobberstein stated the problem may be solved when we get an updated aerial photo. He stated he will check with Mark Holzer.

Received Communication from Robert Hamilton, Valley Aviation:

Mr. Myers stated he met with Robert Hamilton on an informal basis and discussed many items regarding the airport. He stated in that conversation he encouraged Robert to try to be creative and innovative and come to the Airport Authority with anything that could be of value to the south general aviation area which would be for the good of both the airport and Valley Aviation. He stated as part of that discussion the matter of a fire hydrant in the north general aviation area for which they were charged \$5,000. He stated his feeling is that if fire hydrants are provided without cost to tenants on the south general aviation area it should be the same up north. He stated fire hydrants are part of special assessments. He stated he would like to revisit this issue.

Gen. Macdonald asked Mr. Dobberstein to prepare a document showing the fire hydrants around the airport and how they were funded.

Mr. Myers stated he has been on this board for five years and from day one has listened to "they got this and we didn't" and he wants to get rid of that.

Mr. Jim Sweeney was recognized and stated if this issue is going to be revisited he would like to review how they were charged for utilities, as they paid considerably more than Valley.

Mr. Myers stated again that for five years he has been on this board and at every meeting he has heard "they got something that I didn't get".

Chairman Pawluk stated by acting on this we further perpetuate the situation Mr. Myers is trying to eliminate.

Chairman Pawluk adjourned the meeting as he had a prior commitment he had to make.

Other Business:

Mr. Leo Eldred stated he talked to some Moorhead pilots after the Neumaier Hall implosion on Sunday and he was advised that the control tower had no restrictions over that area during that period of time and he feels that was a mistake.

Mr. Don Driscoll, Manager, Fargo ATCT, was recognized and stated the tower does not have the authority to establish a restricted area, they only enforce the restriction. He stated during the flood in '97 there were some restricted areas along the river and they enforced the restriction but they cannot establish a restriction.

Gen. Macdonald stated he would assume that whoever authorized the implosion, which he would imagine was the City Council in Moorhead, should have notified the Tower.

The meeting of the Municipal Airport Authority was adjourned until the next regular meeting to be held Tuesday, August 24, 1999 at 9:00 a.m. in the Airport Boardroom.

Time at adjournment was 10:50 a.m.

Regular Meeting

Tuesday

August 24, 1999

The regular meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held Tuesday, August 24, 1999, at 9:00 a.m. in the Airport Boardroom.

The members present or absent were as follows:

Present: Walstad, Myers, Macdonald, Pawluk

Absent: Robertson

Others: Stewart, Bromenschenkel, Eldred

Chairman Pawluk presiding.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held August 10, 1999:

The minutes of the regular meeting of the Municipal Airport Authority held August 10, 1999, were approved without objection.

Approved the Airport Vouchers Totalling \$24,797.21:

Mr. Myers moved to approve the airport vouchers totalling \$24,797.21.

Second by Mr. Walstad.

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

Absent and not voting: Robertson

The motion was declared carried.

Approved the Individual Voucher to FMC Jetway:

Gen. Macdonald moved to approve the airport vouchers totalling \$215,022.27 to FMC Jetway for partial payment request #2 for passenger boarding bridge Gate 4.

Second by Mr. Myers.

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

Absent and not voting: Robertson

The motion was declared carried.

Approved the Individual Voucher to Michael J. Burns Architects:

Gen. Macdonald moved to approve the airport vouchers totalling \$183.54 to Michael J. Burns Architects for payment request for professional services rendered for storm damage review.

Second by Mr. Myers.

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

Absent and not voting: Robertson

The motion was declared carried.

Approved the Individual Voucher to Northern Improvement Company:

Gen. Macdonald moved to approve the individual voucher in the amount of \$1,800.00 to Northern Improvement Company for debris hauling/disposal from storm damage to Hangar #2.

Second by Mr. Myers.

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

Absent and not voting: Robertson

The motion was declared carried.

Approved the Individual Voucher to Herzog Roofing:

Gen. Macdonald moved to approve the individual voucher in the amount of \$2,079.00 to Herzog Roofing for roof/debris removal, Hangar #2.

Second by Mr. Myers.

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

Absent and not voting: Robertson

The motion was declared carried.

Continued Airport Giftshop Proposal Review Process and Selected a Proposal:

Mr. Dobberstein explained that at the last meeting the Airport Authority received verbal proposals from Penny Martin and Kevin and Sheryll Clapp. Today the board will hear a presentation by Mable Singer.

Mrs. Mable Singer was recognized and reviewed her written proposal for the board. She stated after further reviewing her proposal she stated she does have a couple of reservations. She stated her main concern would be the rent. She stated she would be comfortable with the \$1,000 per month rather than the 10% at this time. She stated as far as keeping the current staff she would have to interview each person to determine if she would be able to work with them.

In answer to a question from Chairman Pawluk, Mrs. Singer stated she would plan to invest \$5,000 \$6,000 in inventory plus the cost of new displays. Mrs. Singer added that she is currently a member of the Pride of Dakota organization and familiar with many of the other members and the products they offer.

Chairman Pawluk stated the board has received proposals from three very capable individuals and asked the board members for their ideas.

Mr. Myers stated he feels the presentation from the Clapps came as close to anything that the board would like to see for the giftshop. He stated the Clapps are presently in the novelty/souvenir business and he feels they have the wherewithal and ability to market that giftshop. He stated he has no basis for that decision other than their proposal.

Chairman Pawluk asked for a motion to award the giftshop to one of the proposers.

Mr. Myers moved the Airport Authority award the giftshop lease to Kevin and Sheryll Clapp, leaving final negotiations to Mr. Dobberstein.

Second by Gen. Macdonald.

Mr. Myers stated the inventory commitment proposed by the Clapps was about three times what the other two were proposing and he feels that is an important issue.

Chairman Pawluk stated he would agree as all three proposers had good proposals and all had experience in this area.

Mr. Myers stated this was a difficult decision and it was not a "people" choice.

Chairman Pawluk called for a vote on the motion.

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

Absent and not voting: Robertson.

The motion was declared carried.

Authorized Issuance of Notice to Proceed to Fargo Electric Construction for Project AIP 3 38 0017 23:

Mr. Dobberstein explained that a portion of this project involves the satisfaction of the FAA's requirement for additional threshold lights on Runway 8/26 in preparation for that runway becoming a GPS non precision approach runway. He stated this will be funded under the recently released entitlement funds. Mr. Dobberstein added that Runway 8/26 will be the first GPS runway in the state and this is a project the ND Aeronautics Commission has been working on since the construction of that runway.

Mr. Myers moved to authorize issuance of the Notice to Proceed to Fargo Electric Construction for Project AIP 3 38 0017 23.

Second by Gen. Macdonald.

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

Absent and not voting: Robertson

The motion was declared carried.

Approved Northern Improvement Company Change Order #1 for AIP Project #3 38 0017 23:

Mr. Dobberstein explained that this change order will add asphalt replacement of Runway 13/31 and drainage improvements for Taxiway A. He stated these items were added to the project after more of the 1999 entitlement funds were released. The net increase of this change order is \$84,262.50.

Mr. Myers moved to approve Change Order #1 to AIP Project #3 38 0017 23 in the amount of \$84,262.50.

Second by Gen. Macdonald.

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

Absent and not voting: Robertson

The motion was declared carried.

Received Communication from Ulteig Engineers and Authorized the Relocation of a Generator from the South General Aviation Area to the Airport Maintenance Shop:

Mr. Dobberstein stated we have received a proposal from Ulteig Engineers, Inc. for the relocation of a generator we acquired from the National Weather Service. The generator is located on the southeast general aviation area and will be installed in the maintenance shop for the purpose of providing essential power at the shop. He stated it will operate lights, overhead doors, fuel pumps and heat mainly in the sand storage area, and an overhead gate to the airfield.

Mr. Dobberstein stated the engineering estimate is \$3,620 and it is anticipated that construction costs will be less than \$25,000, which will enable us to solicit construction proposals from electrical contractors rather than the advertised bid process. He added that a portion of these costs may be eligible to be recovered through a PFC.

Gen. Macdonald moved to authorize the relocation of the generator to the maintenance shop and that Ulteig Engineers proceed with the solicitation of proposals.

Second by Mr. Walstad.

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

Absent and not voting: Robertson

The motion was declared carried.

Presentation by Robert Hilsendeger Regarding a Proposal for an Aircraft Painting Business in the South General Aviation Area:

Mr. Bob Hilsendeger was recognized and stated he would like to relocate and establish a paint facility at Hector Airport. He stated he has been in the aircraft painting field for the last fifteen years and for the last four years has had a full time aircraft refinishing (painting, reupholstering, etc) business in Detroit Lakes. He stated due to space restraints he feels the place he should be is the Fargo airport.

Mr. Hilsendeger stated he has visited with Mr. Dobberstein a number of times over the past few months, and what he would like is the opportunity to lease preferably a new facility on the airport. He stated he has pretty much eliminated all of the available buildings on the field as they are not suited for his needs. He stated he would like to lease a building built to his specifications. He stated he is looking at a building of about 10,000 15,000 square feet (100' x 140'). He added the building should be concrete with heated floors. Mr. Hilsendeger also stated that he would provide all of the interior fixtures for the operation.

Mr. Myers asked Mr. Hilsendeger if he has visited with the Fargo Fire Department.

Mr. Hilsendeger indicated he has visited with the Fire Department and is aware of many of the fire codes and requirements. He stated he is currently in the process of meeting all of the VOC laws. He stated tomorrow he is beginning a tour of the leading aircraft paint facilities between Nebraska and the west coast. He stated he feels he is the best qualified person to do this in our part of the country. He stated in the four years his business has been open in Detroit Lakes he has never advertised. His business has been strictly word of mouth and he has had customers from all over the country. He stated he wants to stay in this market area and feels the best place for him to be is the Fargo airport.

Mr. Myers stated he feels this is a very interesting proposal with a lot of merit but feels at this point a subcommittee of the Airport Authority should be appointed to review this further with Mr. Hilsendeger. He added that he has some concerns about a paint facility in the densely populated south general aviation area.

Gen. Macdonald asked Mr. Hilsendeger if his intention is to do only aircraft painting and reupholstering, not automobile work.

Mr. Hilsendeger stated his intention is to do only aircraft refinishing at this time, not necessarily get into the upholstery end right away.

Gen. Macdonald asked if this was a service currently available on the field and if any of the FBOs had a problem with this proposal.

Mr. Robert Hamilton, Valley Aviation, was recognized and stated he would have no problem as long as he had no plans to become an FBO.

Mr. Pat Sweeney, Fargo Jet Center, was recognized and stated his only concern would be the location.

Mr. Hilsendeger stated he has no intention of doing aircraft maintenance as his background is in refinishing.

Mr. Myers stated he feels the board should limit the activity to aircraft. He stated any auto refinishing on the airport would turn him off because he does not want to see automobiles and boats on the airport and it would end up a junkyard. He stated he feels the board should limit the activity on the field to aviation.

Mr. Hilsendeger stated he agrees and wants a first class facility.

Mr. Dobberstein asked Mr. Hilsendeger if he has the capability of financing this project himself and if he is just looking for a ground lease from the airport.

Mr. Hilsendeger stated he would like the airport to build the facility and then lease it from the airport.

Mr. Bromenschenkel now present.

Mr. Dobberstein asked Attorney Stewart to comment on the Airport Authority's obligation to request proposals for a specialty shop for a service not currently on the airport. He asked if we are obligated to request other proposals.

Presentation by Robert Hilsendeger Regarding a Proposal for an Aircraft Painting Business in the South General Aviation Area: (Continued)

Attorney Stewart stated according to the City's ordinance which we have been following, the board would have to evaluate this and look at the specialty nature and if it were determined that there was no one else able to give the same service we would not have to take proposals.

Mr. Dobberstein asked Mr. Hilsendeger if he would be interested in a partnership with an existing FBO on the field and enter into a sublease arrangement.

Mr. Hilsendeger stated he has pursued that but with the nature of his operation he does not know how that would be possible.

Mr. Myers stated he feels the idea of competition is good and the board should not take a position of limiting competition.

Mr. Walstad asked how many jobs would be created.

Mr. Hilsendeger stated his goal is to have five to ten employees.

Mr. Walstad asked Mr. Hilsendeger if he has sought any support from the Economic Development Corporation or the Small Business Administration.

Chairman Pawluk stated this is the beginning of this dialogue and he feels Mr. Myers' suggestion of a subcommittee is appropriate. He added that he would be willing to serve on the committee with one other member.

Gen. Macdonald indicated he would also be willing to serve on the subcommittee.

Chairman Pawluk asked Mr. Hilsendeger to come back to the board with some specific ideas after his tour of facilities.

Mr. Myers also suggested to Mr. Hilsendeger that he also have a business plan to present to the board.

Received Update from Air Museum Committee:

Gen. Darroll Schroeder, Fargo Air Museum Committee, was recognized and stated on August 11 their steering committee met and received bids for the building. He stated the bid was awarded to the apparent low bidder, American Building Brokers of Fargo, for \$344,338. He added that Ulteig Engineers is going to verify the boundaries of the leased area.

Gen. Schroeder stated the full committee will meet on Friday morning to review progress so far.

Mr. Walstad stated things are moving along quickly and things have fallen into place. He stated after last weekend's airshow and the fact that the revenue was less than anticipated they have some matters to review.

Gen. Schroeder thanked the board for their support.

Chairman Pawluk stated it is not clear to him whether or not this board has authorized the expenditure for the relocation of the fence in the area of the museum.

Mr. Dobberstein indicated a rough estimate to relocate the fence and install a concrete mow strip would be \$15,000.

Chairman Pawluk asked if this expenditure would be in the public interest.

Gen. Macdonald stated according to FAA regulations this would be a legitimate expenditure of the airport's funds.

Chairman Pawluk stated he does have some reservations as we are dealing with public funds, but he feels the museum is certainly in line with the airport's intent.

Mr. Frank Kratky, Lightowler Johnson, presented the most current site plan for the air museum and shows the location of the building.

Mr. Dobberstein stated we also need to coordinate the protection of our security cable. He stated we have also discussed the overhead power lines with Northern States Power and the possibility of moving those underground, which would also affect other hangars in that area.

