
Annual Meeting

Tuesday

January 10, 2017

The Annual Meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held Tuesday, January 10, 2017 at 8:00 a.m. in the Airport Boardroom.

The members present or absent were as follows:

Present: Clark, Blazek, Kilander, Haugen, Pawluk
Absent: None
Others: Bossart

Chairman Pawluk presiding.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held December 13, 2016:

The minutes of the Regular Meeting of the Municipal Airport Authority held December 13, 2016, were approved without objection.

Approved the Airport Vouchers Totaling \$87,001.50:

Dr. Clark moved to approve the airport vouchers totaling \$87,001.50.

Second by Mr. Kilander.

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

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

Approved the Individual Voucher to Flint Communications:

Mr. Blazek moved to approve the individual voucher in the amount of \$6,485.93 to Flint Communications for partial payment request for the 2016 Airport Marketing Program.

Second by Dr. Clark.

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

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

Approved the Individual Voucher to Mead & Hunt:

Mr. Blazek moved to approve the individual voucher in the amount of \$23,067.93 to Mead & Hunt for partial payment request for engineering services in connection with the Taxiway A Reconstruction Project, AIP45.

Second by Dr. Clark.

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

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

Approved the Individual Voucher to Mead & Hunt:

Mr. Blazek moved to approve the individual voucher in the amount of \$7,635.93 to Mead & Hunt for partial payment request for engineering services in connection with the Access Road, Apron Lighting and Sanitary Sewer Improvements.

Second by Dr. Clark.

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

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

Approved the Individual Voucher to Mead & Hunt:

Mr. Blazek moved to approve the individual voucher in the amount of \$12,015.65 to Mead & Hunt for partial payment request for engineering services in connection with the Terminal Taxiway and Taxiway A Reconstruction, Project AIP46.

Second by Dr. Clark.

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

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

Approved the Individual Voucher to Mead & Hunt:

Mr. Blazek moved to approve the individual voucher in the amount of \$32,403.10 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, Blazek, Kilander, Haugen, Pawluk voted aye.

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

Approved the Individual Voucher to Mid-States Wireless:

Mr. Blazek moved to approve the individual voucher of \$903.00 to Mid-States Wireless for installation of radios in the 2017 Oshkosh Snowplow.

Second by Dr. Clark.

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

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

Approved the Individual Voucher to Oshkosh Corporation:

Mr. Blazek moved to approve the individual voucher in the amount of \$508,235.00 to Oshkosh Corporation for the purchase of a 2017 Oshkosh Series H Snow Plow, APFC08.

Second by Dr. Clark.

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

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

Received Request from the ND Aviation Council Regarding Sponsorship of the Upper Midwest Aviation Symposium, March 5-7, 2017, Minot, ND, and Authorize Attendance:

The communication from the North Dakota Aviation Council was received and filed without objection.

Mr. Dobberstein stated each year the ND Aviation Council asks the airports in the state to sponsor the Upper Midwest Aviation Symposium. He stated the host airport usually sponsors at the \$5,000 level and in the past we have usually sponsored at the \$1,500 level when we have not been the sponsor airport.

Mr. Kilander moved to authorize the \$1,500.00 sponsorship of the 2017 Upper Midwest Aviation Symposium in Minot, March 5-7, and authorize attendance.

Second by Dr. Clark.

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

Pawluk voted no.

The motion was declared carried.

Authorize Attendance at the AAAE/ACI Legislative Conference, March 21-22, 2017, Washington, DC:

Mr. Kilander moved to authorize attendance by staff and board members at the AAAE/ACI Legislative Conference, March 21-22, 2017, Washington, DC.

Second by Blazek.

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

Presentation by Flint Communications for 2017 Airport Marketing Program:

Ms. Tara Olson, Flint Communications, was recognized and stated that 2017 will be year three of a three year advertising campaign. She stated the "Do The Math" theme was developed two years ago 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 2016.

Ms. Olson reviewed the proposed budget for 2017 totaling \$200,200.

Following discussion of the social media aspect of the marketing program, Chairman Pawluk recommended that a spot or spots in the terminal building be designated as "selfie" spots where passengers can take their photos. He stated he would be willing to dedicate resources to making this happen. He also asked Ms. Olson to summarize the message or brand we are trying to establish for Hector International Airport.

