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Annual Meeting

Tuesday

January 27, 2015

The Annual Meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held Tuesday, January 27, 2015, at 8:00 a.m. in the Airport Boardroom.

The members present or absent were as follows:

Present: Blazek, Pawluk, Macdonald, Kilander  
Absent: Clark  
Others: None

Vice Chairman Kilander presiding.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held December 16, 2014:

The minutes of the Regular Meeting of the Municipal Airport Authority held December 16, 2014, were approved without objection.

Approved the Airport Vouchers Totaling \$132,177.88:

Mr. Pawluk moved to approve the airport vouchers totaling \$132,177.88.  
Second by Gen. Macdonald.  
On the call of the roll, members Blazek, Pawluk, Macdonald, Kilander voted aye.  
Absent and not voting: Clark  
The motion was declared carried.

Approved the Individual Voucher to Mead and Hunt:

Mr. Blazek moved to approve the individual voucher in the amount of \$4,858.60 to Mead and Hunt for partial payment request for engineering services in connection with the Airport Master Plan Update, AIP42.  
Second by Mr. Pawluk.  
On the call of the roll, members Blazek, Pawluk, Macdonald, Kilander voted aye.  
Absent and not voting: Clark  
The motion was declared carried.

Approved the Individual Voucher to Mead and Hunt:

Mr. Blazek moved to approve the individual voucher in the amount of \$234.35 to Mead and Hunt for partial payment request for engineering services in connection with the North General Aviation Ramp Expansion Project.

Second by Mr. Pawluk.

On the call of the roll, members Blazek, Pawluk, Macdonald, Kilander voted aye.

Absent and not voting: Clark

The motion was declared carried.

Approved the Individual Voucher to Mead and Hunt:

Mr. Blazek moved to approve the individual voucher in the amount of \$8,995.33 to Mead and Hunt for partial payment request for engineering services in connection with the Taxiway J Construction, Project AIP44.

Second by Mr. Pawluk.

On the call of the roll, members Blazek, Pawluk, Macdonald, Kilander voted aye.

Absent and not voting: Clark

The motion was declared carried.

Approved the Individual Voucher to Mead and Hunt:

Mr. Blazek moved to approve the individual voucher in the amount of \$44,784.00 to Mead and Hunt for partial payment request for engineering services in connection with the Taxiway A Reconstruction Design, Project AIP43.

Second by Mr. Pawluk.

On the call of the roll, members Blazek, Pawluk, Macdonald, Kilander voted aye.

Absent and not voting: Clark

The motion was declared carried.

Approved the Individual Voucher to Sixel Consulting Group:

Mr. Blazek moved to approve the individual voucher in the amount of \$7,228.00 to Sixel Consulting Group for December passenger enplanement fees (Allegiant/PIE - \$1,584.00, American/DFW - \$3,988.00, Delta/ATL - \$1,656.00).

Second by Mr. Pawluk.

On the call of the roll, members Blazek, Pawluk, Macdonald, Kilander voted aye.

Absent and not voting: Clark

The motion was declared carried.

Approved the Individual Voucher to Flint Communications:

Mr. Blazek moved to approve the individual voucher in the amount of \$8,039.17 to Flint Communications for partial payment request for 2014 airport marketing program.

Second by Mr. Pawluk.

On the call of the roll, members Blazek, Pawluk, Macdonald, Kilander voted aye.

Absent and not voting: Clark

The motion was declared carried.

Approved the Individual Voucher to American Airlines:

Mr. Blazek moved to approve the individual voucher in the amount of \$77,456.00 to American Airlines for November revenue guarantee.

Second by Mr. Pawluk.

On the call of the roll, members Blazek, Pawluk, Macdonald, Kilander voted aye.

Absent and not voting: Clark

The motion was declared carried.

Approved the Individual Voucher to USDA APHIS:

Mr. Blazek moved to approve the individual voucher in the amount of \$3,364.00 to USDA APHIS for partial payment request for Wildlife Hazard Plan, APFC08.

Second by Mr. Pawluk.

On the call of the roll, members Blazek, Pawluk, Macdonald, Kilander voted aye.

Absent and not voting: Clark

The motion was declared carried.

Approved the Individual Voucher to Sherwin Industries

Mr. Blazek moved to approve the individual voucher in the amount of \$4,085.00 to Sherwin Industries for the purchase of a Bowmonk AFM2 Airfield Friction Meter Kit, APFC08.

Second by Mr. Pawluk.

On the call of the roll, members Blazek, Pawluk, Macdonald, Kilander voted aye.

Absent and not voting: Clark

The motion was declared carried.

Received Letter of Intent from Viking Insurance to Lease Space in the East Terminal:

Mr. Dobberstein stated Mr. Rick Flacksbarth, Cityscapes Development, has received a signed Letter of Intent from Mr. Walter Svenkesen, Viking Insurance, to lease Room 228 (192 square feet) on the second floor of the East Terminal for \$8.00 per square foot for a term of one year.

Mr. Pawluk moved to approve the lease with Viking Insurance for Room 228 in the East Terminal for a term of one year.

Second by Mr. Blazek.

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

Received Letter of Intent from Mr. James Davis to Lease Space in the East Terminal:

Mr. Dobberstein stated Mr. Rick Flacksbarth, Cityscapes Development, has received a signed Letter of Intent from Mr. James Davis to lease a 360 sf office on the second floor of the East Terminal vacated recently by Mr. Guy Kittelson. He stated this is also for one year effective February 1, 2015. He stated Mr. Davis is a stock broker and is also involved in model railroading.

Gen. Macdonald moved to approve the lease with Mr. James Davis as proposed.

Second by Mr. Blazek.

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

Received Proposed Memorandum of Understanding Between the Fargo Fire Department and the Municipal Airport Authority:

Mr. Dobberstein introduced Fargo Fire Chief Steve Dirksen. He stated as we continue through the process of the airport fire department taking over the aircraft rescue and fire fighting (ARFF) responsibilities we have been working with the Fargo Fire Department on a Memorandum of Understanding between the airport fire department and the city's fire department. He stated the board members have been provided with a copy of the memorandum and it has been reviewed by Attorney Stewart.

Chief Dirksen was recognized and stated he feels this is a good agreement for all of us. He stated they are still continuing to iron out wrinkles such as call responses to make certain the right call is made in a timely manner and the right response is given. He stated not everyone understands that the Airport Fire Department is separate from the Fargo Fire Department but they will continue to provide support and are willing to do whatever they can.

Gen. Macdonald questioned Paragraph 4, "During an emergency situation the responding FFD ranking officer will immediately assume the duties of incident command upon arrival." He asked if that would include an aircraft incident on the field.

Chief Dirksen stated it would and the reason for that is because of the staffing of the airport fire department. He stated an aircraft incident will require the technical expertise of the ARFF firefighters and they cannot perform both functions, fighting the fire and providing incident command. He stated the incident commander needs to be removed from the actual fighting of the fire.

After further discussion and review of the firefighting responsibilities of the Airport Fire Department and the Fargo Fire Department, Mr. Blazek moved to approve the Memorandum of Understanding between the City of Fargo Fire Department and the Municipal Airport Authority.

Second by Mr. Pawluk.

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

Mr. Dobberstein stated Chief Dirksen has been a great resource for us during the transition.

Authorized Attendance at the AAE/ACI Legislative Conference, March 3-4, 2015, Washington, DC:

Mr. Blazek moved to authorize attendance at the AAE/ACI Legislative Conference, March 3-4, 2015, Washington, DC.

Second by Gen. Macdonald.

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

Authorized Attendance at the AAAE National Air Service Conference, March 8-11, 2015, Tucson, AZ:

Mr. Blazek moved to authorize attendance at the AAAE National Air Service Conference, March 8-11, 2015, Tucson, AZ.

Second by Gen. Macdonald.

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

Authorized Attendance at the North Dakota Air National Guard Reception, March 26, 2015, Washington, DC:

Mr. Blazek moved to authorize attendance at the North Dakota Air National Guard Reception, March 26, 2015, Washington, DC.

Second by Gen. Macdonald.

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

Received Communication from Standard Parking:

The communication from Mr. Dave Hellerud, Standard Parking, dated January 15, 2015, was received and filed without objection. The letter contained a recommendation for a change in rate structure in the Hourly Parking Lot effective February 2, 2015:

Proposed Hourly Rate	\$1.50 each half hour \$15.00 – 24 hour maximum
Current Hourly Rate	\$1.00 each half hour \$12.00 – 24 hour maximum

Mr. Dobberstein stated the last rate increase in the parking lot was about a year ago at which time we agreed to review it again after at least six months. He stated the problem we are trying to address is the number of cars parking in the Hourly Lot overnight in order to open up some space for those here picking up and dropping off passengers. He stated Standard Parking is suggesting Premier Parking to allow patrons to reserve parking in a designated area of the Daily Lot that is closest to the terminal. These convenient and close spaces are directly adjacent to the Hourly Lot and would be clearly marked with Premier Parking signage. Standard will absorb the initial signage investment for airport personnel to install.

Mr. Hellerud was recognized and explained the Click and Park premier parking proposal. He stated spaces would be reserved online through a link on the Hector website and customers would pay a premium of \$4 per day, plus a \$3.00 one-time reservation fee payable to Click and Park that pays for the system. He stated there is no cost to the airport. He stated signage will be placed in the front row of the Daily Lot designating Premier Parking spaces. Customers will reserve and pay the daily premium and reservation fee online. An ePermit is generated that the customer prints out and places on their dashboard while parking during their reservation period. The standard parking fees are paid at exit via the existing revenue control system. Parking lot staff will monitor the Premier Parking area to ensure compliance.

Received Communication from Standard Parking: (Continued)

Gen. Macdonald asked about people who park in those spots who do not have reservations.

Mr. Hellerud stated that will happen but the parking lot staff will monitor that and every airport has a little different idea on how they want to handle those situations. Some airports want to be very lax on enforcement and others want stricter enforcement.

Mr. Hellerud stated they are also going to look at the cost of plug-in in those spots.

Mr. Pawluk stated he feels if we increase the rates 100% of the increase should go to the airport to go toward our expanded parking lot.

Mr. Hellerud indicated that would be hard to track.

Mr. Hellerud stated we may actually be looking at a decrease in revenue since we will have fewer cars parked overnight in the Hourly Lot.

Vice Chairman Kilander stated he does not think the increase to \$15 in the Hourly lot will discourage anyone from parking overnight. He stated parking with the same proximity to the terminal in a larger city is \$40.

Mr. Dobberstein stated he agrees that the increase to \$15 will probably not have an impact on those using it for overnight parking. He stated there is some point at which it might make a difference for about 50% of those people, but that point is probably not \$15.

Mr. Hellerud stated there are some airports with no daily maximum on their hourly lots.

Mr. Blazek stated he is hesitant on the Click and Park concept unless we were assured that a non-participant would not be able to park there. He thinks we are opening up ourselves to a lot of ugly phone calls and e-mails.

Vice Chairman Kilander stated unless we have a remedy for people who do park there he agrees it could get ugly. He stated there will also be those who see empty parking spots and don't know why they can't park there.

Mr. Pawluk stated as parking becomes more of an issue he feels more people will gravitate toward reserving a spot online. He stated then the obligation is to have those spaces available.

Vice Chairman Kilander stated it may also require a separate entrance and control gate.

Mr. Blazek stated maybe the Premium parking should be in the Hourly lot.

Mr. Hellerud stated when we are seeing the problem with overnight parking in the Hourly Lot is mainly in the months of February, March and April when we see well over 100 overnight cars in the 230 space lot, rather than the average 65 overnight cars the rest of the year. He stated he would not recommend the Premium parking be in the Hourly lot as that would compound the problem for the meeters and greeters.

Mr. Blazek stated \$1.00 every half hour in the Hourly lot is palatable to him. What is not palatable to him is only \$15 for a 24 hour period in the Hourly lot. He does not think there should even be a cap on hourly parking. He stated parking in the Hourly lot is a choice.

Mr. Hellerud stated this is just their recommendation. He stated the board can make a different decision.

Mr. Dobberstein stated he recommends we go with Standard's proposal now and we can look at it again in six months.

Mr. Pawluk moved to accept the proposal from Standard Parking and include the Click and Park concept.

Second by Gen. Macdonald.

Received Communication from Standard Parking: (Continued)

Mr. Blazek stated he is uncomfortable with this proposal. He stated he feels we are penalizing the people that we don't want to penalize. He stated we want the people sitting in their cars out front to enter the Hourly parking lot, go in and meet their passengers, claim their luggage and then return to their cars. He stated if we keep it at \$1 per half hour someone will be able to get in and out for \$2. He stated the people that are abusing the hourly concept now will not change their habits if the rate increases from \$12 to \$15.

Mr. Pawluk asked if we are looking at a change to increase revenue for future parking improvements or to move more cars from the hourly lot to the daily lot.

Gen. Macdonald stated he feels the change would be for both reasons.

Vice Chairman Kilander stated he feels the change would be for both reasons. He stated he is in Mr. Blazek's camp. He stated he wants to make parking as customer friendly for that drop off/pick up patron as possible. He stated he would even support \$18 for cap in the Hourly lot.

Mr. Pawluk stated his life has not changed since the Fargo Dome increased their rate from \$3 to \$5. He asked for comments from others attending the meeting.

Mr. Jim Sweeney was recognized and stated he would leave the Hourly rate at \$1 per half hour which would encourage short term visitors to use the parking lot. He added that an increase from \$12 to \$15 would not keep him from parking overnight in the Hourly lot.

Mr. Terry Stroh was recognized and stated a daily maximum of \$20 in the Hourly lot would send a message to people that you should not be parking in this Hourly lot but even that may not discourage most of them from parking there anyway. He stated that increase could be explained.

Mr. Pawluk withdrew his motion.

Gen. Macdonald agreed to withdraw his second.

Mr. Pawluk moved to retain the \$1 per half hour rate in the Hourly parking lot but increase the daily maximum from \$12 to \$18 in the Hourly lot, and that we also move ahead with the Click and Park concept proposed by Standard Parking.

Second by Gen. Macdonald.

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

Adopted Resolution of Appreciation for Mark Solem, Retired NDANG Fire Chief:

Gen. Macdonald offered the following resolution of appreciation to retired NDANG Fire Chief, Mark Solem, and moved its adoption:

WHEREAS, The Municipal Airport Authority of the City of Fargo, North Dakota, has learned of the recent retirement of Chief Master Sergeant Mark J. Solem, longtime Chief, Fire & Emergency Services, for the NDANG 119th Civil Engineer Squadron, and

WHEREAS, CMS Solem began his military career in the Army, joined the NDANG as a firefighter, and culminated a 38 year career as the Installation Fire Chief, and

WHEREAS, CMS Solem had a long and distinguished career in the service of his country and his many distinctive accomplishments over that career reflected great credit upon himself, the Air National Guard, and the United States Air Force, and

Adopted Resolution of Appreciation for Mark Solem, Retired NDANG Fire Chief: (Continued)

WHEREAS, CMS Solem's expertise and many years of experience were instrumental in the smooth transition of the ARFF duties from the NDANG to the Municipal Airport Authority effective October 1, 2014.

NOW, THEREFORE, BE IT RESOLVED, That the Municipal Airport Authority does hereby thank CMS Mark Solem for his many years of dedicated service and does hereby congratulate him and wish him many years of happiness in his retirement and future endeavors.

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 Chief Master Sergeant Mark Solem.

Second by Mr. Pawluk.

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

Elected Chairman of the Municipal Airport Authority for Calendar Year 2015, as per Bylaws:

Gen. Macdonald moved to elect Mr. Don Kilander Chairman of the Municipal Airport Authority for calendar year 2015, as per bylaws.

Second by Mr. Blazek.

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

Elected Vice Chairman of the Municipal Airport Authority for Calendar Year 2015, as per Bylaws:

Mr. Blazek moved to elect Mr. Ken Pawluk Vice Chairman of the Municipal Airport Authority for calendar year 2015, as per bylaws.

Second by Gen. Macdonald.

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

Adopted Resolution of Appreciation to Outgoing Chairman, Dr. Virginia Clark Johnson:

Gen. Macdonald offered the following resolution of appreciation to Dr. Virginia Clark Johnson and moved its adoption:

WHEREAS, Dr. Virginia Clark has just completed a year as Chairman of the Municipal Airport Authority, and

WHEREAS, During Dr. Clark's term as Chairman, the Municipal Airport Authority and Hector International Airport have enjoyed another successful year of continued growth and expansion, and

WHEREAS, Dr. Clark's dedication and commitment to providing the best possible experience for the passengers of Hector International Airport, as well as tenants and other stakeholders of the airport, have been evident under her leadership.



Adopted Resolution of Appreciation to Outgoing Chairman, Dr. Virginia Clark Johnson: (Continued)

NOW, THEREFORE BE IT RESOLVED, That the Municipal Airport Authority does hereby commend Dr. Virginia Clark for her effective efforts on behalf of the Municipal Airport Authority and Hector International Airport.

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 Dr. Virginia Clark Johnson.

Second by Mr. Pawluk.

Received Addendum to Ground Lease for T-Hangars, JP Development:

Mr. Dobberstein stated there are actually two documents for which JP Development is requesting approval from the Airport Authority. He stated the first is an addendum to the ground lease for their T-hangars in the north general aviation area which guarantees the use of 20<sup>th</sup> Street North, which is a public road, for access to the hangars. He stated this was a document required by their bank's attorney. He stated the second document is a memorandum of all of their leases on one document showing legal descriptions.

Mr. Jim Sweeney, JP Development, was recognized and stated Attorney Stewart also has drafted third document which is an amendment to the parking lot lease to include the parking lot expansion.

Mr. Pawluk moved to approve and authorize signature of the three documents for JP Development, subject to final approval of Attorney Stewart.

Second by Mr. Blazek.

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

Airport Construction and Security Update:

Mr. Dobberstein stated last Wednesday we were advised by the FAA that they will not authorize the reconstruction of Taxiway A at 75' wide but will limit it to 50' wide. He stated the existing Taxiway A was 100' wide and when we reconstructed Phase I recently the FAA would only allow construction of 75' wide. He stated with construction of 12.5 foot shoulders the actual width of surface is 100'. He stated after completion of Phase I and all of the planning for Phase II the FAA is now changing direction and telling us we can construct only 50' wide. He stated this action would be detrimental to any cargo development so we are going to make every effort to make certain the FAA reverses this decision. He stated this is basically changing direction in the middle of the reconstruction of the taxiway. He stated this is just in the initial stages so he will continue to keep the board updated. He stated we will get our congressional delegation involved.

Other Business:

Mr. Dobberstein stated he and Attorney Stewart are working with an adjacent land owner on the possible acquisition of land by the airport. He stated he will continue to keep board members apprised of any updates.

The Annual Meeting of the Municipal Airport Authority was adjourned until the next regular meeting to be held Tuesday, February 24, 2015.

Time at adjournment was 9:59 a.m.

Regular Meeting

Tuesday

February 24, 2015

The Regular Meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held Tuesday, February 24, 2015, at 8:00 a.m. in the Airport Boardroom.

The members present or absent were as follows:

Present: Clark, Blazek, Macdonald, Pawluk  
Absent: Kilander  
Others: None

Vice Chairman Pawluk presiding.

Approved the Minutes of the Annual Meeting of the Municipal Airport Authority Held January 27, 2015:

The minutes of the Annual Meeting of the Municipal Airport Authority held January 27, 2015, were approved without objection.

Approved the Airport Vouchers Totaling \$65,740.82:

Gen. Macdonald moved to approve the airport vouchers totaling \$65,740.82.

Second by Dr. Clark.

On the call of the roll, members Clark, Blazek, Macdonald, Pawluk voted aye.

Absent and not voting: Kilander

The motion was declared carried.

Approved the Individual Voucher to Sixel Consulting Group:

Gen. Macdonald moved to approve the individual voucher in the amount of \$5,658.00 to Sixel Consulting Group for January passenger enplanement fees (American/DFW - \$3,070.00, Allegiant/PIE - \$1,524.00, Delta/ATL - \$1,064.00).

Second by Dr. Clark.

On the call of the roll, members Clark, Blazek, Macdonald, Pawluk voted aye.

Absent and not voting: Kilander

The motion was declared carried.

Approved the Individual Voucher to American Airlines:

Gen. Macdonald moved to approve the individual voucher in the amount of \$18,927.00 to American Airlines for the December 2014 revenue guarantee – DFW service.

Second by Dr. Clark.

On the call of the roll, members Clark, Blazek, Macdonald, Pawluk voted aye.

Absent and not voting: Kilander

The motion was declared carried.

Approved the Individual Voucher to Mead and Hunt:

Gen. Macdonald moved to approve the individual voucher in the amount of \$4,999.74 to Mead and Hunt for partial payment request for engineering services in connection with the North General Aviation Area Apron Expansion, APFC08.

Second by Dr. Clark.

On the call of the roll, members Clark, Blazek, Macdonald, Pawluk voted aye.

Absent and not voting: Kilander

The motion was declared carried.

Approved the Individual voucher to Mead and Hunt:

Gen. Macdonald moved to approve the individual voucher in the amount of \$10,751.47 to Mead and Hunt for partial payment request for engineering services in connection with the Airport Master Plan Update, AIP42.

Second by Dr. Clark.

On the call of the roll, members Clark, Blazek, Macdonald, Pawluk voted aye.

Absent and not voting: Kilander

The motion was declared carried.

Approved the Individual Voucher to Mead and Hunt:

Gen. Macdonald moved to approve the individual voucher in the amount of \$41,985.00 to Mead and Hunt for partial payment request for engineering services in connection with the Taxiway A Reconstruction Design, AIP43.

Second by Dr. Clark.

On the call of the roll, members Clark, Blazek, Macdonald, Pawluk voted aye.

Absent and not voting: Kilander

The motion was declared carried.

Approved the Individual Voucher to Mead and Hunt:

Gen. Macdonald moved to approve the individual voucher in the amount of \$1,477.74 to Mead and Hunt for partial payment request for engineering services in connection with the Taxiway J Construction Project, AIP44.

Second by Dr. Clark.

On the call of the roll, members Clark, Blazek, Macdonald, Pawluk voted aye.

Absent and not voting: Kilander

The motion was declared carried.

Received Preliminary 2014 Statement of Operations Report:

Mr. Dobberstein reviewed the preliminary 2014 Statement of Operations, which he indicated is not final since the audit will not be complete until this summer so there could be some slight adjustments.

Mr. Dobberstein stated the \$5 million certificate of deposit that we have with First International Bank matures on April 1, 2015. He stated the interest rate was .51% and has accumulated about \$25,500 interest. He stated the board can discuss how much more they would like to add to that fund. He stated he would suggest an additional \$2 million giving us a \$7 million CD to market.

Mr. Blazek moved to transfer \$2 million from our reserves into the parking lot fund.

Second by Dr. Clark.

Dr. Clark state we should also decide if the interest would be reinvested as well.

Mr. Dobberstein stated we will probably not find a bank that will be interested in a \$7 million CD so we may have to break it up.

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

After discussion, it was the consensus of the board to leave it up to the discretion of the Executive Director as to how many bids we receive and how to break up the \$7 million if one bank is not interested in the entire amount. It was also the consensus of the board to reinvest the interest earned.

The Preliminary 2014 Statement of Operations Report was received and filed without objection.

Mr. Blazek stated he would like to thank Mr. Dobberstein and his staff for the fiscal responsibility and the excellent job done with the airport finances. He stated seeing the situation of some other airports around the country, we are fortunate to have his leadership, which makes the job of the board members much easier.

Received Preliminary 2014 Airport Improvement Fund Report:

The preliminary 2014 Airport Improvement Fund Report was received and filed without objection.

Received 2014 PFC Audit Report:

Mr. Dobberstein stated EideBailly conducted the annual Compliance for the Passenger Facility Charge Program. He stated we have received their report showing that we have complied, in all material respects, with the compliance requirements for the PFC Program for the year ended December 31, 2014.

The auditor's report from EideBailly was received and filed without objection.

Received Change Order #1 from Northern Improvement Company for an Increase of \$220.00, North General Aviation Apron Expansion Project:

Mr. Jeff Klein, Mead and Hunt, was recognized and stated Change Order #1 from Northern Improvement for an increase of \$220.00 for the North General Aviation Apron Expansion Project is to add a vibration dampener to the new apron light pole.

Gen. Macdonald moved to approve Change Order #1 in the amount of \$220.00 to add a vibration dampener to the new apron light pole for the North General Aviation Apron Expansion Project.

Second by Dr. Clark.

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

Authorized Attendance at the Sixel Consulting Air Service Conference, April 21-23, 2015, San Luis Obispo, CA:

Mr. Blazek moved to authorize attendance at the Sixel Consulting Air Service Conference, April 21-23, 2015, San Luis Obispo, CA.

Second by Gen. Macdonald.

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

Discussed Tenant Financial Review:

Mr. Dobberstein stated the last financial review of any tenants we conducted was in 2008 when we reviewed Standard Parking, The Barnstormer and Airport Giftshop. Prior to that we did the car rental agencies in 2005, Airport Giftshop in 2003, The Barnstormer and Standard Parking in 2001, the FBOs in 1998 and the car rental agencies in 1996.

Vice Chairman Pawluk stated he feels we should develop a schedule and work through that schedule doing one or two reviews per year.

Mr. Dobberstein stated the financial review would involve the tenant providing financial information for two months chosen by the auditor conducting the review and showing how those figures were determined. He added that it is not really an audit but rather a financial review.

Gen. Macdonald stated he is not sure how often we need to do this but we certainly need to have the tenants aware that it could happen at any time. He stated he does not want to see us spend a lot of money on audit after audit when we have never found anything of any importance in the previous audits.

Discussed Tenant Financial Review: (Continued)

Vice Chairman Pawluk stated if there are any inconsistencies they would be addressed by a financial review.

Gen. Macdonald recommended starting with CBM Managed Services since we have not yet conducted a financial review since they started their operation at the airport.

After further discussion, it was the consensus of the board to conduct a financial review of CBM Managed Services for their 2014 operations.

Airport Construction and Security Update:

Mr. Jeff Klein, Mead and Hunt, was recognized and stated he and Mr. Dobberstein are continuing to work with the FAA on maintaining the 75' width for the proposed reconstruction of Taxiway A.

There was discussion on parking lot expansion and it was the consensus of the board to devote a portion of the next meeting for a lengthy discussion on airport parking expansion. Mr. Dobberstein indicated he would have Standard Parking prepare an update on statistics and growth outlook for that meeting.

There was nothing to report on security.

Other Business:

Gen. Macdonald stated there was a letter to the editor in The Forum recently from someone who had a family member flying to the funeral of a family member in Flint, MI, via Chicago and was advised of a flight cancellation. He stated they called the Information Center and was helped by Shelby Lien. The letter stated Shelby worked with the Delta staff to get him booked on a flight leaving in an hour and 12 minutes and he was still in Mayville. They stated Shelby was in line at the Delta counter waiting for him to arrive and Delta had his boarding pass printed so all he had to do was go through the security checkpoint and did make his flight. He stated the family was extremely appreciative of Shelby's efforts and he would agree that she went above and beyond to help these passengers.

Gen. Macdonald stated he would like the Airport Authority to recognize her efforts by writing a letter expressing our gratitude for her efforts which definitely enhanced the image of Hector Airport. He stated he would also like to see us give her a \$25 or \$50 gift card in appreciation.

Gen. Macdonald moved to authorize that the Airport Authority sends Shelby Lien a letter of appreciation and include a gift card.

Second by Mr. Blazek.

Vice Chairman Pawluk stated he feels the recognition and letter of appreciation is good but he stated we don't know how many times circumstances like that occur and he does not want to slight someone else just because their efforts were not recognized in the newspaper. He stated he does not want to create hard feelings.

Gen. Macdonald stated maybe we need to set up some type of recognition program.

Other Business: (Continued)

Mr. Dobberstein stated the people at the Information Center are no longer volunteers but are paid by the F-M Convention and Visitor's Bureau.

Vice Chairman Pawluk called for a vote on the motion.

Macdonald voted aye.

Clark, Blazek, Pawluk voted no.

The motion failed.

Dr. Clark moved the Airport Authority send a letter of appreciation to Information Center volunteer, Shelby Lien, thanking her for her outstanding service.

Second by Mr. Blazek.

Clark, Blazek, Pawluk voted aye.

Macdonald voted no.

The motion was declared carried.

The meeting of the Municipal Airport Authority was adjourned until the next regular meeting to be held Tuesday, March 17, 2015, at 8:00 a.m.

Time at adjournment was 8:55 a.m.