Gen. Macdonald moved the Executive Director be authorized to enter into such negotiations as necessary for the relocation of the fence and the security cable and that the Airport Authority bear those costs.

Second by Mr. Walstad.

Received Update from Air Museum Committee: (Continued)

Mr. Myers stated we should make sure that Mr. Gelking does not have a problem with the museum building extending beyond his building line.

Gen. Schroeder stated he thinks Mr. Gelking is very supportive of the museum.

Chairman Pawluk stated he has talked with Mr. Gelking on several occasions lately and he has not mentioned any concern.

Mr. Myers stated he just wants to make sure Mr. Gelking has no problem with it.

Mr. Dobberstein stated it is possible that the security cable may be able to be left in place but he is working with Joel Kath on that.

Chairman Pawluk called for a vote on the motion.

Members Walstad, Myers, Macdonald and Pawluk voted aye.

Absent and not voting: Robertson

The motion was declared carried.

Continued Discussion Regarding Storm Damage:

Mr. Dobberstein stated he has a meeting today with insurance adjuster, Jerry Enebo, along with representatives from the ND Insurance Department and their reinsurance carrier.

Mr. Dobberstein stated we have received proposals from Northern Improvement and Industrial Builders for the demolition of both Hangar 4 and Hangar 2. Proposals were as follows:

Northern Improvement Company

Demolition of Hangar 4	\$12,250.00
Removal of floor Hangar #4	2,475.00

Demolition of Hangar 2	\$47,750.00
Removal of floor hangar #2	8,000.00

Industrial Builders, Inc.

Demolition of Hangar 4	\$19,690.00
Removal of floor Hangar 4	14,000.00

Demolition of Hangar 2	\$82,000.00
Removal of floor Hangar 2	35,000.00

(Does not include the removal of any hazardous materials)

Gen. Macdonald moved the Airport Authority award the bid to Northern Improvement Company for the demolition of Hangars #2 and #4, and the floor of Hangar #4, subject to the contractor receiving permission from the NDANG prior to going into Hangar #2, and to clarify that the NDANG has permission to remove anything they desire from Hangar #2, regardless of who paid for the improvement, and that demolition not begin until the Executive Director has so authorized.

Second by Mr. Myers.

Mr. Myers stated he does not feel the structure of either hangar should be available to anyone. He stated his concern is the potential liability for the airport whether any salvage goes out of here directly or indirectly, and it should be an issue between the Guard and the demolition contractor.

Mr. Dobberstein stated it was the intention of the board that Attorney Stewart draft an agreement between the Airport Authority and Northern Improvement Company to spell out our requirements as far as salvage.

Continued Discussion Regarding Storm Damage: (Continued)

Chairman Pawluk called for a vote on the motion.
Members Walstad, Myers, Macdonald and Pawluk voted aye.
Absent and not voting: Robertson
The motion was declared carried.

Mr. Dobberstein gave a brief update on other storm related matters. He stated we are still waiting for window repairs in the Westside Terminal.

Mr. Dobberstein stated the ND Counter Drug Division had their helicopter in Hangar #2 during the storm and are now without a home. He stated they are working with someone on the field regarding a temporary location until they have a permanent place. He stated in the past they have indicated an interest in hangar space on the field and at the time the lease on the brown hangar (Hangar #9) was up for bids they were interested but did not have funds appropriated at that time. He stated what they are looking for is about 3,600 square feet for their helicopter and some office space. Mr. Dobberstein stated we are investigating an addition to Hangar #9 and have contacted the company who built Hangar #9 (Olaf Anderson & Sons). He stated the preliminary figure he has received for a 40x90 addition is \$182,060.

Mr. Dobberstein stated they will be budgeted for at least a 10 year cycle and have an anticipated occupancy date of October 1, 2000. He stated if the board went ahead with this addition to the building it could always be used in the future for another purpose.

Chairman Pawluk stated he feels we should do everything we can do to encourage this type of activity but he is not prepared to act on this today.

Gen. Macdonald stated his only concern is that the space could also be used for light aircraft rather than just helicopters.

The communication from Olaf Anderson & Sons was received and filed without objection.

Received Communication from Aviation Resources, Ltd. Regarding South General Aviation Area Facility:

The communication dated August 17, 1999, from Yvonne Hamilton, President, Aviation Resources, Ltd. was received and filed without objection.

Chairman Pawluk stated in this communication Aviation Resources agrees to the demolition of Hangar 4 and Hangar 3 (including the administration building, if necessary). In return for which the Airport Authority will build a new hangar, minimum of 100' x 100' with an attached administration building, the size of the existing building. They would like the present lease to remain in force until completion of the above project. After Valley Aviation occupies the new hangar the lease will be extended with the same conditions for an additional five years. They would like the right of first refusal after this five year period. They would like to be reimbursed for any remaining leasehold improvements if the administration building is demolished and would like the Authority to look into securing a property tax abatement for five years and later for a five year extension.

Chairman Pawluk stated it has been determined that Hangar #4 will be demolished. He explained that Hangar #3 is the hangar with the attached administration building currently housing Flight Training and the first five year option on this lease had an expiration date of April 30, 1999. He stated Aviation Resources has requested that option be executed and we are currently in the negotiation process. Chairman Pawluk asked Attorney Stewart to review the status of the negotiations.

Received Communication from Aviation Resources, Ltd. Regarding South General Aviation Area Facility: (Continued)

Attorney Stewart indicated the lease includes a renegotiation clause. He stated now in addition to agreeing on renewal terms we have the problem of the wind damage thrown into the mix. He stated we made a renewal proposal to Aviation Resources in April and have not received a counter proposal so the lease is still in negotiations.

Chairman Pawluk stated he prepared a summary of discussions regarding Hangars #3 and #4, as well as information of size of structures, proposed rental income, and past income. He stated he feels the decision before us today is to determine the insurance settlement amount with respect to Hangar #3. He stated we do not know at this time what the insurance carrier will decide.

Gen. Macdonald stated he feels we should defer action on Hangar #3 until the issues of insurance settlement and whether or not Hangar #3 can be demolished without taking the administration portion as well.

Chairman Pawluk stated once those issues are settled and the cost for a replacement structure are determined, we can then settle on rental amounts for the remainder of the five year option.

Gen. Macdonald stated this matter should be tabled until the next meeting.

Mr. Myers stated he has had discussions on this matter with the Hamiltons, Pat and Jim Sweeney, and also some of the city commissioners. He stated he has heard comments to the effect that we should not be dealing with the Hamiltons on the terms proposed in their letter dated August 17. He stated he and Gen. Macdonald met with the Hamiltons for three hours the other day to get some dialogue started. He stated they felt the initial proposal was so far out of line that they had no recourse but to turn it over to their attorney. He stated he has been on the board for five years and the first issue he dealt with was a visit to Hangar #3 to evaluate the condition of the building. He stated we had our attorney write a letter to the tenant advising them of our liability concerns that needed to be recognized.

Mr. Myers stated if we increased the rent on Hangar #3 to \$1,000 a month, over a five year period the airport would have \$60,000 of income. He stated we would have to put at least \$38,000 (figure previously provided by Valley Aviation) into repairs in order to extend the life of the building five years, and we would then net \$22,000 from the rent. He stated if the Airport Authority builds a new facility and leases it to the Hamiltons on the same basis we will lose \$22,000 over five years. But, he stated, the Hamiltons have been long term tenants on the field and we do not want to do something that will kick them off. He stated he would like to give them an opportunity and a time frame to get their business operations decided, for example, are they going to continue the flight school or not. He stated at the end of the five year term they would have an opportunity to meet the highest bidder on the building.

Mr. Myers stated if we were to build a new building with the insurance settlement we would not be putting anyone at a competitive disadvantage. He asked if we would do that for someone else and he stated the answer is yes. He stated if another building that we owned was also destroyed in a storm we would rebuild that building as well and continue the lease agreement.

Chairman Pawluk stated as he reviews the minutes it is obvious that the board has expressed a concern about those two structures and it is a condition that should not have been allowed to continue. He stated he feels the comments made by Mr. Myers are appropriate but he would like to see two things done:

1. Determine the insurance settlement on Hangar #3.
2. Continue dialogue with the Hamiltons and negotiate something agreeable to both parties and that is defensible in the public arena.

Mr. Walstad stated he is not prepared to make a decision on this today. He stated he would like to know where we stand on this lease situation.

Chairman Pawluk asked Dr. Hamilton his opinion on the status of the lease.

Dr. Hamilton stated the lease is still under negotiation.

Received Communication from Aviation Resources, Ltd. Regarding South General Aviation Area Facility: (Continued)

Mr. Bromenschenkel stated if the first five year option expired on April 30, 1999, and the extension was not authorized by the board it would be his opinion that there is no lease in effect.

Dr. Hamilton stated they sent a letter to the Airport Authority stating they were going to exercise their option for the last five years. He stated apparently at a meeting on April 24 there was discussion on the renewal terms but nothing definite reflected in the minutes. He stated two days later Mr. Dobberstein wrote a letter to us with the Authority's proposal to us. He stated the letter was mailed May 3 and they received it May 5. He stated as far as he is concerned it has already extended into the time. He stated someone raised the question as to who defaulted on it and he feels the Airport Authority did because they were not notified in a timely manner that the lease extension was not accepted.

Mr. Myers stated the problem here is that there was no dialogue between the Hamiltons and the Airport Authority. He added that the storm on July 4 opened a whole new set of circumstances and complicated things considerably. He stated we now need to get the two parties together to work things out and he feels the new building is the route to go.

Mr. Walstad stated there may be some other people here today who would like to comment on the proposal that has been offered.

Mr. Pat Sweeney was recognized and stated when they came to the board in 1993 to ask for some support to move their business to the airport, they made a commitment to locate in the north general aviation area. He stated at that time the board made it clear that any new development would be on the north side and he would like to encourage this board to keep that motion going. He stated they are leasing a building on the south end of the airport, approximately the same square footage of the proposed new building, and they indicated their interest in building for three years. He stated when the building became available it went out for bids and they were the high bidder at \$2,500 per month plus all expenses. He stated if the Airport Authority wants to build a new building he would like to see them build a larger one on the north end of the field and lease it at a fair rate.

Mr. Myers stated he discussed this with Mr. Sweeney this morning and in comparing the two buildings on a scale of one to ten, the cargo hangar they presently rent would be a "10" and the building he would propose to replace Hangar #3 would be a "2" or "3". He stated Fargo Jet Center may not have needed a building the quality of Hangar 9 but they needed the space and it was available. He stated this is not creating something new but rather replacing something.

Mr. Myers stated everyone who operates on this field is subsidized in one way or another. He stated you could not go to the industrial park in town and rent space for what the airport tenants are paying. He stated the crash/fire/rescue services provided on the airport are subsidized. He stated the businesses on the airport may not be looking for competition, but competition is here and we can grow the airport sensibly without a bunch of bickering. He stated it is not the intent of this board to favor one operator over the other and he does not feel that has been done, but he wants to recognize contributions and people.

Mr. Emory Babolian, Fargo Aero Tech, was recognized and stated that if the Airport Authority is going to get back into building buildings and leasing them out they would be foolish not to pursue it like everyone else. He stated there is room for growth in the southeast area and they would be interested in a new building as well.

Gen. Macdonald stated this matter should be deferred until the next meeting when we have information on the insurance settlement. He stated he sees that we have three options:

1. If we cannot enter into an agreeable lease with the Hamiltons we tear down the structure.
2. Make limited repairs to Hangar #3 so it is useable for five years
3. Build a different structure

Received Communication from Aviation Resources, Ltd. Regarding South General Aviation Area Facility: (Continued)

Chairman Pawluk stated he feels the most responsible thing for the board to do is to wait until the next meeting after we have the information we need.

Chairman Pawluk stated he would like for the Hamiltons to meet for a few minutes with he and Gen. Macdonald to discuss the lease terms.

Mr. Bromenschenkel commented on the request for a tax abatement and stated he does not feel this would qualify for a tax abatement.

Chairman Pawluk stated he feels it is important to make it clear that this matter is not settled because we have been waiting for word from our insurance carrier and not due to inaction on the part of the Airport Authority.

Adopted Resolution of Appreciation to Mr. R. Tracy Myers:

Gen. Macdonald offered the following resolution and moved its adoption:

WHEREAS, Mr. R. Tracy Myers has served as a member of the Municipal Airport Authority of the City of Fargo, North Dakota since his appointment in 1995, and;

WHEREAS, Mr. R. Tracy Myers has resigned his position on the Airport Authority as of August 24, 1999, in order to pursue other interests, and;

WHEREAS, Mr. R. Tracy Myers has served as Chairman and in other capacities during his tenure on the Airport Authority, and;

WHEREAS, The Municipal Airport Authority has accomplished many improvements and adopted a positive approach to future developments of airport facilities during the service of Mr. R. Tracy Myers, and;

WHEREAS, Mr. R. Tracy Myers, as a member of the Airport Authority, has rendered valuable and dedicated service and has given unsparingly of his time and energies to meet and exceed the requirements of his appointment.

NOW, THEREFORE, BE IT RESOLVED, That the Municipal Airport Authority of the City of Fargo, North Dakota does hereby thank and commend Mr. R. Tracy Myers for his effective efforts and support of the Municipal Airport Authority.

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. R. Tracy Myers.

Second by Mr. Walstad.

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

The meeting of the Municipal Airport Authority was adjourned until the next regular meeting to be held Tuesday, September 14, 1999, at 9:00 a.m. in the Airport Boardroom.

Time at adjournment was 10:52 a.m.

Regular Meeting

Tuesday

September 14, 1999

The regular meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held Tuesday, September 14, 1999, at 9:00 a.m. in the Airport Boardroom.

The members present or absent were as follows:

Present: Walstad, Anderson, Macdonald, Pawluk

Absent: Robertson

Others: Stewart, Eldred

Chairman Pawluk presiding.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held August 24, 1999:

The minutes of the regular meeting of the Municipal Airport Authority held August 24, 1999, were approved without objection.

Approved the Individual Voucher to Flint Communications:

Gen. Macdonald moved to approve the individual voucher in the amount of \$7,428.86 to Flint Communications for partial payment request for airport marketing program.

Second by Mr. Walstad.

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

Absent and not voting: Robertson

The motion was declared carried.