Presentation by Flint Communications for 2017 Airport Marketing Program:

Ms. Olson stated the repeated message with this campaign is friendly, convenient, local. It all adds up. Do the math. If you are considering driving to another city to save money on airfare, do the math. Calculate the cost of traveling to another city to fly.

Mr. Kilander stated he liked Chairman Pawluk's idea of developing selfie sites. He asked Flint representatives what it would cost for them to brainstorm and come up with a couple of selfie sites.

Ms. Olson stated they could develop the creative for the selfie spots for \$1,500.00.

Mr. Kilander moved to approve the 2017 Marketing Program in the amount of \$200,200.00 plus up to an additional \$1,500.00 for Flint Communications for creative work on selfie spots in the terminal.

Second by Gen. Haugen.

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

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

Received 2016 PFC Report:

The 2016 PFC Report was received and filed without objection.

Airport Construction and Security Update:

Mr. Jeff Klein, Mead & Hunt, was recognized and stated at some time in the near future we will be meeting with airline and FedEx representatives to discuss the upcoming Taxiway A project. He stated Strata is working on the replacement of the computer touch screen in the tower which controls the airfield lighting, which was part of last year's Taxiway A project.

Mr. Terry Stroh, TL Stroh Architects, was recognized and stated he submitted a contract proposal to Mr. Dobberstein for the skyway project for the FAA's review.

Chairman Pawluk stated he does not think we should move forward with signing that contract until the City of Fargo has completed the study they wanted to do on a parking structure financing.

Mr. Stroh stated an elevated walkway has always been thought of as another means to connecting the terminal building to a future parking ramp. He stated a walkway would be included in a ramp project anyway.

Mr. Dobberstein stated he has explained that to the city representatives exhaustively but they do not seem to understand that.

Mr. Kilander stated he would concur with Mr. Stroh that the skyway would connect the building to parking and since right now the airport cannot afford to build a ramp but we still have the responsibility to the passengers to provide safety and convenience. He added that the skyway project is eligible for federal funding and if and when we move ahead with a parking ramp we are talking about two separate projects. He indicated it is not one or the other.

Airport Construction and Security Update: (Continued)

Gen. Haugen asked how long it is reasonable for us to wait before moving ahead with the skyway project.

Chairman Pawluk stated he will visit with the mayor on the matter. He stated he will advise him that we are planning to approve the contract at our meeting on February 14.

Mr. Kilander stated he feels that we need to take an emphatic position that a skyway and a parking ramp are mutually exclusive. He stated if at a point in time a parking structure can be built then the skyway would be in place to be able to connect the structure to the building.

Other Business:

Mr. Dobberstein stated at the last meeting the board directed City Forester Scott Liudahl and Mr. Jim Hanson, Hanson Design Associates, to move forward with proposing a plan for the second phase of the removal of the existing shelterbelt. He stated Mr. Jim Hanson has proposed the same type of contract for the second phase at the same cost, not to exceed \$2,000, plus additional fees for anything outside the contract.

Mr. Dobberstein stated the board also directed Mr. Liudahl to come up with a tree replacement project along the access road in anticipation of the emerald ash borer. He stated they will be receiving bids for that through the end of January and his estimate for that is \$41,000.

Mr. Blazek moved to approve the proposed contract with Hansen Design Associates for landscape architecture services for the tree removal for the second phase of the shelterbelt restoration project, at a cost not to exceed \$2,000.00.

Second by Mr. Kilander.

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

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

General Haugen wanted to make certain that everyone knows that the Blue Angels will be performing at the 2018 Fargo Airsho, July 28 and 29.

Elected Chairman of the Municipal Airport Authority for Calendar Year 2017, as Per Bylaws:

Mr. Kilander moved to elect Mr. Steve Blazek Chairman of the Municipal Airport Authority for calendar year 2017, as per bylaws.

Second by Gen. Haugen.

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

Elected Vice Chairman of the Municipal Airport Authority for Calendar Year 2017, as Per Bylaws:

Mr. Kilander moved to elect Dr. Virginal Clark Vice Chairman of the Municipal Airport Authority for Calendar Year 2017, as per bylaws.