Regular Meeting

Tuesday

March 17, 2015

The Regular Meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held Tuesday, March 17, 2015, at 8:00 a.m. in the Airport Boardroom.

The members present or absent were as follows:

Present: Clark, Blazek, Pawluk, Macdonald, Kilander

Absent: None

Others: Attorney Alissa Farrol

Chairman Kilander presiding

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority held February 24, 2015:

The minutes of the Regular Meeting of the Municipal Airport Authority held February 24, 2015, were approved without objection.

Approved the Airport Vouchers Totaling \$44,978.61:

Mr. Blazek moved to approve the airport vouchers totaling \$44,978.61.

Second by Dr. Clark.

On the call of the roll, members Clark, Blazek, Pawluk, Macdonald, Kilander voted aye.

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

Approved the Individual Voucher to EideBailly:

Mr. Pawluk moved to approve the individual voucher in the amount of \$1,750.00 to EideBailly for accounting services in connection with the 2014 PFC Audit.

Second by Dr. Clark.

On the call of the roll, members Clark, Blazek, Pawluk, Macdonald, Kilander

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

Approved the Individual Voucher to Sixel Consulting Group:

Mr. Pawluk moved to approve the individual voucher in the amount of \$743.72 to Sixel Consulting Group for payment request for share of Routes Americas airline presentations.

Second by Dr. Clark.

On the call of the roll, members Clark, Blazek, Pawluk, Macdonald, Kilander voted aye.

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

Approved the Individual Voucher to Sixel Consulting Group:

Mr. Pawluk moved to approve the individual voucher in the amount of \$5,078.00 to Sixel Consulting Group for passenger enplanement fees, February (Allegiant/PIE - \$2,170.00, American/DFW - \$2,372.00, Delta/ATL - \$536.00).

Second by Dr. Clark.

On the call of the roll, members Clark, Blazek, Pawluk, Macdonald, Kilander voted aye.

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

Received Communication from the Fargo Air Museum:

The communication from the Fargo Air Museum was received and filed without objection.

Mr. Dobberstein stated the Fargo Air Museum is holding their 7<sup>th</sup> Annual Celebrity Dinner and Auction of April 17, 2015 and they are requesting a sponsorship of \$2,500, which is the same level at which we sponsored last year.

Mr. Blazek moved to approve the \$2,500 sponsorship for the Fargo Air Museum event.

Second by Dr. Clark.

Mr. Pawluk stated he does not support this expenditure as the Airport Authority is a recipient of tax payer funds and he will be voting no.

Mr. Blazek stated the Fargo Air Museum is one of the airport's tenants that supports what we do on the airfield so he fully supports this.

Mr. Dobberstein stated the funds come out our operations and maintenance fund so there are no tax dollars used for this expenditure.

Chairman Kilander called for a vote on the motion.

Members Clark, Blazek, Kilander voted aye.

Pawluk voted no.

Macdonald abstained.

The motion was declared carried.

Received Proposal from Vaisala to Upgrade Runway Surface Monitoring System:

The proposal/quotation from Vaisala dated 1/8/2015 was received and filed without objection.

Mr. Dobberstein stated this is the system we use to monitor the airfield surface conditions during inclement weather. He asked Darren Anderson to give further details on the upgrade.

Received Proposal from Vaisala to Upgrade Runway Surface Monitoring System: (Continued)

Mr. Darren Anderson was recognized and stated the original system was installed sometime in the early 1990's and it was upgraded during the runway reconstruction in 2004. He stated we are now at the point where everything is old and needs to be replaced. He stated the system monitors the pavement temperature, the subsurface temperature and it also provides chemical factors when chemicals are applied to the surfaces. He stated our staff uses it to monitor the airfield conditions on the website and it is especially critical during those times of the year with frequent freeze/thaw changes.

Mr. Dobberstein stated the estimate we received in January was \$30,593.00.

Mr. Anderson stated the proposal was based on an evaluation by the technician who conducted the annual maintenance on the system so there could be some slight difference in the total. He stated the cabling will not need to be replaced and that is the major portion of the system.

Mr. Blazek moved to approve the upgrade to the runway surface sensor system as per the quotation from Vaisala in the amount of \$30,593.00.

Second by Mr. Pawluk.

Chairman Kilander expressed some concern that the final cost could exceed the quotation and suggested we address that possibility at this time.

Mr. Blazek amended his motion to add a 10% contingency to the original quote of \$30,593.00.

Mr. Pawluk seconded the amendment to the motion.

Chairman Kilander called for a vote on the amendment to the motion.

All members present voted aye.

Chairman Kilander called for a vote on the motion as amended.

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

Mr. Dobberstein stated we will submit this project to the ND Aeronautics Commission for a grant for 50% participation or it will be added to a future PFC.

Received Communication from Cass County Joint Water Resource District:

Mr. Dobberstein stated the Airport Authority has received its notices from the Cass County Joint Water Resource District regarding the special assessment for the Red River Diversion. He stated the total assessment for the airport's 3,079 acres would be \$989,983.97, if the special assessment district were ever to be implemented.

Mr. Pawluk stated by putting this special assessment district in place it allows all of the dollars generated by the sales tax to go toward the project rather than to a bond reserve fund. He stated right now the sales tax generates about \$26 million per year and without the backup of the special assessment district we would have access to only \$15-\$18 million per year with the rest being set aside for reserve funds.

Mr. Pawluk moved the Airport Authority provide a yes vote on the special assessment district for the diversion project.

Chairman Kilander stated his understanding is that property owners within the special assessment district become co-signers on the bonds for the diversion project and the only time that will be attached to the individual property owner is if there is a shortfall in the sales tax revenue used to pay the bonds.

Received Communication from Cass County Joint Water Resource District: (Continued)

Mr. Pawluk stated Chairman Kilander's statement is correct but he would describe it as a back-up financing plan in the event sales tax dollars fall short.

Mr. Pawluk stated he maintains that just the savings of the cost of property owners not having to buy flood insurance would fund the project. He stated that includes current properties which are required to have flood insurance whose premiums are increasing, as well as those that could be added to the flood plain who are not presently required to purchase flood insurance. He stated this is an intergenerational project and once it is in place it is going to impact those living here for hundreds of years. He stated maybe it is not fair to tax just the one generation in order to pay for that. He stated when it comes down to it he feels an extension of the sales tax would almost be automatic. He stated we have been fortunate in that we have not seen a flood for a couple of years and if we think we have seen the highest level of water we will ever see then we can probably get by doing what we have done in the past. He stated as soon as the river hits 40 or 41 feet again we will all be asking why we haven't started on this project.

Gen. Macdonald stated the ballots are not due until April 30 and he would be more comfortable if we delay it as he would like clarification on some of the implications to the airport. He stated he state he agrees the project has to be done one way or another.

Mr. Pawluk stated he would like to get a second on the motion and get a vote today.

Motion was seconded by Chairman Kilander.

Mr. Blazek stated he also has questions and would like to understand the liability to the airport.

Mr. Pawluk stated the project is about keeping the protected area dry and it would not benefit the airport if the entire city was under water.

Chairman Kilander stated he would love to see another option but he does not see the project getting the bonds without this backup financing plan accomplished by the special assessment district.

Mr. Dobberstein stated he feels the Airport Authority should vote yes.

Chairman Kilander called for a vote on the motion.

Clark, Blazek, Pawluk, Macdonald, Kilander voted aye.

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

Received Communication Regarding 2015 Airport Farmland Lease:

The communication from Mr. Ryan Sauter dated March 5, 2015, was received and filed without objection.

Mr. Dobberstein stated our current farm tenant, Mr. Ryan Sauter, has advised that he will not be able to get financing for the 2015 season. He stated Mr. Sauter's lease was for the 2014, 2015 and 2016 crop years. He stated Mr. Sauter has paid all property taxes and drain assessments in full. He stated he has been discussing the matter with Mr. Pawluk and Attorney Stewart and there are other parties interested in farming the property. He stated the only way to move forward is to advertise for bids for a two year contract. He stated obviously the amount per acre is going to be decreased significantly from the current average per acre of \$197.19. He stated we do have the

Received Communication Regarding 2015 Airport Farmland Lease: (Continued)

in the lease agreement to have Mr. Sauter make up the difference and that is what we would pursue. His annual payment to us in the agreement was just over \$285,000. He stated he is not certain of the reality of his being able to pay the difference but in order to maintain the integrity of the bidding process we are obligated to pursue that. He stated the total acreage of the parcels is a little over 1,400 acres. He stated he recommends we secure bids for a two year contract.

Mr. Pawluk stated he feels we should run an advertisement in The Forum and also in the Farmers Forum for one week. He stated one matter that was discussed was that the Airport Authority would pay the taxes for that two year term to simplify the bidding process. He asked if the bids would be for the entire 1400 acres or by parcel.

Mr. Dobberstein stated he would recommend by parcel. Mr. Dobberstein stated we would not even be required to advertise for bids but he would recommend that we do.

Mr. Pawluk stated if we are going to attempt to recover the difference from Mr. Sauter he feels we would need the integrity of the bidding process. Mr. Pawluk stated that Mr. Sauter did pay the taxes due and he just fell onto some hard times so he is wondering if we insist that he pay the deficiency.

Mr. Blazek stated he did sign a contract and we have to let the process work through.

Chairman Kilander agreed that he did sign a contract.

Mr. Pawluk stated that any deficiency would include the property taxes. He added that there might be more interest in the property than we think.

Mr. Pawluk moved to authorize the Executive Director to advertise the farm land for rent for a two year term with the Airport Authority to pay the property taxes and that bids be award as soon as possible in March.

Second by Gen. Macdonald.

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

Received Communication from Standard Parking:

Mr. Dave Hellerud, Standard Parking, was recognized and stated he brought along some updated information on parking statistics year to date and also proposed rate increases should the Airport Authority construct either a parking ramp or an elevated walkway.

Mr. Pawluk stated he feels the items he would like discussion on today is additional surface parking, staging area during construction of a possible parking ramp, a covered walkway option, and shuttle service. He asked Mr. Dobberstein for an update on the parking account funds.

Mr. Dobberstein stated the \$5 million CD that the board dedicated to a parking lot reserve fund comes due on April 1 and that, along with the approximately \$25,500 in interest earned combined with the additional \$2 million to board voted to add to that reserve fund totals \$7,025,500, which we will taking bids for either one CD or break that amount into two CDs.

Mr. Jeff Klein, Mead and Hunt, and Mr. Terry Stroh, TL Stroh Architects, were also recognized.

Received Communication from Standard Parking: (Continued)

Mr. Klein presented a chart showing projected growth in the parking lots with various percentage rates of increase. He stated one line on the graph shows the continued 12% annual growth we have been seeing in recent years but stated they are using a 2% annual rate increase for the purposes of the current Airport Master Plan Update.

Mr. Hellerud stated Standard Parking has been running a seasonal shuttle at the airport in Sioux Falls. He stated it was first tried just during an experimental period but after having the service in place it went over so well that the public has now demanded it. He added that the parking lots in Sioux Falls do not have as far a walking distance as Fargo will have with the lot expansion. He stated as far as whether the shuttle is just seasonal or year round the board will have to look at the local climate for the shuttle. He stated the longer the shuttle runs during the year the less expensive it becomes to operate per day. He stated renting a bus for four months comes at a higher rate per month than an annual lease. He added that shuttle service is premium service and he thinks people will be willing to pay a higher rate. He stated the level of service will be what the airport will want to provide and the costs should be offset by the parking rates.

Mr. Pawluk stated he would only support the shuttle bus if we try it in the ultra economy lot (400 space expansion to the south).

Mr. Klein and Mr. Stroh reviewed the options and construction costs of both the 1200 space ramp and the elevated walkway.

Mr. Stroh stated the walkway will serve the entire parking lot whereas a ramp would serve only 1,200 customers.

Gen. Macdonald stated he prefers the elevated walkway.

In answer to the question of whether or not the walkway would have to be a moving walkway, Mr. Stroh stated the walkway could be designed so that a moving walkway within the structure could be added at a later time.

Mr. Bernie Ness, Avis and Budget, was recognized and stated the car rental agencies would be interested in leasing space in the ramp year round for their ready lot. He stated they would then use some of their existing parking as overflow as they find they are running out of parking spaces.

Chairman Kilander stated he is not sure a moving walkway is necessary right away. He stated he feels the main goal is eliminating the exposure to the elements during the walk to the terminal building.

Gen. Macdonald stated he would like to see the cost of the moving walkway before we make that decision.

Dr. Clark asked if there would be a lot of disruption to the parking lot during construction of a walkway.

Mr. Stroh stated it should be minimal disruption. He stated he would envision using pre-cast concrete for the walkway and that would be done in sections.

Chairman Kilander asked the construction timeline for the elevated walkway.

Mr. Stroh stated he would estimate 14-16 months.

Mr. Klein stated he likes the walkway option as it provides an improved parking experience for the parking lots as they exist today.

Mr. Pawluk stated he feels we should go ahead with getting the south 400 space lot ready to use as overflow parking during peak periods, even if it is just a crushed concrete surface as the

Received Communication from Standard Parking: (Continued)

peak time is typically during winter months. He stated that lot will also provide for any displaced parking during construction of either a ramp or a walkway. He state ultimately the lot will be hard surfaced but he feels it is important to move ahead with that lot now.

Mr. Blazek asked if that would be a 2016 project due to the high bid prices we have been seeing lately.

Mr. Pawluk stated he feels we may be seeing lower prices with the reduction in oil prices and also the slowdown in the western part of the state.

Mr. Klein stated when we reconstruct Taxiway A we will need to build a gravel staging area for that project and he would propose the staging area be in that site and then leave the gravel in place rather than removing it as would normally be done after construction.

Gen. Macdonald stated he would like to see us get started on the elevated walkway.

Mr. Blazek stated he is not sold on the walkway option.

Dr. Clark stated that she likes the walkway option better than a ramp.

Mr. Pawluk stated he does not want to see the board take any action today.

Chairman Kilander stated he was reminded by Mr. Dobberstein that this project is of a magnitude that would require us to solicit proposals from design firms.

Gen. Macdonald stated we will follow the required procedures but he feels we have discussed options long enough and he feels we need to move ahead with something.

Mr. Dobberstein stated he would like someone from The Forum's editorial board to come out and see the process the Airport Authority has been going through to address the parking issues and planning for future growth.

Chairman Kilander suggested we place the item on a future agenda which would give the board members time to think about the options, gather any additional information they may need and then be ready to make a decision. He suggested the next regular meeting which is scheduled for April 14.

Mr. Blazek stated he is skeptical on the figure of \$64,000 given for annual operating and maintenance costs for an elevated walkway. He stated we are talking about four more elevators, HVAC systems, heating/cooling costs, window cleaning, etc. He stated he thinks it is going to be a lot higher than that.

Mr. Stroh indicated he would look into that further and see if that figure needs adjusting.

Chairman Kilander asked Mr. Hellerud for any additional comments for the board's consideration.

Mr. Hellerud stated he would encourage the board to look to the future. He stated anything you build today will cost a lot more to build in the future. He stated Standard Parking will operate any type of facilities the airport wishes to provide its passengers. He just encouraged the board members not to just consider the needs now but the needs in the future.

Mr. Dobberstein stated he would need to leave the meeting to participate in a conference call with our PFC consultant and representatives from the airlines regarding an amendment to PFC Application 07. It was noted that no one present at the Airport Authority meeting had questions about the proposed PFC amendment nor felt it necessary for anyone other than the Executive Director to participate in the airline consultation conference call.

Airport Construction and Security Update:

Mr. Jeff Klein, Mead and Hunt, was recognized and stated last week the FAA advised us that the airport would be getting \$6 million in discretionary funding for the Taxiway A Reconstruction Project. He stated he and Mr. Dobberstein met with the FAA and the ND Aeronautics Commission and with the numerous letters of support Mr. Dobberstein got from various stakeholders the FAA has reversed their decision to reduce the width of Taxiway A and has restored the width to 75' with 12.5' shoulders. He stated we would have to complete the Taxiway J project before we could start with the Taxiway A reconstruction and that has a completion date of July 31, 2015. He stated we could bid the Taxiway A project this year with an actual 2016 construction date but begin to order materials in 2015.

There was nothing to report on security.

The meeting of the Municipal Airport Authority was adjourned until the next regular meeting to be held Tuesday, April 14, 2015.

Time at adjournment was 9:33 a.m.



Special Meeting

Tuesday

March 31, 2015

A Special Meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held Tuesday, March 31, 2015, in the Airport Boardroom.

Members present or absent were as follows:

Present: Macdonald, Kilander, Blazek (via phone)

Absent: Clark, Pawluk

Others: None

Chairman Kilander presiding.

Approved the Individual Voucher to Mead and Hunt:

Gen. Macdonald moved to approve the individual voucher in the amount of \$1,172.38 to Mead and Hunt for partial payment request for engineering services in connection with the Taxiway J Construction Project, AIP44.

Second by Mr. Blazek.

On the call of the roll, members Blazek, Macdonald, Kilander voted aye.

Absent and not voting: Clark, Pawluk

The motion was declared carried.

Approved the Individual Voucher to Mead and Hunt:

Gen. Macdonald moved to approve the individual voucher in the amount of \$5,616.00 to Mead and Hunt for partial payment request for engineering services in connection with the North General Aviation Apron Expansion, APFC08.

Second by Mr. Blazek.

On the call of the roll, members Blazek, Macdonald, Kilander voted aye.

Absent and not voting: Clark, Pawluk

The motion was declared carried.

Approved the Individual Voucher to Mead and Hunt:

Gen. Macdonald moved to approve the individual voucher in the amount of \$41,985.00 to Mead and Hunt for partial payment request for engineering services in connection with the Taxiway A Reconstruction Design, AIP43.

Second by Mr. Blazek.

Approved the Individual Voucher to Mead and Hunt: (Continued)

On the call of the roll, members Blazek, Macdonald, Kilander voted aye.  
Absent and not voting: Clark, Pawluk.  
The motion was declared carried.

Approved the Individual Voucher to Mead and Hunt:

Gen. Macdonald moved to approve the individual voucher in the amount of \$3,317.76 to Mead and Hunt for partial payment request for engineering services in connection with the Airport Master Plan Update, AIP42.

Second by Mr. Blazek.

On the call of the roll, members Blazek, Macdonald, Kilander voted aye.  
Absent and not voting: Clark, Pawluk  
The motion was declared carried.

Received Farm Land Bids and Considered Award:

Mr. Dobberstein stated yesterday we received bids for the farm land for crop years 2015 and 2016. He stated there were five bidders present and the two high bidders were Brandon Olson, Cass Clay Farms, on Parcels 1, 2, 3 and 4, and Mr. Tom Beaton on parcels 5, 6, 7 and 8. He stated Attorney Stewart has the leases ready for signature.

Mr. Blazek moved to award the farm leases to Cass Clay Farms and Mr. Tom Beaton as per their bids received March 30, 2015, for crop years 2015 and 2016.

Second by Gen. Macdonald.

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

Received Cash Investment Bids and Consider Award:

Mr. Dobberstein stated he provided the board members with the information on proposals we received from banks on our certificate of deposit. He stated the request was for bids on either one CD in the amount of \$7,025,500 or two CDs for \$3,512,750 each for a one year term. He stated the highest bid was received from First International Bank at .51% for both options. He stated the other bids were as follows:

Alerus	.4%	both options
Starion	.51%	one \$3,512,750 CD
Choice	.4%	both options
US Bank	.4%	both options

Mr. Dobberstein added that four banks declined due to the pledging requirements.

Received Cash Investment Bids and Consider Award: (Continued)

Mr. Dobberstein stated tomorrow we will transfer \$2 million to First International Bank and Trust to add to the matured CD in the amount of \$5,025,000 for a total CD of \$7,025,000 which will mature in one year for a total value of \$7,061,330.05.

Gen. Macdonald moved to award the one year certificate of deposit in the amount of \$7,025,000 to First International Bank.

Second by Mr. Blazek.

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

The Special Meeting of the Municipal Airport Authority was adjourned until the next regular meeting to be held Tuesday, April 14, 2015 at 8:00 a.m.

Time at adjournment was 8:07 a.m.

Regular Meeting

Tuesday

April 14, 2015

The Regular Meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held Tuesday, April 14, 2015, at 8:00 a.m. in the Airport Boardroom.

The members or absent were as follows:

Present: Clark, Blazek, Pawluk, Macdonald, Kilander  
Absent: None  
Others: None

Chairman Kilander presiding.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held March 17, 2015, and the Special Meeting Held March 31, 2015:

The minutes of the Regular Meeting of the Municipal Airport Authority held March 17, 2015 and the Special Meeting held March 31, 2015, were approved without objection.

Approved the Airport Vouchers Totaling \$85,447.45:

Mr. Pawluk moved to approve the airport vouchers totaling \$85,447.45.

Second by Dr. Clark.

On the call of the roll, members Clark, Blazek, Pawluk, Macdonald, Kilander voted aye.

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

Approved the Individual Voucher to Sixel Consulting Group:

Gen. Macdonald moved to approve the individual voucher in the amount of \$2,504.00 to Sixel Consulting Group for passenger enplanement fees for March passenger enplanement fees for Allegiant/PIE.

Second by Dr. Clark.

On the call of the roll, members Clark, Blazek, Pawluk, Macdonald, Kilander voted aye.

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

Approved the Individual Voucher to Flint Communications:

Gen. Macdonald moved to approve the individual voucher in the amount of \$96,020.87 to Flint Communications for partial payment request for the 2015 Airport Marketing Program.

Second by Dr. Clark.

On the call of the roll, members Clark, Blazek, Pawluk, Macdonald, Kilander voted aye.

No member being absent and none voting nay 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 \$20,448.00 to Northern Improvement Company for partial payment request for construction of the North General Aviation Area Apron Expansion, APFC08.

Second by Dr. Clark.

On the call of the roll, members Clark, Blazek, Pawluk, Macdonald, Kilander voted aye.

No member being absent and not voting nay the motion was declared carried.

Received Letter of Intent from Men's Hair House to lease Additional Space in the East Terminal:

The Letter of Intent from 1954 Investment Group, Inc. dba Men's Hair House was received and filed without objection.

Mr. Dobberstein stated Men's Hair House is expanding and looking for more office space to locate their accounting office. He stated they would like to lease the former Myriad space on the second floor (1,500 square feet) for a three year term.

Mr. Pawluk moved to approve the request from Men's Hair House to lease additional space in the East Terminal.

Second by Mr. Blazek.

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

Received Request from Allegiant Air to Lease Additional Office Space:

The communication dated April 8, 2015, from Mr. Eric Fletcher, Allegiant Air, was received and filed without objection.

Mr. Dobberstein stated Frontier Airlines will have their last flight from Fargo on April 29 but are obligated to pay for all of their lease space through December 31, 2015. He stated Allegiant would like to take over a small office in the operations area effective May 1, 2015 but would like a 90 day out on the space.

Gen. Macdonald moved to approve the request from Allegiant Air effective May 1 to lease the office space being vacated by Frontier Airlines, to include a 90 day out clause.

Second by Dr. Clark.

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

Received Proposal from CBM Managed Services to Expand Concession Space in the Departure Lounge:

Mr. Dobberstein stated CBM Managed Services would like to expand their concession space in the departure lounge. He stated they are requesting to expand the bar area out to line up with the current hard floor seating area. He presented drawings from TL Stroh Architects showing the space and the walls that will be added to meet the City's requirements for the bar. He stated CBM is asking that the Airport Authority pay for the flooring and he indicated he would have no problem with that as we paid for the hard flooring in the current table and chair seating area.

Mr. Dobberstein stated CBM is also proposing to locate a coffee kiosk in the Gate 1 area and will use the counter that the previous operator used in the area that is now the Giftshop kiosk. He stated they are also asking that we pay for the flooring in that area. He stated we also have some appliances in storage which they feel they will be able to use. He stated we will not be losing seating but the seating units in that area will be relocated.

Ms. Lori Braaten, CBM Manager, was recognized and stated the coffee bar will offer a variety of items but as far as hot beverages, it will just offer coffee, it will not have an espresso machine.

Mr. Blazek moved to approve the concession changes proposed by CBM.

Second by Dr. Clark.

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

Authorized Attendance at ACI Jumpstart, Seattle, WA, June 1-3, 2015:

Mr. Dobberstein stated Sixel Consulting Group has indicated they have requested meetings with six airlines during this Jumpstart conference in Seattle.

Mr. Blazek moved to authorize attendance by staff and board members at ACI Jumpstart, Seattle, WA, June 1-3, 2015.

Second by Gen. Macdonald.

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

Received Proposals for East Terminal Parking Lot Repairs:

The proposals for East Terminal parking lot repairs were received and filed without objection.

Mr. Dobberstein stated Mr. Henry Swedberg, Airfield Supervisor, solicited informal bids from three contractors and received the following:

Northern Improvement	\$55,370.00
Border States Paving	\$57,500.00
Aggregate Industries	\$59,000.00

Mr. Dobberstein stated this project involves repairs to the asphalt in the south general aviation area where we moved and replaced the gate near construction of the new hangar. He stated the project also includes repairs in the parking lot area.

Received Proposals for East Terminal Parking Lot Repairs: (Continued)

Mr. Pawluk moved to award the bid for the East Terminal parking lot and south general aviation area repairs to Northern Improvement Company based on their low bid of \$55,370.00.

Second by Mr. Blazek.

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

Airport Construction and Security Update:

Mr. Dobberstein stated Northern Improvement will start working on our current projects again in the next couple of weeks. He stated we are continuing to work with the FAA on the funding details for the Taxiway A Reconstruction Project and he thinks Mead and Hunt plans to advertise that project for bids sometime in June with a construction start in 2016. He stated the FAA has put an indefinite hold on our Airport Master Plan Update and has been for about three months already. He stated there are certain sections they need to review and respond to but we have not heard of any progress.

Mr. Pawluk asked for an update on the spalling issue on Phase I of the Taxiway A Reconstruction.

Mr. Dobberstein stated Northern Improvement and Mead and Hunt will conduct their annual inspection in May. He stated he does not yet know how it made it through this winter but he has not heard of any problems. He indicated the board would receive a report following the inspection.

Other Business:

Mr. Rick Flacksbarth was recognized and stated he is a resident of Riverwood and thought the Airport Authority would like to know that the City Commission approved a four way stop at County 20 and North University Drive and that should be in place this week.

The meeting of the Municipal Airport Authority was adjourned until the next regular meeting to be held Tuesday, April 28, 2015.

Time at adjournment was 8:38 a.m.

Regular Meeting

Tuesday

April 28, 2015

The Regular Meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held Tuesday, April 28, 2015 at 8:00 a.m. in the Airport Boardroom.

The members present or absent were as follows:

Present: Clark, Blazek, Macdonald, Kilander  
Absent: Pawluk  
Others: None

Chairman Kilander presiding.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held April 14, 2015:

The minutes of the Regular Meeting of the Municipal Airport Authority held April 14, 2015, were approved without objection.

Approved the Airport Vouchers Totaling \$36,797.73:

Mr. Blazek moved to approve the airport vouchers totaling \$36,797.73.  
Second by Dr. Clark.  
On the call of the roll, members Clark, Blazek, Macdonald, Kilander voted aye.  
Absent and not voting: Pawluk  
The motion was declared carried.

Approved the Individual Voucher to Sixel Consulting Group:

Gen. Macdonald moved to approve the individual voucher in the amount of \$516.00 to Sixel Consulting Group for March passenger enplanement fees – Delta/ATL.  
Second by Dr. Clark.  
On the call of the roll, members Clark, Blazek, Macdonald, Kilander voted aye.  
Absent and not voting: Pawluk  
The motion was declared carried.



Approved the Individual Voucher to EideBailly:

Gen. Macdonald moved to approve the individual voucher in the amount of \$2,472.00 to EideBailly for Partial Payment Request #1 for audit of the AIP grants.

Second by Dr. Clark.

On the call of the roll, members Clark, Blazek, Macdonald, Kilander voted aye.

Absent and not voting: Pawluk

The motion was declared carried.

Approved the Individual Voucher to Mead and Hunt:

Gen. Macdonald moved to approve the individual voucher in the amount of \$3,744.00 to Mead and Hunt for partial payment request for engineering services in connection with the North General Aviation Area Apron Expansion, APFC08.

Second by Dr. Clark.

On the call of the roll, members Clark, Blazek, Macdonald, Kilander voted aye.

Absent and not voting: Pawluk

The motion was declared carried.