Approved the Individual Voucher to Ulteig Engineers, Inc.:

Gen. Macdonald moved to approve the individual voucher in the amount of \$5,241.35 to Ulteig Engineers, Inc. for partial payment request for engineering services in connection with AIP Project 3 38 0017 22, Rehabilitation of Westside Terminal Apron, Southeast GA Apron, B 3 Taxiway and Storm Sewer Rehabilitation.

Second by Mr. Walstad.

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

Absent and not voting: Robertson

The motion was declared carried.

Approved the Individual Voucher to Ulteig Engineers, Inc.:

Gen. Macdonald moved to approve the individual voucher in the amount of \$8,461.90 to Ulteig Engineers, Inc. for partial payment request for engineering services in connection with AIP Project No. 3 38 0017 23, Rehabilitation of South GA and Commercial Aprons (Phase II), Rehab Runway 13/31, Taxiway A Drainage, Install Threshold lights on Runway 8/26, and construct Cass Co. Drain 10 Flood Control Structure. Second by Mr. Walstad.

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

Absent and not voting: Robertson

The motion was declared carried.

Approved the Individual Voucher to Ulteig Engineers, Inc.:

Gen. Macdonald moved to approve the individual voucher in the amount of \$3,065.50 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, Anderson, Macdonald and Pawluk voted aye.

Absent and not voting: Robertson

The motion was declared carried.

Approved the Individual Voucher to Dakota Fence Company:

Gen. Macdonald moved to approve the individual voucher in the amount of \$6,736.16 to Dakota Fence Company for repairs to security fence damaged in the 7/4/99 storm.

Second by Mr. Walstad.

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

Absent and not voting: Robertson

The motion was declared carried.

Approved the Individual Voucher to Northern Improvement Company:

Gen. Macdonald moved to approve the individual voucher in the amount of \$117,912.11 to Northern Improvement Company for partial payment request for construction of AIP Projects 3 38 0017 22 and AIP 3 38 0017 23.

Second by Mr. Walstad.

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

Absent and not voting: Robertson

The motion was declared carried.

Approved the Individual Voucher to Foss Associates:

Gen. Macdonald moved to approve partial payment request in the amount of \$1,002.69 to Foss Associates for professional services in connection with the Westside Terminal Passenger Boarding Bridge Project.

Second by Mr. Walstad.

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

Absent and not voting: Robertson

The motion was declared carried.

Approved the Individual Voucher to Foss Associates:

Gen. Macdonald moved to approve the individual voucher in the amount of \$378.96 to Foss Associates for partial payment request for professional services in connection with the Westside Terminal Carpet Project.

Second by Mr. Walstad.

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

Absent and not voting: Robertson

The motion was declared carried.

Adopted Resolution of Sympathy to the Family of M. T. "Tom" Williams:

Gen. Macdonald offered the following resolution of sympathy and moved its adoption:

WHEREAS, It is with profound that the Municipal Airport Authority has learned of the death of its longtime and very valued member, Mr. M.T. "Tom" Williams, and

WHEREAS, Mr. Williams served as a member of the Municipal Airport Authority from 1978 to 1995, gave generously and unsparingly of his time, and was instrumental in the growth and success of Hector International Airport over those years, many of those accomplishments which came under his chairmanship, and

WHEREAS, Mr. Williams's regular presence and valuable contribution to the board have been missed by the Municipal Airport Authority since his leaving the board in 1995, and his death will leave an even larger void for the community as well as the Williams family.

NOW, THEREFORE, BE IT RESOLVED, That the Municipal Airport Authority does hereby express its heartfelt and deepest sympathy to Mrs. Judy Williams and the entire Williams family.

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 sent to the family Mr. Tom Williams.

Second by Mr. Walstad.

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

Mr. Walstad added that the Williams family requested that all memorials be given to the Fargo Air Museum.

Received Update from Goldmark Regarding Airport First Addition Property:

Mr. Jim Buus, Goldmark Commercial Corporation, was recognized and stated last year we had an offer for the property in the Airport First Addition. He stated a price was agreed upon but the surrounding residential neighborhood would have to agree on the use, which would be apartments. He stated at that time they did not feel they had the support from the neighborhood so withdrew their purchase agreement. He stated their letter back in January did indicate they may bring the proposal back when they felt the time was right.

Mr. Buus stated they are still interested in an apartment development and feel they have the neighborhood support. He stated apparently the neighbors feel an apartment development would be a better neighbor than an industrial business which could locate there. Mr. Buus stated since no one is here to represent the buyer he cannot be more specific.

Attorney Stewart stated he talked to one of the principals lately and apparently they had more favorable reactions from the neighbors than previously. They were going to do some further canvassing.

Mr. Dobberstein stated as the owner of the property the Airport Authority would have to sign a petition to the Planning Commission but the Airport Authority would remain neutral. He added it is up to the buyer to sell the idea to the neighborhood.

Received Update from Goldmark Regarding Airport First Addition Property:

After further discussion, it was the consensus that the board would be receptive to the same offer, provided a variance is granted. The matter was tabled until further information could be presented.

Received Communication from Fargo Aero Tech Regarding Proposed Expansion Plans:

The communication from Fargo Aero Tech, Inc. dated September 9, 1999, was received and filed without objection.

Mr. Emory Babolian, Fargo Aero Tech, was recognized and stated that quite some time ago they submitted a letter to the Airport Authority indicating their interest in expanding their facility in the southeast general aviation area. He stated now with the storm damage to the hangars in that area and the planned demolition he stated they are submitting another letter of interest. He stated they are looking at additional space of 200' x 120', which would be their primary facility and they would utilize their existing building for storage, etc.

Chairman Pawluk stated this request ties in with the Airport Authority's thought process for the area affected by storm damage. He stated it is difficult for the Airport Authority to make a commitment to Fargo Aero Tech at this time as we do not yet know how the situation in that area will be resolved. He stated as we work through this in the next few meetings we should have a better idea.

Presentation from Mr. Ed Elhard, A&P Program Developer for North Dakota Aero Tech/NDSU:

Mr. Ed Elhard was recognized and introduced Dr. Jim Bartlett, NDSU, and Mr. Ralph Braaten, Aeromedical Systems.

Mr. Elhard stated the principals and directors of North Dakota Aero Tech (NDAT) wish to establish and FAA approved Part 147 Aviation Maintenance Technical School at Hector Airport (1716 23rd Avenue North) with a projected opening date of January 2000. He stated their plans are to tie this program in with NDSU's Aircraft Manufacturing and Engineering program. He stated the present Aeromedical Systems hangar would be able to accommodate 50 students. He stated as the school progresses they will have two types of students, those who want their A&P license only and those who want to go into aircraft manufacturing and engineering. Mr. Elhard stated he and Mr. Braaten will be partners on the A&P side, while Dr. Bartlett will be an academic advisor and co director of the project.

Mr. Elhard stated they are requesting permission from the Airport Authority to locate the school on the airport. He stated the project also needs FAA approval, which is about a 4 6 month process.

Mr. Dobberstein stated he had been contacted by Mr. Elhard some time ago asking about space the Airport Authority might have available but put him in contact with private individuals as the Authority had none available.

Mr. Walstad moved the Airport Authority adopt a resolution of support for North Dakota Aero Tech, pending a formal request prior to approving a sublease.

Second by Mr. Anderson.

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

Continued Storm Damage Discussion:

Chairman Pawluk stated since our last meeting the demolition of Hangar #4 has been completed. He stated Hangar #2 is currently under an asbestos removal process and demolition should begin September 23.

Mr. Dobberstein stated we have not yet received our first insurance settlement check and we are still awaiting word on the demolition costs.

Continued Storm Damage Discussion: (Continued)

Chairman Pawluk stated he would like to see the Airport Authority declare an emergency situation and retain the services of an architect to begin planning the process to replace the lost hangar space.

Chairman Pawluk stated there has been no resolution on Hangar #3 and the attached administration building.

Gen. Macdonald stated it was his understanding that we were going to get an opinion from Foss Associates as to whether or not Hangar #3 could be demolished without greatly affecting the administration building.

Mr. Dobberstein stated he will arrange with Foss Associates for that opinion.

Chairman Pawluk stated he would think that we would need to be able to give some type of direction to the architectural firms submitting proposals so they know what we have in mind.

Gen. Macdonald stated the request for proposals would be for the feasibility and design of a condominium hangar facility in the available area. He added that he feels the proposal should be broad enough to include a facility where Hangar #2 is located. He stated if there is as much interest in a condo hangar facility as we think there is then we should be prepared to take the next step.

Chairman Pawluk stated he and Gen. Macdonald met with the Hamiltons after the last meeting and they left the meeting with the impression that the Hamiltons were going to come back to the Airport Authority with a proposal, but we have not yet heard anything from them. Chairman Pawluk stated he feels we are at a point where he would like to declare that we are at an impasse.

Gen. Macdonald stated he feels we need to wait until we hear word on the administration building. Gen. Macdonald stated he does not feel we are at the point where we should panic. He stated we have a six month window in which to plan a facility and the best method to utilize the space. He stated he feels the first step is to get an architect which can give us some vision as to what can go in that space. He stated we also need to get some firm commitments from tenants rather than moving ahead when we only have an indication of interested in space from some parties. Gen. Macdonald stated if we knew the options available for Hangar #3 and the administration building that would move things along. Gen. Macdonald stated he agrees with what Mr. Myers said, that we have a window of opportunity that will not be here forever.

Mr. Anderson stated he feels it would be a good idea to give the prospective architects some idea of what the board has in mind. He stated he feels since the board is not yet sure what it wants in that area it would be smart just to get the qualifications of the architects at this point. He stated then after an architect is chosen it will take interaction with tenants during the planning process.

Mr. Walstad asked Mr. Anderson if he felt it was premature to ask an architect for ideas and plans on proposed facilities.

Mr. Anderson stated it is his impression that we do not yet have solid tenants for the facility.

Chairman Pawluk stated he was ready to rush ahead with this project but it is obvious now that we should take our time and decide on the big picture first. He added that we need to resolve the lease issues.

Mr. Dobberstein distributed a communication he received from FEMA outlining some funding opportunities related to our storm losses which may surprise us.

Gen. Macdonald suggested the Airport Authority apply to FEMA requesting funds to replace the amount of building square footage which was lost in the storm.

Mr. Dobberstein stated we are presently working with FEMA on Hangar #2 and Hangar #4 is on their "to do" list. Mr. Dobberstein added that FEMA will be participating in the project to clean out the damaged trees in the shelterbelt and the damaged access road lighting. He stated he should have further information by the next meeting.

Continued Storm Damage Discussion: (Continued)

Chairman Pawluk asked Mr. Bob Hilsendeger for an update on progress with his paint shop business.

Mr. Hilsendeger stated he toured a number of facilities around the country ranging from the high end to the low end and has a good idea of what he wants to do. He stated it appears that there are a lot of people who want to locate on the field in the same general area. He stated he would like to have a visible location with southern exposure.

Gen. Macdonald moved the Airport Authority authorize the advertising for qualifications from architectural firms to work on continuing development of the south general aviation area aprons in the area of Hangar 4 and Hangar 2, and that we contract with Foss Associates to give us a formal letter outlining the options for the administration building portion of Hangar #3.

Second by Mr. Walstad.

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

Received Update on Soccer Complex Regarding Signage and Quonset Relocation:

Mr. Dobberstein stated there is no one here today representing the soccer group to update the board on the soccer complex.

Mr. Dobberstein stated a couple of weeks ago we were in the process of removing the quonset on the soccer complex property when someone from the soccer group requested permission to have the quonset moved to a location in the shelterbelt. He stated they would construct a slab for the quonset and use it for storage.

Chairman Pawluk stated he would have no problem with that.

Gen. Macdonald stated he would not have a problem with it either, as long as they don't cut down a lot of trees.

Gen. Macdonald moved to authorize the Executive Director to arrange for the removal or relocation of the quonset.

Second by Mr. Anderson.

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

Received Update on Airport Construction Projects:

Mr. Steve Synhorst, Ulteig Engineers, was recognized and stated we are almost completely finished with all of the construction projects. He stated he and Mr. Dobberstein are going to review the financial information and see if there are any funds left in either grant.

Mr. Dobberstein stated earlier this year the board authorized Ulteig to develop plans and specifications for the Eastside Terminal area parking lot water and sewer replacement. He stated he and Mr. Synhorst feel the bidding environment is too hostile at this point to bid the project so we are going to wait.

Mr. Dobberstein stated there are some final items being completed on the new jetway and we are awaiting the training sessions from FMC Jetway.

Mr. Dobberstein stated the new carpet was to be manufactured this week with installation to begin the last week in September.

Other Business:

Gen. Macdonald stated he has been concerned about the matter of FAA security violations that have occurred at this airport. He stated when the FAA finds a security violation on the airport, the FAA fines the airport regardless of who commits the violation. He stated normal procedure is that the fine is then passed on to the alleged perpetrator. He stated according to Attorney Stewart there is not a specific clause in our leases with the fixed base operators, similar to that in the scheduled airline leases.

Other Business: (Continued)

Attorney Stewart stated there is one clause in all of the airport leases that states the lessee must comply with all rules and regulations. He stated this clause would probably be sufficient for the purpose but he has suggested to Mr. Dobberstein that a specific clause be added to all leases.

Gen. Macdonald suggested Attorney Stewart draft an addendum to all leases including such a clause.

Mr. Dobberstein explained that in our recent FAA security inspection the agents issued violations to Fargo Jet Center, Valley Aviation, Fargo Aero Tech and NDSU. He stated the only violation for which we have not received a formal response from the FAA is the access they gained through Valley Aviation. He stated we have received certified letters from the FAA that the corrective action taken on the other three violations were satisfactory and no monetary fine would be imposed. He stated the Valley Aviation violation is still under consideration and we may be subject to a \$500 \$10,000 fine. Gen. Macdonald moved the Authority direct Attorney Stewart to draft an addendum to all lessees clarifying the clause in all leases that require the lessee to comply with all FAA regulations.

Second by Mr. Walstad.

Mr. Walstad asked if we have been fined for violations.

Mr. Dobberstein stated it has been a number of years and there have been none since we have been in the Westside Terminal. He stated that all other violations we have had have been satisfactorily settled and closed out with administrative action. He stated that tenants are responsible to make sure there is no unauthorized access to the air operations area.

Gen. Macdonald stated he does not feel an airport should be held responsible for the action or inaction of its lessees.