Second by Gen. Haugen.

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

Adopted Resolution of Appreciation to Outgoing Chairman, Mr. Ken Pawluk:

Mr. Kilander offered the following Resolution of Appreciation to outgoing Chairman, Mr. Ken Pawluk:

WHEREAS, Mr. Ken Pawluk, has just completed a year as Chairman of the Municipal Airport Authority, and

WHEREAS, During Mr. Pawluk's term as Chairman of the Municipal Airport Authority he has demonstrated his willingness to serve the airport and the community by his generous commitment of time, energy, thought and devotion to duty, and

WHEREAS, Mr. Pawluk indicated that it is an honor to serve as Chairman of the Airport Authority and gratifying to be involved with this group of people and thanked them for allowing him to serve as chair, and

WHEREAS, It was the unanimous consensus of the board that Mr. Pawluk did a nice job during his year as Chairman and was thanked for his service.

NOW, THEREFORE BE IT RESOLVED, That the Municipal Airport Authority does hereby commend Mr. Ken Pawluk for his 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 Mr. Ken Pawluk.

Second by Mr. Blazek.

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

Mr. Pawluk passed his vote.

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

The Annual Meeting of the Municipal Airport Authority was adjourned until the next regular meeting to be held February 14, 2017, at 8:00 a.m. in the Airport Boardroom.

Time at adjournment was 9:35 a.m.

Regular Meeting

Tuesday

February 14, 2017

The Regular Meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held Tuesday, February 14, 2017 at 8:00 a.m. in the Airport Boardroom.

The members present or absent were as follows:

Present: Clark, Pawluk, Haugen, Blazek
Absent: Kilander
Others: Bossart

Chairman Blazek presiding.

Approved the Minutes of the Annual Meeting of the Municipal Airport Authority Held January 10, 2017:

The minutes of the Annual Meeting of the Municipal Airport Authority held January 10, 2017, were approved without objection.

Approved the Airport Vouchers Totaling \$133,067.48:

Dr. Clark moved to approve the airport vouchers totaling \$133,067.48.
Second by Mr. Pawluk.
On the call of the roll, members Clark, Pawluk, Haugen, Blazek voted aye.
Absent and not voting: Kilander
The motion was declared carried.

Approved the Individual Voucher to Mead & Hunt:

Mr. Pawluk moved to approve the individual voucher in the amount of \$14,716.38 to Mead & Hunt for partial payment request for engineering services in connection with the Taxiway A Reconstruction Project, AIP45.
Second by Gen. Haugen.
On the call of the roll, members Clark, Pawluk, Haugen, Blazek voted aye.
Absent and not voting: Kilander
The motion was declared carried.

Approved the Individual Voucher to Mead & Hunt:

Mr. Pawluk moved to approve the individual voucher in the amount of \$3,967.17 to Mead & Hunt for partial payment request for engineering services in connection with the PFC Application #8, APFC08.

Second by Gen. Haugen.

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

Absent and not voting: Kilander

The motion was declared carried.

Approved the Individual Voucher to Mead & Hunt:

Mr. Pawluk moved to approve the individual voucher in the amount of \$9,683.57 to Mead & Hunt for partial payment request for engineering services in connection with the Terminal Taxiway and Taxiway A Reconstruction Project, AIP46.

Second by Gen. Haugen.

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

Absent and not voting; Kilander

The motion was declared carried.

Approved the Individual Voucher to Mead & Hunt:

Mr. Pawluk moved to approve the individual voucher in the amount of \$34,243.50 to Mead & Hunt for partial payment request for engineering services in connection with the Airport Master Plan Update, AIP42.

Second by Gen. Haugen.

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

Absent and not voting: Kilander

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 \$364,356.53 to Northern Improvement Company for Partial Payment Request #8 for construction of the Taxiway A Reconstruction Project, AIP45.

Second by Gen. Haugen.

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

Absent and not voting: Kilander

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 \$245,129.77 to Northern Improvement Company for Partial Payment Request #5 for construction of the Terminal Taxiway and Taxiway A Reconstruction Project, AIP46.

Second by Gen. Haugen.

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

Absent and not voting: Kilander

The motion was declared carried.