Approved the Individual Voucher to Mead and Hunt:

Gen. Macdonald moved to approve the individual voucher in the amount of \$13,995.00 to Mead and Hunt for partial payment request for engineering services in connection with the Taxiway A Reconstruction Design, Project AIP43.

Second by Dr. Clark.

On the call of the roll, members Clark, Blazek, Macdonald, Kilander voted aye.

Absent and not voting: Pawluk

The motion was declared carried.

Received Communication from ABHN Partnership Requesting Five Year Lease Extension for South General Aviation Area Hangar:

The communication from Mr. Bernie Ness, ABHN Partnership, dated April 17, 2015, was received and filed without objection.

Mr. Dobberstein stated this hangar is owned by Mr. Larry Haugen and Mr. Bernie Ness and they are requesting a five year extension of their lease which expired on February 28, 2015.

Gen. Macdonald moved to approve the five year lease extension as requested by ABHN Partnership.

Second by Mr. Blazek.

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

Received Communication from Air Condo Association Requesting a Five Year Lease Extension for South General Aviation Area Hangar:

The communication from Mr. Dave Currier, Air Condo Association, dated April 17, 2015, was received and filed without objection.

Mr. Dobberstein stated the lease for the Air Condo Association hangar expires at the end of June and they are requesting a five year extension.

Mr. Blazek moved to approve the five year lease extension as requested by Air Condo Association.

Second by Dr. Clark.

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

Received Update on Property Acquisition:

Mr. Dobberstein stated last week Attorney Stewart forwarded the purchase agreement for the Harris property to the attorney for the Harris family, as they were able to finalize the details for the sale of the property. He stated this is the last piece of property the airport needs to purchase to the north of the airport. He stated the Harris family has accepted the purchase price and we should be able to have the closing in about a month.

Review Proposed Job Classification/Description:

Mr. Dobberstein stated the board members have been provided with a proposed job description for a new position of Airport Operations Specialist. He stated he feels this is a position that is warranted at this time. He stated the City of Fargo is currently in the process of a reclassification/new position/market study process and they have a deadline of May 15 for any submissions. He stated for the past few years we have included in the budget a full time equipment operation position and also a full time building attendant position which we have not filled so the money for this new position is in the budget. He stated with the additional workload we have seen in the office in the past few years, especially with the badging duties, as well as the additional duties involved after taking over the ARFF station, storm water management program, etc. He stated this position would provide some relief of work in the office but will also provide assistance with operation of equipment, airfield duties, etc. He stated he is looking for concurrence from the board members to add the position and then we would work with the consultant the City of Fargo is using to review the job description to make certain it is assigned the proper classification.

Mr. Dobberstein stated this position would not forego us in the future to continue employing an intern. He stated that has been a good program and those that have been in our intern program have been successful in moving on in their careers. He stated Darren does a good job mentoring them as well as the time Henry spends with them on airfield operations.

Mr. Dobberstein stated he thinks it is time for this position to be added as we have run pretty lean on staff at the airport for the past few decades.

Review Proposed Job Classification/Description: (Continued)

Mr. Blazek stated he fully supports adding to the staff. He stated in reviewing the job description it may be difficult to find a candidate that will meet all requirements. He stated he is referring to the requirement for the CDL, air brake endorsement, etc.

Dr. Clark suggested the job description state that the candidate be required to obtain the necessary license rather than actually holding it at the time of employment.

Gen. Macdonald stated his only comment is that this is long overdue.

Mr. Dobberstein stated he would move forward with the process to fill this position.

Airport Construction and Security Update:

Mr. Jeff Klein, Mead and Hunt, was recognized and stated Northern Improvement has started work on the airfield again. He stated they started last week on the work in the north general aviation area on the fuel farm road and working on schedules for the ramp expansion. He stated next week Interstate Sealant and Concrete (subcontractor hired by Northern Improvement) will begin work on Runway 18/36 replacing the joint seals. He stated this work will be done at night for 20 days straight.

Mr. Klein stated later this morning he has a conference call with the FAA on a new requirement for 30' shoulders on taxiways. He stated he will have more to report on that at a later date.

Mr. David Negron, Assistant Federal Security Director, TSA, was recognized and stated they hope to see some new x-ray equipment at the checkpoint in Fargo by the end of the year.

Announcement from Fargo Jet Center:

Mr. Darren Hall and Mr. Jeremy Sobolik, Fargo Jet Center, were recognized. Mr. Hall stated they are happy to announce today that once again this year Fargo Jet Center was ranked among the best FBOs in the world. He stated this year Fargo Jet Center was ranked as #2 among the FBOs in North, South and Central America by Aviation International News. He stated this is not only an accolade for the Fargo Jet Center team but for their partnership with the Airport Authority, US Customs, FAA Tower, etc. He stated the collaborative efforts with the airport's airfield maintenance staff, the staff in the tower and the US Customs agents make the experience of landing in Fargo a pleasant one for pilots and visitors from all over the world.

The meeting of the Municipal Airport Authority was adjourned until the next regular meeting to be held Tuesday, May 12, 2015 at 8:00 am in the Airport Boardroom.

Time at adjournment was 8:25 a.m.

Regular Meeting

Tuesday

May 12, 2015

The Regular Meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held Tuesday, May 12, 2015, at 8:00 a.m. in the Airport Boardroom.

The members present or absent were as follows:

Present: Clark, Blazek, Pawluk, Kilander

Absent: Macdonald

Others: None

Chairman Kilander presiding.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held April 28, 2015:

The minutes of the Regular Meeting of the Municipal Airport Authority held April 28, 2015, were approved without objection.

Approved the Airport Vouchers Totaling \$31,871.09:

Dr. Clark moved to approve the airport vouchers totaling \$31,871.09.

Second by Mr. Blazek.

On the call of the roll, members Clark, Blazek, Pawluk, Kilander voted aye.

Absent and not voting: Macdonald

The motion was declared carried.

Approved the Individual Voucher to Sixel Consulting Group:

Mr. Pawluk moved to approve the individual voucher in the amount of \$2,510.00 to Sixel Consulting Group for April passenger enplanement fees (Allegiant/PIE - \$2,100.00, Delta/ATL - \$410.00).

Second by Dr. Clark.

On the call of the roll, members Clark, Blazek, Pawluk, Kilander voted aye.

Absent and not voting: Macdonald

The motion was declared carried.

Approved the Individual Voucher to Northern Improvement Company:

Mr. Pawluk moved to approve the individual voucher in the amount of \$40,397.85 to Northern Improvement Company for Partial Payment Request #3 for construction of the North General Aviation Area Ramp Expansion, APFC08.

Second by Dr. Clark.

On the call of the roll, members Clark, Blazek, Pawluk, Kilander voted aye.

Absent and not voting: Macdonald

The motion was declared carried.

Receive Change Order #1 to Northern Improvement for an Increase of \$13,438.92 to Runway 18/36 Rehabilitation and Taxiway A Design, AIP43:

Mr. Jeff Klein, Mead and Hunt, was recognized and stated Interstate Sealant and Concrete (ISC) who is Northern Improvement's subcontractor on the joint sealing portion of the Runway 18/36 Rehabilitation Project, has recommended that the transverse joints be deepened so the sealant can be recessed below the pavement surface more than 3/16 of an inch. He stated over time the pavement differentially shifts and the neoprene may eventually work its way to the surface and could potentially get snagged by a snow plow or aircraft and pull the sealant out. He stated the amount of the change order is based on a time and materials basis not to exceed that amount. He stated this estimate was based on a worst case scenario and they expect the actual cost to come in lower than that.

Mr. Dobberstein stated he would recommend approving this change order.

Mr. Pawluk moved to approve Change Order #1 to Northern Improvement for an increase of \$13,438.92 to the Runway 18/36 Rehabilitation Project (AIP43).

Second by Dr. Clark.

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

Received Communication from Southeast Cass Water Resource District Regarding Drain #3/Drain #10 Repair Projects and Associated Easements:

Mr. Dobberstein introduced Mr. Lyndon Pease, Moore Engineering, who will present a request on behalf of Southeast Cass Water Resource District for both a temporary construction easement and a permanent easement for improvements to Drains #3 and #10. He stated there has been a considerable amount of sliding on the banks of these drains and they are proposing to widen the banks of the drains.

Mr. Pease stated there are about a dozen slides along these drains which are continuing to worsen and this has been a project that has been in the works for a number of years. He stated there are also a number of slides along Highway 81 which will be repaired as well. He stated there will be a total of about two miles of channel improvements and the project will be paid for through the Southeast Cass maintenance fund so there will be no special assessment. He stated the last estimate for just construction costs is about \$2 million and about an additional \$1 million for engineering and utility relocation.

Received Communication from Southeast Cass Water Resource District Regarding Drain #3/Drain #10 Repair Projects and Associated Easements: (Continued)

Mr. Pawluk stated he thinks this is a good project and the drains are important infrastructure that needs to be maintained. He stated he and Chairman Kilander discussed the matter of the future extension of Runway 9/27 and the need at that time for a box culvert in the area of the drain. He asked if we would want to go ahead and build that box culvert now while this project is being done.

Mr. Dobberstein stated he and Mr. Klein discussed this possibility and the runway extension is still a number of years away and we always run the risk of design standards changing between now and the construction of the runway extension. He stated there is also the matter of funding. He stated it would not be eligible for federal funding at this time but it would be as part of the runway project.

Mr. Pawluk asked if we would want to stockpile any of the clay material from this project for backfill for the box culvert when the runway is extended or just worry about it when the time comes.

Mr. Dobberstein stated he would rather not see us stockpiling material and just wait until the runway extension project is underway.

Mr. Pease stated there may be some disruption in the shelterbelt on the far south end of the airport but they can replace trees after the project is complete.

Mr. Dobberstein stated the entire shelterbelt is about at the end of its useful life and we are working with the City Forester and the State Forest Service on a plan to replace it at sometime in the near future.

Mr. Blazek asked about the loss of tillable acreage as a result of this drain improvement project.

Mr. Dobberstein stated the current easement is 47.7 acres and the proposed easement is 64.5 acres for a difference of 16.8 acres so it will have very little impact to the tenant farmer. He stated we will make an adjustment for the farmer on the temporary loss of acreage and once the project is done it will be restored. He stated he would like the project staged so that it does not damage his crop.

Mr. Pease stated they are hoping to have the project substantially complete by November.

Mr. Pawluk stated he would suggest that since it is such a minimal amount that the farmer be compensated for the crop loss and allow the project to move forward without delay to avoid crop damage.

Mr. Pawluk stated the two important issues for him with this project are that if trees are removed we want trees replaced and we don't expect them to be the same size tree. He stated secondly there is a lot of material left over from the last drain improvement project and it has impeded the ability to be able to properly mow those areas. He asked if we are going to see the same with this project.

Mr. Pease stated a majority of the spoil material will be removed.

Mr. Blazek stated he would hate to see that material leave the airport. He stated he was impressed with what happened with the taxiway project and the fact that we were able to move that material to the site of possible parking expansion. He stated if the material is going to be hauled anyway he thinks it should be hauled to another location on the airport.

Received Communication from Southeast Cass Water Resource District Regarding Drain #3/Drain #10 Repair Projects and Associated Easements:

Mr. Pawluk stated he is not convinced that it would save us any money. He stated if we can put it in a location where we know we need it that would result in savings, but if we just put it somewhere to store it and then have to pay to have it moved later we are not saving any money. He stated if we know we have a need then we should take advantage of it but we probably have all we need. He stated unless we have a definite plan we are just moving dirt around.

Mr. Dobberstein stated Attorney Sean Fredricks, attorney representing Southeast Cass, will work with Attorney Stewart on the final easement documents.

Mr. Pease stated the schedule is to have the easement documents to the Airport Authority by May 29.

Mr. Blazek stated there is such a huge demand for fill material in south Fargo in the flood plain. He stated he feels the material is valuable and does not want to see us make a mistake by giving it away.

Mr. Pawluk stated Mr. Blazek is right that the material has value. He stated maybe if the material is suitable for dike building material we could store it by the drain along Highway 81 and use that material if needed in the future in the event of a flood rather than sacrificing existing crop land.

Mr. Blazek asked if we could table the matter of the excess fill and Mr. Dobberstein could explore some options.

Chairman Kilander stated we could table that portion. He stated he thinks the objective today is to provide direction to Southeast Cass as to whether or not the Airport Authority is in favor of the easement so that they can move forward with the project. He stated the consensus of the board seems to be that we are in favor of granting the easement. He stated the remaining discussion pertains to the excess material and what to do with it.

Mr. Dobberstein stated he would like to see the project move forward as proposed and have the excess materials removed. He stated he does not see any benefit to storing it on the airport.

Mr. Pawluk stated he feels the material itself is probably not of any value to us if we don't have a need for it, it is the transportation and moving of the material that provides the value.

Chairman Kilander stated his interpretation is that as the land owner we have a valuable commodity in the excess material. If we allow SE Cass to handle it on their own the airport gets no monetary value. If we keep the material ourselves in title we would have an opportunity to sell it and generate revenue for the airport.

Mr. Blazek stated that is exactly what he is saying.

Mr. Pawluk stated he would like to see the two attorneys move ahead with the basic agreement because the agreement will have to come before the Airport Authority for approval anyway. He stated that would give us some time to make a decision on the material. He stated he feels both Mr. Pease and Mr. Klein have an understanding of the direction the board would like to take. He stated if there is a benefit to the airport he expects that they will help us with that. He stated they may have some contacts with contractors to find out if anyone would be interested in buying the material.

Mr. Blazek stated one possibility would be to see if there would be a contractor interested in buying the material. He stated as the county's contractor removes the material it could be hauled to that contractor's site and pays the airport a certain amount per yard.

Received Communication from Southeast Cass Water Resource District Regarding Drain #3/Drain #10 Repair Projects and Associated Easements: (Continued)

Mr. Dobberstein stated if we can find a contractor that is willing to pay us something for it and have it hauled off airport he would support that.

Mr. Pease stated they plan to advertise for bids before June 24. He stated any decision on what the board wants to do with the material will be important to be included in the specifications and the construction contract. He stated the sooner they know the better.

Mr. Pawluk stated his experience with clay fill is that you can get all you want at no charge; the cost is in hauling it.

Mr. Pease stated he cannot speak for Southeast Cass but from their perspective they want to get the project done this year. He stated there would have to be language in the contract to allow for the possibility of another contractor coming in to remove excess material and that could get a bit muddled.

Chairman Kilander stated that from our discussion it seems that storing the excess material on site is not workable.

Mr. Pawluk stated if we don't have a purpose for it now we are better off to let it go.

Chairman Kilander stated the attorneys will be directed to negotiate the easement and it will come back to the board for approval.

Mr. Klein reminded Mr. Pease of the FAA requirement for a construction safety plan.

Mr. Pease indicated their office has been working with the FAA on the requirements for the project.

Airport Construction and Security Update:

Mr. Jeff Klein, Mead and Hunt, was recognized and stated Northern Improvement and their subcontractor have begun work on the Runway 18/36 Rehabilitation project. He stated they have lost a couple nights of work due to rain. He stated Northern is continuing work on the North General Aviation Area Ramp Expansion Project.

Mr. Devin Mogck, TL Stroh Architects, was recognized and stated they are continuing to work with CBM on the expansion in the departure lounge. He stated they did find out that the tile flooring in the snack bar area is no longer available so they are looking at extending the flooring material that is in the bar area which should be fine since it is an extension of the bar. He stated CBM also asked about some additional televisions in that area.

Mr. Darren Anderson stated there are some people who like to get away from the televisions so we need to have some quieter areas available for those people.



Other Business:

Chairman Kilander stated he would like to have further discussion on parking again at the next meeting.

Mr. Dobberstein gave a brief report on the Allegiant Air Conference he attended in Las Vegas last week.

The meeting of the Municipal Airport Authority was adjourned until the next regular meeting to be held Tuesday, May 26, 2015 at 8:00 a.m.

Time at adjournment was 9:00 a.m.

Regular Meeting

Tuesday

May 26, 2015

The Regular Meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held Tuesday, May 26, 2015, at 8:00 a.m. in the Airport Boardroom.

The members present or absent were as follows:

Present: Blazek, Pawluk, Macdonald, Kilander  
Absent: Clark  
Others: None

Chairman Kilander presiding.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held May 12, 2015:

The minutes of the Regular Meeting of the Municipal Airport Authority held May 12, 2015, were approved without objection.

Approved the Airport Vouchers Totaling \$20,459.51:

Gen. Macdonald moved to approve the airport vouchers totaling \$20,459.51.  
Second by Mr. Blazek.  
On the call of the roll, members Blazek, Pawluk, Macdonald, Kilander voted aye.  
Absent and not voting: Clark  
The motion was declared carried.

Approved the Individual Voucher to Flint Communications:

Mr. Pawluk moved to approve the individual voucher in the amount of \$6,647.49 to Flint Communications for partial payment request for 2015 Airport Marketing Program.  
Second by Mr. Blazek.  
On the call of the roll, members Blazek, Pawluk, Macdonald, Kilander voted aye.  
Absent and not voting: Clark  
The motion was declared carried.

Approved the Individual Voucher to Northern Improvement Company:

Mr. Pawluk moved to approve the individual voucher in the amount of \$55,370.00 to Northern Improvement Company for payment request (full and final) for repairs to south general aviation area parking lots (MAA approved 4-15-15).

Second by Gen. Macdonald.

On the call of the roll, members Blazek, Pawluk, Macdonald, Kilander voted aye.

Absent and not voting: Clark

The motion was declared carried.

Approved the Individual Voucher to Mead and Hunt:

Mr. Pawluk moved to approve the individual voucher in the amount of \$6,762.23 to Mead and Hunt for partial payment request for engineering services in connection with the North General Aviation Apron Expansion, APFC08.

Second by Gen. Macdonald.

On the call of the roll, members Blazek, Pawluk, Macdonald, Kilander voted aye.

Absent and not voting: Clark

The motion was declared carried.

Approved the Individual Voucher to Mead and Hunt:

Mr. Pawluk moved to approve the individual voucher in the amount of \$8,815.48 to Mead and Hunt for partial payment request for engineering services in connection with the North General Aviation Apron Expansion, APFC08.

Second by Gen. Macdonald.

On the call of the roll, members Blazek, Pawluk, Macdonald, Kilander voted aye.

Absent and not voting: Clark

The motion was declared carried.

Approved the Individual Voucher to Mead and Hunt:

Mr. Pawluk moved to approve the individual voucher in the amount of \$6,710.21 to Mead and Hunt for partial payment request for engineering services in connection with the Taxiway J Reconstruction, Project AIP44.

Second by Gen. Macdonald.

On the call of the roll, members Blazek, Pawluk, Macdonald, Kilander voted aye.

Absent and not voting: Clark

The motion was declared carried.

Approved the Individual Voucher to Mead and Hunt:

Mr. Pawluk moved to approve the individual voucher in the amount of \$5,220.43 to Mead and Hunt for partial payment request for engineering services in connection with the Runway 18/36 Rehabilitation and Taxiway A Reconstruction Design, AIP43.

Second by Mr. Blazek.

On the call of the roll, members Blazek, Pawluk, Macdonald, Kilander voted aye.

Absent and not voting: Clark

The motion was declared carried.

Approved the Individual Voucher to Mead and Hunt:

Mr. Pawluk moved to approve the individual voucher in the amount of \$23,410.83 to Mead and Hunt for partial payment request for engineering services in connection with the Airport Master Plan Update, AIP42.

Second by Mr. Blazek.

On the call of the roll, members Blazek, Pawluk, Macdonald, Kilander voted aye.

Absent and not voting: Clark

The motion was declared carried.

Approved the Individual Voucher to Sixel Consulting Group:

Mr. Pawluk moved to approve the individual voucher in the amount of \$1,119.68 to Sixel Consulting Group for consulting services for the Allegiant Air Conference.

Second by Mr. Blazek.

On the call of the roll, members Blazek, Pawluk, Macdonald, Kilander voted aye.

Absent and not voting: Clark

The motion was declared carried.

Approved the Individual Voucher to Fargo Electric Construction:

Mr. Pawluk moved to approve the individual voucher in the amount of \$140.00 to Fargo Electric Construction for utility locates for the North General Aviation Ramp Expansion, Project APFC08.

Second by Mr. Blazek.

On the call of the roll, members Blazek, Pawluk, Macdonald, Kilander voted aye.

Absent and not voting: Clark

The motion was declared carried.

Received Change Order from Northern Improvement Company for Runway 18/36 Spall Repair for an Increase of \$17,280.00:

Mr. Jeff Klein, Mead and Hunt, was recognized and stated this change order is for the rehabilitation work on Runway 18/36 which is part of Project AIP43. He stated the initial field investigation was done in the spring of 2014 and they were specifically looking for spalls. He stated that initial inspection resulted in four square feet of spall repairs needed at a cost of \$360/sf for a total of \$1,440. He stated once the project was underway we found an additional 60 sf that also needed repair. He stated we were able to negotiate a lower rate of \$288 per square foot because of the increased area. He stated the total for spall repairs is \$17,280 or an increase of \$15,840.

Mr. Klein stated this spalling is obviously a safety concern so it is work that has to be done.

Mr. Pawluk stated the board certainly wants to approve the change order and do the repairs but he is wondering why the product is failing.

Mr. Klein stated he does not have an answer right now. He stated he has not had a chance to go out and look closely at the problem areas. He stated the pavement will be 11 years old this fall.

Chairman Kilander asked what is normal expectation in a ten year cycle?

Mr. Klein stated it is typical after ten years to go in and replace the joint seals and also expect some spall repairs. He stated most of the spalls are concentrated in one area.

Mr. Pawluk stated he would question the quality of the product being provided to the contractor by their supplier.

Mr. Klein stated Shafer Contracting was the contractor on the runway project in 2004.

Mr. Blazek asked if it would be prudent to do some testing or just consider it normal for after 10 years.

Mr. Dobberstein stated concrete is most vulnerable to spalling in the area of the saw cuts where joint seal has come out and it goes through freeze/thaw cycles. He stated he expects spalling but he thought these were a little severe.

Gen. Macdonald stated it sounds like the problem is the sealant, not necessarily the concrete.

Mr. Pawluk moved to approve Change Order #1 to the Runway 18/36 Rehabilitation Project, AIP43, for a net increase of \$15,840.00.

Second by Mr. Blazek.

Mr. Pawluk stated he would like to make certain we have an adequate inspection and if there is further maintenance that needs to be done that we address that.

Gen. Macdonald asked if we conduct regular inspections of pavements.

Mr. Klein stated the North Dakota State Aeronautics Commission conducts pavement evaluations every three years.

Gen. Macdonald stated he feels we should do a yearly inspection to identify problem areas.

Mr. Pawluk stated you would need to walk the pavement in order to see this type of problem. He stated even if we inspected just a portion of the pavement each year. He stated he does not feel the amount for this repair is excessive. He stated it is just a matter of concern when we see these problems.

Mr. Klein stated he would also recommend that the authority include an item for pavement rehabilitation on the Capital Improvement Plan every two or three years to stay ahead of things.

Chairman Kilander called for a vote on the motion.

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

Received Communication from Mead and Hunt for Preliminary Design Services:

The communication from Mead & Hunt dated May 21, 2015, was received and filed without objection.

Mr. Dobberstein stated we are going into the budgeting cycle for 2016 and he had asked Mead & Hunt to put together project cost estimates for a number of airfield improvement projects. He stated Mead & Hunt is proposing engineering services to provide these cost estimates for a fee not to exceed \$3,250.00.

Mr. Blazek moved to approve the proposal from Mead & Hunt for providing project cost estimates for proposed 2016 airfield improvement projects.

Second by Mr. Pawluk.

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

Authorized Attendance at the AAAE/ACI Legislative Conference, July 20-21, 2015, Washington, DC:

Gen. Macdonald moved to authorize attendance at the AAAE/ACI Legislative Conference, July 20-21, 2015, Washington, DC.

Second by Mr. Blazek.

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

Received Proposal to Purchase Replacement Bobcat Skid-Steer Loader:

The proposal from Swanston Equipment was received and filed without objection.

Mr. Dobberstein stated we are looking at replacing our current Bobcat skid steer loader which is a 1992 model. He stated with the discounts we are eligible for it will cost \$26,159.94 for the new unit. He stated we will put our current unit on the auction in the fall. He stated we will be keeping the attachments other than the bucket since the new one comes with a bucket.

Gen. Macdonald moved to approve the purchase of a replacement Bobcat skid steer loader at a cost of \$26,159.94.

Second by Mr. Pawluk.

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

Discussed Update to Municipal Airport Authority Bylaws:

Chairman Kilander stated the board members received information regarding proposed changes to the Airport Authority's bylaws which were proposed in 1999 but never formally adopted.

Mr. Dobberstein stated the schedule for the regular meetings was changed in 1999 from the second and fourth Tuesdays at 9:00 am to 8:00 am, but the bylaws were not officially changed. He stated the other meeting change proposed was to designate the second Tuesday in January (first meeting of the month) as the Annual Meeting. He stated Section 5 – Attendance, was a new section proposed to be added.

Gen. Macdonald stated he does not see anything wrong with adding the section on attendance.

Chairman Kilander stated if a member is out of town and a call in via phone during the meeting is that considered attendance.

Discussed Update to Municipal Airport Authority Bylaws: (Continued)

Gen. Macdonald stated as far as he is concerned it is considered attendance.

Mr. Pawluk stated he considers a member joining the meeting via phone to be present, even though he feels it is disruptive to a meeting to have someone on the phone. He stated if a member chooses not to attend on a regular basis it is obvious they do not want to be here and if they don't want to be here we look for a replacement.

Mr. Dobberstein stated we can eliminate the proposed Section 5 regarding attendance and renumber the sections.

Gen. Macdonald moved to approve the proposed changes to Section 1 – Annual meeting with the following wording, “The annual meeting of the Authority shall be held on the second Tuesday in the month of January at 8:00 o'clock am at the regular meeting place of the Authority, or at such other time as the board designates” and to approve proposed changes to Section 2 changing the time of the regular meetings to 8:00 a.m., or at such other time as the board designates.

Second by Mr. Pawluk.

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

Chairman Kilander asked if there was a motion to include Section 5 – Attendance.

Gen. Macdonald stated he does not have any problem adding it.

Mr. Pawluk stated he does not feel compelled to add it at this time.

Mr. Blazek stated he would agree with Mr. Pawluk and feels it would be lowering our standards to indicate a certain number of absences.

It was the consensus of the board to remove Section 5 – Attendance, and renumber the remaining sections.

Airport Construction and Security Update:

Mr. Jeff Klein, Mead and Hunt, was recognized and stated the rehabilitation of Runway 18/36 is continuing and should be done in about a week.

Mr. Klein stated they are continuing to work on the Airport Master Plan Update. He stated part of the process is submitting forecasts for enplanements and aircraft operations to the FAA. He stated the submission of the forecasts were delayed due to the issue we had with the width of Taxiway A as the FAA did not want the forecasts submitted until that matter was resolved. The matter was resolved and the forecasts have now been sent to FAA headquarters and they have 45 days to review them.

There was nothing to report on security.

Other Business:

Mr. Dobberstein stated that one of our long time firefighters, Barry Reitan, is on a leave of absence while he is undergoing medical treatments. He stated the crew has been able to cover his shifts without adding personnel.

Mr. Dobberstein stated our annual tabletop emergency exercise is being held May 29 and the triennial disaster drill is being held June 2.

Mr. Dobberstein stated Delta Air Lines will be ending their service to Salt Lake City in September due to the pilot shortage but we will be getting some additional seats when Delta adds mainline aircraft on some flights to Minneapolis.

The meeting of the Municipal Airport Authority was adjourned until the next regular meeting to be held Tuesday, June 23, 2015, at 8:00 a.m.

Time at adjournment was 8:39 a.m.



Regular Meeting

Tuesday

June 23, 2015

The Regular Meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held Tuesday, June 23, 2015, at 8:00 a.m. in the Airport Boardroom.

The members present or absent were as follows:

Present: Blazek, Pawluk, Macdonald, Kilander

Absent: Clark

Others: Gehrig

Chairman Kilander presiding.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held May 26, 2015:

The minutes of the Regular Meeting of the Municipal Airport Authority held May 26, 2015, were approved without objection.

Approved the Airport Vouchers Totaling \$52,221.44:

Mr. Pawluk moved to approve the airport vouchers totaling \$52,221.44.

Second by Mr. Blazek.

On the call of the roll, members Blazek, Pawluk, Macdonald, Kilander voted aye.

Absent and not voting: Clark

The motion was declared carried.