Mr. Dobberstein stated this has been a hot topic at AAAE conferences and airports are looking for the FAA to deal directly with operators rather than the airport but he does not foresee any change in that in the near future.

Mr. Dobberstein stated the reason the Valley Aviation violation has not been settled is that Robert Hamilton has indicated that for them to follow the required procedures would be upsetting to their customers. In Mr. Hamilton's opinion their security procedures worked exactly the way they are supposed to work. The FAA disagrees. Mr. Dobberstein stated he would disagree as well, as these security requirements are an expectation by all pilots at a Part 139 airport.

Chairman Pawluk called for a vote on the motion.

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

Chairman Pawluk stated he feels the Airport Authority should adopt a resolution opposing development off the approach end of Runway 31, with regard to NDSU's planned development of a technology center. He stated he feels the opposition should be based on the issues of noise, vibration and safety for pilots and the occupants of the building.

Mr. Dobberstein stated he has expressed the Authority's concern to Mr. Dick Rayl and he is willing to meet with the Airport Authority.

Gen. Macdonald stated he would be hesitant to pass a resolution of opposition.

Chairman Pawluk suggested a resolution of support of the technology center but referencing our concerns as to the location.

Gen. Macdonald stated he would support that as he feels there are better locations for the center. He stated we need to have a meeting with Mr. Rayl to discuss the matter and exchange ideas.

Chairman Pawluk stated Mr. Rayl is his neighbor and he has invited him to fly with him and get a first hand impression of the impact of a structure at the end of a runway. He stated they have not yet had that opportunity.

Other Business: (Continued)

Gen. Macdonald offered the following resolution and moved its adoption:

WHEREAS, The Municipal Airport Authority has learned of North Dakota State University's plans to develop a Trade and Technology Center on its campus, and

WHEREAS, The Municipal Airport Authority does lend its support to this development and forward step in education, and

WHEREAS, While the Municipal Airport Authority supports the Trade and Technology Center, it wishes to convey to North Dakota State University its concerns over the proposed location of the facility, as the proposed location is off the approach end of an airport runway.

NOW, THEREFORE, BE IT RESOLVED, that the Municipal Airport Authority does hereby encourage North Dakota State University to consider the ramifications involved in building a facility in such a location, with regards to the issues of noise, vibration and safety of the occupants of the building, as well as the safety of the pilots of aircraft using that runway, and

BE IT FURTHER RESOLVED, That this resolution become a permanent part of the proceedings of the Municipal Airport Authority and that a copy be sent to North Dakota State University as an indication of the Municipal Airport Authority's willingness to work with North Dakota State University on a more suitable location for the Research and Technology Park.

Second by Mr. Walstad.

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

The meeting of the Municipal Airport Authority was adjourned until the next regular meeting to be held Tuesday, September 28, 1999 at 9:00 a.m.

Time at adjournment was 10:43 a.m.

Regular Meeting

Tuesday

September 28, 1999

The regular meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held Tuesday, September 28, 1999, at 9:00 a.m. in the Airport Boardroom.

The members present or absent were as follows:

Present: Walstad, Anderson, Macdonald, Pawluk

Absent: Robertson

Others: Stewart, Eldred

Chairman Pawluk presiding.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held September 14, 1999:

Dr. Clif Hamilton was recognized and stated he would like to comment on the minutes from the meeting held September 14. He stated the minutes indicated that following the meeting he and Mrs. Hamilton had with Chairman Pawluk and Gen. Macdonald on August 24, it was Chairman Pawluk's understanding that he was to contact Chairman Pawluk. Dr. Hamilton stated it was his understanding that Chairman Pawluk wanted to wait until the board received further word from the insurance company that afternoon, and also until further information was obtained on whether or not Hangar #3 could be demolished without detriment to the administration portion attached. Dr. Hamilton stated he realizes the opinion from Foss Associates will be discussed at this meeting so he did not expect that anyone would get back to him until they had the information. Dr. Hamilton stated it was his understanding that Chairman Pawluk was going to get back to him.

Chairman Pawluk stated that Dr. Hamilton's comments will be noted in the minutes for today's meeting, however, the minutes from the meeting of September 28 accurately reflect his understanding, which he confirmed with Gen. Macdonald.

Dr. Hamilton stated that the minutes also reflected Chairman Pawluk's comments that in relation to the lease renewal that the communication had not been there and that they had not responded and therefore the lease should be cancelled. He added that Gen. Macdonald commented that we needed to wait for further information. Dr. Hamilton stated that he and Yvonne were out to lunch one day and Mr. Myers approached them and proposed the ideas outlined in their recent letter. He stated the ideas in the letter were proposed by Mr. Myers, they were not their ideas. He stated they did feel it was a way to get through this problem with the lease, taking advantage of the damage that was done during the storm on July 4. Dr. Hamilton stated Mr. Myers suggested they meet with another member of the board, Gen. Macdonald. He stated it was then arranged for them to have a meeting with Mr. Myers and Gen. Macdonald. Dr. Hamilton stated following that meeting Mr. Myers stated he would like them to send a letter to the Airport Authority indicating they were willing to abandon Hangar #4, Hangar #3 and the administration building, if necessary, and then the Airport

Regular Meeting Held September 28, 1999

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held September 14, 1999: (Continued)

Authority would build a unit to be leased to Valley Aviation for the rest of their lease. He stated it was Mr. Myers's idea that Valley Aviation be given the first right of refusal at the end of the lease term. Dr. Hamilton stated it was also Mr. Myers's suggestion that Valley Aviation be reimbursed for any improvements to the administration building.

Dr. Hamilton stated their letter to the Airport Authority was patterned after the suggestions of Mr. Myers.

Gen. Macdonald stated the one thing he would add is that they made it very clear at that meeting that they were not speaking for the Airport Authority. He stated they were simply speaking for themselves.

Chairman Pawluk stated he believes the summation given by Dr. Hamilton was an accurate reflection of the situation to this point. He stated as we move into the related item on the agenda we will be addressing those items.

Chairman Pawluk stated both his comments and Dr. Hamilton's comments are accurate reflections with respect to the discussion. However, he does not consider either points are an objection to the minutes as they are published. Chairman Pawluk stated these comments will be noted and reflected in the minutes for this meeting.

The minutes of the regular meeting of the Municipal Airport Authority held September 14, 1999, were approved without objection.

Approved the Airport Vouchers Totalling \$16,323.29:

Mr. Walstad moved to approve the airport vouchers totalling \$16,323.29.

Second by Mr. Anderson.

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

Absent and not voting: Robertson

The motion was declared carried.

Approved the Individual Voucher to Dakota Fence Company:

Gen. Macdonald moved to approve the individual voucher in the amount of \$3,109.00 to Dakota Fence Company for the installation of security fence at the former Hangar #4 location.

Second by Mr. Walstad.

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

Absent and not voting: Robertson

The motion was declared carried.

Approved the Individual Voucher to Horsley Specialties, Inc.:

Gen. Macdonald moved to approve the individual voucher in the amount of \$14,728.00 to Horsley Specialties, Inc. for asbestos removal from Hangar #2, as per quote.

Second by Mr. Walstad.

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

Absent and not voting: Robertson

The motion was declared carried.

Approved the Individual Voucher to Interiors by France:

Gen. Macdonald moved to approve the individual voucher in the amount of \$42,964.42 to Interiors by France for Partial Payment #1 for the Westside Terminal Carpet Project. Second by Mr. Walstad.

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

Absent and not voting: Robertson

The motion was declared carried.

Received Communication from Foss Associates Regarding Hangar #3:

The communication from Foss Associates dated September 23, 1999, was received and filed without objection.

Gen. Macdonald stated it is his recommendation that we delay any action on deciding what to do with Hangar #3 and the administration portion until we have hired an architect for the south general aviation project, as this information will have a bearing on what will be constructed. He stated in his mind the deciding factor is whether or not we should go further north with a condo type hangar facility.

Chairman Pawluk asked Mr. Bill Cowman, Foss Associates, for a summary of the findings.

Mr. Bill Cowman was recognized and stated he would like to refer to the original drawings to give a clear idea of the impact of leaving the existing administrative building. He stated the administration building actually intersects with Hangar #3 and part of Hangar #3 actually extends into the administration building. He stated the roof beams from the hangar actually come into the administration building and rest on the floor. He stated Mr. DeLaPointe is suggesting that if the administration building is to remain that the beams be cut at roof line and the roof be patched as necessary to make it water tight. He stated he is also suggesting adding footings to the newly exposed portions of the south and east elevations.

Mr. Cowman stated the estimated cost of demolition of Hangar #3 and the adjoining administration building is \$40,900, and the estimate for the demolition of Hangar #3 with modifications to the administration building for continued use is \$70,000. He stated what you would end up with is a useable building of 3200 square feet for about \$10 per square foot. Mr. Cowman stated this could be done at a reasonable cost as new office space would be \$65 \$75 per square foot, depending upon the quality.

Chairman Pawluk asked if it would be appropriate to discuss with Dr. Hamilton the options or would a subcommittee be more appropriate.

Dr. Hamilton stated he feels it would work best with a subcommittee but it is up to the board.

Chairman Pawluk indicated he would have time following this meeting if that would work for the Hamiltons and Gen. Macdonald.

After further discussion, it was decided that Chairman Pawluk and Gen. Macdonald would meeting with Dr. and Mrs. Hamilton following the regular meeting.

Received Update on Airport Improvement Projects:

Mr. Steve Synhorst, Ulteig Engineers, stated they are still working on getting the final quantities and completion of documentation.

Mr. Dobberstein stated informal bids were opened yesterday for the project to relocate the generator from the former National Weather Service building to our maintenance shop and Sun Electric was the low bidder at \$9,595. He stated he signed a notice to proceed on this project this morning.

Other Business:

Chairman Pawluk stated we received this morning a letter from Valley Aviation dated September 26, 1999, regarding discussion at the last meeting on an issue of a security violation.

The communication was received and filed without objection.

Chairman Pawluk asked Dr. and Mrs. Hamilton for any comments.

Dr. Hamilton stated they do not know anything about this. He indicated they did read Robert's letter.

Gen. Macdonald explained that the Airport Authority is a party between the FAA and Valley Aviation, it was not the Airport Authority that issued the violation.

Dr. Hamilton stated they realize that.

Mr. Dobberstein explained that following an airport security inspection, the FAA advises the airport of any violations and the tenants are then provided with the FAA's version of the alleged violation for response. He stated Robert Hamilton responded to the violation in a letter dated August 24, 1999, but apparently the response was not acceptable to the two FAA agents and that is the reason this alleged violation has not been closed.

Dr. Hamilton stated the Airport Authority should know that the agents tried to get through the Aeromedical Systems and Flight Training hangars and they were not allowed through those locations.

Mr. Dobberstein stated they are aware of that. Mr. Dobberstein stated we can provide Dr. Hamilton with the phone numbers for the two FAA agents who issued the violation and speak with them directly. He stated the agents have recommended to their superior to impose a monetary fine.

Dr. Hamilton stated according to Robert's letter, the agents indicated it is rare for a monetary fine to be assessed unless the airport had prior fines. Dr. Hamilton asked if the airport has had prior monetary fines.

Mr. Dobberstein indicated that all previous violations have been able to be handled with administrative procedures.

Dr. Hamilton asked if it is up to Valley Aviation to plead their case with the FAA or is it up to the Airport Authority.

Gen. Macdonald stated the Airport Authority cannot plead a case for a tenant. He stated all we can do is relay information to them.

Mr. Dobberstein stated we will provide the FAA with Robert's letter dated September 26.

Dr. Hamilton stated when he designed the building they made sure the access to the ramp was only through those doors and they have lock out mechanisms so you cannot get through when they are secure. He stated in this case the agents told the employee they had an aircraft on the ramp.

Chairman Pawluk stated he would think if Dr. Hamilton called Mr. Cook, a few minutes on the phone might be effective in eliminating a civil penalty.

Mr. Dobberstein stated we will forward Mr. Cook the minutes from this meeting, along with Robert's letter dated September 26.

Other Business:

Chairman Pawluk stated they had a good meeting with representatives of NDSU and were able to convey to them the airport's concerns with the location of their proposed technology center, yet it is their feeling that this is the only location they have for the facility.

Mr. Dobberstein indicated one suggestion that has been made is to design the area so that a street would run in line with the runway so if a pilot runs into trouble they would have the option of landing on the street.

Gen. Macdonald stated what concerns him is that they understand what we are talking about regarding the hazards of locating a building off the end of a runway, and that we have our concerns to them on record.

Mr. Mark Hovde, Hertz, was recognized and asked if it is still the intent of the Airport Authority to require in the new car rental lease that the lessees rent service facility space on the west side of the airport. He stated right now they cannot look at building a new facility without some incentives.

Chairman Pawluk stated the Airport Authority has not taken any formal action but it seems to be the consensus of the board that we are moving toward a car rental facility on the west side. He added that two of the operators have a great objection to the idea progress would move faster with support from all of the operators.

Mr. Hovde stated it is the intention of Hertz and Budget to move forward.

Chairman Pawluk stated it is his feeling that the request for proposals for the next lease would include the Airport Authority's intentions. Gen. Macdonald stated it would also be his feeling that when the request for proposals go out for the new lease it would be a requirement for operators to lease part of a car rental condo service facility.

The meeting of the Municipal Airport Authority was adjourned until the next regular meeting to be held Tuesday, October 12, 1999, at 9:00 a.m. in the Airport Boardroom.

Time at adjournment was 9:54 a.m.

Regular Meeting

Tuesday

October 12, 1999

The regular meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held Tuesday, October 12, 1999 at 9:00 a.m. in the Airport Boardroom.

The members present or absent were as follows:

Present: Walstad, Clark, Macdonald, Pawluk

Absent: Anderson

Others: Stewart

Chairman Pawluk presiding.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held September 28, 1999:

The minutes of the regular meeting of the Municipal Airport Authority held September 28, 1999, were approved without objection.

Approved the Airport Vouchers Totalling \$11,178.53:

Mr. Walstad moved to approve the airport vouchers totalling \$11,178.53.

Second by Gen. Macdonald.

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

Absent and not voting: Anderson

The motion was declared carried.