Approved the Individual Voucher to Fargo Jet Center:

Mr. Pawluk moved to approve the individual voucher in the amount of \$8,498.81 to Fargo Jet Center for co-op marketing for the period July -December 2016.

Second by Gen. Haugen.

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

Absent and not voting: Kilander

The motion was declared carried.

Receive Proposals for 2017 Shelterbelt Restoration and Joe Parmer Drive Tree Replacement:

Mr. Scott Liudahl, City Forester, was recognized and stated last fall we completed a significant portion of the shelterbelt restoration project with the removal of existing trees in the south portion of the shelterbelt. He stated at the authority's meeting in December he was directed to move forward with getting proposals for the next phase of the removal process that would include the west, north and east shelterbelts. He stated he solicited proposals and received only one bid and that was from Cougar Tree Care, Inc. for \$154,500 or approximately \$9,000 per acre, which is roughly the same as the first phase of removal. He stated there would be an advantage to getting the project started yet this winter.

Mr. Liudahl stated he was also directed by the board to present a plan for addressing the ash trees along Joe Parmer Drive. He stated the two species planted along the drive are green ash and hackberry and are spaced 90' apart. He stated the hackberries would stay in place.

Mr. Liudahl stated he did receive four bids for replacing the ash trees and the low bid to replace 68 ash trees was \$32,875 from Opp Construction. He stated there are several other ash areas around the terminal and we may consider keeping those in place for the time being and using an injection method on the larger trees as a management strategy for the emerald ash borer. He stated we might also consider inter-planting different species until such time as the ash trees need to be removed. He stated the two new species they are recommending are Prairie Expedition Elm and autumn Splendor Buckeye.

Mr. Pawluk stated he would never be in favor of removing trees that are still healthy and replace them with starter trees. He stated he would support inter-planting giving those new trees a chance to grow before the ash trees are removed. He stated as far as planting further down the slope he feels that would be a mistake because of the water that can sit in the ditches.

Receive Proposals for 2017 Shelterbelt Restoration and Joe Parmer Drive Tree Replacement:
(Continued)

Mr. Pawluk moved to proceed with the addition of trees along Joe Parmer Drive, keeping the healthy ash trees in place.

Second by Gen. Haugen.

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

Absent and not voting: Kilander

The motion was declared carried.

Dr. Clark moved to award the project for Phase II of the Shelterbelt Restoration (tree removal from West, North and East Shelterbelts) project to Cougar Tree Care based on their bid of \$154,500.00.

Second by Gen. Haugen.

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

Absent and not voting: Kilander

The motion was declared carried.

Chairman Blazek stated one clarification he would like to make regarding the East Shelterbelt is that airport staff and Mr. Liudahl work with the ND Army National Guard regarding their plan for their proposed facility so that we are not planting trees that would interfere with their plans and then have to remove them.

Mr. Liudahl stated he would put together another request for proposals for the inter-planting along Joe Parmer Drive.

Received Request from Altig to Extend Lease in the Eastside Terminal Through 12/31/17:

Mr. Dobberstein stated Altig is a current tenant in the Eastside Terminal and their lease expired December 31, 2016. He stated they are requesting a one-year extension expiring 12/31/17.

Mr. Pawluk moved to approve the one-year lease extension through 12/31/17 for Altig, Inc.

Second by Dr. Clark.

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

Authorized Attendance at the AAE National Airport Economic Development Conference:

Gen. Haugen moved to authorize attendance at the AAE National Airport Economic Conference, April 11-13, 2017, Columbus, OH.

Second by Dr. Clark.

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

Authorized Attendance at the Allegiant Air Annual Conference:

Gen. Haugen moved to authorize attendance at the Allegiant Air Annual Conference, April 25-28, 2017, Las Vegas, NV.

Second by Dr. Clark.

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

Authorized Attendance at the AAAE Annual Conference:

Gen. Haugen moved to authorize attendance at the AAAE Annual Conference, May 7-10, 2017, Long Beach, CA.

Second by Dr. Clark.

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

Received Communication from Tom Beaton to Assign Farm Lease to Scott Beaton and Matthew Beaton:

The communication from Thomas Beaton was received and filed without objection.