Approved the Individual Voucher to Sixel Consulting Group:

Gen. Macdonald moved to approve the individual voucher in the amount of \$2,250.00 to Sixel Consulting Group for the quarterly airline report.

Second by Mr. Pawluk.

On the call of the roll, members Blazek, Pawluk, Macdonald, Kilander voted aye.

Absent and not voting: Clark

The motion was declared carried.

Approved the Individual Voucher to Sixel Consulting Group:

Gen. Macdonald moved to approve the individual voucher in the amount of \$596.00 to Sixel Consulting Group for May passenger enplanement fees (Delta/ATL).

Second by Mr. Pawluk.

On the call of the roll, members Blazek, Pawluk, Macdonald, Kilander 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 \$4,651.48 to Flint Communications for partial payment request for 2015 Airport Marketing Program.

Second by Mr. Pawluk.

On the call of the roll, members Blazek, Pawluk, Macdonald, Kilander voted aye.

Absent and not voting: Clark

The motion was declared carried.

Approved the Individual Voucher to Greater F-M Economic Development Corp:

Gen. Macdonald moved to approve the individual voucher in the amount of \$1,650.00 to the Greater F-M Economic Development Corporation for 2015 Focus Investment.

Second by Mr. Pawluk.

On the call of the roll, members Blazek, Pawluk, Macdonald, Kilander 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 \$287,447.85 to Northern Improvement Company for Partial Payment Request #4 for construction of the North General Aviation Area Apron Expansion, APFC08.

Second by Mr. Pawluk.

On the call of the roll, members Blazek, Pawluk, Macdonald, Kilander 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 \$393,769.74 to Northern Improvement Company for Partial Payment Request #1 for the Runway 18/36 Rehabilitation, Project AIP43.

Second by Mr. Pawluk.

On the call of the roll, members Blazek, Pawluk, Macdonald, Kilander voted aye.

Absent and not voting: Clark

The motion was declared carried.

Approved the Individual Voucher to Sixel Consulting Group:

Gen. Macdonald moved to approve the individual voucher in the amount of \$2,296.26 to Sixel Consulting Group for consulting services, ACI Jumpstart Conference.

Second by Mr. Pawluk.

On the call of the roll, members Blazek, Pawluk, Macdonald, Kilander voted aye.

Absent and not voting: Clark

The motion was declared carried.

Approved the Individual Voucher to Mead and Hunt:

Gen. Macdonald moved to approve the individual voucher in the amount of \$18,641.82 to Mead and Hunt for partial payment request for engineering services in connection with the Airport Master Plan Update, AIP42.

Second by Mr. Pawluk.

On the call of the roll, members Blazek, Pawluk, Macdonald, Kilander voted aye.

Absent and not voting: Clark

The motion was declared carried.

Approved the Individual Voucher to Mead and Hunt:

Gen. Macdonald moved to approve the individual voucher in the amount of \$24,979.18 to Mead and Hunt for partial payment request for engineering services in connection with the Runway 18/36 Rehabilitation Project, AIP43.

Second by Mr. Pawluk.

On the call of the roll, members Blazek, Pawluk, Macdonald, Kilander voted aye.

Absent and not voting: Clark

The motion was declared carried.

Approved the Individual Voucher to Mead and Hunt:

Gen. Macdonald moved to approve the individual voucher in the amount of \$3,296.27 to Mead and Hunt for partial payment request for engineering services in connection with the Taxiway J Project, AIP44.

Second by Mr. Pawluk.

On the call of the roll, members Blazek, Pawluk, Macdonald, Kilander voted aye.

Absent and not voting: Clark

The motion was declared carried.

Approved the Individual Voucher to Mead and Hunt:

Gen. Macdonald moved to approve the individual voucher in the amount of \$2,436.97 to Mead and Hunt for partial payment request for engineering services in connection with the North General Aviation Area Sewer Extension Project.

Second by Mr. Pawluk.

On the call of the roll, members Blazek, Pawluk, Macdonald, Kilander voted aye.

Absent and not voting: Clark

The motion was declared carried.

Approved the Individual Voucher to Mead and Hunt:

Gen. Macdonald moved to approve the individual voucher in the amount of \$2,682.10 to Mead and Hunt for partial payment request for engineering services for preliminary cost estimates.

Second by Mr. Pawluk.

On the call of the roll, members Blazek, Pawluk, Macdonald, Kilander voted aye.

Absent and not voting: Clark

The motion was declared carried.

Approved the Individual Voucher to Mead and Hunt:

Gen. Macdonald moved to approve the individual voucher in the amount of \$3,858.36 to Mead and Hunt for partial payment request for engineering services in connection with the North General Aviation Area Apron Expansion, APFC08.

Second by Mr. Pawluk.

On the call of the roll, members Blazek, Pawluk, Macdonald, Kilander voted aye.

Absent and not voting: Clark

The motion was declared carried.

Received Communication from EideBailly Regarding CBM/Skydine Financial Review:

Mr. Dobberstein stated as part of our continuing program to conduct financial reviews of tenants the board, earlier this year, selected CBM Managed Services to be reviewed. He stated CBM handles our food and beverage concessions and they have not had a financial review since taking over the operations in 2011.

Mr. Dobberstein stated EideBailly met with CBM officials from their Sioux Falls headquarters and reviewed the selected month of September 2014. He stated in that review they found some revenue that was recorded as "retail merchandise income" for Skydine/Fargo in an account totaling \$3,167.65 that was improperly excluded from the rent calculation for the year ending December 31, 2014. He stated they did acknowledge that amount and the process has been corrected. He added that they have paid the proper percentage to us.

Mr. Pawluk stated normally when you find a discrepancy you would look further and test additional months.

Mr. Dobberstein stated EideBailly did not test additional months but we have the assurance from CBM that they went through the entire system and that was the only amount they found for 2014. He stated he is satisfied that this was an oversight and doesn't feel we need to do further testing.

Mr. Pawluk moved to receive and file the financial review from EideBailly for CBM Managed Services for the year ending December 31, 2014.

Second by Mr. Blazek.

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

Received Communication from Clear Channel Airports Regarding Proposed Lease Extension:

Mr. Dobberstein stated the board members have been provided with the lease extension proposal from Clear Channel Airports. He stated Interspace or Clear Channel has had our advertising contract since the early 90's. He stated from time to time they come to us with proposals to upgrade signage and technology. He stated their current agreement ends April 14, 2016.

Mr. Dobberstein stated they are proposing to invest \$160,000-\$170,000 in upgrades in technology for the signage advertising in the terminal. He stated they feel these upgrades will result in substantial increase in revenue.

Mr. Blazek moved to approve the five year extension as requested by Clear Channel Airports to April 16, 2021.

Second by Gen. Macdonald.

Gen. Macdonald indicated he seconded the motion in order to open up discussion. He stated he is wondering if we should open this contract up for bids again.

Mr. Pawluk stated he was contacted by someone affiliated with a local computer software company who developed a system several years ago for the Grand Forks airport to replace their flight information display system. He stated there was also an advertising component to the software. He stated he does not know if this type of system would be appropriate for our needs.

Received Communication from Clear Channel Airports Regarding Proposed Lease Extension:  
(Continued)

Mr. Dobberstein stated he was contacted by this individual and the two programs are apples and oranges. He stated the program to which Mr. Pawluk referred was software only. He stated both Grand Forks and Minot use this software but then they have to hire someone to go out and do what Clear Channel does for us. He stated he does not see any way we could make that work. He stated as far as the FIDS, we just spent money on an upgrade to our system. He stated he feels we are getting the best bang for the buck with Clear Channel. He stated they are all over the country and they have relationships with national firms that we would never be able to touch. He would recommend extending the contract and letting them upgrade the technology.

Mr. Pawluk stated he missed the e-mail with this proposal and he would like a little more time to review it.

Gen. Macdonald stated it is not so much a question of what is in the proposal but rather are there other companies that would pay us just as much or more.

Mr. Dobberstein stated Clear Channel is the only national firm that participates in the AAAE and Airports Council International. He stated we may find some locals that think they would be able to come in and do the same job but no one on a local level would be able to do what Clear Channel does with their nationwide connections.

Chairman Kilander called for a vote on the motion.

Members Blazek, Macdonald, Kilander voted aye.

Pawluk voted no.

Absent and not voting: Clark

The motion was declared carried.

Discussed Exterior Repair Project for the East Terminal Building:

Mr. Dobberstein stated Dan Bullis, Airport Operations Supervisor/Landside, brought to our attention some leaks around windows in the East Terminal during driving rains. He stated Mr. Bullis engaged Bradco Restoration from Fergus Falls to look at the building and give us an estimate for the repairs. He stated Bradco gave proposals as follows

Full Restoration	\$106,920.00
Partial Restoration (All)	\$ 48,925.00
Partial Restoration (roof areas only)	\$ 19,655.00
Waterproofing	\$ 6,540.00

Mr. Dobberstein stated we can either accept this proposal or we can have TL Stroh Architects put together a brief specification and put it out for bids.

Gen. Macdonald stated he feels we should get bids.

Chairman Kilander stated agrees with the idea of getting bids but he wants to stress the urgency of getting this project done to prevent water infiltration and the potential of significant water damage to the building.

Discussed Exterior Repair Project for the East Terminal Building: (Continued)

Mr. Dobberstein stated that Mr. Stroh is familiar with this company and said they are very good.

Mr. Pawluk asked how much the bidding process would cost.

Mr. Dobberstein stated he has not gotten a figure from Mr. Stroh but he would guess about \$3,000.

Mr. Pawluk stated he feels if we have this company lined up and ready to do the work he thinks we should authorize the project and move ahead and get it done this year. He stated all of the contractors in the area are busy.

Mr. Pawluk moved to accept the bid from Bradco for the full restoration option in the amount of \$106,920.00.

Motion died for lack of a second.

Mr. Dobberstein stated he would not recommend a partial restoration as that would result in a visible difference of color of the materials. Mr. Dobberstein stated this amount is over the normal threshold of \$100,000 at which point we would get bids but the board does have the ability to award a project of that amount. He stated we could certainly contact a couple of other contractors and try to get informal bids from them.

Gen. Macdonald moved the Executive Director be authorized to enter into a contract for the full restoration option for the tuckpointing of all mortar joints on the East Terminal building, after making a couple of phone calls to confirm the price.

Second by Mr. Pawluk.

Mr. Dobberstein stated he will attempt to get a couple of other bids but he anticipates most contractors will be too busy. He asked the board if he is not able to get any other proposal if they want to wait until next year.

It was the consensus of the board that the project should be completed this year.

Gen. Macdonald stated he would just like confirmation that the price we received is in the ballpark.

Chairman Kilander called for a vote on the motion.

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

Extend Cityscapes Development Listing Agreements for the East Terminal and David F. Johnson Building:

Mr. Dobberstein stated the listing agreements we have with Cityscapes Development for both the East Terminal and the David F. Johnson Building expire June 1 and June 30 respectively and it would be in order to extend the agreements through those dates in 2016.

Mr. Pawluk moved to extending the listing agreement with Cityscapes Development for the East Terminal until June 1, 2016 and the David F. Johnson Building until June 30, 2016.

Second by Gen. Macdonald.

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

Authorized Attendance at the AAAE Great Lakes Chapter Annual Conference, August 6-9, 2015, Cedar Rapids, IA:

Gen. Macdonald moved to authorize attendance by staff and board members at the AAAE Great Lakes Chapter Annual Conference, August 6-9, 2015, Cedar Rapids, IA.

Second by Mr. Blazek.

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

Authorized Attendance at the AAAE National Airport Conference, September 20-22, 2015, Savannah, GA:

Mr. Pawluk moved to authorize attendance by staff and board members at the AAAE National Airport Conference, September 20-22, 2015, Savannah, GA.

Second by Mr. Blazek.

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

Chairman Kilander stated it is important to know that often Mr. Dobberstein is asked to be a presenter at these conferences on both a regional and national level, which does bring a great deal of very positive recognition to this airport.

Received Proposal from Mead & Hunt for Design Services:

Mr. Dobberstein stated at the last meeting the board approved a contract with Mead & Hunt to put together preliminary design estimates for a list of projects for improvements that we may be undertaking in the not too distant future. He stated before the board today is the cost to take the projects to final design, approximately \$120,000. He stated they will not go out to bid at this point, but this will take them to the final design phase. He stated we are working with our lessee, Midwest Development and Construction.

Mr. Blazek moved to approve the proposal from Mead & Hunt to provide design services for selected infrastructure improvements.

Second by Mr. Pawluk.

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

Received Update from Southeast Cass Water Resource District Regarding Drain 3 and Drain 10 Repair Project and Associated Easements:

Mr. Dobberstein stated Attorney Stewart has been working with the SE Cass attorney on the easements for these drain improvement projects. He stated since the board approved the easements for this project we have been working with SE Cass on an exchange agreement and there are two points we are still working out. He stated one of the main points we finally drove home and they accepted has to do with access. He stated normally once an easement is granted the other party wants immediate access. He stated part of the drain property is within the airport



Received Update from Southeast Cass Water Resource District Regarding Drain 3 and Drain 10 Repair Project and Associated Easements: (Continued)

security fence and anyone in that area needs the proper ID badge or be escorted by someone with that badge. He stated if anyone is found in that area without the proper badge the airport could be fined by the TSA and the airport in turn would recover that fine from the tenant. He stated a clause to that affect is included in all of our tenant agreements. He stated they have fought this matter but without that clause included there will be no easement granted. He stated they are also finalizing some of the wording that would give the Airport Authority the right to use any of the property within the easement for airport improvements. He stated so far they have acknowledged the proposed extension of Runway 9/27, Taxiway C and the south parallel taxiway to go through the easement area. He stated he thinks they are at the point where they will be accepting the inclusion of language to the effect that "the Airport Authority has the right and privilege to use SE Cass property at any time in accordance with the Airport Master Plan and Airport Layout Plan that are subject to change from time to time."

Mr. Dobberstein stated the action the board should take today is to approve the exchange agreement subject to final approval by Attorney Stewart on our behalf and authorize signature of the agreement. He stated they were supposed to put the project out for bid tomorrow but have extended it out one week.

He stated the other item we discussed was the clay. He stated they estimated around 130,000 yards of clay to be hauled off site. He stated we had talked about stock piling that clay which would take about 10-12 acres to store but after discussion we discounted that. He stated SE Cass is willing to pay the airport 50 cents per cubic yard for the clay hauled off site, which should be roughly \$60,000, based on their estimate.

Mr. Pawluk stated one area where we need the clay is the site the City of Fargo used as a clay borrow pit for previous floods.

Mr. Dobberstein stated we do have an agreement with the City of Fargo and they will be restoring that project in 2017 after the area has settled.

Mr. Pawluk asked Mr. Dobberstein to update us on the trees that will be affected.

Mr. Dobberstein stated we have been working with Mr. Scott Liudahl, City Forester, and Jim Hanson, Hanson Design Associates (landscape architect). He stated there will be an area south of 32<sup>nd</sup> Avenue where SE Cass will be placing a berm to prevent any breakout from the drain and many of the evergreens in that area may be able to be salvaged and just the dead poplars will be removed. He stated the evergreens are not in the best condition but if they are moved and the drainage is improved they may do better. He stated they may not want any trees planted on the berm itself. He stated the tree restoration might not be done until next year.

Mr. Blazek moved to approve the exchange agreement with SE Cass Water Resource District subject to final approval by Attorney Stewart.

Second by Mr. Pawluk.

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

Mr. Dobberstein added that the State Forestry Service is going to assess the entire shelterbelt and come up with a restoration plan. He stated that should be soon.

Airport Construction and Security Update:

Mr. Jeff Klein, Mead and Hunt, was recognized and stated all of the paving is complete on the North General Aviation Apron Expansion and this week they are going to do the sawing and sealing of the joints. They will also be working on the dirt work and removal of the constructing securing fencing.

Mr. Klein stated Northern Improvement is progressing on the Taxiway J Project. He stated Runway 9/27 is currently closed while they work within the runway safety area.

Mr. Klein stated the Runway 18/36 Rehabilitation Project is complete and they are working on final project payments.

Mr. Klein stated they did conduct the annual inspection of the Taxiway A pavement with Northern Improvement. He stated there were some areas where some spall repairs will be needed. He stated the report of that inspection should be received at the next meeting. He stated the condition of the pavement was better than he anticipated.

Mr. Klein stated he had a follow-up to the change order the board approved at the last meeting for the Runway 18/36 rehabilitation (spall repair). He distributed some photographs of the problem areas in the concrete at the intersection of Runways 18/36 and 9/27. He stated that portion of the runway was not reconstructed in 2004 but was poured in 1993.

Mr. Pawluk now absent.

Other Business:

Mr. Dobberstein stated the Department of Transportation has announced the availability of the Small Community Air Service Development Grants. He stated we will want to apply for another grant and the deadline is July 22. He stated we are still waiting for American Airlines to send us our final invoice to close out our current grant. He stated the primary use of this grant will be Seattle service and the alternate would be daily service to Atlanta. He stated we will apply for a \$500,000 or up to \$750,000 grant with the same local participation as the previous grant. He stated our commitment would be \$125,000, \$25,000 for marketing for year one, and waived landing fees of up to \$30,000 for the first year. He stated the EDC has committed \$100,000 and the CVB \$50,000 plus \$25,000 for marketing in the second year.

Gen. Macdonald moved to authorize the application for a Small Community Air Service Development Grant and to authorize financial participation of \$125,000, \$25,000 for marketing and waived landing fees up to \$30,000 for the first year.

Second by Mr. Blazek.

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

Other Business: (Continued)

Chairman Kilander welcomed City Commissioner Tony Gehrig who will be the City's liaison to the Municipal Airport Authority.

Mr. Gehrig was recognized and stated he has had some discussions with Fargo Fire Department Chief Dirksen regarding the possibility of using the fire training facilities on the Guard base. He stated the City's training facility is in need of \$5 million of renovations. He stated he plans to set up a meeting with Guard and City of Fargo officials to see if this is possible. He asked the board members if anyone sees any hurdles to this proposal.

Chairman Kilander stated he could not imagine any reason that the Airport Authority would object.

The meeting of the Municipal Airport Authority was adjourned until the next regular meeting to be held Tuesday, July 14, 2015, at 8:00 a.m.

Time at adjournment was 9:08 a.m.

Regular Meeting

Tuesday

July 14, 2015

The Regular Meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held Tuesday, July 14, 2015, at 8:00 a.m. in the Airport Boardroom.

The members present or absent were as follows:

Present: Clark, Pawluk, Macdonald, Kilander  
Absent: Blazek  
Others: None

Chairman Kilander presiding.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held June 23, 2015:

The minutes of the Regular Meeting of the Municipal Airport Authority held June 23, 2015, were approved without objection.

Approved the Airport Vouchers Totaling \$52,221.44:

Dr. Clark moved to approve the airport vouchers totaling \$52,221.44.  
Second by Gen. Macdonald.  
On the call of the roll, members Clark, Pawluk, Macdonald, Kilander voted aye.  
Absent and not voting: Blazek  
The motion was declared carried.

Approved the Individual Voucher to Sixel Consulting Group:

Gen. Macdonald moved to approve the individual voucher in the amount of \$456.00 to Sixel Consulting Group for June passenger enplanement fees – Delta/Atlanta.  
Second by Dr. Clark.  
On the call of the roll, members Clark, Pawluk, Macdonald, Kilander voted aye.  
Absent and not voting: Blazek  
The motion was declared carried.

Approved the Individual Voucher to Flint Communications:

Gen. Macdonald moved to approve the individual voucher in the amount of \$8,325.81 to Flint Communications for partial payment request for 2015 Airport Marketing Program.

Second by Dr. Clark.

On the call of the roll, members Clark, Pawluk, Macdonald, Kilander voted aye.

Absent and not voting: Blazek

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 \$1,326,746.04 to Northern Improvement Company for Partial Payment Request #3 for the construction of the Taxiway J Construction Project, AIP44.

Second by Dr. Clark.

On the call of the roll, members Clark, Pawluk, Macdonald, Kilander voted aye.

Absent and not voting: Blazek

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 \$271,197.23 to Northern Improvement Company for Partial Payment Request #5 for construction of the North General Aviation Apron Expansion, APFC08.

Second by Dr. Clark.

On the call of the roll, members Clark, Pawluk, Macdonald, Kilander voted aye.

Absent and not voting: Blazek

The motion was declared carried.

Approved the Individual Voucher to Mead and Hunt:

Gen. Macdonald moved to approve the individual voucher in the amount of \$4,736.96 to Mead and Hunt for partial payment request for engineering services in connection with the Airport Master Plan Update, AIP42.

Second by Dr. Clark.

On the call of the roll, members Clark, Pawluk, Macdonald, Kilander voted aye.

Absent and not voting: Blazek

The motion was declared carried.

Received Letter of Intent for East Terminal Office Space Lease:

The Letter of Intent from the ND American Legion Auxiliary was received and filed without objection.

Mr. Dobberstein stated the ND American Legion Auxiliary has signed a Letter of Intent to lease office space on the first floor of the East Terminal. He stated they are requesting a one year lease effective August 1, 2015.

Mr. Pawluk moved to approve the lease of office space in the East Terminal with the ND American Legion Auxiliary effective August 1, 2015.

Second by Gen. Macdonald.

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

Received Preliminary 2016 Airport Operations and Maintenance Budget and Construction Budget:

Mr. Dobberstein presented the proposed 2016 Airport Operations and Maintenance Budget and the proposed 2016 Improvement Fund Budget. He stated there could be slight adjustments in personnel costs of which we are not yet aware of at this time.

After review of the budget, Mr. Pawluk moved to approve the 2016 Airport Operations and Maintenance Budget and 2016 Airport Improvement Fund Budget.

Second by Dr. Clark.

On the call of the roll, members Clark, Pawluk, Macdonald, Kilander voted aye.

Absent and not voting: Blazek

The motion was declared carried.

Certified Mill Levy to the Board of City Commissioners for 2016 Improvements, Per Section 2-06-14 of the North Dakota Century Code:

Gen. Macdonald moved to certify to the Board of City Commissioners a mill levy amount of \$900,000 not to exceed 2.0 mills, as per Section 2-06-14 of the North Dakota Century Code, for 2016 improvements.

Second by Dr. Clark.

On the call of the roll, members Clark, Pawluk, Macdonald, Kilander voted aye.

Absent and not voting: Blazek

The motion was declared carried.

Discussed Departure Lounge Restroom Modifications:

Mr. Terry Stroh, TL Stroh Architects, was recognized and presented proposed schematics for expansion of the restrooms on the west end of the departure lounge. He stated these proposals were based on information provided him by Mr. Dobberstein on restroom designs for airports. He stated they came up with two options. Option #1 expands the women's room from two stools to six and from one stool and one urinal in the men's room to two stalls and four urinals, as well as the addition of two sinks in each of the restrooms. He added that both options would include a doorless

Discussed Departure Lounge Restroom Modifications: (Continued)

entry. He stated Option #2 has five stools in the women's room and two stools and three urinals in the men's room. He stated estimated costs for the two options are \$125,000-\$135,000 for Option #1 and \$135,000-\$145,000 for Option #2.

Mr. Pawluk stated his impression is that it extends too far into the departure lounge seating area. He stated he would be inclined to go with the smaller option.

Mr. Stroh stated they also prefer the smaller option, #2, and it meets the criteria for restroom design for airports. He stated even with the smaller option we are more than doubling the capacity. He added that we would not be losing any seating because there are no chairs in that area right now.

Chairman Kilander asked the logic for not going with the larger design since the cost difference is only \$10,000.

Mr. Stroh stated the reason they like Option #2 better is that there is a little more space for the maze in the exit, which would help with the sound issues that come with doorless entries.

Mr. Pawluk stated there are obviously guidelines as to how many bathroom stalls there should be based on number of passengers and asked how this proposal would meet those guidelines.

Mr. Stroh stated with our present situation we are short of the standards but with this addition we would right in line. He stated we could do a similar expansion to the restrooms on the east side of the Departure Lounge by Gate 1.

Gen. Macdonald stated he thinks the shortage of restroom space is a bigger problem on the east side rather than the west side. He stated he thinks we should look into expanding on the east side at the same time.

Mr. Dobberstein stated we could bid the east expansion as an alternate.

Chairman Kilander stated he feels we need to look at the projected number of passengers in five years rather than looking at our needs now. He asked if the waiting lines on the east side are as long as on the west side.

Mr. Darren Anderson was recognized and stated he does not see the waiting lines on the east side as much as on the west side. He stated the west side restrooms serve three gates and the east side serves two and one of those is not used as much.

Mr. Stroh stated both sides are almost identical so it would not be difficult.

Mr. Pawluk suggested Mr. Stroh be directed to work on a renovation concept that shows restrooms on both sets of restrooms to meet our needs for the next five years.

Mr. Dobberstein stated timing will be an issue. He stated we do not want to do the project during our busiest months.

Mr. Stroh stated there would be a cost savings to doing both sets of restrooms at one time. He stated it should not cost a lot more to bid the east restrooms as an alternate. He stated we could probably get bids on the project and get it completed yet this year.

Mr. Pawluk stated he does not feel that sense of urgency.

Gen. Macdonald stated he does and he sees no reason to wait.

Mr. Dobberstein stated it would be nice to have it done going into the Christmas rush and beyond.

Discussed Departure Lounge Restroom Modifications: (Continued)

Chairman Kilander stated he agrees with Gen. Macdonald. He stated the restaurant is expanding its operation in the departure lounge which will increase the traffic on the west side. He stated the sooner we could get the west restrooms done the better for the passengers, whether or not that includes doing the east rooms at the same time. He stated the project is in the budget and he feels we should move ahead.

Gen. Macdonald move to proceed with the departure lounge restroom expansion, Option #2 on the west side.

Second by Dr. Clark.

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

Chairman Kilander asked if we want to have further discussion on the the expansion on the east side.

Mr. Stroh stated expansion on the east restrooms will be relatively simple.

Received Communication from Advance Security & Protection Regarding Contract Extension:

The communication dated July 9, 2015 from Advance Security was received and filed without objection.

Mr. Dobberstein stated Advance Security provides both the armed guards at the checkpoint and the traffic security guards. He stated Advance is requesting an increase in the hourly rates from \$18.50 to \$19.00 for the armed guard and from \$11.77 to \$14.25 for the security guard. He stated it has been a number of years since they have requested an increase and he would support this request.

Mr. Pawluk moved to approve the requested rate increases from Advance Security.

Second by Dr. Clark.

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

Received Change Order from Northern Improvement for North General Aviation Area Apron Expansion, Drainage Improvements and Taxiway H Repair:

Mr. Jeff Klein, Mead & Hunt, was recognized and stated when the expansion of the north general aviation area apron was designed last fall there was an urgency to get it completed for Fargo Jet Center's hangar expansion. He stated they intentionally delayed the design for drainage improvements in order for them to have time to work with the City of Fargo on a drainage plan. He stated the area is incredibly flat so the plan is to add an 8" pea rock trench at the bottom of the ditch to drain the water to the culvert. He stated these have been used successfully in the south general aviation area in spots that do not drain well. He stated they are not proposing using drain tile because it is such a shallow ditch and it would heave up and out of the ground. He stated this change order also includes the replacement of a couple of concrete panels on Taxiway H where the service road meets the taxiway.

Mr. Klein provided a price of \$77,122.50 for this work. He stated the one item that did jump out at him was the \$26,000 mobilization cost but Northern did justify that amount which besides the actual physical mobilization costs, insurance, etc., it did include the cost of a guard needed at the gate during construction of the project and flagging personnel.



Received Change Order from Northern Improvement for North General Aviation Area Apron Expansion, Drainage Improvements and Taxiway H Repair: (Continued)

Dr. Clark moved to approve the Change Order to Northern Improvement in the amount of \$77,122.50.

Second by Gen. Macdonald.

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

Airport Construction and Security Update:

Mr. Terry Stroh, TL Stroh Architects, was recognized and stated they have put together specifications for the exterior repair project for the East Terminal and bids will be received August 4. He stated they will be having a pre-bid meeting on July 23. He stated he thinks there will be three contractors interested in the project and there should be enough time to get it done yet this year.

Approved Time Extension of Contract for Northern Improvement:

Mr. Jeff Klein, Mead & Hunt, was recognized and stated he would like to see the date for Northern Improvement's contract for the North General Aviation Apron Expansion Project extended in order to allow enough time for final dirt work and seeding. He stated he would like the date extended to September 15 which would be a better time for seeding.

Mr. Pawluk moved to extend the contract with Northern Improvement for the North General Aviation Apron Expansion Project to September 15, 2015.

Second by Gen. Macdonald.