Approved the Individual Voucher to Ulteig Engineers, Inc.:

Gen. Macdonald moved to approve the individual voucher in the amount of \$5,529.41 to Ulteig Engineers, Inc. for partial payment request for engineering services in connection with AIP Project 3 38 0017 22, Rehabilitation of Westside Terminal Apron, Southeast GA Apron, B 3 Taxiway, Storm Sewer Rehabilitation.

Second by Mr. Walstad.

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

Absent and not voting: Anderson

The motion was declared carried.

Approved the Individual Voucher to Ulteig Engineers, Inc.:

Gen. Macdonald moved to approve the individual voucher in the amount of \$6,934.12 to Ulteig Engineers, Inc. for partial payment request for engineering services in connection with AIP Project No. 3 38 0017 23, Rehabilitation of SE GA and Commercial Aprons, Rehabilitation of Runway 13/31, Taxiway A Drainage Improvements, Runway 8/26 Threshold Lights and Cass Co. Drain #10 Flood Control Structure.

Second by Mr. Walstad.

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

Absent and not voting: Anderson

The motion was declared carried.

Approved the Individual Voucher to Ulteig Engineers, Inc.:

Gen. Macdonald moved to approve the individual voucher in the amount of \$1,855.50 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, Clark, Macdonald and Pawluk voted aye.

Absent and not voting: Anderson

The motion was declared carried.

Approved the Individual Voucher to Ulteig Engineers, Inc.:

Gen. Macdonald moved to approve the individual voucher in the amount of \$1,615.72 to Ulteig Engineers, Inc. for partial payment request for engineering services in connection with the maintenance shop generator project.

Second by Mr. Walstad.

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

Absent and not voting: Anderson

The motion was declared carried.

Approved the Individual Voucher to Dakota Fence Company:

Gen. Macdonald moved to approve the individual voucher in the amount of \$3,596.50 to Dakota Fence Company for installation of fence in Hangar #2 area.

Second by Mr. Walstad.

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

Absent and not voting: Anderson

The motion was declared carried.

Approved the Individual Voucher to Advanced Heating & Air Conditioning:

Gen. Macdonald moved to approve the individual voucher in the amount of \$1,350.00 to Advanced Heating and Air Conditioning for repairs to damaged air conditioning units Eastside Terminal (7 4 99 storm).

Second by Mr. Walstad.

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

Absent and not voting: Anderson

The motion was declared carried.

Approved the Individual Voucher to Flint Communications:

Gen. Macdonald moved to approve the individual voucher in the amount of \$12,338.67 to Flint Communications for partial payment request for airport marketing program.

Second by Mr. Walstad.

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

Absent and not voting: Anderson

The motion was declared carried.

Approved the Individual Voucher to Foss Associates:

Gen. Macdonald moved to approve the individual voucher in the amount of \$204.50 for partial payment request (final) for architectural services in connection with the Eastside Terminal partial reroofing project.

Second by Mr. Walstad.

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

Absent and not voting: Anderson

The motion was declared carried.

Approved the Individual Voucher to Foss Associates:

Gen. Macdonald moved to approve the individual voucher in the amount of \$175.86 to Foss Associates for partial payment request for architectural services in connection with the Westside Terminal Passenger Boarding Bridge project.

Second by Mr. Walstad.

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

Absent and not voting: Anderson

The motion was declared carried.

Approved the Individual Voucher to Foss Associates:

Gen. Macdonald moved to approve the individual voucher in the amount of \$4,417.47 to Foss Associates for partial payment request for architectural services in connection with the Eastside Terminal Tower Demolition Project.

Second by Mr. Walstad.

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

Absent and not voting: Anderson

The motion was declared carried.

Approved the Individual Voucher to Foss Associates:

Gen. Macdonald moved to approve the individual voucher in the amount of \$358.43 to Foss Associates for payment request for architectural services in connection with the Hangar #3 and administration building report.

Second by Mr. Walstad.

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

Absent and not voting: Anderson

The motion was declared carried.

Approved the Individual Voucher to Forum Communications:

Gen. Macdonald moved to approve the individual voucher in the amount of \$47.36 to Forum Communications for legal advertisement of request for qualifications for architects, southeast general aviation area.

Second by Mr. Walstad.

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

Absent and not voting: Anderson

The motion was declared carried.

Approved the Individual Voucher to Northern Improvement:

Gen. Macdonald moved to approve the individual voucher in the amount of \$15,660.00 to Northern Improvement Company for the demolition of Hangar #4, 7 4 99 storm damage.

Second by Mr. Walstad.

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

Absent and not voting: Anderson

The motion was declared carried.

Approved the Individual Voucher to Northern Improvement:

Gen. Macdonald moved to approve the individual voucher in the amount of \$50,100.00 to Northern Improvement for the demolition of Hangar #2 (\$49,510) as a result of the 7 4 99 storm damage, and the demolition of an additional out building (590.00).

Second by Mr. Walstad.

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

Absent and not voting: Anderson

The motion was declared carried.

Approved the Individual Voucher to Fargo Electric Construction:

Gen. Macdonald moved to approve the individual voucher in the amount of \$2,540.28 to Fargo Electric Construction for the removal of damage light poles and installation of new poles and fixtures as a result of the 7 4 99 storm.

Second by Mr. Walstad.

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

Absent and not voting: Anderson

The motion was declared carried.

Received Notice of Appointment of Virginia Clark to Complete the Term of Bonnie Robertson:

The communication from Mayor Furness dated September 21, 1999, advising the City Commission of his recommendation that Virginia Clark be appointed to complete the term of Bonnie Robertson on the Municipal Airport Authority, was received and filed without objection.

Chairman Pawluk welcomed Dr. Clark to the Airport Authority.

Received Communication from Fargo Jet Center Regarding Charter Operations Agreement with Business Systems Aviation:

The communication from Fargo Jet Center was received and filed without objection.

Mr. Dobberstein explained that the board recently approved a sublease agreement between Fargo Jet Center and Financial Business Systems dba Business Systems Aviation to conduct Part 135 operations. He stated that Fargo Jet Center now has their own certification for these operations so there is no need for the sublease.

Received Third Quarter PFC Report:

The PFC report for the third quarter of 1999 was received and filed without objection.

Received Information from Architects Responding to Request for Qualifications Related to the South General Aviation Area:

The following architectural firms submitted responses to our request for qualifications:

Anderson Architecture
Michael J. Burns Architects, Ltd.
R.L. Engebretson
Foss Associates
Ness Architects

Received Information from Architects Responding to Request for Qualifications Related to the South General Aviation Area: (Continued)

Lightowler Johnson Associates Inc.
Prairie Design Studio
Mutchler Bartram Architects
T.L. Stroh Architects, Ltd.

Chairman Pawluk asked the members for discussion on how we should proceed on this selection process.

Gen. Macdonald asked if we are in a hurry.

Chairman Pawluk stated he feels we are in a hurry. He stated if we make a decision within the next 30 days we are into November and maybe by the first of the year we can have a plan ready to put out for bids. He stated he would like to see this completed as soon as possible.

Gen. Macdonald suggested selecting three firms to interview. He stated we should look not only at their qualifications to do the project but also their ability to fit the work into their schedule.

Mr. Dobberstein stated he could provide the members with some criteria as to how to rate the firms. He stated based on those results we would interview the top three candidates.

Chairman Pawluk stated he will work with Mr. Dobberstein on a rating scale. He stated at the next meeting we will decide on the top three and at the first meeting in November we will interview those three firms. He added that each firm will have an opportunity to be interviewed without the other two firms present.

Received Copy of Lease Proposal Between NDSU Aero Tech and Hamilton Hangars:

The copy of the lease proposal between NDSU Aero Tech and Hamilton Hangars was received and filed without objection.

Authorized Foss Associates to Prepare Restroom Remodeling Documents for the Westside Terminal:

Mr. Dobberstein stated we had received informal proposals from contractors earlier this spring for remodeling the restrooms in the Westside Terminal. He stated the laminated counters in the restrooms are starting to show their wear and it is time to replace them. He stated we had the original contractor on the building, Meinecke Johnson, give us a quote on Corian countertops with built in sinks and their estimate was \$115,000 on that material, which placed us over the amount to require the formal bid process. He stated we have continued to use Foss Associates for updates on the building, as they were the original architect, and he would like them to assist in preparing a bidding document for the restroom remodeling.

Gen. Macdonald stated there are other products such as Etura and Avonite, which are similar to Corian so we should not specify Corian.

Gen. Macdonald moved Foss Associates be authorized to prepare the appropriate documents for the remodeling of the Westside Terminal restroom.

Second by Dr. Clark.

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

Received Update on Airport Construction Projects:

Mr. Steve Synhorst, Ulteig Engineers, was recognized and stated they are still working on small items to complete the improvement projects. He stated Northern Improvement was going to take care of the drainage ditch on the west side of Taxiway A. He stated he has been talking with Henry Swedberg, Airfield Maintenance Supervisor, and they feel we should take a look at lowering the culvert under the fence to improve drainage.

Mr. Dobberstein stated we will be receiving bids for the tower demolition on October 19.

Other Business:

Mr. Dobberstein stated he has been talking with Mr. Scott Luidahl, City Forester, about thinning out some of the evergreen trees in the shelterbelt and relocating them somewhere else on the airport. He stated they have counted approximately 175 evergreens that could be taken out and replanted at an estimated cost of \$25 each. He stated one area we would consider for relocation would be a noise buffer along the north side of the homes located west of the terminal. He stated he would also like to see some of the trees located west of the homes east of University and South of Cass County which back the airport's property.

Chairman Pawluk stated he would like to see more trees around the terminal building area to break the wind.

Mr. Dobberstein stated we have received the insurance settlement for Hangar #2 from ND State Fire & Tornado, but we may be eligible for additional funds of up to \$419,000 from FEMA if we replace the demolished structures. He stated we would not be eligible for this funding unless the building space is replaced.

In answer to a question from Gen. Macdonald, Mr. Dobberstein stated he would confirm with Attorney Stewart and ND Emergency management regarding coverage for the leasehold improvements in Hangar #2.

The meeting of the Municipal Airport Authority was adjourned until the next regular meeting to be held Tuesday, October 26, 1999 at 9:00 a.m. in the Airport Boardroom.

Time at adjournment was 9:44 a.m.

Regular Meeting

Tuesday

October 26, 1999

The regular meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held Tuesday, October 26, 1999, at 9:00 a.m. in the Airport Boardroom.

The members present or absent were as follows:

Present: Anderson, Clark, Macdonald, Walstad

Absent: Pawluk

Others: Stewart, Eldred

Vice Chairman Walstad presiding.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held October 12, 1999:

The minutes of the regular meeting of the Municipal Airport Authority held October 12, 1999, were approved without objection.

Approved the Airport Vouchers Totalling \$8,694.82:

Gen. Macdonald moved to approve the airport vouchers totalling \$8,694.82.

Second by Mr. Anderson.

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

Absent and not voting: Pawluk

The motion was declared carried.

Approved the Individual Voucher to Horsley Specialties, Inc.:

Mr. Anderson moved to approve the individual voucher in the amount of \$13,874.00 to Horsley Specialties, Inc. for asbestos abatement in the Eastside Terminal tower area in preparation for tower demolition.

Second by Dr. Clark.

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

Absent and not voting: Pawluk

The motion was declared carried.

Approved the Individual Voucher to Fischer Tree Service:

Mr. Anderson moved to approve the individual voucher in the amount of \$5,478.75 to Fischer Tree Service for the clearing of the westside shelterbelt as a result of the 7 4 99 storm.

Second by Dr. Clark.

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

Absent and not voting: Pawluk

The motion was declared carried.

Approved the Individual Voucher to Robert Gibb & Sons:

Mr. Anderson moved to approve the individual voucher in the amount of \$426.02 to Robert Gibb & Sons for HVAC shutdown in Hangar #2 and recovery of refrigerant in preparation for demolition of hangar.

Second by Dr. Clark.

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

Absent and not voting: Pawluk

The motion was declared carried.

Approved the Individual Voucher to Forum Communications:

Mr. Anderson moved to approve the individual voucher in the amount of \$124.80 to Forum Communications for advertisement for bids for the demolition of the Eastside Terminal Tower.

Second by Dr. Clark.

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

Absent and not voting: Pawluk

The motion was declared carried.

Approved the Individual Voucher to Fargo Electric Construction:

Mr. Anderson moved to approve the individual voucher in the amount of \$4,975.00 to Fargo Electric Construction for the installation of threshold lights on Runway 8/26, AIP Project No. 3 38 0017 23.

Second by Dr. Clark.

On the call of the roll, members Anderson, Clark, Macdonald and Walstad voted aye. Absent and not voting: Pawluk

The motion was declared carried.

Selected Architectural Firms to be Interviewed at the November 9, 1999 Meeting of the Municipal Airport Authority:

Mr. Dobberstein stated each member reviewed the qualifications for the nine firms submitting proposals and based on the uniform ranking system used by all members the following firms were selected to be interviewed: (alphabetic order)

Foss Associates
Lightowler Johnson Associates Inc.
Mutchler Bartram Architects
T.L. Stroh Architects, Ltd.

Vice Chairman Walstad stated that at the last meeting it was decided that the board should interview three firms, but three of the firms received the same amount of votes.

Mr. Anderson stated he feels it is only fair to interview all four firms receiving the highest number of votes.

Mr. Dobberstein suggested each firm, in alphabetic order, be given ten minutes at the meeting on November 9, 1999, with a few minutes for questions.

Mr. Anderson moved the Airport Authority invite Foss Associates, Lightowler Johnson Associates Inc., Mutchler Bartram Architects and T.L. Stroh Architects, Ltd., to be interviewed by the Municipal Airport Authority at its regular meeting held November 9, 1999.

Second by Gen. Macdonald.

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

Selected Architectural Firms to be Interviewed at the November 9, 1999 Meeting of the Municipal Airport Authority: (Continued)

Vice Chairman Walstad asked if the board will be making a decision at that meeting.

Mr. Anderson stated after listening to their presentations we will each have ideas and we can have discussion at that time and hopefully come to a consensus.

Gen. Macdonald stated a consensus may be rare. He asked how we will be voting.

After further discussion, Mr. Dobberstein suggested using the same criteria used for the selection process and the firm with the highest point total, using a scale of 1 to 10, would be the successful firm.

Mr. Anderson stated he feels one of the questions asked should be about anticipated cost.