Mr. Dobberstein asked if September 15 is enough time.

Mr. Pawluk moved to amend the motion to extend the contract to September 30, 2015.

Gen. Macdonald seconded the amendment.

Chairman Kilander called for a vote on the amendment to the motion.

All members present voted aye and the amendment to the motion was passed.

Chairman Kilander called for a vote on the amended motion.

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

The meeting of the Municipal Airport Authority was adjourned until the next regular meeting to be held Tuesday, July 28, 2015 at 8:00 a.m.

Time at adjournment was 9:13 a.m.

Regular Meeting

Tuesday

July 28, 2015

The Regular Meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held Tuesday, July 28, 2015, at 8:00 a.m. in the Airport Boardroom.

The members present or absent were as follows:

Present: Blazek, Pawluk, Macdonald, Kilander

Absent: Clark

Others: None

Chairman Kilander presiding.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held July 14, 2015:

The minutes of the Regular Meeting of the Municipal Airport Authority held July 14, 2015 were approved without objection.

Approved the Airport Vouchers Totaling \$24,892.19:

Mr. Pawluk moved to approve the airport vouchers totaling \$24,892.19.

Second by Gen. Macdonald.

On the call of the roll, members Blazek, Pawluk, Macdonald, Kilander voted aye.

Absent and not voting: Clark

The motion was declared carried.

Approved the Individual Voucher to American Airlines:

Gen. Macdonald moved to approve the individual voucher in the amount of \$1,456.00 to American Airlines for the April revenue guarantee, DFW.

Second by Mr. Pawluk.

On the call of the roll, members Blazek, Pawluk, Macdonald, Kilander voted aye.

Absent and not voting: Clark

The motion was declared carried.

Approved the Individual Voucher to Mead & Hunt:

Gen. Macdonald moved to approve the individual voucher in the amount of \$12,400.43 to Mead & Hunt for partial payment request for engineering services in connection with the North General Aviation Area Apron Expansion, APFC08.

Second by Mr. Pawluk.

On the call of the roll, members Blazek, Pawluk, Macdonald, Kilander voted aye.

Absent and not voting: Clark

The motion was declared carried.

Approved the Individual Voucher to Mead & Hunt:

Gen. Macdonald moved to approve the individual voucher in the amount of \$13,388.47 to Mead & Hunt for partial payment request for engineering services in connection with preliminary project estimates.

Second by Mr. Pawluk.

On the call of the roll, members Blazek, Pawluk, Macdonald, Kilander voted aye.

Absent and not voting: Clark

The motion was declared carried.

Approved the Individual Voucher to Mead & Hunt:

Gen. Macdonald moved to approve the individual voucher in the amount of \$13,995.00 to Mead & Hunt for partial payment request for engineering services in connection with the Taxiway A Reconstruction Final Design, Project AIP43.

Second by Mr. Pawluk.

On the call of the roll, members Blazek, Pawluk, Macdonald, Kilander voted aye.

Absent and not voting: Clark

The motion was declared carried.

Approved the Individual Voucher to Mead & Hunt:

Gen. Macdonald moved to approve the individual voucher in the amount of \$233.55 to Mead & Hunt for partial payment request for engineering services in connection with the North General Aviation Area Sewer Main and Water Extension.

Second by Mr. Pawluk.

On the call of the roll, members Blazek, Pawluk, Macdonald, Kilander voted aye.

Absent and not voting: Clark

The motion was declared carried.

Approved the Individual Voucher to Mead & Hunt:

Gen. Macdonald moved to approve the individual voucher in the amount of \$8,312.99 to Mead & Hunt for partial payment request for engineering services in connection with the North General Aviation Area Apron Expansion, APFC08.

Second by Mr. Pawluk.

On the call of the roll, members Blazek, Pawluk, Macdonald, Kilander voted aye.

Absent and not voting: Clark

The motion was declared carried.

Approve the Individual Voucher to Mead & Hunt:

Gen. Macdonald moved to approve the individual voucher in the amount of \$60,804.23 to Mead & Hunt for partial payment request for engineering services in connection with the Taxiway J Construction Project, AIP44.

Second by Mr. Pawluk.

On the call of the roll, members Blazek, Pawluk, Macdonald, Kilander voted aye.

Absent and not voting: Clark

The motion was declared carried.

Approve the Individual Voucher to Sixel Consulting Group:

Gen. Macdonald moved to approve the individual voucher in the amount of \$10,000.00 to Sixel Consulting Group for preparation of Small Community Air Service Development Grant application.

Second by Mr. Pawluk.

On the call of the roll, members Blazek, Pawluk, Macdonald, Kilander voted aye.

Absent and not voting: Clark

The motion was declared carried.

Received Proposed Easement for Gas Service to North General Aviation Hangar:

Mr. Dobberstein stated Attorney Gary Stewart has drawn up a permanent easement for Northern States Power/Xcel Energy for a natural gas line to be extended to serve Mr. Mike Kempel's hangar in the North General Aviation Area.

Mr. Pawluk moved to approve the permanent easement as drafted by Attorney Stewart with Northern States Power/Xcel Energy for a natural gas line extension in the North General Aviation Area.

Second by Mr. Blazek.

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

Discussed 2007 Airport Revenue Bond Options:

Mr. Dobberstein stated the board recently discussed the possibility of calling our bond issue early. He stated he talked with Mr. David McGillivray at Springstead yesterday and last night they updated the information. He stated it has not changed a lot from the figures we reviewed in March. He stated we have another principal and interest payment due September 1 so that payment will be issued. He stated we can call the bonds and prepay them at any time and then determine a date. He stated we can pay them in whole or in part. He stated his best guess is that if we prepay them we will save about \$337,662.50 in interest. He stated there will be about \$2,500 in fees from Springstead, about \$1,500 for bond counsel services and \$1,500 for the bond agent. He stated the principal amount for 2016, 2017 and 2018 is \$3.92 million.

After discussion, Mr. Pawluk moved to prepay our 2007 Airport Revenue Bond.

Second by Mr. Blazek.

Mr. Blazek asked if we should stipulate a date of payment.

Mr. Pawluk moved to amend his motion to set the date of September 15, 2015 or earlier.

Mr. Blazek seconded the amendment.

Chairman Kilander called for a vote on the amendment.

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

Chairman Kilander called for a vote on the amended motion, members Blazek, Pawluk, Macdonald, Kilander voted aye.

Absent and not voting: Clark

The motion was declared carried.

Authorized Attendance at the National Association of Foreign Trade Zones Annual Conference, September 27-30, 2015, Los Angeles, CA:

Mr. Blazek moved to authorize attendance at the National Association of Foreign Trade Zones Annual Conference, September 27-30, 2015, Los Angeles, CA.

Second by Gen. Macdonald.

Mr. Dobberstein stated as grantee of the Foreign Trade Zone, the Airport Authority is required attend this conference to maintain education credits to keep grantee status.

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

Airport Construction and Security Update:

Mr. Jeff Klein, Mead & Hunt, was recognized and stated that Northern Improvement is almost done with the Taxiway J Project. He stated we will be advertising for bids for the Taxiway A Reconstruction Project and bids will be opened on August 25 as the FAA must receive the grant application by August 27. He stated the bid package will contain a request for bids on a concrete taxiway and an alternate bid package for concrete shoulders and an alternate bid package for bituminous asphalt shoulders. He stated we will then see how the two shoulder sections compare in price through a life cycle analysis. He stated hopefully the concrete option will win out and if not the airport has the option of paying the difference between concrete and asphalt. He stated we are still trying to work this out with the FAA.

Airport Construction and Security Update: (Continued)

Mr. Terry Stroh, TL Stroh Architects, was recognized and stated they have made some slight adjustments to the plans for the departure lounge restroom expansion. He stated they have curved the walls at the entrance to the restrooms making easier for people wheeling luggage. He stated those walls will also be covered with some type of material (tile) that will not be easily damaged by luggage, etc. He stated they have decided to leave some of the existing walls in the restrooms because while we will be able to get the same time that is used in the existing restrooms but the grout will not look the same. He stated not having to remove and replace the existing tile will save a lot of money.

In answer to a question from Mr. Blazek, Mr. Stroh stated the project contractor will be required to wait to start the project until all of the materials have been received so that they can start the project and finish as quickly as possible. He stated there really is no way to complete this project without losing use of the restroom. He has found that people are more understanding when facilities are not available because of construction rather than being out of order.

Other Business:

Mr. Blazek stated he would like to extend thanks on behalf of the Fargo Airsho Committee to the Airport Authority staff for all of the support during the Airsho. He stated the Airsho would not happen without the cooperation and support from Shawn and his staff.

The meeting of the Municipal Airport Authority was adjourned until the next regular meeting to be held Tuesday, August 25, 2015.

Time at adjournment was 9:01 a.m.

Special Meeting

Wednesday

August 5, 2015

The Special Meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held Wednesday, August 5, 2015 at 8:00 a.m. in the Airport Boardroom.

The members present or absent were as follows:

Present: Blazek, Pawluk, Macdonald, Kilander  
Absent: Clark  
Others: None

Chairman Kilander presiding.

Authorized the Call for Redemption of the Airport Reserve Revenue Bonds, Series 2007A:

Gen. Macdonald offered the following resolution authorizing the prepayment and redemption of certain outstanding Airport Reserve Revenue Bonds, Series 2007A, and moved its adoption:

WHEREAS, The Municipal Airport Authority of the City of Fargo, North Dakota (hereinafter referred to as the "Airport Authority") has issued and outstanding its Airport Reserve Revenue bonds, Series 2007A (the "Prior Bonds"); and

WHEREAS, the Airport Authority now desires to call for redemption prior to maturity and prepayment the Prior Bonds maturing on September 1, 2016, 2017 and 2018, which are outstanding in the principal amount of \$3,920,000; and

WHEREAS, THE Airport Authority desires to redeem and prepay the Prior Bonds to be redeemed on the earliest date practicable after giving the 30 day notice of redemption required by the resolution of the Airport Authority authorizing the issuance of the Prior Bonds and at a redemption price of par plus accrued and unpaid interest thereon; and

WHEREAS, THE Airport Authority is not calling for redemption the Prior Bonds maturing on September 1, 2015, and will pay the principal and interest on such Prior bonds when due on September 1, 2015, together with accrued and unpaid interest due on September 1, 2015 with respect of the prior Bonds to be redeemed; and

NOW, THEREFORE BE IT RESOLVED by the Municipal Airport Authority of the City of Fargo, State of North Dakota, as follows:

Authorized the Call for Redemption of the Airport Reserve Revenue Bonds, Series 2007A:  
(Continued)

1. The Chairman, Secretary, Executive Director or any other authorized officer of the Airport Authority is hereby authorized and directed to take all actions necessary to call for redemption prior to maturity and prepay the entire outstanding principal amount of the Prior Bonds maturing September 1, 2016, 2017 and 2018, including, without limitation, giving notice of redemption to the registered owners of the prior bonds to be redeemed prior to maturing, setting the exact redemption date, filing a notice of redemption with EMMA and executing such other documents as appropriate in connection with said redemption of Prior Bonds.
2. The Airport Authority hereby authorizes the expenditure of any legally available monies of the Airport Authority, included all amounts on deposit in The Bond Account and Reserve Account securing the Prior Bonds and all other original proceeds, if any, of the Prior Bonds, to pay the principal of and interest on the Prior Bonds being redeemed on the redemption date of Prior Bonds.
3. This resolution shall take effect immediately upon adoption.

Second by Mr. Pawluk.

On the call of the roll, members Blazek, Pawluk, Macdonald, Kilander voted aye.

Absent and not voting: Clark

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

Other Business:

Mr. Dobberstein stated yesterday we received bids for the East Terminal masonry restoration project. He stated the board members were provided with the bid tabulation. He stated this item will be on the agenda for the next meeting awarding the contract should the board decide to move forward with this project.

Mr. Terry Stroh, TL Stroh Architects, was recognized and stated we received bids from three firms, Innovative Masonry Restoration, Building Restoration Corp., and Western Specialty Contractors. He stated there are not really any local firms that do this type of work. He stated the firm that previously provided a proposal for the repairs, Bradco, did not submit a bid. He stated the bids received were significantly higher than the initial proposal from Bradco but he is not sure exactly what Bradco was proposing to do. He stated the three bids received were all very close so he is confident they are good bids. He stated the bid specifications requested a price to do the project now and a price to do the project in the spring of 2016. He stated two of the firms provided bids to do the project this fall and two provided bids to do the project in the spring.



Other Business: (Continued)

Mr. Stroh stated they recommend accepting the low bidder for fall 2015 completion of \$177,250.00 submitted by Western Specialty Contractors. He stated they have a good reputation and will be able to begin the project in approximately two weeks with a six to seven week construction schedule. He stated they are near the end of a school project in town and would be able to start when they are finished with that.

Mr. Pawluk moved to award the project to Western Specialty Contractors based on their bid of \$177,250.00 to complete the project this fall.

Second by Mr. Blazek.

Mr. Stroh stated the bids included some unit prices for damaged masonry units and also for damaged coping at the top of the walls. He stated Western's unit prices on these items were the highest but he does not anticipate there will be a lot of these units involved in the project and they will closely monitor that.

Chairman Kilander called for a vote on the motion.

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

The Special Meeting of the Municipal Airport Authority was adjourned until the next regular meeting to be held Tuesday, August 25, 2015.

Time at adjournment was 8:06 a.m.

Regular Meeting

Tuesday

August 25, 2015

The Regular Meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held Tuesday, August 25, 2015, at 8:00 a.m. in the Airport Boardroom.

The members present or absent were as follows:

Present: Clark, Pawluk, Macdonald, Kilander, Blazek (via phone)

Absent: None

Others: Gehrig

Chairman Kilander presiding.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held July 28, 2015, and the Special Meeting Held August 5, 2015:

The minutes of the Regular Meeting of the Municipal Airport Authority held July 28, 2015 and the Special Meeting held August 5, 2015, were approved without objection.

Approved the Airport Vouchers Totaling \$52,772.30:

Mr. Pawluk moved to approve the airport vouchers totaling \$52,772.30.

Second by Dr. Clark.

On the call of the roll, members Clark, Pawluk, Macdonald, Kilander, Blazek voted aye.

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

Approved the Individual Voucher to Sixel Consulting Group:

Gen. Macdonald moved to approve the individual voucher in the amount of \$370.00 to Sixel Consulting Group for July passenger enplanement fees, Delta/Atlanta.

Second by Dr. Clark.

On the call of the roll, members Clark, Pawluk, Macdonald, Kilander, Blazek voted aye.

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

Approved the Individual Voucher to TL Stroh Architects:

Gen. Macdonald moved to approve the individual voucher in the amount of \$2,022.00 to TL Stroh Architects for partial payment request for architectural services in connection with the West Terminal Restroom Expansion Project.

Second by Dr. Clark.

On the call of the roll, members Clark, Pawluk, Macdonald, Blazek, Kilander voted aye.

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

Approved the Individual Voucher to TL Stroh Architects:

Gen. Macdonald moved to approve the individual voucher in the amount of \$3,450.42 to TL Stroh Architects for partial payment request for architectural services in connection with the East Terminal Masonry Restoration Project.

Second by Dr. Clark.

On the call of the roll, members Clark, Pawluk, Macdonald, Blazek, Kilander voted aye.

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

Approved the Individual Voucher to American Airlines:

Gen. Macdonald moved to approve the individual voucher in the amount of \$15,004.00 to American Airlines for the DFW minimum revenue guarantee – May (final).

Second by Dr. Clark.

On the call of the roll, members Clark, Pawluk, Macdonald, Blazek, Kilander voted aye.

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

Approved the Individual Voucher to Flint Communications:

Gen. Macdonald moved to approve the individual voucher in the amount of \$2,265.00 to Flint Communications for partial payment request for engineering services in connection with the Airport Master Plan Update, AIP42.

Second by Dr. Clark.

On the call of the roll, members Clark, Pawluk, Macdonald, Blazek, Kilander voted aye.

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

Approved the Individual Voucher to Mead & Hunt:

Gen. Macdonald moved to approve the individual voucher in the amount of \$2,726.40 to Mead & Hunt for partial payment request for engineering services in connection with the Airport Master Plan Update, AIP42.

Second by Dr. Clark.

On the call of the roll, members Clark, Pawluk, Macdonald, Blazek, Kilander voted aye.

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

Approved the Individual Voucher to TF Powers:

Gen. Macdonald moved to approve the individual voucher in the amount of \$18,500.00 to TF Powers to remove and replace concrete apron, East Terminal Building area.

Second by Dr. Clark.

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

Approved the Individual Voucher to The Forum:

Gen. Macdonald moved to approve the individual voucher in the amount of \$247.86 to The Forum for legal advertisement for the Taxiway A Reconstruction Project (Phase II), AIP45.

Second by Dr. Clark.

On the call of the roll, members Clark, Pawluk, Macdonald, Blazek, Kilander voted aye. No member being absent and none voting nay 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 \$886,794.39 to Northern Improvement Company for Partial Payment Request #4 for construction of the Taxiway J Construction Project, AIP44.

Second by Dr. Clark.

On the call of the roll, members Clark, Pawluk, Macdonald, Blazek, Kilander voted aye. No member being absent and none voting nay 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 \$78,287.06 to Northern Improvement Company for Partial Payment Request #6 for construction of the North General Aviation Area Apron Expansion, Project APFC08.

Second by Dr. Clark.

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

Approved the Individual Voucher to Mead & Hunt:

Gen. Macdonald moved to approve the individual voucher in the amount of \$62,823.20 to Mead & Hunt for partial payment request for engineering services in connection with the Taxiway J Construction Project, AIP44.

Second by Dr. Clark.

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

Approved the Individual Voucher to Mead & Hunt:

Gen. Macdonald moved to approve the individual voucher in the amount of \$5,161.78 to Mead & Hunt for partial payment request for engineering services in connection with the North General Aviation Area Apron Expansion, APFC08.

Second by Dr. Clark.

On the call of the roll, members Clark, Pawluk, Macdonald, Blazek, Kilander voted aye.

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

Approved the Individual Voucher to Mead & Hunt:

Gen. Macdonald moved to approve the individual voucher in the amount of \$33,246.52 to Mead & Hunt for partial payment request for engineering services in connection with planning design estimates.

Second by Dr. Clark.

On the call of the roll, members Clark, Pawluk, Macdonald, Blazek, Kilander voted aye.

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

Approved the Individual Voucher to Swanston Equipment Corp.:

Gen. Macdonald moved to approve the individual voucher in the amount of \$37,895.57 to Swanston Equipment for payment request (full and final) for Runway 18/36 marking project.

Second by Dr. Clark.

On the call of the roll, members Clark, Pawluk, Macdonald, Blazek, Kilander voted aye.

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

Approved the Individual Voucher to Swanston Equipment Corp.:

Gen. Macdonald moved to approve the individual voucher in the amount of \$37,895.57 to Swanston Equipment for payment request for the purchase of a 2015 Bobcat S45-0) Skid Steer Loader with bucket and broom.

Second by Dr. Clark.

On the call of the roll, members Clark, Pawluk, Macdonald, Blazek, Kilander voted aye.

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

Received Update from Cityscapes Development Regarding David F. Johnson Building:

Mr. Rick Flacksbarth, Cityscapes Development, was recognized and stated the Airport Authority received a written offer from the Cass County Commission in the amount of \$1,000,000 for the purchase of the David F. Johnson Building and they are also asking for four years of relief on the land lease. He stated basically the offer comes down to a net of just over \$800,000 minus sales commission. He stated the Airport Authority can accept the offer, reject the offer, or make a counter offer.

Received Update from Cityscapes Development Regarding David F. Johnson Building: (Continued)

Gen. Macdonald stated he feels we should make a counter offer as he does not see us accepting this offer.

Mr. Blazek stated he feels the county would be a very good tenant for us and he would certainly like to find a way of putting this thing together. He stated unfortunately their offer is too low for the value that is there. He asked Mr. Dobberstein to review the land lease amount.

Mr. Dobberstein stated the annual amount is \$48,133.80 which is 4.42 acres at 25 cents per square foot. He stated deducting four years of property lease from the listing price of \$1,495,000 would be \$1,302,464.80.

Mr. Blazek stated he would like to make that amount our counter offer.

Chairman Kilander stated our asking price was \$1,495,000 which was based on a market evaluation conducted by Mr. Neal Ericksmoen over two years ago. He stated Mr. Ericksmoen came up with a range of \$1.25-\$1.35 million. He stated the City of Fargo assesses the property at \$1.895 million.

Mr. Blazek stated if you look at comparable properties in town the price per square foot as well as the other amenities included, such as some of the existing furniture in the building, he feels the \$1.3 million figure would be a very acceptable counter offer for them. He stated we are not giving up on any of the land lease rental income and assuming we are able to close the sale in 30-45 days he thinks it is attractive to both parties.

Mr. Flacksbarth stated this property was hard to compare to other similar properties in town because of the land lease. He stated he compared them to the properties NDSU has on 19<sup>th</sup> Avenue North, however those are all retail locations and this is not. He stated he also looked at the NDSU Tech Park but again it was not a real good comparison simply because of the arrangements with NDSU and the tenants. He stated the only other comparison would be leases with BNSF Railroad and even those are not very often office buildings but rather warehouse or retail. He stated he feels \$1.3 million would be a fair market price.

Mr. Pawluk stated he feels we have to recognize that the property has never generated any revenue for the airport. He stated he thinks we run the risk of losing a good potential buyer. He stated we also have to recognize that this is the only bona fide offer we have had.

Chairman Kilander stated he would agree it is the only bona fide offer but it is not the only bona fide interest we have had. He stated there have been and currently are other parties interested in the facility. He stated the fact that we have not generated any income on the property does not affect market value.

Mr. Pawluk stated even though he is a member of the Cass County Commission he has not been involved in the offer the county has made. A subcommittee was appointed to make the recommendation and offer.

Gen. Macdonald stated he feels we should set a minimum dollar amount we will take no matter the method by which we arrive at that figure.

Mr. Blazek moved to make a counter offer of the sale price of \$1,495,000 less four years of land lease (\$192,535.20) leaving a net of \$1,302,464.80, with a closing date within 45-60 days.

Second by Dr. Clark.

Received Update from Cityscapes Development Regarding David F. Johnson Building: (Continued)

Mr. Pawluk stated he will not support the motion as he felt all along that the Airport Authority was willing to sell the property for less.

Chairman Kilander asked Mr. Pawluk if he plans to vote or abstain since he also serves on the Cass County Commission.

Mr. Pawluk stated he does not have any personal or financial interest in the outcome so he plans to vote.

Chairman Kilander called for a vote on the motion.

Clark, Macdonald, Blazek, Kilander voted aye.

Pawluk voted no.

The motion was declared carried.

Received Change Order Request #1 from Northern Improvement to Extend Taxiway J Project (AIP44) Contract to September 30, 2015:

Mr. Dobberstein stated this change order will match the seeding date with the extension granted to Northern Improvement for the North General Aviation Apron Expansion Project.

Mr. Pawluk moved to approve Change Order #1 from Northern Improvement to extend the Taxiway J Project to September 30, 2015.

Second by Gen. Macdonald.

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

Received Proposed Construction Administration Contract from Mead & Hunt for the Taxiway A Reconstruction Project (Phase II):

Mr. Dobberstein stated we just received this proposed contract last night for Phases II and III of the Taxiway A Reconstruction Project. He stated bids for the project are going to be opened at 2:00 pm today. He stated for the work to be completed within the contract of the next phases, the majority of which will be completed in CY2016, is as follows:

Construction services	max cost	\$503,500.00
Project closeout services	lump sum	\$ 8,000.00
Total		\$511,500.00

He stated if the board concurs with this and approve it today it will have to go through an independent review as required by the FAA and we would submit the contract to Mr. Wes Schon to conduct that review. He added that Attorney Stewart would also review the contract.

Gen. Macdonald moved to approve the contract for engineering services as proposed by Mead & Hunt for Phases II and III of the Taxiway A Reconstruction Project (AIP45), subject to receiving funding from the FAA.

Second by Dr. Clark.

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

Discussed Status of Uniforms for ARFF Employees:

Mr. Dobberstein stated as part of the transition of the ARFF Fire Department, the fire fighters have been using the uniforms they had used previously which were provided by the state/Guard. He stated it is now time to replace those uniforms and Chief David Bush has put together a proposal for all of the uniform items the 10 fire fighters will need. He stated the total cost is \$6,882.50. He stated we will also need to determine what we will do going forward as far as a uniform replacement policy. He stated we currently provide our building and airfield staff uniforms which are rented and laundered by Ameripride at a cost of about \$450.00 per employee per year. He stated the firemen launder their own uniforms. He added that the firemen had been receiving a \$75 allowance every 18 months for boot replacement. He stated we have not done that for employees in the past.

Chief Bush was recognized and stated when they began the process of looking for uniforms they started with Ameripride but their uniforms did not meet the requirements of the National Fire Protection Association so that is why they looked at purchasing uniforms. He stated the firefighters are required to have steel toed boots and the stated did provide the \$75 allowance every 18 months. He stated steel toed boots usually do last longer than 18 months.

Mr. Pawluk stated he always likes to see consistency from one area to the other. He stated he understands that there are differences between the fire fighters and the other employees so maybe the fact that the other employees have their uniforms laundered for them is a fair trade off for a boot allowance for the fire fighters. He stated he does not want to see any friction created.

Mr. Dobberstein stated there are some other uniforms type items we do provide for the rest of the staff such as rain suits, rain boots, gloves, etc.

Gen. Macdonald stated he would recommend buying the uniforms and then give them a uniform allowance each year and leave it up to them how they achieve maintaining proper uniforms.

Mr. Pawluk stated he feels that sounds logical.

Mr. Pawluk moved to approve the purchase of the uniforms for the ARFF staff as proposed and that we authorize the Executive Director to work with the Fire Chief to establish a replacement policy for boots and uniforms in the future.

Second by Dr. Clark.

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

Received Contract for the East Terminal Masonry Restoration Project:

Mr. Terry Stroh, TL Stroh Architects, was recognized and stated we now have a contract with Western Specialty Contractors for the masonry restoration project for the East Terminal, which has been reviewed and approved by Attorney Stewart.

He stated there will be a pre-construction meeting next Monday and the project should be completed by October 1, 2015.



Other Business:

Chairman Kilander stated he and Mr. Pawluk have spent a considerable amount of time working with the City of Fargo Human Resources Department and the mayor on the job classification and compensation for the Executive Director position. He stated as of this point we have not really come to any final conclusions. He stated he feels the city still does not fully understand what state law requires of the Airport Authority. He stated Commissioner Gehrig has also participated in some of the meetings. He stated the Airport Authority would like to do as much as we can to cooperate with the City's and its step compensation program. He stated the mayor wants to meet personally with Mr. Dobberstein to review the position of the Executive Director. He stated the Position Evaluation Committee did not agree with the recommendation he and Mr. Pawluk made as far as where they felt it should be on the step system. He stated Commissioner Gehrig and the Human Resources Director will also be involved in that meeting.

Chairman Kilander stated another part of this process would be to hire an independent third party consultant to evaluate the position of Executive Director and advise on what they feel the demand in the market would be. He stated he and Mr. Pawluk did an extensive amount of comparison with other similar airports and determined the compensation for the Executive Director's position should definitely be increased but the PEC did not agree. Chairman Kilander stated he feels the Airport Authority should move ahead with hiring ADK Executive Search, which is a firm specializing exclusively in airports, because he feels it is important to have as much accurate information as we can. He stated he did his own review of compensation at similar sized airports and there were monetary allowances such as vehicle, cell phone, etc., given to directors that were not taken into consideration. He stated he is going to do some further follow-up himself. He added that he would like to include the position of Assistant Director in ADK's research as well.

Mr. Pawluk stated he would like to see an evaluation of these two positions by the consultant the City of Fargo uses as well. He stated he would like us to stay in step with the City's process.

Commissioner Gehrig was recognized and stated it was his recommendation to get an opinion from a third party as the airport provided their recommendation and the city provided theirs.

Gen. Macdonald stated he fully supports hiring ADK to evaluate the positions and make a recommendation.

Dr. Clark stated she would agree that we need a comparison. She stated having dealt with state job descriptions during her career she has found that they often don't include responsibilities and the compensation for that.

Mr. Blazek stated he is willing to go through the process but at the end of the day we are going to take care of our Executive Director and it is going to be compensation comparable to other similar airports.

Mr. Pawluk stated we need to remember that the Airport Authority has chosen to participate in the City's system. He stated we have the ability and the legal authority to change that but we have chosen to participate with the City.

Chairman Kilander stated when the City of Fargo established the Municipal Airport Authority in 1969, part of the language was that airport employees would be considered City employees only for pension. He stated that authorization also agreed that the Airport Authority would have the sole authority to determine the need for employees, set job descriptions, evaluate and compensation. He

Other Business: (Continued)

stated the Airport Authority does participate with the City in many areas but we also pay a fee to the City each year for those services.

Chairman Kilander stated he and Mr. Pawluk did make it clear to City officials that if we are not able to reconcile at the end of the process, the Airport Authority will determine any additional allowances to bring the position up to the appropriate level. He stated if we are going to be on the right page we are going to need this professional comparison from ADK.

Mr. Dobberstein stated he would encourage Chairman Kilander and Mr. Pawluk to talk to representatives at ADK Executive Search in order to fully understand what they do.

Chairman Kilander stated his greatest concern in hiring ADK to do this comparison is that it is going to bring Mr. Dobberstein to their attention, as they are a nationwide head hunter for airports and he may receive more contacts from other airports than he has received already.

Mr. Pawluk moved to approve the agreement with ADK Consulting & Executive Search to provide salary information and comparisons for the positions of Executive Director and Assistant Director for a fee of \$2,250.00.

Second by Gen. Macdonald.

Mr. Dobberstein stated the ND state statute is very clear that an Airport Authority has the responsibility to determine compensation for the airport.

Mr. Pawluk added that the most telling thing from the latest meeting with City officials was the realization that the airport's budget does not impact the City's budget at all.

Chairman Kilander called for a vote on the motion.

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

Commissioner Gehrig stated after this process is done he would like something in writing making it more clear to the City the state statute on airport authorities.

Airport Construction and Security Update:

Mr. Terry Stroh, TL Stroh Architects, was recognized and stated they will begin advertising for bids for the bathroom remodel project in the West Terminal next week. He added that they will include in the specifications a price for a compressed schedule, which would mean the contractors working around the clock (double shifts) in order to complete the project in a timely manner.

Mr. Jeff Klein, Mead & Hunt, was recognized and stated that Taxiway J is now open and the only thing left on the project is seeding. He stated the bid opening for the Taxiway A project is this afternoon.

The meeting of the Municipal Airport Authority was adjourned until the next regular meeting to be held Tuesday, September 8, 2015 at 8:00 a.m.

Time at adjournment was 8:54 a.m.

Regular Meeting

Tuesday

September 8, 2015

The Regular Meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held Tuesday, September 8, 2015, at 8:00 a.m. in the Airport Boardroom.

The members present or absent were as follows:

Present: Clark, Blazek, Pawluk, Macdonald, Kilander  
Absent: None  
Others: None

Chairman Kilander presiding.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held September 8, 2015:

The minutes of the Regular Meeting of the Municipal Airport Authority held September 8, 2015, were approved without objection.

Approved the Individual Voucher to Flint Communications:

Mr. Pawluk moved to approve the individual voucher in the amount of \$14,321.63 to Flint Communications for partial payment request for the 2015 Airport Marketing Program.

Second by Dr. Clark.

On the call of the roll, members Clark, Blazek, Pawluk, Macdonald, Kilander voted aye.

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

Approved the Individual Voucher to Northern Improvement Company:

Mr. Pawluk moved to approve the individual voucher in the amount of \$357,403.04 to Northern Improvement Company for Partial Payment Request #5 for construction of the Taxiway J Project, AIP44.

Second by Dr. Clark.

On the call of the roll, members Clark, Blazek, Pawluk, Macdonald, Kilander voted aye.

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

Received Update on David J. Johnson Building Offer and Purchase Agreement:

Mr. Dobberstein stated we have a purchase agreement with Cass County for the David F. Johnson Building for the purchase price of \$1.2 million with no concessions. He stated at the last meeting the Airport Authority voted on a counter offer of the sale price of \$1,495,000 less four years of land lease (\$192,535.20) leaving a net of \$1,302,464.80, with a closing date within 45-60 days.

Mr. Dobberstein stated based on that purchase agreement, if approved by the Airport Authority, we will enter into a ground lease with Cass County for a term of at least 40 years. He stated we have not worked out all of the details of the ground lease yet.

Mr. Blazek moved to approve the Purchase Agreement with Cass County for the sale of the David F. Johnson Building based on their offer of \$1.2 million.

Second by Gen. Macdonald.

On the call of the roll members Clark, Blazek, Pawluk, Macdonald, Kilander voted aye.

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

Mr. Dobberstein stated the lease rate for the ground lease will start at 25 cents per square foot per year, subject to change every five years based on a CPI formula which is fairly standard for ground leases.

Received Communication from CBM Managed Services Regarding Proposed Concession Improvements:

Mr. Dustin Sejnoha, Vice President of CBM Managed Services, was recognized and introduced Mr. Terry Northern, District Manager, and stated they are here today to discuss the proposed improvements they would like to make to the post-security operations. He stated they have identified opportunities to improve service on the post-security operations and serve more of the passengers. He stated the smaller portion of their plan is to expand the seating in the bar/lounge area by Gate 4. He stated the bigger portion is the addition of a food service kiosk with coffee bar in the Gate 1 area which will require some plumbing work, cabinetry and equipment. He stated they have been working with TL Stroh Architects on the plans for these improvements.

Mr. Sejnoha stated they are estimating the proposed improvements to cost at least \$70,000 and would like to request a four year extension to their existing contract with the Airport Authority.

Mr. Dobberstein stated that the Airport Authority has already agreed to pay for the flooring costs for both areas (Gate 1 and Gate 4).

Gen. Macdonald stated he supports the idea of having some food/beverage service on the east end of the departure lounge and he understands the idea of extending the contract, but he is not thrilled about the exact location of the east expansion. He stated he thinks the proposed location will interfere with any future expansion of the restrooms on that end.

Mr. Terry Stroh, TL Stroh Architects, was recognized and stated this location was in a spot that was convenient to utilities. He stated also this site did not take out a lot of the existing seating but regardless of where it is located some seating will have to be rearranged.

Chairman Kilander stated it looks like the proposed location would impact the expansion of the restrooms.

Mr. Pawluk asked if we are going to regret this decision when we lose seating area.

Received Communication from CBM Managed Services Regarding Proposed Concession Improvements: (Continued)

Mr. Dobberstein stated he does not think so. He stated we should be fine.

Chairman Kilander asked Mr. Stroh if he foresees needing to expand the restrooms in the Gate 1 area.

Mr. Stroh stated when he is a passenger he does not usually fly out of Gate 1 or 2 so he is not down in that area very often so he does not know how much use those restrooms get.

Mr. Dobberstein stated it is usually Delta or American with smaller aircraft using Gate 1 but there is always the possibility of overflow of regular operations.

Chairman Kilander stated he feels the location proposed is limiting what we can do with those restrooms the way they are adjusted on the wall space. He stated he would like to see the food service expansion moved further to the west.

Mr. Stroh stated we are still close to utilities at any point along that wall.

Mr. Dobberstein stated he feels it would be possible to move it to the west.

Mr. Pawluk stated he is very satisfied with the service CBM has provided and has no problem with extending the contract four years. He stated the board members have not been as involved in the planning process to this point so he would just like assurance that we are putting this in the right location. He stated he is willing to approve this today but wants to be sure the location is right.

Mr. Sejnoha stated they are certainly flexible on the exact location.

Chairman Kilander stated he does not want to see us run short of bathrooms and he wants to make a decision that will serve the travelling public the best.

Mr. Pawluk moved to approve the four year lease extension and the concept presented subject to a final analysis by the Executive Director and TL Stroh Architects, that is also agreeable to CBM.

Second by Mr. Blazek.

Gen. Macdonald stated we may see the return of larger aircraft due to upcoming shortage of crews, which would increase the amount of passengers at any gate at any one time. He stated he feels we should definitely move the proposed food service kiosk to the west.

Mr. Pawluk stated he feels we should recognize that the expansion of the restrooms on the west side will impact the use of the restrooms on the east side. He stated there is also the unused portion of the bar space on the public side which could be utilized in the future.

Chairman Kilander stated he thinks the concept is fantastic and it will really become a positive with the travelling public to have more opportunity on the east side of the departure lounge. He stated this action will leave the plate open for the three entities to continue discussion on this so that we do not land lock ourselves for future expansion.

Chairman Kilander called for a vote on the motion.

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

Received Bids and Recommendation of Award from Mead & Hunt Regarding Taxiway A Reconstruction – Phase II:

Mr. Jeff Klein, Mead & Hunt, was recognized and stated we received bids for the Taxiway A Reconstruction Project (Phase II) last week and the bid tabulations were distributed to the board members. He stated the base bid was for the reconstruction of Taxiway A, Alternate 1 was for concrete shoulders, Alternate 2 was for bituminous shoulders and Alternate 3 was for the project staging area. He stated there was quite a swing in prices. He stated as an example the base bids ranged from \$6.4 million to \$10.4 million. He stated we received bids from Northern Improvement Company, PCI Roads and Strata Corporation. He stated he reviewed all three bids and all three were in compliance with all federal regulations. He stated his recommendation would be to award the base bid, Alternate #1 and Alternate #3 to Northern Improvement Company for a total of \$7,792,732.05.

Mr. Klein stated the total project cost with construction, engineering services and miscellaneous fees such as advertising, locates, etc., is \$8,314,232.05. He stated the federal share of that amount of \$7,482,808.85. He stated the Airport Authority was allocated \$6 million in discretionary funds for this project but since the bid prices came in so much lower than anticipated the airport will not be receiving the full \$6 million in discretionary but more like \$4.5 million. He stated Mead & Hunt tried to do everything they could to get the FAA to allow the airport to use that other \$1.5 million on other phases of the project but we are not able to do that.

Mr. Klein stated the FAA did approve the concrete shoulders for the project.

Mr. Tim Johnson, FAA Control Tower, was recognized and asked if the staging area for the project is going to affect Runway 13/31.

Mr. Klein stated Runway 13/31 will be closed during the project.

Mr. Pawluk stated he thinks it is important to get that information out to the south general aviation pilots as that is the runway they use the most.

Mr. Klein stated we could look at relocating the entrance area to the project that would affect Runway 13/31. He stated the plans had to be put together assuming a contractor would be mobilizing a batch plant in that area but since the contract was awarded to Northern Improvement they would be batching at their headquarters.

Mr. Blazek suggested working with Northern Improvement to get some of the reclaimed concrete that we could utilize for future parking expansion in addition to the material that will be left at their staging area.

Mr. Klein stated he assumes they will use a majority of it but he will check with them.

Mr. Pawluk moved to award the contract for the Taxiway A Reconstruction Project (Phase II) to Northern Improvement Company based on their bid of \$7,792,732.05 for the Base Bid, Alternate #1 and Alternate #3, subject to review by Attorney Stewart.

Second by Dr. Clark.

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

Received Grant Offer from the FAA for AIP45, Taxiway A Reconstruction – Phase II:

Mr. Dobberstein stated we have received a grant offer from the FAA in the amount of \$7,482,809 for Grant AIP 3-38-0017-45, and the board will need to take action to accept the offer.

Gen. Macdonald moved to accept the grant offer from the Federal Aviation Administration in the amount of \$7,482,809 (AIP 3-38-0017-45).

Second by Mr. Blazek.

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

Received FY 2016, 2017, 2018 Airport Concessionaire Disadvantaged Business Enterprise Goals:

Mr. Dobberstein stated as an entity that received federal funds we are required to have a Disadvantaged Business Enterprise Program Goal and our current goal expires September 30, 2015. He stated our goals for FY 2016-2018 are due October 1. He stated we group our concessionaires together (restaurant, giftshop, vending) and try to come up with a goal. He stated we work with the North Dakota DOT and they have a list of certified DBEs that the concessionaires could do business with to help meet this goal. He stated we have set our goal at 1%.

Mr. Dobberstein stated he will submit these goals to the FAA.

Received Communication from Clear Channel Airports Regarding Baggage Claim Wall Cover Replacements:

Mr. Dobberstein stated as part of Clear Channel's upgrade of their advertising displays in the terminal they will be replacing the murals in the baggage claim area. He stated the one mural with the bison will stay in place as well as the aerial photo of the city but the other one needs to be replaced because it has faded and has reached the end of its useful life.

Mr. Dobberstein stated Clear Channel's objective with the mural is to give an image of the state or region.

Gen. Macdonald stated he hates to lose the picture of the airplane over the sunflower field and he cannot believe that someone cannot photo shop in an airplane over a sunflower field.

After further discussion, Mr. Dobberstein stated he will continue working with Clear Channel on finding a new photo.

Airport Construction and Security Update:

Mr. Jeff Klein, Mead & Hunt, was recognized and stated seeding on the Taxiway J project was finished last week and the project is now complete.

Mr. Terry Stroh, TL Stroh Architects, was recognized and stated they have started on the East Terminal Masonry Restoration Project. He stated there will be a pre-bid meeting on September 17 for the restroom remodeling project and will receive bids on September 29. He stated the specifications call for an alternate for working double shifts to complete the project as soon as possible. He added that we will not start that project until all of the materials have arrived.

The meeting of the Municipal Airport Authority was adjourned until the next regular meeting and that date has not yet been determined. The Airport Authority will not be meeting on September 22, 2015.

Time at adjournment was 8:54 a.m.



Regular Meeting

Friday

October 2, 2015

The Regular Meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held Friday, October 2, 2015, at 8:00 a.m. in the Airport Boardroom.

The members present or absent were as follows:

Present: Blazek, Macdonald, Kilander  
Absent: Clark, Pawluk  
Others: None

Chairman Kilander presiding.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held September 8, 2015:

The minutes of the Regular Meeting of the Municipal Airport Authority held September 8, 2015, were approved without objection.

Approved the Airport Vouchers Totaling \$76,772.44:

Mr. Blazek moved to approve the airport vouchers totaling \$76,772.44.  
Second by Gen. Macdonald.  
On the call of the roll, members Blazek, Macdonald, Kilander voted aye.  
Absent and not voting: Clark, Pawluk  
The motion was declared carried.

Approved the Individual Voucher to TL Stroh Architects:

Gen. Macdonald moved to approve the individual voucher in the amount of \$3,156.50 to TL Stroh Architects for partial payment request for architectural services in connection with the East Terminal Masonry Restoration Project.  
Second by Mr. Blazek.  
On the call of the roll, members Blazek, Macdonald, Kilander voted aye.  
Absent and not voting: Clark, Pawluk  
The motion was declared carried.

Approved the Individual Voucher to TL Stroh Architects:

Gen. Macdonald moved to approve the individual voucher in the amount of \$4,879.99 to TL Stroh Architects for partial payment request for architectural services in connection with the West Terminal Restroom Expansion Project.

Second by Mr. Blazek.

On the call of the roll, members Blazek, Macdonald, Kilander voted aye.

Absent and not voting: Clark, Pawluk

The motion was declared carried.

Approved the Individual Voucher to Gray Pannell & Woodward LLP:

Gen. Macdonald moved to approve the individual voucher in the amount of \$861.50 to Gray Pannell & Woodward LLP for bond counsel fees for the prepayment of the Airport Reserve Revenue Bonds, Series 2007A.

Second by Mr. Blazek.

On the call of the roll, members Blazek, Macdonald, Kilander voted aye.

Absent and not voting: Clark, Pawluk

The motion was declared carried.

Approved the Individual Voucher to Erik R. Johnson & Associates:

Gen. Macdonald moved to approve the individual voucher in the amount of \$306.00 to Erik R. Johnson & Associates for bond counsel fees for the prepayment of the Airport Reserve Revenue Bonds, Series 2007A.

Second by Mr. Blazek.

On the call of the roll, members Blazek, Macdonald, Kilander voted aye.

Absent and not voting: Clark, Pawluk

The motion was declared carried.

Approved the Individual Voucher to Cityscapes Development:

Gen. Macdonald moved to approve the individual voucher in the amount of \$72,000.00 to Cityscapes Development for commission on sale of the David F. Johnson Building, subject to successful completion of transaction.

Second by Mr. Blazek.

On the call of the roll, members Blazek, Macdonald, Kilander voted aye.

Absent and not voting: Clark, Pawluk

The motion was declared carried.

Approved the Individual Voucher to Sixel Consulting Group:

Gen. Macdonald moved to approve the individual voucher in the amount of \$646.00 to Sixel Consulting Group for August passenger enplanement fees (Delta/Atlanta).

Second by Mr. Blazek.

On the call of the roll, members Blazek, Macdonald, Kilander voted aye.

Absent and not voting: Clark, Pawluk

The motion was declared carried.

Approved the Individual Voucher to Mead & Hunt

Gen. Macdonald moved to approve the individual voucher in the amount of \$13,995.00 to Mead & Hunt for partial payment request (Final) for engineering services in connection with the Taxiway a Reconstruction Design Project, AIP43.

Second by Mr. Blazek.

On the call of the roll, members Blazek, Macdonald, Kilander voted aye.

Absent and not voting: Clark, Pawluk

The motion was declared carried.

Approved the Individual Voucher to Mead & Hunt:

Gen. Macdonald moved to approve the individual voucher in the amount of \$12,359.81 to Mead & Hunt for partial payment request for engineering services in connection with the Taxiway J Project, AIP44.

Second by Mr. Blazek.

On the call of the roll, members Blazek, Macdonald, Kilander voted aye.

Absent and not voting: Clark, Pawluk

The motion was declared carried.

Approved the Individual Voucher to Mead & Hunt:

Gen. Macdonald moved to approve the individual voucher in the amount of \$9,075.82 to Mead & Hunt for partial payment request for engineering services in connection with the North General Aviation Apron Expansion, APFC08.

Second by Mr. Blazek.

On the call of the roll, members Blazek, Macdonald, Kilander voted aye.

Absent and not voting: Clark, Pawluk

The motion was declared carried.

Approved the Individual Voucher to Mead & Hunt:

Gen. Macdonald moved to approve the individual voucher in the amount of \$3,669.12 to Mead & Hunt for partial payment request for engineering services in connection with the Airport Master Plan Update, AIP42.

Second by Mr. Blazek.

On the call of the roll, members Blazek, Macdonald, Kilander voted aye.

Absent and not voting: Clark, Pawluk

The motion was declared carried.

Approved the Individual Voucher to Mead & Hunt:

Gen. Macdonald moved to approve the individual voucher in the amount of \$18,937.47 to Mead & Hunt for partial payment request for engineering services in connection with the north project planning.

Second by Mr. Blazek.

On the call of the roll, members Blazek, Macdonald, Kilander voted aye.

Absent and not voting: Clark, Pawluk

The motion was declared carried.

Approved the Individual Voucher to Springsted Incorporated:

Gen. Macdonald moved to approve the individual voucher in the amount of \$750.00 to Springsted Incorporated for bond redemption fee for prepayment of the Airport Reserve Revenue Bonds, Series 2007A.

Second by Mr. Blazek.

On the call of the roll, members Blazek, Macdonald, Kilander voted aye.

Absent and not voting: Clark, Pawluk

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 \$117,079.76 to Northern Improvement Company for Partial Payment Request #6 for construction of the Taxiway J Project, AIP44.

Second by Mr. Blazek.

On the call of the roll, members Blazek, Macdonald, Kilander voted aye.

Absent and not voting: Clark, Pawluk

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 \$62,405.34 to Northern Improvement Company for Partial Payment Request #7 for construction of the North General Aviation Apron Expansion, APFC08.

Second by Mr. Blazek.

On the call of the roll, members Blazek, Macdonald, Kilander voted aye.

Absent and not voting: Clark, Pawluk

The motion was declared carried.

Approved the Individual Voucher to The Forum:

Gen. Macdonald moved to approve the individual voucher in the amount of \$213.84 to The Forum for advertisement for bids for apron/access road/lighting improvements.

Second by Mr. Blazek.

On the call of the roll, members Blazek, Macdonald, Kilander voted aye.

Absent and not voting: Clark, Pawluk

The motion was declared carried.

Received Bids and Recommendation of Award from TL Stroh Architects for Westside Terminal Restroom Expansion Project:

The bids for the Westside Terminal Restroom Expansion Project were received and filed without objection.

Mr. Terry Stroh, TL Stroh Architects, was recognized and stated we received bids for the Westside Terminal Restroom Expansion Project on September 29 from Meinecke-Johnson, TF Powers, and Gast Construction. He explained that the specifications called for a base bid and also an optional condensed schedule. He stated the number of days ranged from 60 days to 140 days for the base bid and 45 days to 100 days on the condensed schedule. He stated Gast Construction bid on both a 60 day and 45 day schedule. He stated Powers had 140 day and 100 day timelines.

Mr. Stroh stated the specifications also required that the actual work not start until all of the materials had arrived. He stated he thinks the 60 and 45 day estimate from Gast was more realistic and their bids were only slightly higher than the other two bidders. He stated their bid for 60 days is \$139,600.00 and \$148,800 for 45 days. He added that his estimate for the project was \$156,000.00. He stated his recommendation is to award the project to Gast Construction. He stated the board could accept the 45 day price of \$148,000.00 with the caveat that if it extended beyond 45 days we would pay the 60 day price of \$139,600.00.

Mr. Stroh stated he would estimate that it would take 60 days for all of the materials to arrive. He stated the project does include some specialty tile which may take longer to arrive but the tile work is on the curved wall and would not prevent the restrooms from being open for use. He stated we could allow Gast to get started on the project once everything but the specialty tile has arrived.

Received Bids and Recommendation of Award from TL Stroh Architects for Westside Terminal Restroom Expansion Project: (Continued)

Chairman Kilander stated we could include the exception of the specialty tile in our motion to award the contract.

Mr. Stroh stated he will call Gast today and issue a Notice to Proceed so they can start ordering materials.

Mr. Blazek moved to award the Westside Terminal Restroom Expansion Project to Gast Construction for \$148,800.00 with a 45 day time frame with a late penalty to revert to \$139,600.00 (60 day bid) with the final contract terms and conditions to be negotiated by the Executive Director and legal counsel.

Second by Gen. Macdonald.

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

Mr. Stroh stated after discussion at the last meeting regarding the food service expansion on the east end of the departure lounge they redesigned the plans for the coffee shop area and moved it further to the west against the glass wall. He stated we will lose all of that seating and it will have to be moved elsewhere but we would have to rearrange seating regardless. He stated CBM is alright with the new location. He stated this location will not cause any problem for restroom expansion on the east end.

Hearing no objection from the board members, Mr. Stroh indicated he would advise CBM to move ahead with their expansion plans.

Received Communication from Meadowlark Logistics Regarding East Terminal Lease Extension:

The communication from Mr. David Lawson, Meadowlark Logistics, LLC dated September 22, 2015, was received and filed without objection.

Mr. Dobberstein stated Meadowlark Logistics took over this lease from Integrated Commercial Solutions in January and the lease expired September 30, 2015. He stated Mr. Lawson would like a one year extension.

Mr. Blazek moved to approve the one year lease extension for Meadowlark Logistics LLC.

Second by Gen. Macdonald.

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

Received Proposed Contract with Northern Improvement Company for the Taxiway A Reconstruction Project – Phase II:

Mr. Dobberstein stated we awarded the Taxiway A Reconstruction Project – Phase II, subject to approval of the contract and that contract has been reviewed by Attorney Stewart and is now in order and ready for our signature.

Gen. Macdonald moved to approve the contract with Northern Improvement Company for the Taxiway A Reconstruction Project – Phase II.

Second by Mr. Blazek.

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

Received Proposed Ground Lease Agreement With Cass County:

Mr. Dobberstein stated Attorney Stewart has been working with Cass County State's Attorney Birch Burdick on the ground lease for the former David F. Johnson facility. He stated the Airport Authority has already approve the leasing of this parcel but the actual lease has gone through some revision.

Gen. Macdonald moved to approve the ground lease with Cass County for the former David F. Johnson facility, subject to approval by Cass County.

Second by Mr. Blazek.

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

Received Communication from MDC, Inc. to Amend Ground Lease:

The communication dated October 1, 2015 from Mr. Jerry Dean, MDC, Inc. was received ad filed without objection.

Mr. Dobberstein stated that Mr. Jerry Dean, MDC, Inc., owns the facility on the cargo ramp. He stated Mr. Dean is looking at making some improvements to the building in hopes of being able to attract a tenant to lease the facility. He stated Mr. Dean is requesting to lease additional ground and that his current lease be extended out an additional 40 years. He stated the current lease rate is 25 cents per square foot per year and is subject to adjustments every five years based on the CPI.

Mr. Blazek stated his only question is should we include some sort of time limit such as six months or one year if the proposed project does not move forward in a timely manner.

Mr. Dobberstein stated the commitment to lease the property could be good for a specified time period such as six months to a year. He stated we can include the opportunity for MDC to request an extension to that time period.

Mr. Blazek moved to approve a commitment to lease additional ground in the air cargo area to MDC, Inc. for a period of one year, including the ability of MDC, Inc. to request a time extension, subject to MDC, Inc.'s ability to secure a national freight carrier as a tenant.

Second by Gen. Macdonald.

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

Mr. Blazek stated Mr. Dean is asking that upon the agreement of terms with a national air freight carrier that the Airport Authority will commit to extend the leased area and also at that time extend the current lease an additional 40 years. He stated the action taken by the board today will guarantee that as soon as MDC reaches an agreement with a national air freight carrier, the additional square footage will match up with the existing ground lease already in place for the same extended term.

Authorized Attendance at the AAEE Airport Operations & Maintenance Conference, November 8-10, 2015, Chicago, IL:

Gen. Macdonald moved to authorize attendance at the AAEE Airport Operations & Maintenance Conference, November 8-10, 2015, Chicago, IL.

Second by Mr. Blazek.

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

Authorized Attendance at the Airport Association of North Dakota Fall Seminar, October 26-27, 2015, Bismarck, ND:

Mr. Blazek moved to authorize attendance at the Airport Association of North Dakota Fall Seminar, October 26-27, 2015, Bismarck, ND.

Second by Gen. Macdonald.

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

Update on ADK Consulting & Executive Search Salary Study:

Chairman Kilander stated he is not proposing to discuss the matter today of ADK Consulting & Executive Search's report on the salary study we hired them to conduct. He stated we have received their report and copies will be forwarded to all of the board members and Commissioner Gehrig for their review and discussion at a later date.

Airport Construction and Security Update:

Mr. Jeff Klein, Mead & Hunt, was recognized and stated all of our current construction projects have been completed and they are working on quantity reviews and final payments.

Mr. Klein stated in June, Mead & Hunt and Northern Improvement conducted the annual inspection of Taxiway A. He stated last month we received a letter from Northern Improvement on their proposed fixes to problem areas. He stated when the taxiway was constructed there were some partial depth repairs to address pavement distresses. He stated at that time they were repaired with a cementitious material. He stated in 2014 there were some repairs done to some of the transverse joints with a 10 minute concrete road mender on some of the joints that had raveled. He stated they had done some additional repairs with a two part epoxy material called Delpatch.

Mr. Klein stated during the inspection in June they found that the repairs done in 2012 with the cementitious materials, while the materials are not cracking it seemed like it was delaminating from the concrete to which it was bonded. He stated Northern is proposing to take out all of those areas and repair them with the Delpatch material. He stated the Delpatch material has performed well on other repairs on the airport. He stated on the 120 plus transverse joints that were repaired there were probably only 10 areas that need to be repaired and they will repair those with the same 10 minute material.

Mr. Blazek moved the board concur with the recommendations of Northern Improvement and Mead & Hunt for repairs to Taxiway A.

Second by Gen. Macdonald.

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

Authorized Attendance at the ICAS Air Show Convention, December 6-9, 2015, Las Vegas, NV:

Gen. Macdonald moved to authorize attendance at the ICAS Air Show Convention, December 6-9, 2015, Las Vegas, NV, by the Executive Director and Mr. Blazek.

Second by Mr. Blazek.

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



Other Business:

Mr. Dobberstein stated we were advised by the Department of Transportation that we were awarded a Small Community Air Service Development Grant. He stated they received 53 applications and about 11 grants totaling \$5.5 million awarded. He stated we have been in conversations with Skywest who is the carrier that would operate the route to Seattle.

Mr. Dobberstein stated that Standard Parking has launched the "Click and Park" program where you can reserve a spot in the Daily Parking Lot.

The meeting of the Municipal Airport Authority was adjourned until the next regular meeting to be held Tuesday, October 27, 2015.

Time at adjournment was 8:45 a.m.

Regular Meeting

Tuesday

October 27, 2015

The Regular Meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held Tuesday, October 27, 2015, at 8:00 a.m. in the Airport Boardroom.