Mr. Dobberstein stated under FAA guidelines cost cannot be a part of the selection process. He explained that after a firm is selected you negotiate the cost and if we are not able to come to an agreement you could negotiate with the second highest ranking firm.

Received Bids for the Demolition of the Eastside Terminal Tower Area and Recommendation from Foss Associates:

Mr. Patrick DeLaPoint, Foss Associates, was recognized and stated on October 19, 1999, bids were opened for the tower demolition project. He stated five bidders received bidding information but only two contractors submitted bids. Bids were received as follows:

Wanzek Construction	\$83,500
Industrial Builders	\$88,690

Mr. DeLaPointe stated he was disappointed in the bid amounts. He stated after talking with the individual bidders they gave various reasons for not bidding the project. He stated most of them felt it was a labor intensive project and would not be able to get the help. He stated the attitude of the bidders the day or so before the bid opening made it evident they had not started looking at the project more than a day or so before the bid. He stated the most disturbing thing that happened is after the bid opening he got a call from the second bidder indicating they could do the project for time and material of about \$63,000. He stated the number they used in the estimate was based on the numbers provided by Northern Improvement about three years ago.

Mr. DeLaPointe contacted the firms that did not submit a bid and they indicated various reasons for not bidding. He stated some of them indicated they may bid at another time of the year when they are not so busy. He stated a good time may be between now and March before road restrictions are in place.

Mr. Dobberstein asked if the board decided to accept Mr. DeLaPointe's recommendation to reject the bids and rebid the project later would we then consider the time and material, price not to exceed option.

Mr. Anderson stated we could put that in as an addendum and if the bidders want to submit on that basis they may.

Mr. Anderson moved the Airport Authority accept the architect's recommendation and rebid the tower demolition project at a later date.

Second by Dr. Clark.

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

Received Update on Airport Improvement Projects:

Mr. Steve Synhorst, Ulteig Engineers, was recognized and stated Northern Improvement is working on the drainage project and it should be completed in about a week. He stated we will then close out the projects for the year and start on next year's projects.

Mr. Dobberstein stated we do not yet know what our 2000 entitlement funds will be, but we could move ahead with the Airport Master Plan Update project using our own funds until we know what the FAA will be doing.

The meeting of the Municipal Airport Authority was adjourned until the next regular meeting to be held Tuesday, November 9, 1999, at 9:00 a.m. in the Airport Boardroom.

Time at adjournment was 9:34.

Regular Meeting

Tuesday

November 9, 1999

The regular meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held Tuesday, November 9, 1999, at 9:00 a.m. in the Airport Boardroom.

The members present or absent were as follows:

Present: Walstad, Anderson, Macdonald, Pawluk

Absent: Clark

Others: Stewart, Bromenschenkel

Chairman Pawluk presiding.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held Tuesday, October 26, 1999:

The minutes of the regular meeting of the Municipal Airport Authority held October 26, 1999, were approved without objection.

Approved the Airport Vouchers Totalling \$23,538.38:

Mr. Walstad moved to approve the airport vouchers totalling \$23,538.38.

Second by Mr. Anderson.

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

Absent and not voting: Clark

The motion was declared carried.

Approved the Individual Voucher to Flint Communications:

Gen. Macdonald moved to approve the individual voucher in the amount of \$23,376.26 to Flint Communications for partial payment request for airport marketing program.

Second by Mr. Walstad.

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

Absent and not voting: Clark

The motion was declared carried.

Approved the Individual Voucher to Foss Associates:

Gen. Macdonald moved to approve the individual voucher in the amount of \$200.47 to Foss Associates for partial payment request for architectural services in connection with the Westside Terminal carpet project.

Second by Mr. Walstad.

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

Absent and not voting: Clark

The motion was declared carried.

Approved the Individual Voucher to Legend Technical Services:

Gen. Macdonald moved to approve the individual voucher in the amount of \$2,125.00 to Legend Technical Services for professional services in connection with the removal of asbestos for the Hangar #2 demolition project.

Second by Mr. Walstad.

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

Absent and not voting: Clark

The motion was declared carried.

Approved the Individual Voucher to Legend Technical Services:

Gen. Macdonald moved to approve the individual voucher in the amount of \$4,935.00 to Legend Technical Services for professional services in connection with the removal of asbestos for the Eastside Terminal Tower Demolition.

Second by Mr. Walstad.

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

Absent and not voting: Clark

The motion was declared carried.

Approved the Individual Voucher to Interiors by France:

Gen. Macdonald moved to approve the individual voucher in the amount of \$6,281.08 to Interiors by France for partial payment request #2 for the Westside Terminal carpet project.

Second by Mr. Walstad.

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

Absent and not voting: Clark

The motion was declared carried.

Approved the Individual Voucher to Northern Improvement Company:

Gen. Macdonald moved to approve the individual voucher in the amount of \$159,037.81 to Northern Improvement Company for partial payment request #5 for construction of AIP Project No. 3 38 0017 23.

Second by Mr. Walstad.

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

Absent and not voting: Clark

The motion was declared carried.

Approved the Individual Voucher to Dakota Fence Company:

Gen. Macdonald moved to approve the individual voucher in the amount of \$2,325.00 to Dakota Fence Company for the installation of temporary fence and removal of fence along 19th Avenue and 16th Street for the Fargo Air Museum.

Second by Mr. Walstad.

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

Absent and not voting: Clark

The motion was declared carried.

Interviewed Architectural Firms for the South General Aviation Area Project:

The following architectural firms were interviewed in the order shown:

FOSS ASSOCIATES

Mr. Bill Cowman, Foss Associates, was recognized and stated their firm sees this project as an opportunity for the Airport Authority in the south general aviation area. He stated for that reason they felt it was important to involve Coffman Associates in the project because of the national airport experience. He stated that Mr. Steve Wagner, Coffman Associates, has the unique capability of activity forecasting for airport.

Mr. Cowman stated that once the Airport Authority would make its decision on the businesses that would occupy the space, Foss Associates would then design the building. He stated that they would also plan to involve Ulteig Engineers, but he stated that he would be the common thread throughout the entire project.

In answer to a question from Chairman Pawluk, Mr. Cowman stated as far as the current workload at Foss Associates they would have no problem taking on this project.

Gen. Macdonald expressed a concern that involving Coffman Associates in this project would be a potential duplication of effort of our Airport Master Plan Update and we would be paying for the same service twice.

Mr. Cowman stated he does not feel that would be the case. He stated any decisions made for this project would be specific to this project, with the overall picture in mind.

LIGHTOWLER JOHNSON ASSOCIATES Not available for interview

T.L. STROH ARCHITECTS

Mr. Terry Stroh, T.L. Stroh Architects, was recognized and stated their firm is primarily a commercial architectural firm and reviewed some of their recent projects in Fargo, State Bank of Fargo on 13th Avenue, Orthopedic Institute, Cass County Annex Building, Butler Machinery, St. Anne's Church.

He stated they have a lot of experience in a lot of different projects. He stated that they have also done some work at the Air National Guard. He stated they also offer construction management as an option to customers.

Mr. Stroh stated they have aligned themselves with engineering firms such as Heyer Engineering, Moore Engineering and Ulteig Engineers and do not change that much as that is part of their team approach.

Mr. Stroh stated they try to do an excellent job for their clients and build a relationship with them. He stated they designed both phases of the Orthopedic Institute and in between phases they designed homes or additions to homes for many of the doctors.

In response to a question from Chairman Pawluk, Mr. Stroh stated they have a number of projects that are near completion so they would be in the market for some new projects.

MUTCHLER BARTRAM ARCHITECTS

Mr. Kevin Bartram, Mutchler Bartram Architects, was recognized and their firm does not specialize in any certain type of work but feel they are a well rounded firm. He reviewed some of their current projects, the Quentin Burdick Courthouse, South High Addition, new elementary school, Meritcare, Guard/Armory, along with others.

Mr. Bartram stated they would be able to handle this project in their current work load, as they are nearing completion on their larger projects.

Interviewed Architectural Firms for the South General Aviation Area Project: (Cont'd)

MUTCHLER BARTRAM ARCHITECTS (Continued)

In answer to a question from Mr. Anderson, Mr. Bartram stated they assign at least two architects (one principal and one younger) to each project so that if one architect is not available at any time the other would be available. He indicated that he would be directly involved.

Discussion:

Chairman Pawluk stated he feels that Foss's relationship with Coffman Associates and their previous work on the airport would be valuable. He stated the only negative he would have against awarding this to Foss is that he would like to see someone else involved in some of the projects on the airport.

Mr. Steve Synhorst, Ulteig Engineers, stated that regardless of which firm is chosen, he feels it would be important for them to attend the meetings the board has during the Master Plan Update process.

Mr. Anderson stated he is familiar with Foss's work and has worked with them in the past. He stated he does not know much about Stroh. He stated his recommendation, if the board wished to get another firm involved, would be Mutchler.

Mr. Dobberstein stated he just talked to Lightowler Johnson and they misread the time on the letter and thought it was 10:25.

Chairman Pawluk stated he feels we should continue with the discussion and Lightowler will be considered, as we have their written proposal.

Gen. Macdonald stated he cannot support hiring Foss. He stated he feels Foss has treated us very cavalier in past experiences and in his opinion has not given us the type of service he expects from an architect. He stated this was apparent in another problem we had which was handled very poorly.

Mr. Bromenschenkel stated he would agree with Gen. Macdonald's feelings. He stated he worked for one of the airlines when this building was being planned and constructed and there were some things the airlines felt they needed but Foss felt they needed to be done another way and these things wound up costing the Airport Authority more money at a later time.

Gen. Macdonald stated he feels Foss has been out here too long and they treat us very "matter of factly". He stated he does not know that much about Mutchler but is excited about Stroh. He stated the Butler complex Stroh has designed is fabulous.

Chairman Pawluk stated he looks at the repeat business any of the firms has done and it appears Stroh has developed a good relationship with their clients. He stated he was also impressed with the construction management services offered,

Mr. Walstad stated he had ranked Foss and Stroh at the top of his list.

Gen. Macdonald moved the Airport Authority contract with T.L. Stroh Architects for the South General Aviation building project.

Second by Mr. Walstad.

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

Chairman Pawluk stated all of the firms are very well qualified and could do the job.

Gen. Macdonald stated he agreed they would all do a fine job but for him it had more to do with the importance they attach to the relationship rather than their technical expertise.

Attorney Stewart now present.

Discussed Possible Airport Authority Involvement/Incentive in the South General Aviation Area:

Chairman Pawluk stated our upcoming plans for the south general aviation area serve as a catalyst for continuing to upgrade the entire south general aviation area. He stated this momentum has been further enhanced by the improvements Gerald Eid has made to his recently purchased hangar.

Chairman Pawluk asked the members if the Airport Authority should provide some incentive to the other building owners in that area so we would have a more attractive area.

Gen. Macdonald stated his initial thought was why should we award those property owners who have not done anything to keep up the appearance of their buildings and to those who have done improvements we just tell them how nice their building looks. He stated he is not sure how that would go over.

Chairman Pawluk stated he would recommend that our new project architect for those buildings, along with someone from the Airport Authority, identify sites in that area that need to be upgraded.

Gen. Macdonald stated he feels that is a function for the Executive Director. He stated he is a little uneasy about providing incentives to people for doing something they ought to be doing.

Mr. Walstad asked what types of incentives we are talking about.

Chairman Pawluk stated one suggestion was that we pay for a portion of the painting of hangars. He asked Mr. Dobberstein to explain further.

Mr. Dobberstein stated the board had previously discussed having the Airport Authority front the cost and amortize it over a three or five year period without interest. He added that some of the tenants have painted their buildings recently.

Gen. Macdonald stated he would not have any objection to that.

Mr. Anderson asked if this would be available to anyone on the airport.

Gen. Macdonald stated he would feel it would be available to those who owned buildings that the Airport Authority felt needed painting.

Chairman Pawluk stated the comment he has heard from people who are not necessarily aware of what goes on at the airport is that the southeast area looks run down. He stated he would like to see us go ahead with something like this as he is not sure we can demand tenants to make improvements.

Gen. Macdonald asked Attorney Stewart if the Airport Authority could demand that a tenant fix up a building.

Attorney Stewart indicated we could.

Chairman Pawluk stated the goal should be to rehabilitate the entire south general aviation area, including the three car rental service facilities which are eyesores with the accumulation of junk. He stated everything should be held to a higher standard than it is today.

Mr. Dobberstein stated we continually fight with an accumulation of vehicles, boats, etc., that show up and we are constantly asking people to remove them. He stated it is mainly employees of tenants on the airport who feel it is their right to store whatever it is.

Gen. Macdonald stated that should not be a problem because we should be impounding anything that does not belong there.

Mr. Dobberstein stated with the board's support we will adopt the policy of one warning and the property will be impounded.

Chairman Pawluk stated the parking lot east of the terminal seems to be a collector for a lot of stuff and some areas are worse than others. He stated he would like to see the whole east area cleaned up and there is no reason that things not related to the operation of the airport should be stored there. He added that it looks like a construction company by the Avis building.

Discussed Possible Airport Authority Involvement/Incentive in the South General Aviation Area:
(Continued)

Gen. Macdonald suggested a letter be prepared, signed by the Chairman, and mailed to all tenants and lessees advising them of our policy.

Mr. Walstad moved the Airport Authority establish an incentive fund for the continued program to upgrade the appearance of the southeast general aviation area and that the Airport Authority enforce our rights under the leases and encourage the owners to cleanup their buildings and leased property.

Second by Mr. Anderson.

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

Reviewed Request from Mr. Victor Gelking to Construct a Hangar in the Southeast General Aviation Area:

Mr. Dobberstein stated he received a request from Mr. Victor Gelking to construct a carousel hangar in a specific lot (east of Eid hangar) and the board members were provided with this request. Mr. Dobberstein stated after doing some measuring in that area it has been determined that the area requested is not adequate room for the size of the proposed facility. Mr. Dobberstein stated Mr. Gelking is present today and has an alternate site to propose.

Mr. Gelking stated he would like to build this hangar on the south end of the airport and would like to build another carousel hangar because of the advantages to the aircraft owner. The alternate site is the area west of the hangar adjacent to the igloo.

Mr. Dobberstein stated there have been some other people interested in the site but the barrier seems to be the storm sewer that runs through that area. He stated not knowing how the storm sewer works the City would not allow building within 10 feet of the storm sewer, unless you wanted to pay to move the storm sewer further west.

Gen. Macdonald stated his only concern would be if we would be precluding development of a larger facility if we were to allow a smaller facility to be constructed.

Chairman Pawluk stated he feels this request does comply with the master plan adopted for the south general aviation area, which shows hangars in that area. He stated he would support this request.

Mr. Dobberstein stated he could work with Mr. Synhorst on an estimate for the relocation of the storm sewer.

Chairman Pawluk requested a motion approving the concept of the proposal by Mr. Gelking.

Mr. Anderson moved the Airport Authority approve the concept of the project proposed by Mr. Gelking today.

Second by Mr. Walstad.

Mr. Dobberstein clarified that this motion approves the concept only. The board will still need to approve the building plans.

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

Reviewed Airport Construction Projects:

Mr. Steve Synhorst, Ulteig Engineers, was recognized and stated that Northern Improvement is done with all of their work and finished the seeding yesterday. He stated there is one change order for the addition of some tie downs.

Mr. Synhorst stated they also went through the pay factors. He stated they did well on the concrete pavement and received a 6% bonus but received a 50% pay reduction on the asphalt overlay. He stated he does not want people to think that the asphalt will fail because the density requirement is 96.3% and they got 96.1%. He stated that is how tough the FAA specifications are. He stated the problem was with the rolling compaction equipment.

Reviewed Airport Construction Projects: (Continued)

Mr. Synhorst stated the FAA has tentatively moved up the project to extend Runway 8/26 to next year's construction, if they are able to get the discretionary funding. He stated we should know within the next 30 days whether the funding is available.

Mr. Dobberstein stated after the airports in Grand Forks and Minot decided not to move ahead with their projects next year, both which were heavily funded by discretionary funds, this opened up the opportunity for these funds to be used elsewhere in the region. He stated we were advised by Irene Porter and Tom Schauer, FAA Airports District Office in Bismarck that if we want to move the entire runway project up to the 2000 construction season they would try to get the discretionary funds diverted to us. He stated we are competing with an airport in South Dakota for these funds.

Mr. Dobberstein stated we would be required to commit our entitlement funds for two years toward this. He stated hopefully we could complete three years of construction in one year. He stated hopefully we can have the project bid and under grant by March 2000.

Mr. Synhorst stated if the funding is approved we will be very busy out here next year as we would have to get the box culvert in safety area of the drainage ditch in and also all of the site preparation and concrete paving.

Mr. Synhorst stated they have selected Coffman Associates to conduct the Airport Master Plan. He stated they are going to begin putting together the scope of work and will get back to the board with that as well as some tentative meeting dates. He stated Coffman is ready to get started on this project.

Other Business:

Chairman Pawluk stated he and Mr. Dobberstein met with Mr. Dennis Walaker, Public Works Operations Manager, to discuss 19th Avenue and what we can do to minimize the closures during bad weather. He stated he is convinced that we do not see an excessive high closure rate and it is really only when the weather dictates. He stated with the growth of the living snow fence over the years as well as some of the other developments it has been minimized over the years. He stated we have asked the City to clearly identify the signs off 12th Avenue North that lead to Dakota Drive so that people get some familiarity with the alternate route to the airport.

Mr. Dobberstein stated one of our tenants in the Eastside Terminal, Avsupport Online, has requested some additional space in that building. He stated a local internet provider went down and Avsupport is trying to acquire those customers. He stated their specific request was for the space presently occupied by the Civil Air Patrol. He stated based on our commitment, along with the other airports in the state, to provide gratis space to the Civil Air Patrol. He stated Mr. Hemmelstrand, Avsupport, has inquired as to the possibility of building additional rooms on the main floor, as we did several years ago. Mr. Dobberstein stated he is not sure of the Fire Marshall's opinion on this.

After further discussion, Chairman Pawluk stated it seems to be the consensus of the board that the Executive Director be authorized to continue to work with the tenant to accommodate this tenant.

The meeting of the Municipal Airport Authority was adjourned until the next regular meeting to be held Tuesday, November 23, 1999 at 9:00 a.m. in the Airport Boardroom.

Time at adjournment was 10:45 a.m.

Regular Meeting

Tuesday

November 23, 1999

The regular meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held Tuesday, November 23, 1999, at 9:00 a.m. in the Airport Boardroom.

The members present or absent were as follows:

Present: Walstad, Anderson, Clark, Macdonald, Pawluk

Absent: None

Others: Stewart, Eldred

Chairman Pawluk presiding.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held November 9, 1999:

The minutes of the regular meeting of the Municipal Airport Authority held November 9, 1999, were approved without objection.

Approved the Airport Vouchers Totalling \$14,890.15:

Mr. Walstad moved to approve the airport vouchers totalling \$14,890.15.

Second by Dr. Clark.

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

Absent and not voting: Macdonald

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 \$450.92 to Ulteig Engineers, Inc. for partial payment request for engineering services in connection with the Maintenance Shop Generator Project.

Second by Dr. Clark.

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

Absent and not voting: Macdonald

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 \$3,595.79 to Ulteig Engineers, Inc., for partial payment request for engineering services in connection with AIP Project No. 3 38 0017 23, Rehabilitate Southeast GA and Commercial Aprons, Rehabilitate Runway 13/31, Taxiway A Drainage Improvements, Runway 8/26 Threshold Lights and Cass Co. Drain #10 Flood Control Structure.

Approved the Individual Voucher to Ulteig Engineers, Inc.: (Continued)

Second by Dr. Clark.

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

Absent and not voting: Macdonald

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 \$1,816.04 to Ulteig Engineers, Inc. for partial payment request for engineering services in connection with the GIS portion of Project AIP 3 38 0017 22.

Second by Dr. Clark.

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

Absent and not voting: Macdonald

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 \$1,754.08 to Ulteig Engineers, Inc. for partial payment request for engineering services in connection with the Runway 8/26 Environmental Study, Project APFC01.

Second by Dr. Clark.

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

Absent and not voting: Macdonald

The motion was declared carried.

Approved the Individual Voucher to Foss Associates:

Mr. Walstad moved to approve the individual voucher in the amount of \$834.35 to Foss Associates for architectural services in connection with the Eastside Terminal Tower Demolition Project.

Second by Dr. Clark.

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

Absent and not voting: Macdonald

The motion was declared carried.

Approved the Individual Voucher to Dakota Plate Glass:

Mr. Walstad moved to approve the individual voucher in the amount of \$4,694.87 to Dakota Plate Glass for window replacements in the Westside Terminal as a result of 7 4 99 storm.

Second by Dr. Clark.

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

Absent and not voting: Macdonald

The motion was declared carried.

Approved the Individual Voucher to Dakota Plate Glass:

Mr. Walstad moved to approve the individual voucher in the amount of \$197.27 for window replacements in Hangar #8 as a result of 7 4 99 storm.

Second by Dr. Clark.

Approved the Individual Voucher to Dakota Plate Glass: (Continued)

On the call of the roll, members Walstad, Anderson, Clark and Pawluk voted aye.
Absent and not voting: Macdonald
The motion was declared carried.

Received Communications from Aero Tech Center and Fargo Jet Center Requesting Approval of Pending Sublease Agreement to Accommodate NDSU AMT School, and Consider Request to Construct a Parking Lot to Accommodate AMT School:

Mr. Dobberstein stated that both Mr. Ed Elhard and Dr. Jim Bartlett, NDSU, are present today to update the board on the NDSU AMT School. He stated Mr. Elhard has been negotiating with Fargo Jet Center for a sublease on their existing facilities to accommodate the school.

Mr. Elhard was recognized and stated they would like to have approval from the Airport Authority to locate the proposed school at the Fargo Jet Center. The board previously approved a sublease between the school and Valley Aviation for space in the southeast general aviation area, but they now feel the Fargo Jet Center would be a more suitable facility for their needs.

Mr. Elhard stated as far as other progress, they are working with NDSU at this time but do not have all of the signatures needed to move ahead with the project. He stated in addition to providing the space for the school, Fargo Jet Center would also be involved in providing technical expertise to the school. He stated that NDSU would provide the administrative and academic expertise with Dr. Bartlett providing the direction and serving as the contact for NDSU.

Dr. Bartlett was recognized and stated the proposal has been submitted to the chairman of the department for his approval and it will then go to the dean and then the vice president.

In answer to a question from Chairman Pawluk, Dr. Bartlett stated he does not see any reason this will not happen.

The correspondence from Fargo Jet Center and Aero Tech Center were received and filed without objection.

Mr. Dobberstein stated in discussions with Mr. Jim Sweeney, it is his understanding that if the school is located in the Fargo Jet Center facilities they would need additional parking and that is the reason for their request for the parking lot. The request is that the Airport Authority construct an 80 space parking lot immediately east of Fargo Jet's existing parking lot at an approximate cost of \$40,000. He stated there may be economic development funds available for this type of project and he is not sure the school has exhausted all efforts in obtaining such funds.

Mr. Dobberstein added that if the parking lot were built for the school and the school ceased to exist, the lot would be leased to Fargo Jet Center through a ground lease.

Mr. Dobberstein stated he is not sure this is enough information for the board to make a decision on this request.

Mr. Anderson asked why the Airport Authority would want to build a parking lot for the school.

Chairman Pawluk stated if the Airport Authority did decide to build the parking lot for the school the reason would be to show support to the school. However, if Fargo Jet Center is entering into a commercial venture it would seem that it should be their responsibility.

Gen. Macdonald stated he is sure Fargo Jet Center would have no objection to doing that but then the cost they would have to pass on to the school may escalate to the point where it is not affordable. He stated he would be amenable to some sort of agreement that would defer the cost of the parking lot for a period of time while the school gets started, recognizing that if the school folded the parking lot would become the responsibility of Fargo Jet Center.

Received Communications from Aero Tech Center and Fargo Jet Center Requesting Approval of Pending Sublease Agreement to Accommodate NDSU AMT School, and Consider Request to Construct a Parking Lot to Accommodate AMT School: (Continued)

Chairman Pawluk stated he would also be concerned about any precedent this may establish. He stated the Airport Authority wants to encourage this project, but it is a difficult issue.

Mr. Jim Sweeney was recognized and stated they also want to encourage this project. He stated they are excited about getting something like this going in Fargo. He stated if this project is accomplished within their facility they plan to spend \$200,000 \$300,000 in modifications to accommodate the program. He stated there is a need for this type of program in Fargo and it would mean a lot to the community.

Gen. Macdonald stated he does not worry so much about the precedent it would set, as he does not think we will get too many schools or enterprises of this sort coming before the board with this request. He stated he feels very strongly that it is in the best interest of the community and the airport to have this school here. He stated a \$40,000 investment in terms on the long range benefit to the airport is not that much.

Chairman Pawluk stated he would not close the door on the matter, but it may be an easier sell if there were some participation on it. He stated he feels we need more information before we make this decision.

Gen. Macdonald stated he would not want to see this project fail due to the lack of a parking lot.

Chairman Pawluk asked Mr. Elhard why their plans have changed from locating in the southeast general aviation area to locating at Fargo Jet Center.

Mr. Elhard stated the option of locating at Fargo Jet Center was not discovered until later. He stated they feel it will be more feasible for locating at Fargo Jet Center for several reasons. He stated the facilities at Fargo Jet Center would meet FAA specifications and it mainly boils down to finances.

Mr. Anderson suggested the request be tabled until the board gets more information, as we are not going to be able to construct a parking lot this fall anyway.

Chairman Pawluk stated it seems to be the consensus of the board that we are not going to let the project fall apart due to the lack of a parking lot. He stated the Authority would provide some type of parking lot that is acceptable, not necessarily a hard surface.

Mr. Anderson stated there seems to be no question that is the consensus.

Gen. Macdonald stated he feels that to put in a gravel parking lot would cause more problems.

Mr. Anderson stated the building codes may not allow a gravel parking lot.

Attorney Stewart stated we have had temporary parking lots before.

After further discussion, Chairman Pawluk stated the Board has a commitment to seeing the project move forward and be successful, but at this time we are not ready to made a decision on the request for a parking lot.

Receive Update from Terry Stroh, T.L. Stroh Architects, Regarding the South General Aviation Area Architectural Services Project:

Chairman Pawluk stated he and Mr. Dobberstein met with Mr. Stroh and went over some of the preliminary thoughts on what the board would like to see accomplished in the southeast general aviation area.

Mr. Terry Stroh was recognized and stated he put together a preliminary proposal on architectural and engineering services for this project, as the scope of the project has not yet been defined. He stated these fees were based on the possibility of constructing buildings as large as we possibly can with the space available.

Receive Update from Terry Stroh, T.L. Stroh Architects, Regarding the South General Aviation Area Architectural Services Project: (Continued)

Mr. Stroh stated because of the diversity of the needs and uses for the space they plan to get the City of Fargo involved right away so we are not making our own interpretations and finding out they have a totally different view. He stated right now we are looking at a 6% fee and would refine that when we got into actual working documents. Chairman Pawluk asked if the Schematic Design (\$15,000) and Design Development (\$22,000), would take us up to the point where we were ready to instruct Stroh to actually prepare the construction documents.

Mr. Stroh indicated that was correct.

Mr. Anderson asked Mr. Stroh if he got a pretty good idea of what the board is looking for after his meeting with Mr. Dobberstein and Chairman Pawluk.

Mr. Stroh stated he feels he does have a good understanding at this point and they will also be meeting with the prospective tenants to get a more specific idea.

Mr. Dobberstein stated their goal is to meet with all of the prospective tenants before the board's last meeting in December.

Gen. Macdonald moved the Airport Authority proceed with the Schematic Design and Design Development phases of the south general aviation project.

Second by Mr. Anderson.

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

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

Mr. Dobberstein distributed a summary of the insurance amounts received and invoices for damage repairs made as a result of the July 4, 1999 storm.

Authorized Ulteig Engineers, Inc. to Proceed with Survey and Design of Runway 8/26 and Taxiway C Extension Project:

Mr. Dobberstein stated at the last meeting Mr. Steve Synhorst, Ulteig Engineers provided us with numbers for the extension of Runway 8/26 and the adjacent Taxiway C, based on a request from the FAA Airports District Office in Bismarck. He stated we had been advised by them that they felt they could acquire discretionary funds for us to do three years of construction in one year. He stated as of yesterday it is still their desire for us to open bids on this project in March, however, the one thing that has changed is that Congress adjourned without allocating any funds to the FAA until they come back into session late in January.