The members present or absent were as follows:

Present: Clark, Blazek, Kilander  
Absent: Pawluk, Macdonald  
Others: None

Chairman Kilander presiding.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held October 2, 2015:

The minutes of the Regular Meeting of the Municipal Airport Authority held October 2, 2015, were received and filed without objection.

Approved the Airport Vouchers Totaling \$60,440.75:

Mr. Blazek moved to approve the airport vouchers totaling \$60,440.75.  
Second by Dr. Clark.  
On the call of the roll, members Clark, Blazek, Kilander voted aye.  
Absent and not voting: Pawluk, Macdonald  
The motion was declared carried.

Approved the Individual Voucher to Sellin Bros.:

Dr. Clark moved to approve the individual voucher in the amount of \$10,032.98 to Sellin Bros. for Partial Payment Request #3 (Final) for the North General Aviation Area Watermain and Sewer Extension.

Second by Mr. Blazek.  
On the call of the roll, members Clark, Blazek, Kilander voted aye.  
Absent and not voting: Pawluk, Macdonald  
The motion was declared carried.

Approved the Individual Voucher to Western Specialty Contractors:

Dr. Clark moved to approve the individual voucher in the amount of \$46,174.05 to Western Specialty Contractors for Partial Payment Request #1 for the Eastside Terminal Masonry Restoration Project.

Second by Mr. Blazek.

On the call of the roll, members Clark, Blazek, Kilander voted aye.

Absent and not voting: Pawluk, Macdonald

The motion was declared carried.

Approved the Individual Voucher to TL Stroh Architects:

Dr. Clark moved to approve the individual voucher in the amount of \$1,086.50 to TL Stroh Architects for partial payment request for architectural services in connection with the Eastside Terminal Masonry Restoration Project.

Second by Mr. Blazek.

On the call of the roll, members Clark, Blazek, Kilander voted aye.

Absent and not voting: Pawluk, Macdonald

The motion was declared carried.

Approve the Individual Voucher to TL Stroh Architects:

Dr. Clark moved to approve the individual voucher in the amount of \$8,260.00 to TL Stroh Architects for partial payment request for architectural services in connection with the Westside Terminal Restroom Expansion Project.

Second by Mr. Blazek.

On the call of the roll, members Clark, Blazek, Kilander voted aye.

Absent and not voting: Pawluk, Macdonald

The motion was declared carried.

Approved the Individual Voucher to Flint Communications:

Dr. Clark moved to approve the individual voucher in the amount of \$28,589.61 to Flint Communications for partial payment request for 2015 Airport Marketing Program.

Second by Mr. Blazek.

On the call of the roll, members Clark, Blazek, Kilander voted aye.

Absent and not voting: Pawluk, Macdonald

The motion was declared carried.

Approved the Individual Voucher to Mead & Hunt:

Dr. Clark moved to approve the individual voucher in the amount of \$6,094.33 to Mead & Hunt for partial payment request for engineering services in connection with the Airport Master Plan Update, AIP42.

Second by Mr. Blazek.

On the call of the roll, members Clark, Blazek, Kilander voted aye.

Absent and not voting: Pawluk, Macdonald

The motion was declared carried.

Approved the Individual Voucher to Mead & Hunt:

Dr. Clark moved to approve the individual voucher in the amount of \$1,227.41 to Mead & Hunt for partial payment request for engineering services in connection with the Taxiway A Reconstruction – Phase II, AIP45.

Second by Mr. Blazek.

On the call of the roll, members Clark, Blazek, Kilander voted aye.

Absent and not voting: Pawluk, Macdonald

The motion was declared carried.

Approved the Individual Voucher to Mead & Hunt:

Dr. Clark moved to approve the individual voucher in the amount of \$39,781.20 to Mead & Hunt for partial payment request for engineering services in connection with the Access Road, Lighting and Sewer Project.

Second by Mr. Blazek.

On the call of the roll, members Clark, Blazek, Kilander voted aye.

Absent and not voting: Pawluk, Macdonald

The motion was declared carried.

Approved the Individual Voucher to Mead & Hunt:

Dr. Clark moved to approve the individual voucher in the amount of \$8,772.23 to Mead & Hunt for partial payment request for engineering services in connection with the North General Aviation Apron Expansion Project, APFC08.

Second by Mr. Blazek.

On the call of the roll, members Clark, Blazek, Kilander voted aye.

Absent and not voting: Pawluk, Macdonald

The motion was declared carried.

Approved the Individual Voucher to Mead & Hunt:

Dr. Clark moved to approve the individual voucher in the amount of \$16,682.05 to Mead & Hunt for partial payment request for engineering services in connection with the Taxiway J Construction Project, AIP44.

Second by Mr. Blazek.

On the call of the roll, members Clark, Blazek, Kilander voted aye.

Absent and not voting: Pawluk, Macdonald

The motion was declared carried.

Received Bid Tabulation for Access Road, Lighting and Sewer Project:

Mr. Jeff Klein, Mead & Hunt, was recognized and stated we received two bids for the Access Road, Lighting and Sewer Project. He stated we received bids from Olaf Anderson and Strata Corporation. He stated the bids were as follows:

Olaf Anderson	\$1,225,490.11
Strata Corporation	\$1,370,667.15

Mr. Klein stated there was also one alternate in the bid for the installation of bollards and heater receptacles in the parking lot. He stated both bidders provided bids for the heater receptacles but Olaf Anderson did not include a price for the bollards. Mr. Klein stated the specifications for the bid allow the Airport Authority to waive any technicality so the bid from Olaf Anderson will not have to be thrown out. He stated we can hold the bids for 30 days.

Mr. Dobberstein stated the Airport Authority can award the base bid today but he would not recommend awarding Alternate #1 as both bids were twice the engineer's estimate. He stated we can award the project, subject to MDC Fargo LLC getting a contract with a tenant.

Mr. Blazek moved to award the bid to Olaf Anderson for the Access Road, Lighting, Sanitary Sewer and Aircraft Tether Improvements based on their bid of \$1,225,490.11, subject to MDC Fargo LLC getting a contract with a tenant.

Second by Dr. Clark.

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

Received Communication from ADK Consulting:

Chairman Kilander stated we received the report from ADK Consulting on salary information and comparisons for the Executive Director and Assistant Director positions and the report has been provided to the board members for their review. Chairman Kilander stated he is still waiting for some information from Attorney Stewart before discussion of the report.

The communication from ADK Consulting was received and filed without objection.

Received Change Order G-1 to Western Specialty Contractors, for an Increase of \$8,990.00, Eastside Terminal Masonry Restoration Project:

Mr. Terry Stroh, TL Stroh Architects, was recognized and stated Change Order #1 for an increase of \$8,990.00 to Western Specialty Contractors for the Eastside Terminal Masonry Restoration Project was to replace damaged masonry units and also for damaged coping at the top of the walls. He stated this is work we knew would need to be done and the bid did include unit prices for these items.

Dr. Clark moved to approve Change Order G-1 to Western Specialty Contractors for an increase of \$8,990.00 for the East Terminal Masonry Restoration Project.

Second by Mr. Blazek.

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

Received Change Order G-1 to Gast Construction for an Increase of \$990.00 for the Westside Terminal Restroom Expansion Project:

Mr. Terry Stroh, TL Stroh Architects, was recognized and stated Gast Construction received the tile for the restroom project but it was not the tile specified so it was sent back. He stated we were hoping to start the project this week but we can't start the project until we at least know the materials are coming. He stated they are working with Gast to get in writing the expected arrival date of all materials ordered. He stated Change Order #1 for an increase of \$990.00 is to change the lighting fixtures specified to a fixture that will arrive in 4-6 weeks rather than the initial fixtures that were 10 weeks out. He stated the lighting fixtures will not hold up the start of the project because we could use temporary lighting until the fixtures do arrive.

Dr. Clark moved to approve Change Order G-1 for an increase of \$990.00 to Gast Construction Co. for a change in lighting for the Westside Terminal Restroom Expansion Project.

Second by Mr. Blazek.

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

Authorized Attendance at the ARFF Chiefs and Leadership School, January 26-29, 2016, Orlando, FL:

Mr. Blazek moved to authorize attendance by the fire chief at the ARFF Chiefs and Leadership School, January 26-29, 2016, Orlando, FL.

Second by Dr. Clark.

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

Airport Master Plan Update:

Mr. Mark Breukink, Mead & Hunt, was recognized and stated he is here today to give an update on the Airport Master Plan Project. He stated unfortunately there has not been a lot happening with the process which started in May 2014 so they have updated the schedule for the project and presented that schedule to the board.

Airport Master Plan Update: (Continued)

Mr. Breukink stated we are currently in the process of waiting for the FAA to review the forecasts. He stated they were submitted to the FAA mid November of 2014 and we first heard back from the FAA two weeks ago. He stated Mead & Hunt has been following up with the FAA every three weeks in an attempt to move the process along but it has been extremely frustrating as the forecasts are not that far apart. He stated this has delayed the process almost one year. He stated they are now hoping to have the project completed by the end of 2016.

Mr. Breukink stated the bulk of the planning work will be going on the rest of this year into the first few months of next year. He stated they will be meeting with some of the airport tenants this week to review their plans for their facilities in the future.

Airport Construction and Security Update:

Mr. Jeff Klein, Mead & Hunt, was recognized and stated we have taken advantage of the favorable fall weather and Northern Improvement has constructed the haul road and staging area for the Taxiway A Project which will be started next spring. He stated they are also working with Northern Improvement on final payments for the projects that have been completed.

There was nothing to report on security.

The meeting of the Municipal Airport Authority was adjourned until the next regular meeting to be held Tuesday, November 24, 2015.

Time at adjournment was 8:18 a.m.

Regular Meeting

Tuesday

November 24, 2015

The Regular Meeting of the Municipal Airport Authority was held Tuesday, November 24, 2015 at 8:00 a.m. in the Airport Boardroom.

The members present or absent were as follows:

Present: Blazek, Macdonald, Kilander

Absent: Clark, Pawluk

Others: Gehrig

Chairman Kilander presiding.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held October 27, 2015:

The minutes of the Regular Meeting of the Municipal Airport Authority held October 27, 2015, were approved without objection.

Approved the Airport Vouchers Totaling \$63,049.23:

Mr. Blazek moved to approve the airport vouchers totaling \$63,049.23.

Second by Gen. Macdonald.

On the call of the roll, members Blazek, Macdonald, Kilander voted aye.

Absent and not voting: Clark, Pawluk

The motion was declared carried.

Approved the Individual Voucher to Vaisala:

Gen. Macdonald moved to approve the individual voucher in the amount of \$25,893.00 to Vaisala for partial payment of runway surface sensor system upgrade.

Second by Mr. Blazek.

On the call of the roll, members Blazek, Macdonald, Kilander voted aye.

Absent and not voting: Clark, Pawluk

The motion was declared carried.



Approved the Individual Voucher to Western Specialty Contractors:

Gen. Macdonald moved to approve the individual voucher in the amount of \$86,701.95 to Western Specialty Contractors for Partial Payment Request #2 for the Eastside Terminal Masonry Restoration Project.

Second by Mr. Blazek.

On the call of the roll, members Blazek, Macdonald, Kilander voted aye.

Absent and not voting: Clark, Pawluk

The motion was declared carried.

Approved the Individual Voucher to TL Stroh Architects:

Gen. Macdonald moved to approve the individual voucher in the amount of \$1,654.00 to TL Stroh Architects for partial payment request for architectural services in connection with the Westside Terminal Restroom Expansion Project.

Second by Mr. Blazek.

On the call of the roll, members Blazek, Macdonald, Kilander voted aye.

Absent and not voting: Clark, Pawluk

The motion was declared carried.

Approved the Individual Voucher to TL Stroh Architects:

Gen. Macdonald moved to approve the individual voucher in the amount of \$598.50 to TL Stroh Architects for partial payment request for engineering services in connection with the Eastside Terminal Masonry Restoration Project.

Second by Mr. Blazek.

On the call of the roll, members Blazek, Macdonald, Kilander voted aye.

Absent and not voting: Clark, Pawluk

The motion was declared carried.

Approved the Individual Voucher to Mead & Hunt:

Gen. Macdonald moved to approve the individual voucher in the amount of \$15,378.88 to Mead & Hunt for partial payment request for engineering services in connection with the Airport Master Plan Update, AIP42.

Second by Mr. Blazek.

On the call of the roll, members Blazek, Macdonald, Kilander voted aye.

Absent and not voting: Clark, Pawluk

The motion was declared carried.

Approved the Individual Voucher to Mead & Hunt:

Gen. Macdonald moved to approve the individual voucher in the amount of \$6,600.72 to Mead & Hunt for partial payment request for engineering services in connection with the Taxiway A Reconstruction Project – Phase II, AIP45.

Second by Mr. Blazek.

On the call of the roll, members Blazek, Macdonald, Kilander voted aye.

Absent and not voting: Clark, Pawluk

The motion was declared carried.

Approved the Individual Voucher to Mead & Hunt:

Gen. Macdonald moved to approve the individual voucher in the amount of \$626.00 to Mead & Hunt for partial payment request for engineering services in connection with the Taxiway J Project, AIP44.

Second by Mr. Blazek.

On the call of the roll, members Blazek, Macdonald, Kilander voted aye.

Absent and not voting: Clark, Pawluk

The motion was declared carried.

Approved the Individual Voucher to Mead & Hunt:

Gen. Macdonald moved to approve the individual voucher in the amount of \$1,266.00 to Mead & Hunt for partial payment request for engineering services in connection with the North General Aviation Area Ramp Expansion, APFC08.

Second by Mr. Blazek.

On the call of the roll, members Blazek, Macdonald, Kilander voted aye.

Absent and not voting: Clark, Pawluk

The motion was declared carried.

Approved the Individual Voucher to Mead & Hunt:

Gen. Macdonald moved to approve the individual voucher in the amount of \$6,066.40 to Mead & Hunt for partial payment request for engineering services in connection with the Access Road, Lighting and Sewer Project.

Second by Mr. Blazek.

On the call of the roll, members Blazek, Macdonald, Kilander voted aye.

Absent and not voting: Clark, Pawluk

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 \$20,343.46 to Northern Improvement Company for Partial Payment Request #7 (Final) for construction of the Taxiway J construction Project, AIP44.

Second by Mr. Blazek.

On the call of the roll, members Blazek, Macdonald, Kilander voted aye.

Absent and not voting: Clark, Pawluk

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 \$13,130.97 to Northern Improvement Company for Partial Payment Request #8 (Final) for construction of the North General Aviation Ramp Expansion Project, APFC08.

Second by Mr. Blazek.

On the call of the roll, members Blazek, Macdonald, Kilander voted aye.

Absent and not voting: Clark, Pawluk

The motion was declared carried.

Approve the Individual Voucher to Northern Improvement Company:

Gen. Macdonald moved to approve the individual voucher in the amount of \$260,370.14 to Northern Improvement Company for Partial payment Request #1 for construction of the Taxiway A Reconstruction Project – Phase II, AIP45.

Second by Mr. Blazek.

On the call of the roll, members Blazek, Macdonald, Kilander voted aye.

Absent and not voting: Clark, Pawluk

The motion was declared carried.

Received Change Order G-2 from Western Specialty Contracting for and Increase of \$1,820.00 for the Eastside Terminal Masonry Restoration Project:

Mr. Dobberstein stated Change Order G-2 is the cost for some extra bricks needed to complete the project. He indicated this was an anticipated change order. The contractor did not know how many additional bricks would be needed until the project was completed. He added that the final inspection of the project has been done so the project is now complete and we should be getting the final payment request shortly.

Mr. Blazek moved to approve Change Order G-2 to Western Specialty Contracting for an increase of \$1,820.00 for the Eastside Terminal Masonry Restoration Project.

Second by Gen. Macdonald.

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

Received Update from Cass County Regarding Cass 31 Project:

Mr. Jason Benson, Cass County Engineer, was recognized and stated he is here to update the board on Cass County's proposed project for Cass County 31 north of the airport and the reasons for it. He stated over the last 10 years they have seen significant slumping with this section of road and in 2010 the county spent about \$600,000 for a sheet pile wall with anchors screwed under the road and that lasted about two years. He stated the force of the soils started pulling the wall down. He stated they looked at other options and then spent about \$800,000 installing 80' long 16" diameter pipe pile every four feet and that held for only a year or so. He stated right now we are addition material to the road about every other month.

Mr. Benson stated they looked at some other options to fix it the cost was as much or more as moving the road to the west. He stated we need to come up with a permanent solution. He stated they are proposing to move the road to the west of the Stockman Subdivision which they feel is the safest and best option. He stated they are requesting an easement from the Airport Authority on about 21 acres of land but they will also be returning about seven acres for which there is currently an easement for an elevated area around the Stockman Addition. He stated in meetings with the Stockman residents they are fine with removing that levy if the relocated Cass 31 is built high enough. He added that the levy in place is not a certified levy. He stated that elevated area would be leveled out so it could be farmed.

Mr. Benson presented a map showing the proposed Realignment of Cass 31 and also a Realignment Revision 1. He stated the proposed plan calls for just 50 feet of right of way on either side of the road as they do not anticipate the road ever expanding to two lanes since the airport owns the farmland in the area and it would not be developed in the future.

Mr. Benson stated he has reviewed this plan with the county's road advisory group to see how we can have the least effect on homeowners' back yards. He stated the property owners to the west would prefer to have the road as far away from their back yards as possible. He stated Revision #1 moves the road in closer but it would require the county purchasing about 2/10 of an acre from the corner of the southwest lot.

Mr. Benson stated they have met with residents of both Stockman's Addition and North River to make sure we are not having any adverse affect on current flood protection.

Mr. Benson stated today he is seeking the Airport Authority's approval in moving forward with this project. He stated with that approval they will have their right of way agent begin developing easements over these next three to four months so the project can being next year.

Gen. Macdonald asked who would be responsible for maintaining the land between the east side of the road and the homes.

Mr. Benson stated according to state law it would be the airport.

Mr. Dobberstein stated we are currently mowing the dike and the farm tenant has been mowing the ditches so we would actually have less area to mow. He stated there is also the matter of the shelterbelt. He stated the shelterbelt has a 15 year lease with the Farm Services Agency so there will have to be a reimbursement to them.

Mr. Benson stated since there will be no cost to the county for the right of way they could probably look into paying those costs.

Received Update from Cass County Regarding Cass 31 Project: (Continued)

Mr. Dobberstein asked Mr. Benson which option the county prefers and which the neighbors prefer.

Mr. Benson stated the neighbors definitely prefer the option with the road further from their property because of the road noise. He stated there will be no access points from the road into any properties to the east. He stated there will be one access point for the township road that runs along the north edge of the Stockman Addition but since that road is not used much at all he could check with the township and see if that road could be abandoned, which would take a vote of the township.

Mr. Blazek stated he would like to see a legal document drafted and signed by all of the property owners that if the plan with the extended buffer zone is the plan adopted they realize that they are not gaining that property for their use. He stated we have dealt with this issue with some of the other neighborhoods adjacent to airport property.

Mr. Dobberstein stated the homeowners' property lines would not change. He stated NDSU may be interested in planting alfalfa in that area. He stated another option would be to proportionately divide up that area and sell it to the individual property owners and they could expand their lots.

Mr. Benson stated one of the main goals of this project was to reduce the amount of cash rent land being lost by the airport.

Mr. Benson stated with either option the Airport Authority would want a Recognition of Right of Way from each adjacent property owner. He stated they will probably plan to approach the property owner on the corner about the county purchasing the 2/10 of an acre and if the property owner is not agreeable we will move ahead with the realignment plan.

Chairman Kilander stated it seems to be the consensus of the board to move forward with the Cass County 31 Realignment plan as presented.

Received Communication from Altig to Extend their Eastside Terminal Lease:

The communication from Mr. Morgan Gard, Altig, dated November 19, 2015, was received and filed without objection.

Mr. Dobberstein stated Altig is currently leasing space in the Eastside Terminal which expires December 31, and they are requesting a one year extension.

Gen. Macdonald moved to approve the one year extension for Altig's lease in the Eastside Terminal.

Second by Mr. Blazek.

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

Received Communication Regarding Interest in Eastside Terminal Office Space:

The communication (Letter of Intent) from Cityscapes Development was received and filed without objection.

Mr. Rick Flacksbarth, Cityscapes Development, was recognized and stated he has a Letter of Intent from VoxTeleSys to lease space on the second floor in the Eastside Terminal for a five year

Received Communication Regarding Interest in Eastside Terminal Office Space: (Continued)

term. He stated this is a telecommunications company who is looking to relocate from their current leased space which expires at the end of February. He stated the tenant is looking for some alterations to the space such as walls, kitchen area, drop ceiling, etc. He stated before the board could make a decision there would have to be some bids from contractors. He stated the board could decide to pay for the improvements, split the cost with the tenant, or tell the tenant it would be their responsibility. He stated they are not looking to occupy the space until March 1, 2016

Gen. Macdonald stated his concern would be that any renovations would be of a reasonable nature so that the space would work for a future tenant as well.

Chairman Kilander asked Mr. Dobberstein our history as far as fit up for tenants.

Mr. Dobberstein stated other than carpet or paint the tenants have paid for their own renovations. He stated Sanford did quite a bit of renovation as did Spectrum and they paid for it themselves.

Chairman Kilander stated he feels since this is a non-aviation entity and there is a chance they would have to vacate the space before the end of the lease, we could require they pay for alterations and then if they did have to leave we could reimburse them a certain percentage of their investment.

Mr. Blazek stated he is of the opinion that if we are going to start increasing our rental rates because we are offsetting leasehold improvements we would need to get some financial information on the tenant and look for some personal guarantees on the lease.

Gen. Macdonald stated if the fit up is something that improves the space and makes it more useable for anyone then he would not be opposed to some involvement on our part.

Mr. Flacksbarth stated there is a storage room in that space that would take a unique user to utilize that space. He stated all of the walls they are looking at altering are temporary walls. He stated there is one pillar that would need to stay in place.

Chairman Kilander directed Mr. Dobberstein to get together with the potential tenant and a couple of contractors to get cost estimates to present to the board.

Authorized Attendance at ACI Jumpstart, June 13-15, 2016, Denver, CO:

Gen. Macdonald moved to authorize attendance at ACI Jumpstart, June 13-15, 2015, Denver, CO.

Second by Mr. Blazek.

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

Airport Construction and Security Update:

Mr. Jeff Klein, Mead & Hunt, was recognized and stated he is working on the grant closeouts for the projects that have been completed. He stated we did get the first payment request from Northern Improvement for the Taxiway A Reconstruction Project – Phase II, AIP45, and we will probably see some others over the winter months for materials.

Airport Construction and Security Update: (Continued)

Mr. Dobberstein stated he did meet with FAA officials from the Airports District Offices in Bismarck and Minneapolis and reviewed some of the projects that would be on our master plan list. He stated they discussed an addition to the terminal for another gate. He stated they also discussed the possibility of an extended walkway between the terminal and the parking lot and the possibility of some federal funding for that. He stated they also discussed our need for the expansion of our maintenance shop as we have outgrown that space. He stated Mead & Hunt is going to begin putting together bid documents for the terminal taxiway and Taxiway A-3 so that we can get all of the Taxiway A work done this summer vs. closing it down. He stated as part of the bid package they want the design of the remaining portion of Taxiway A completed so we would be ready if discretionary funding should become available next year.

Mr. Terry Stroh, TL Stroh Architects, was recognized and stated the restroom project will start the week of December 28. He stated they are also working on getting prices for the food service expansion in the departure lounge.

The meeting of the Municipal Airport Authority was adjourned until the next regular meeting to be held Tuesday, December 15, 2015 at 8:00 a.m.

Time at adjournment was 8:53 a.m.

Regular Meeting

Tuesday

December 15, 2015

The Regular Meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held Tuesday, December 15, 2015 at 8:00 a.m. in the Airport Boardroom.

The members present or absent were as follows:

Present: Clark, Blazek, Pawluk, Macdonald, Kilander  
Absent: None  
Others: Gehrig

Chairman Kilander presiding.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held November 24, 2015:

The minutes of the Regular Meeting of the Municipal Airport Authority held November 24, 2015, were approved without objection.

Approved the Airport Vouchers Totaling \$49,818.92:

Gen. Macdonald moved to approve the airport vouchers totaling \$49,818.92.

Second by Mr. Pawluk.

On the call of the roll, members Clark, Blazek, Pawluk, Macdonald, Kilander voted aye.

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

Approved the Individual Voucher to Western Specialty Contractors:

Dr. Clark moved to approve the individual voucher in the amount of \$36,378.00 to Western Specialty Contractors for Partial Payment Request #3 for the Eastside Terminal Masonry Restoration Project.

Second by Mr. Blazek.

On the call of the roll, members Clark, Blazek, Pawluk, Macdonald, Kilander voted aye.

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



Approved the Individual Voucher to Western Specialty Contractors:

Dr. Clark moved to approve the individual voucher in the amount of \$18,806.00 to Western Specialty Contractors for Partial Payment Request #4 (Final) for the Eastside Terminal Masonry Restoration Project.

Second by Mr. Blazek.

On the call of the roll, members Clark, Blazek, Pawluk, Macdonald, Kilander voted aye.

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

Approved the Individual Voucher to Gast Construction:

Dr. Clark moved to approve the individual voucher in the amount of \$31,619.90 to Gast Construction for Partial Payment Request #1 for construction of the Westside Terminal Restroom Expansion Project.

Second by Mr. Blazek.

On the call of the roll, members Clark, Blazek, Pawluk, Macdonald, Kilander voted aye.

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

Approved the Individual Voucher to TL Stroh Architects:

Dr. Clark moved to approve the individual voucher in the amount of \$595.50 to TL Stroh Architects for partial payment request for architectural services in connection with the Westside Terminal Restroom Expansion Project.

Second by Mr. Blazek.

On the call of the roll, members Clark, Blazek, Pawluk, Macdonald, Kilander voted aye.

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

Approved the Individual Voucher to TL Stroh Architects:

Dr. Clark moved to approve the individual voucher in the amount of \$198.00 to TL Stroh Architects for partial payment request for architectural services in connection with the Eastside Terminal Masonry Restoration Project.

Second by Mr. Blazek.

On the call of the roll, members Clark, Blazek, Pawluk, Macdonald, Kilander voted aye.

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

Approved the Individual Voucher to Mead & Hunt:

Dr. Clark moved to approve the individual voucher in the amount of \$16,965.54 to Mead & Hunt for partial payment request for engineering services in connection with the Airport Master Plan Update, AIP42.

Second by Mr. Blazek.

On the call of the roll, member Clark, Blazek, Pawluk, Macdonald, Kilander voted aye.

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

Approved the Individual Voucher to Mead & Hunt

Dr. Clark moved to approve the individual voucher in the amount of \$1,000.00 to Mead & Hunt for partial payment request for engineering services in connection with the Taxiway A Reconstruction, AIP43.

Second by Mr. Blazek.

On the call of the roll, members Clark, Blazek, Pawluk, Macdonald, Kilander voted aye.

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

Approved the Individual Voucher to Mead & Hunt:

Dr. Clark moved to approve the individual voucher in the amount of \$7,600.00 to Mead & Hunt for partial payment request for engineering services in connection with the Taxiway J Construction Project, AIP44.

Second by Mr. Blazek.

On the call of the roll, members Clark, Blazek, Pawluk, Macdonald, Kilander voted aye.

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

Approved the Individual Voucher to Mead & Hunt:

Dr. Clark moved to approve the individual voucher in the amount of \$2,192.40 to Mead & Hunt for partial payment request for engineering services in connection with the Access Road, Lighting and Sewer Improvements.

Second by Mr. Blazek.

On the call of the roll, members Clark, Blazek, Pawluk, Macdonald, Kilander voted aye.

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

Approved the Individual Voucher to Northern Improvement Company:

Dr. Clark moved to approve the individual voucher in the amount of \$20,245.52 to Northern Improvement Company for Partial Payment Request (Final) for the Runway 18/36 Rehabilitation, AIP43.

Second by Mr. Blazek.

On the call of the roll, members Clark, Blazek, Pawluk, Macdonald, Kilander voted aye.

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

Approved the Individual Voucher to Flint Communications:

Dr. Clark moved to approve the individual voucher in the amount of \$23,378.70 to Flint Communications for partial payment request for the 2015 Airport Marketing Program.

Second by Mr. Blazek.

On the call of the roll, members Clark, Blazek, Pawluk, Macdonald, Kilander voted aye.