Mr. Dobberstein stated what the Airport Authority needs to do today is authorize Ulteig Engineers, Inc. to officially allow them to put a contract together to get the design/plans/survey together in order to meet the March deadline. He stated that any engineering work we do qualifies for future AIP reimbursement, even if the FAA should decide they are not going to fund a project.

After further discussion, Mr. Synhorst indicated he would have some more complete numbers at the next meeting and the board would take formal action at that time.

Approved Specifications and Authorized Advertising for a Replacement Self Propelled Mower:

Chairman Pawluk stated the Fargo Park District is going to be ordering a number of Toro Groundmaster mowers and the Airport Authority is interested in ordering a machine in conjunction with the Park District so as to benefit from the cost savings.

Mr. Anderson moved to authorize the purchase of a Toro Groundmaster as requested.

Second by Mr. Walstad.

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

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

Other Business:

Chairman Pawluk stated the Airport Authority has received a communication from Mr. Richard Springer, Thermo King of Fargo, indicating an interest in leasing space to construct an aircraft hangar. Chairman Pawluk stated Mr. Springer has indicated three choices for location:

1. South of the Northwest Hangar Association, north of the middle gate
2. East of the igloo building
3. East of Francis Butler's hangar

Chairman Pawluk stated the board cannot act on this request today as it is not on the agenda. Gen. Macdonald asked Mr. Dobberstein his opinion on these locations.

Mr. Dobberstein stated he would favor the second location indicated, east of the igloo building. Mr. Dobberstein stated his second choice would be south of the Northwest Hangar Association. He added that Mr. Butler has an option on the land east of his existing hangar and indicated he would exercise that option.

Chairman Pawluk stated he would like to have further information available at the next meeting on what underground utilities may hinder any of his choices at this time in order for the board to make a decision.

Chairman Pawluk stated we received a communication from Flint Communications with costs for running a follow up air travel survey. He stated his initial thought was that if this is important to us we should take the \$6,105 out of our remaining funds budgeted for advertising, or if not, we could live without it.

Mr. Dobberstein stated he received this information just yesterday. He stated his preference is that we not do this survey as proposed, however, he is interested in putting together a focus group of travel agents which we could set up on our own.

Dr. Clark stated she has been involved in research of this type and she feels to do a similar survey two years in a row would be too often. She agreed the focus group would be better.

The meeting of the Municipal Airport Authority was adjourned until the next regular meeting to be held Tuesday, December 14, 1999, at 9:00 a.m. in the Airport Boardroom.

Time at adjournment was 10:01 a.m.

Regular Meeting

Tuesday

December 14, 1999

The regular meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held Tuesday, December 14, 1999, at 9:00 a.m. in the Airport Boardroom.

The members present or absent were as follows:

Present: Walstad, Clark, Macdonald, Pawluk

Absent: Anderson

Others: Stewart

Chairman Pawluk presiding.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held November 23, 1999:

The minutes of the regular meeting of the Municipal Airport Authority held November 23, 1999, were approved without objection.

Approved the Airport Vouchers Totalling \$17,057.17:

Gen. Macdonald moved to approve the airport vouchers totalling \$17,057.17.

Second by Mr. Walstad.

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

Absent and not voting: Clark

The motion was declared carried.

Clark now present.

Approved the Individual Voucher to Ulteig Engineers, Inc.:

Mr. Walstad moved to approve the individual voucher in the amount of \$504.00 to Ulteig Engineers, Inc. for partial payment request for engineering services in connection with the maintenance shop generator project.

Second by Gen. Macdonald.

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

Absent and not voting: Anderson

The motion was declared carried.

Approved the Individual Voucher to Flint Communications:

Mr. Walstad moved to approve the individual voucher in the amount of \$10,687.81 to Flint Communications for partial payment request for airport marketing program.

Second by Gen. Macdonald.

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

Absent and not voting: Anderson

The motion was declared carried.

Approved the Individual Voucher to FMC Jetway:

Mr. Walstad moved to approve the individual voucher in the amount of \$34,580.30 to FMC Jewtay for Partial Payment Request (Final) for the Westside Terminal Passenger Boarding Bridge Project.

Second by Gen. Macdonald.

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

Absent and not voting: Anderson

The motion was declared carried.

Approved the Individual Voucher to Cass County Treasurer:

Mr. Walstad moved to approve the individual voucher in the amount of \$25,336.91 to Cass County Treasurer for the 1999 Special Assessments.

Second by Gen. Macdonald.

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

Absent and not voting: Anderson

The motion was declared carried.

Approved the Individual Voucher to Dakota Door Services:

Mr. Walstad moved to approve the individual voucher in the amount of \$10,548.00 to Dakota Door Services for the Westside Terminal Building exterior siding rehabilitation.

Second by Gen. Macdonald.

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

Absent and not voting: Anderson

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 \$10,394.20 to Northern Improvement Company for Partial Payment Request #6 for AIP Project 3 38 0017 23.

Second by Gen. Macdonald.

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

Absent and not voting: Anderson

The motion was declared carried.

Approved the Individual Voucher to Foss Associates:

Mr. Walstad moved to approve the individual voucher in the amount of \$216.86 to Foss Associates for Partial Payment Request for architectural services in connection with the Westside Terminal Jetway Project.

Second by Gen. Macdonald.

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

Absent and not voting: Anderson

The motion was declared carried.

Approved the Individual Voucher to Foss Associates:

Mr. Walstad moved to approve the individual voucher in the amount of \$962.50 to Foss Associates for Partial Payment Request for architectural services in connection with the Eastside Terminal Tower Demolition Project.

Second by Gen. Macdonald.

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

Absent and not voting: Anderson

The motion was declared carried.

Continued Discussion with Victor Gelking Regarding a Location for Constructing a Hangar:
Mr. Gelking was not represented at the meeting so the item was tabled.

Received Communication from Thermo King of Fargo Regarding Interest in Constructing a Hangar and Consider Location Options:

Mr. Dobberstein stated the Airport Authority previously received a communication from Mr. Richard Springer, Thermo King of Fargo, indicating interest in building a hangar in the southeast general aviation area.

Mr. Dobberstein reviewed the three suggested locations and stated the location the Airport Authority prefers is the site east of the Executive Aviation hangar by the igloo. He added the proposed hangar is 60' x 60'.

Mr. Springer was recognized and stated that option would be fine with him. He stated he could go with a 50' building rather than 60' to avoid the two hour fire wall. He stated if he were to go with a 50' width the hangar would be 80' deep. He stated he would like an option on the land north of that location up to the pavement for some options of adding on to the building.

Gen. Macdonald stated he feels that would be good use of that space.

Mr. Dobberstein stated if the Authority concurs Mr. Springer can then move forward to the next step of retaining an architect or contractor to put together plans and specifications, which can be reviewed by the Airport Authority, City Building Inspector and Fire Inspector.

Gen. Macdonald moved the Airport Authority approve the concept of Mr. Springer building a hangar in the location proposed (Option #2).

Second by Mr. Walstad.

Mr. Springer indicated he plans to begin construction in the spring.

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

Received Update from T.L. Stroh Architects Regarding South General Aviation Area Project:

Mr. Terry Stroh was recognized and stated he and Mr. Dobberstein have had meetings with Fargo Aero Tech, Valley Aviation and Fargo Jet Center. He stated they are waiting to visit with Mr. Hilsendeger, who is interested in operating a painting/refinishing business. He is presently out of town.

Mr. Stroh stated reviewed some of the ideas presented by the potential tenants and how those would work with existing buildings, code requirements for fire walls and separations, etc.

Gen. Macdonald stated he likes the idea of one continuous structure as when you have several small structures it leads to junk storage around the buildings.

Mr. Stroh indicated he will have more information by the next meeting. He stated right now they are about halfway completed with putting information on the buildings into the computer from a three dimensional standpoint so we will be able to start seeing how the buildings will look. He stated this will also give us the opportunity to look at how the existing buildings would look in different colors.

Discussed Miscellaneous Property Storage Concerns in the South General Aviation Area:

Chairman Pawluk stated in recent meetings we have discussed the matter of cleaning up the south general aviation area of vehicles and stored personal property. He stated we are also going to work with the tenants on the board's concerns about the appearance of some of the buildings. He stated that both he and Mr. Dobberstein talked with Mr. Bernie Ness, Avis, about quite a bit of personal property stored in the area of the Avis service facility.

Discussed Miscellaneous Property Storage Concerns in the South General Aviation Area:
(Continued)

Mr. Dobberstein stated that Mr. Ness is presently in Florida but he assured him that the area would be cleared by the first of the year.

Mr. Dobberstein stated that he talked with Mr. Jon May, Northwest Airlines, regarding the removal of their fuel trucks and he has received word that they should be removed soon.

Mr. Dobberstein stated letters went out to all tenants in the south general aviation area advising them of the clean up efforts.

Gen. Macdonald stated he would applaud those people who have stepped forward to cooperate in the clean up, but with others we will probably have to constantly monitoring the situation.

Chairman Pawluk suggested Mr. Dobberstein send follow up letters to Mr. May and Mr. Ness and thank them for their cooperation.

Received Communication from Sedgwick Aviation With a Recommendation for the Airport Liability Insurance Policy:

Mr. Dobberstein stated Sedgwick Aviation (now known as Marsh Aviation) has been our airport liability insurance consultant for the past few years. He stated our premium last year with Great American was a little over \$52,000 for \$100 million in liability coverage. He stated the insurance industry has some concern that Great American will no longer be providing airport liability insurance in the near future. Mr. Roger Warman, Marsh, stated there was a good deal of interest in our policy and he received quotations from five companies.

Mr. Dobberstein stated the Airport Authority was associated with Associated Aviation Underwriters for about 20 years but about three years ago we went with Great American because of a drastic premium savings.

Mr. Dobberstein stated Mr. Warman is recommending the Airport Authority accept the proposal from AIG for a premium of \$43,500, with a \$5,000 per occurrence/\$20,000 aggregate deductible.

Gen. Macdonald moved the Airport Authority accept the recommendation of Mr. Warman and award the insurance policy to AIG.

Second by Dr. Clark.

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

Absent and not voting: Anderson

The motion was declared carried.

Reviewed Engineering Services Agreement with Ulteig Engineers for Anticipated AIP Construction Projects:

Mr. Dobberstein stated although the Airport Authority has retained the services of Ulteig Engineers, Inc. for a term of five years, each project has a separate Engineering Services Agreement. He stated the contract before us today for approval is for the extension of Runway 8/26 and Taxiway C and the perimeter road construction. Mr. Dobberstein stated this agreement has been sent to Mr. Mark Bittner, City Engineer, for an independent review to make sure the rates and scope are in concurrence with acceptable practices in engineering documents.

Chairman Pawluk stated he has no problem approving this agreement today but asked if it would cause any problem to delay approval until our next meeting. He stated his reason for suggesting this is the fact that Mr. Anderson is not present today. He added that we would also have the findings of the City Engineer at that time.

After further discussion, Gen. Macdonald moved to approve the Engineering Services Agreement with Ulteig Engineers, Inc., contingent upon an acceptable review by the City Engineer.

Second by Mr. Walstad.

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

Absent and not voting: Anderson.

The motion was declared carried.

Received Notice of Meeting from Metro COG Regarding Cass County Road 20 / Clay County Road 22 Corridor Study:

Mr. Dobberstein stated that Cindy Gray started this project over a year ago when she was with Metro COG and she is now with the City of Fargo Planning Department. He stated we have received a notice from Metro COG that there will be a meeting with members of the original group to discuss this project.

Ms. Lynn Kiesow, Metro COG, was recognized and stated the group is represented by Fargo, Moorhead, Cass County, Clay County, NDDOT, Airport Authority, and Ulteig Engineers. She added that one thing to keep in mind is that the Red River Bridge on County 20 is scheduled to be replaced in 2003 and we are trying to coordinate this study with that. Ms. Kiesow added that Mr. Spencer Montgomery replaced Cindy Gray so he will probably be the one completing the project.

Gen. Macdonald asked if Metro COG is aware that the Airport Authority will be completing a new Airport Master Plan, which could change the layout of the airport in the future.

Mr. Dobberstein stated he will be attending the meetings and will advise the group on the Master Plan process.

Adopted Resolution of Appreciation and Congratulations to Don Driscoll:

Gen. Macdonald stated it was his great privilege and honor to offer the following resolution and moved its adoption:

WHEREAS, Mr. Don Driscoll, Manager of the Federal Aviation Administration's Dakota Hub and the Fargo Air Traffic Control Tower, has announced his retirement as of January 1, 2000, and

WHEREAS, Mr. Driscoll has completed 36 years of government service, serving as tower chief in Fargo since 1973, and

WHEREAS, The Municipal Airport Authority has greatly appreciated the absolutely outstanding job Mr. Driscoll has consistently done over the years of managing the tower facility, and has displayed the ultimate in professionalism in every aspect of his duties in dealing with fellow employees on the airport, military personnel, aircraft owners and tenants on the airport, and anyone dealing with the tower in any way, and

WHEREAS, Mr. Driscoll has been a valuable asset to Hector International Airport over the years and has made many friends who will miss his daily presence on the airport.

NOW, THEREFORE, BE IT RESOLVED, That the Municipal Airport Authority does hereby thank Mr. Don Driscoll for his dedicated service and extends its best wishes for a long and happy retirement.

BE IT FURTHER RESOLVED, That this resolution be inscribed upon the permanent proceedings of the Municipal Airport Authority and that a copy of said resolution be presented to Mr. Don Driscoll.

Second by Mr. Walstad.

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

Absent and not voting: Anderson

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

Other Business:

Chairman Pawluk introduced Mr. Joe Morgan, who will be taking over the supervision of the tower. He stated Mr. Morgan comes to us from the Grand Forks Flight Service, who has an excellent record across the country for its service to pilots.

Other Business:

The board members discussed meeting dates and it was the consensus that due to scheduling conflicts there would be no meeting on December 28, 1999 and the board's next meeting will be Tuesday, January 11, 2000.

The meeting of the Municipal Airport Authority was adjourned until the next regular meeting to be held Tuesday, January 11, 2000 at 9:00 a.m. in the Airport Boardroom.

Time at adjournment was 9:51 a.m.