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

Approved the Individual Voucher to Cass County Treasurer:

Dr. Clark moved to approve the individual voucher in the amount of \$65,719.59 to the Cass County Treasurer for 2015 property taxes/drain assessments.

Second by Mr. Blazek.

On the call of the roll, members Clark, Blazek, Pawluk, Macdonald, Kilander voted aye.

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

Flint Communications to Present 2016 Airport Marketing Plan:

Tara Olson, Flint Communications, was recognized and stated that 2016 will be year two of a three year advertising campaign. She stated the "Do The Math" theme was developed last year and used for television, radio and print ads so those will continue.

Crystal Bosch was recognized and gave a review of the social media aspect of the campaign and reported on the increased in activity and numbers on social media in 2015.

Ms. Olson reviewed the proposed budget for 2016 totaling \$209,500. She added the budget for 2015 was \$272,000, which did include creative costs. She stated the large majority of the budget goes to actual advertising.

Received Proposal for Airport Network News Service:

The proposal from CNN Airport Network Service dated 11/12/15 was received and filed without objection.

Mr. Darren Anderson was recognized and stated CNN Airport Network has been interested in providing service in the terminal for the past several years. He stated it used to be quite cost prohibitive as you had to install a satellite dish to receive their feed. He stated they have made a lot of changes to their system and now they have the option for streaming over the network so you don't have to have the satellite dish. He stated we are able to stream it on as many monitors as we want. He stated we just need to buy the front end equipment to get the feed in the building. There is no monthly charge but we would have to upgrade our broadband feed. He stated their proposal is \$19,747. He stated we could also purchase optional equipment that would allow for local content insertion for an additional \$20,000.

Mr. Anderson stated we do switch the channels on the televisions in the departure lounge on a regular basis and no matter which station is on someone is not happy. He stated that CNN Airport is a product designed specifically for airports. He stated you used to see CNN Airport only in large airports because of the cost but it is now at a level a small airport such as ours can afford it. He stated he thinks it would be a good addition.

Mr. Pawluk stated no matter what channel is on there is going to be someone who is not happy. He stated he is not going to vote to spend \$20,000 to add CNN Airport because we can already provide a variety of other channels.

Gen. Macdonald asked if we have the ability to have different channels showing in the various areas.

Received Proposal for Airport Network News Service: (Continued)

Mr. Anderson stated we do have two satellite receivers so we do have that ability and the restaurant and bar also offer different channels.

Mr. Dobberstein stated he would not have any problem proceeding with this proposal since the content is designed for airports.

Chairman Kilander asked how many years this proposal would cover.

Mr. Anderson stated we are purchasing equipment so it would last as long as the equipment lasts, which should be quite a few years.

Chairman Kilander stated if we purchase the equipment as well as some additional monitors we are probably looking at an investment of \$22,500 and over five years would come out to about \$4,500 per year. He asked if the customer benefit provided would be worth that amount.

Mr. Pawluk stated he uses the airport often and he does not feel he as a passenger would benefit that much. He stated if we could incorporate the local advertising and generate revenue then he would support it.

Mr. Anderson stated we have discussed this with Clear Channel Airport Advertising and they do not get into that area.

Chairman Kilander stated he does not feel a groundswell of support from the board members at this time and we can possibly look at it again in the future.

Received Report from ND Forest Service Regarding Shelterbelt Assessment and Restoration:

Mr. Dobberstein stated he has been working the Mr. Scott Liudahl, City Forester, on the airport shelterbelts and has provided the board members with updates on the process. He stated Mr. Liudahl directed us to the North Dakota Forest Service through NDSU and they have come out and done an extensive report on our shelterbelts. He stated the shelterbelts are essentially at the end of their useful life. He stated we have done some restoration on the belt along Old 81, west of Dakota Drive, and along the north end of County 20 west of Drain 10. He stated we are at the point now where we need to do something or they will just continue to degrade. He stated Mr. Liudahl is working with Mr. Jim Hanson, Hanson Design Associates, on getting bids to remove all of the dead timber, either mulch it, sell it, burn it in place, or haul it away. He stated we will have that information early next year. He stated it will not be cheap but the alternative is to let it continue to degrade and then we have nothing.

Mr. Pawluk asked if we have any volunteer activity where the wood lot is regenerating itself.

Mr. Dobberstein stated that is probably contained in this report but it is most likely sporadic.

Chairman Kilander stated the report did contain that information. He stated there is some sucker growth off the roots but not to a point of replenishing the shelterbelt.

Mr. Pawluk stated in the restoration project we might look at planting tree varieties that are more prone to natural regeneration.

Chairman Kilander said the report did discuss varieties with longer life expectancies and also placement and not overcrowding to the detriment of growth.

Received Report from ND Forest Service Regarding Shelterbelt Assessment and Restoration:  
(Continued)

Mr. Pawluk stated he would not like to see us totally remove all of the trees without immediate replacements because even dead trees provide some snow protection that we are asking the shelterbelt to do.

Mr. Dobberstein stated they are proposing removal of dead trees in 2016, total weed control in 2017 and planting in 2018. He stated the biggest detriment in most of the shelterbelts is drainage and that would also need to be addressed before replanting. He added that there could be some revenue gained with the removed trees as there is a company in Benson, MN that may purchase the mulch.

Gen. Macdonald stated he feels we should defer to the experts and our role is to decide whether or not we want to move ahead with the shelterbelt restoration.

Mr. Blazek suggested it may be prudent to have Mr. Liudahl come and make a presentation to the board.

Mr. Dobberstein stated he has offered to do that and we probably will have him come once we have proposals.

Mr. Pawluk stated another consideration would be to plant new shelterbelts in another location adjacent and then remove the existing ones completely.

Mr. Dobberstein stated SCS has recommended that as an option.

Chairman Kilander stated we will wait for the formal proposals and then have a presentation by Mr. Liudahl.

Received Proposed Design Contract from Mead & Hunt for Final Phase of Taxiway A Reconstruction and Bidding Fee for Terminal Taxiway and A3 Taxiway:

Mr. Jeff Klein, Mead & Hunt, was recognized and reviewed the Taxiway A Reconstruction process starting with the design for Phase I in 2013. He stated we have awarded the project to reconstruct the mainline Taxiway A to Northern Improvement and work will begin in the spring. He stated Mead & Hunt has also completed the design work for the terminal taxiway and A3 Taxiway and in recent conversations with the FAA they have indicated they will support discretionary funding for construction of those two sections to take place in 2016 along with the mainline portion in order to minimize disruption to the airport. He indicated the design work is done, they would just need to prepare the specifications for the bidding process.

Mr. Klein stated what he is looking for the board's approval on today is the proposed contract for the design services for the final portion of Taxiway A and A1, which is the northernmost portion of the taxiway located between Taxiway C and Runway 18. He stated the FAA is also willing to support discretionary funding for the construction of this portion in 2017. He stated the intention was to place the design fee for that in a grant in 2016 but the FAA has since changed their mind. He stated that design contract will have to be placed in a 2017 grant. However, the Airport Authority could approve this contract now and the fee would still be able to place it under a grant in 2017. He stated by approving the contract now and having the design work done it gives the airport more flexibility on when they bid the project. He stated the proposed design fee is \$266,800 which is eligible for reimbursement from the FAA and also subject to review by an independent engineer.

Received Proposed Design Contract from Mead & Hunt for Final Phase of Taxiway A Reconstruction and Bidding Fee for Terminal Taxiway and A3 Taxiway: (Continued)

Gen. Macdonald moved to approve the proposed contract with Mead & Hunt for design services for the reconstruction of Taxiway A and A1 (Txwy C to Rwy 18) for a fee of \$266,800, subject to a fee review by an independent engineer.

Second by Dr. Clark.

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

Received Proposals for Eastside Terminal Improvements:

Mr. Dobberstein stated at the last meeting Mr. Flacksbarth, Cityscapes Development, brought a Letter of Intent from a potential tenant in the Eastside Terminal for 1,265 sf of office space on the second floor. He stated the prospective tenant, VoxTeleSys, had requested fit up of the space with a five year lease. He stated we have received estimates for the improvements they are requesting. He stated we received bids from two contractors.

Mahan Construction's bid is \$39,720.00 without electrical, which would be done on a time and materials basis. They cannot guarantee a completion by the end of February.

Dakota Construction's bid for the total project is \$47,767.03 including the electrical, which was broken out at \$15,400.

Mr. Dobberstein stated the space will generate \$9,600 in rent the first year of the five year term with 3% increases each year after that. He stated he does not see how we can spend \$47,000 on improvements for a lease that will pay us approximately \$50,000 over five years. He stated we could pick out a couple of the items that we could do for the tenant but the rest would be at their cost.

Mr. Pawluk stated one of the ways he tries to value improvements for tenants is to add 1% of the cost of the improvements to the rent per month. He stated in this case it would be an additional \$500 per month on top of the base rent. He stated the tenant is paying for the improvement while he is there but the improvements to the space will stay.

Chairman Kilander stated at the last meeting Mr. Flacksbarth indicated that the present interior structure of the space limits the potential tenants that would find the space useful.

Mr. Flacksbarth was recognized and stated there are some items such as ceiling tile, lighting, and flooring that would naturally have to be done to get the space up to a rentable condition. He stated he is not certain to what extent improvements would have to be made to make the space rentable to another tenant. Mr. Flacksbarth stated passing on the improvements to the tenant may be a deal breaker for this particular tenant. He stated he likes to see a tenant have a little skin in the game so he suggested the Airport Authority offer to fund the improvements they feel need to be done to the space to get it in a rentable condition and the tenant fund the rest.

Gen. Macdonald stated Mr. Pawluk's recommendation of an additional \$500 per month over a five year period would total \$30,000 of the almost \$50,000 in improvements. He stated he would be willing to negotiate down to about half of the cost of the improvements.

Chairman Kilander stated Mr. Dobberstein indicated that in the past we have painted and replaced flooring and light fixtures to make spaces ready for new tenants.

Received Proposals for Eastside Terminal Improvements: (Continued)

Mr. Dan Bullis, Airport Operations Supervisor, was recognized and stated he thought the electrical bid was a little high but right now it is hard for a tenant to run data cable with the 12" interlocking ceiling tiles so replacing the ceiling with a suspended ceiling makes sense. He stated with the ceiling change the light fixtures would be changed from surface mount lights to flush mount.

Chairman Kilander stated if we offer to replace the floor covering, install the suspended ceiling, replace the lighting and paint we are probably looking at roughly \$15,000.

Mr. Pawluk stated maybe it would be best to offer the tenant \$15,000 toward fit up and let them do what they want, subject to our approval.

Mr. Pawluk moved the Airport Authority offer the space to VoxTelSys with a \$15,000 fit up allowance offered by the Airport Authority, subject to final approval of improvements by the Executive Director.

Chairman Kilander stated the specific details of the improvements will be worked out between the Executive Director and VoxTelSys.

Second by Mr. Blazek.

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

Receive Communication from Northstar Aviation Insurance on Airport Liability Renewal:

The communication from Northstar Aviation Insurance dated December 10, 2015, was received and filed without objection.

Mr. Dobberstein stated Northstar Aviation Insurance has gone out into the insurance market for proposals on our airport liability policy. He stated they are recommending remaining with the current carrier, AIG Aerospace, for an annual premium of \$36,067, which is a decrease of \$1,109 from last year.

Mr. Blazek moved to approve the recommendation from Northstar Aviation Insurance to renew the airport liability insurance with AIG Aerospace for an annual premium of \$36,067.

Second by Gen. Macdonald.

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

Airport Construction and Security Update:

Mr. Terry Stroh, TL Stroh Architects, was recognized and stated we have a pre-construction meeting scheduled for the restroom expansion project which starts on December 28. He stated we are working on adequate signage to advise passengers of the limited restrooms.

Receive Update on ADK Compensation Survey for Executive Director and Assistant Director:

Chairman Kilander stated he and Mr. Pawluk have been working on this compensation matter for the past year. He stated the board members have been provided with a copy of the compensation survey done by ADK Executive Search. He stated right now the Executive Director's salary is at Grade 23 Step 11 and the Assistant Director is at Grade 18 and Step 11. He stated both of those are at the maximum steps within those grades.

Receive Update on ADK Compensation Survey for Executive Director and Assistant Director:  
(Continued)

Chairman Kilander stated the ADK range for the Executive Director is \$135,366-\$175,968 and for the Assistant Director \$97,635-\$126,942. He stated the current salaries are both well below the midpoint in those ranges. He stated both of the individuals in these positions are highly qualified and perform at a level well above normal expectations, have developed great relationships with all of the stakeholders both on the airport as well as the air carriers. He stated we all know they approach every day displaying a "follow me" type of leadership yet diplomatic and willing to cooperate. He said each has shown they can work independently, seek support and build consensus.

Chairman Kilander stated his recommendation is to increase their compensation to be more in line with the information we have received from ADK and the input we have received from the City of Fargo. He stated he has had at least five meetings with representatives of the City of Fargo and he and Mr. Pawluk met with the mayor yesterday and he understands that, through the work of staff, we are enjoying a tremendous relationship and success at the airport. He stated that success shows not only at the airport but also the growing impact on Fargo and the surrounding community from an economic perspective and the growth of the community. He stated he thinks principally driven by the leadership of these two people.

Chairman Kilander stated he has spent many hours of research and a lot of number crunching on this matter and in addition to the involvement of Mr. Pawluk, Commissioner Gehrig has also spent time on this matter. He stated the mayor's recommendation is that we maintain our present grade and step basically for public relations, if you will, within the staff of the City. He also suggested that we find a dollar value in compensation that falls more in line with the leadership and qualities that I have just mentioned that these two people bring to the table. He recommended we do that in a market adjustment above and beyond their grade and step salaries.

Chairman Kilander stated he would not recommend any changes in the benefit package. He stated the ADK survey also indicated that the norm in the airport industry is to either provide a vehicle for both the Executive Director and Assistant Director position or an average vehicle allowance of \$853 per month and \$550 per month respectively, as well as a \$200 per month cell phone allowance. He stated these allowances would be paid from the monthly airport voucher approvals.

Chairman Kilander stated the market adjustment would be added to the salary to be included in federal withholding and with regard to retirement contributions.

Chairman Kilander stated if these changes are approved it will still put both well under the top end of the ranges presented by ADK. He stated he thinks without question that the talents and energy that both individuals bring should have them close to that top end of that bracket. He stated he also recommends that we as an authority do a formal study every three years so that we are not caught in this position again in the future where we are trying to play catch up to keep our top level staff properly compensated.

Gen. Macdonald stated after being part of the Airport Authority for many years he wants to tell Commission Gehrig how happy he is that he is working with us on this. He stated we have tried to do something about adequate salaries many times and have been shot down every time. He stated he does feel, however, that the percentage of Assistant Director's salary should be the same percentage of the high end of the ADK study as the Executive Director's position. He stated the numbers proposed by the Chairman are not the same percentage.



Receive Update on ADK Compensation Survey for Executive Director and Assistant Director:  
(Continued)

Commissioner Gehrig stated he wanted to point out that in his discussion with the mayor and others that he had proposed changing the Executive Director's position to a Grade 24 and also add a vehicle and cell phone allowance. He stated this would still be in the City's step program at a director level, not higher than the City Administrator and not lower than the Public Works Director. He stated this would be an adjustment but it would still get the number the board wants for the position, just not as directly.

Chairman Kilander stated in the meeting he and Mr. Pawluk had with the mayor yesterday, the mayor was insistent that the Executive Director and Assistant Director positions stay at the current grades and steps. He stated he did not want those changed. He stated the mayor was also supportive of getting there through the market adjustment process.

Commissioner Gehrig stated it does not seem that the authority cares so much about the grade and step numbers as long as the compensation amount is correct. He stated he thinks the solution arrived at is fair.

Mr. Blazek asked about the payroll process as far as withholding and pension contributions.

Chairman Kilander stated they asked the mayor about that specifically and he said we could add the two amounts together for the purpose of withholding and employee contribution. He stated the allowance for vehicle and cell phone would be a 1099 transaction and they would have to keep track of their costs and anything in excess of their costs would have to be reported as ordinary income.

Mr. Pawluk moved to approve the Executive Director's annual salary at \$166,000, which would include a market adjustment of \$21,336, plus a vehicle allowance of \$800 per month and cell phone allowance of \$200 per month, and that the Assistant Director's annual salary be \$114,500, which includes a market adjustment of \$11,374, plus a vehicle allowance of \$500 per month and cell phone allowance of \$200 per month.

Second by Mr. Blazek.

Commissioner Gehrig stated the city commission may have a problem with the vehicle and phone allowance in addition to the market adjustment. He stated that is his opinion, he does not know that for sure.

Chairman Kilander stated in their meeting with the mayor last night, he was in agreement with the motion made by Mr. Pawluk.

Gen. Macdonald stated he still feels the Assistant Director position amount should be closer to the top of the ADK study range.

Mr. Pawluk stated we have a formula that is defensible and understandable and applied evenly.

Gen. Macdonald thanked Chairman Kilander, Vice Chairman Pawluk and Commissioner Gehrig for their efforts.

Mr. Blazek stated it is his understanding that the Airport Authority has the authority to set salaries for airport employees and we are being accommodating to the City since we participating in their accounting and payroll systems for an annual fee.

Receive Update on ADK Compensation Survey for Executive Director and Assistant Director:  
(Continued)

Chairman Kilander stated that is correct and the mayor's comment yesterday was that he wanted us to stay within the guidelines of the City's system as they are laid out now, but also consider the market data which he asked that we get. He added that the mayor also commented that he did not see any problem as long as we did not get up to \$180,000 or \$190,000.

Chairman Kilander called for a vote on the motion.

On the call of the roll, members Clark, Blazek, Pawluk, Macdonald, Kilander voted aye.

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

The meeting of the Municipal Airport Authority was adjourned until the next meeting which will be the Annual Meeting on January 12, 2016 at 8:00 a.m.

Time at adjournment was 9:48 a.m.

Special Meeting

Monday

December 21, 2015

The Special Meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held Monday, December 21, 2015, at 8:30 a.m. in the Airport Boardroom.

The members present or absent were as follows:

Present: Blazek, Pawluk, Macdonald, Kilander, Clark (via phone)

Absent: None

Others: Gehrig

Chairman Kilander presiding.

Received Request from Brooks Biomimetics, LLC to Lease Space in the Eastside Terminal:

Mr. Dobberstein stated Mr. Rick Flacksbarth, Cityscapes Development, received a Letter of Intent from Brooks Biomimetics, LLC to lease space in the Eastside Terminal for a one year term effective January 1, 2016. He stated the prospective tenant is not requesting any improvements to the space. He stated this is a 192 square foot office at \$8.00 per square foot.

Mr. Pawluk moved to approve the proposed lease with Brooks Biomimetics, LLC for space in the Eastside Terminal effective January 1, 2016, for a one year term.

Second by Mr. Blazek.

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

Received Change Order G-2 to Gast Construction for an Increase of \$695.25 for the Westside Terminal Restroom Expansion Project:

Mr. Dobberstein stated Change Order #G-2 to Gast Construction for an increase of \$695.25 for the Westside Terminal Restroom Expansion Project is to add an electrical panel in the storage room and connect two space circuit breakers to install hand dryers in the restrooms.

Gen. Macdonald moved to approve Change Order G-2 to Gast Construction for an increase of \$695.25 for the Westside Terminal Restroom Expansion Project.

Second by Mr. Blazek.

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

Reviewed ADK Compensation Survey Discussion:

Chairman Kilander stated action on this matter received a unanimous vote at the meeting on December 15, 2015, so he asked one of the board members to make a motion to bring the matter back to the table.

Mr. Blazek moved to bring the matter of the ADK Compensation Survey back to the table.

Second by Gen. Macdonald.

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

Chairman Kilander stated at the meeting on December 15, the Airport Authority went with the recommendation he presented as his understanding of our agreement with the mayor's office. He stated since then it has been brought to our attention that was not what the mayor agreed to, from his perspective. He stated what the mayor would like to see us put forth and pass is to keep both the Executive Director and Assistant Director at their current grade and step level that would be effective January 1, 2016. Secondly, the mayor also said that he would approve a monthly stipend for each of them of \$1,000 for vehicle and cell phone allowance. He stated that would be a 1099 type of transaction and would be paid out of the airport monthly vouchers.

Chairman Kilander called for discussion before any action is taken.

Mr. Blazek asked where the gap in the communication was.

Chairman Kilander stated he wished he knew the answer to that. He stated he and Mr. Pawluk sat in the same meeting with the mayor and heard the same thing.

Mr. Pawluk stated what is being suggested today is the exact opposite of what we heard.

Chairman Kilander stated that is correct.

Mr. Pawluk stated what they heard was the approval to go to \$166,000 with a market adjustment and then they heard different things on the vehicle allowance. He stated he thought the mayor was not in favor of the vehicle allowance but Chairman Kilander understood that he was, but there was no question that we agreed on the \$166,000.

Chairman Kilander stated we have to take into consideration the present situation and this is what the mayor is offering.

Gen. Macdonald stated it amounts to a \$12,000 raise, although it is hidden.

Mr. Pawluk stated the question he needs to ask is does the Airport Authority have the authority to make decisions regarding compensation and all other matters with respect to the operation of the airport?

Chairman Kilander stated he is not an attorney but after reading the state law and the chartering documents from the City of Fargo from 1969 that we do have that authority. He stated that is presently a point of contention. He stated he has had conversations with Bruce Grubb, acting City Administrator, and he is encouraging a meeting involving himself, the Chairman or a member of the Airport Authority, legal counsel for the Airport Authority, legal counsel for the City of Fargo, and he would like Commissioner Gehrig involved as well, to try to get to the bottom of this.

Dr. Clark asked if we have ever asked for an Attorney General's opinion because it seems very clear in the law that we do have that authority.

Chairman Kilander stated he has been told that there have been a number of Attorney General's opinions but he is not certain we have ever asked for a formal opinion.

Mr. Dobberstein stated he believes there is one that exists for Fargo.

Dr. Clark stated that should clarify the board's authority.

Reviewed ADK Compensation Survey Discussion: (Continued)

Mr. Dobberstein stated there are roughly 90 public airports in the state of North Dakota and all but six are operated by an airport authority. He stated this is probably not the first time this situation has been raised. He stated Attorney Stewart has indicated that opinions for other airport authorities exist.

Mr. Pawluk stated it is his understanding that an Attorney General's opinion has to be sought by someone in an elected office.

Chairman Kilander stated he is not sure that is the case, but if it is, we can certainly get that done.

Gen. Macdonald stated he thinks the Chairman of a political body can request an opinion from the Attorney General.

Chairman Kilander stated he would like to take this in two phases. He stated first of all he would like us to address what we are going to do with the salary issue.

Gen. Macdonald moved to grant both the Executive Director and the Assistant Director an \$800 per month vehicle allowance and a \$200 per month cell phone allowance to be paid on a monthly basis and also to rescind the previous action taken on salaries and remain within the current City guidelines.

Second by Dr. Clark.

Mr. Blazek stated the Airport Authority needs to take care of our two key employees and what is being proposed today is falling well short of the ADK report.

Chairman Kilander stated there is no question that there is no one at this table who does not feel that these two positions are being undercompensated. He stated the question we need to answer is at this point in time how do we move forward.

Mr. Pawluk stated he thinks we are all in agreement that the compensation should be adjusted and we are all in agreement that the Airport Authority has the authority to make that decision. He stated we are at the point now where we understand the issue very well and we will probably never get to this point again if we don't follow through with the action that we have already put in place. He stated when he votes against the motion it is not because he does not think the compensation numbers should be adjusted up the way we are doing it with the car and phone allowance but rather he does not want the motion to reflect that we are ascribing to the City's payroll policy because he believes otherwise. He stated he would continue to move away from the city's personnel system because that is really the problem. He stated the problem is not what we want to pay the employees but rather the problem is the dissention that follows in the City's departments. He stated that is the reason for the City's objection. He stated we need to divorce ourselves from the city personnel policy and then this is no longer an issue.

Chairman Kilander stated he could not agree more but we have to be pragmatic about where we sit today and how we move forward from today. He stated he would hate to put our staff in a position that they have people coming to the table that have no background, history or understanding of what we have been doing for the last 47 years. He stated it took him three to four years to get up to speed on the operation of the airport.

Reviewed ADK Compensation Survey Discussion: (Continued)

Mr. Pawluk stated he agrees but the other side of the coin is when we lose our Executive Director and Assistant Director because they respond to requests that offer them substantially more compensation, then where are we? He stated that is really the basis for the decision that had been made is to keep the airport operating as smoothly and efficiently as possible. He stated he will assure you that the next guy will be paid at the airport industry rate. He would advocate taking action to support what we have put in place with respect to the salary and then deal with the fallout however that may be.

Dr. Clark stated she strongly feels that we need an Attorney General's opinion specific to this Airport Authority. She stated it will take a while but it will clarify things if we don't have one specific to Fargo. She stated we can work with the mayor and the City Commission until the time that we get that opinion.

Gen. Macdonald stated if we are considering separating ourselves from the City's personnel system we need to do a lot of homework and see what other entities such as the Park Board, School Board, are doing with their employees. He stated we have employees that have been here for many years and have put money into the City's retirement system. He stated we need to know how that would be handled and he would be uncomfortable doing anything until we know the answers to those specific questions.

Chairman Kilander stated right now we have an option by the motion on the floor that keeps things moving along with this present authority and our present staff and provides us time to work through the process with the City to get a formal definition, if you will, on what our role and responsibilities really are. He asked the board members if they feel that is an accurate summary.

All members indicated agreement.

Chairman Kilander called for a vote on the motion to accept the grade and steps proposed by the City for the Executive Director and Assistant Director and that a \$1,000 vehicle and cell phone allowance be paid to each on a monthly basis.

Members Clark, Blazek, Macdonald, Kilander voted aye.

Pawluk voted no.

The motion was declared carried.

Gen. Macdonald asked that the Chairman obtain an Attorney General's opinion.

Chairman Kilander stated he would like to make that a second step but would first like to have a conference with the attorney for the City, the attorney for the Airport Authority, commissioner Gehrig, himself as Chairman of the Airport Authority or the next chairman, to try to find consensus as to what the state law says and then figure out how to move forward with that.

Commissioner Gehrig stated he does not think there is any question that the Airport Authority has the authority to take such action. He stated the question is what the City Commission might do if the Airport Authority takes action the commission does not agree with, if that were the case. He stated he feels the board should go ahead and get the Attorney General's opinion and have the conversation. He stated he does not think anyone with the City is challenging the authority of the Airport Authority. He stated the City Commission's only recourse is to accept what the Airport Authority does or get rid of you.

Reviewed ADK Compensation Survey Discussion: (Continued)

Mr. Pawluk stated that is the part that needs to be clearly identified. He stated the City's only option is to dissolve the Airport Authority or replace the members as their terms expire. He stated the board members could be replaced for cause if there were some malfeasance, but that is not going to happen.

Commissioner Gehrig stated he believes the Airport Authority has the power to make this decision. He stated he feels the board should go ahead and get the Attorney General's opinion.

Mr. Pawluk stated the real issue is the Airport Authority's participation in the City's personnel system and that is why we have the problem. He stated that is what we need to change and we should be able to do that without being adversarial to the City. He stated it is not a fair comparison to consider the airport as a city department. He stated no city department pays special assessments and look at how much the airport pays in special assessments. He stated the airport's participation in the City's personnel system makes it look as if we are a city department when we are not.

Mr. Dobberstein stated when we transitioned the airport firefighters; he and Darren created the fire department job descriptions. He stated they scored them but we did reach out to the consultant the city uses and paid them to review our rationale for the job descriptions and how they fit on the pay plan. He stated when we created the Airport Operations Specialist position we basically came up with the job description and determined a grade for the position and conferred with the same consultant and they actually graded the position higher than we had. He stated the history is there that we have made our own personnel decisions.

Mr. Pawluk now absent.

Mr. Blazek stated it has been a win-win situation for so many years with the City doing the accounting services for which we pay them, the HR functions for which we pay them, but for whatever reason perception has taken over reality like it does so often.

Chairman Kilander stated he feels the perception is not new but that it has always been there. He had a lengthy discussion with former mayor Furness and he shares our perception of the Airport Authority. He stated maybe what we have not done as an authority in the past is to take this issue head on.

Mr. Dobberstein stated Dick Hentges, former mayor, served on this board for many years and was appointed by Herschel Lashkowitz. He stated they were both in line with the autonomy of this board.

Chairman Kilander stated our next step will be a meeting with the parties mentioned.

The Special Meeting of the Municipal Airport Authority was adjourned.  
Time at adjournment was 9:03 a.m.