Mr. Dobberstein stated Mr. Beaton is retiring from farming and turning all of his interest over to his sons Scott and Matthew. He is requesting his farm lease for the 2017 and 2018 crop years be assigned to them.

Mr. Pawluk moved to approve the request from Thomas Beaton to assign his farm lease to Scott Beaton and Matthew Beaton.

Second by Gen. Haugen.

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

Received Request from Jim Shaw to Lease Space in the Eastside Terminal:

The communication dated January 31, 2017 from Mr. Jim Shaw was received and filed without objection.

Mr. Dobberstein stated the lease on Mr. Shaw's previous space in the Eastside Terminal expired January 31, 2017, and he is requesting to lease a different office (192 square feet) on the second floor in the Eastside Terminal for a term of one year with a 30 day out.

Gen. Haugen moved to approve the lease as requested with Mr. Jim Shaw for office space in the Eastside Terminal for a one-year term.

Second by Mr. Pawluk.

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

Received Preliminary 2016 Airport Improvement Fund Report:

The Preliminary 2016 Airport Improvement Fund Report was received and filed without objection.

Received Communication from Sixel Consulting Group to Extend Agreement:

The communication from Sixel Consulting Group was received and filed without objection.

Mr. Dobberstein stated Sixel Consulting Group has been under contract with the Airport Authority since 2004. He stated typically the agreements have been three-year terms. He stated the proposed agreement is March 1, 2017 through February 28, 2018 with two one-year optional extension periods.

Mr. Pawluk stated he reviewed the agreement and the one item that stood out to him was the 90 day out for the airport but he felt we would be better served with a 30 day out.

Mr. Dobberstein stated 30 may be too short but 60 days might be more in line. He stated the schedule for meetings with airlines at conferences is sometimes set a month or more in advance.

After further discussion, Mr. Pawluk moved to authorize the Air Service Development Agreement with Sixel Consulting Group, Inc. as proposed, with the exception of a 60 day termination clause rather than 90 days.

Second by Dr. Clark.

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

Receive Update Regarding ARFF Staff:

Mr. Dobberstein stated that two members of our ARFF staff will be called to active duty starting in July and returning to service February 2018. He stated we are planning to hire two temporary full time fire fighters to cover those shifts.

Mr. David Bush, Fire Chief, was recognized and indicated he has a pool of qualified firefighters who would be interested in the positions.

Airport Construction and Security Update:

Mr. Jeff Klein, Mead & Hunt, was recognized and stated they are continuing to work on the Taxiway A and A-1 design which will be reconstructed this summer. He stated they are going to meet with FAA officials in Bismarck on Thursday to go over the PFC Application #8. He stated they will review all of the projects included in that PFC application before it is finalized.

Mr. Klein stated the Airport Master Plan is currently at the Bismarck FAA Airports District office for their review but has been delayed due to staffing issues in their office.

Mr. Dobberstein stated we are continuing to work on preliminary plans to address the need for additional ramp space in the cargo area.

Other Business:

Mr. Dobberstein stated at the January 10 meeting Flint Communications was directed to come up with a concept for "selfie" sites in the terminal building. He stated they did come up with a concept of a "photo booth" and the information was distributed to the board members. He stated the estimated cost of this project is \$8,000-\$10,000, which would come out of the existing marketing budget.

After discussion it was the consensus of the board that Flint Communications be authorized to proceed with the project.

The meeting of the Municipal Airport Authority was adjourned until the next regular meeting to be held Tuesday, March 7, 2017 at 8:00 a.m.

Time at adjournment was 9:02 a.m.

Regular Meeting

Tuesday

March 7, 2017

The Regular Meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held Tuesday, March 7, 2017, at 8:00 a.m. in the Airport Boardroom.

The members present or absent were as follows:

Present: Clark, Pawluk, Haugen, Blazek, Kilander (via phone)
Absent: None
Others: Gehrig, Bossart

Chairman Blazek presiding.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held February 14, 2017:

The minutes of the Regular Meeting of the Municipal Airport Authority held February 14, 2017, were approved without objection.

Approved the Airport Vouchers Totaling \$63,076.43:

Mr. Pawluk moved to approve the airport vouchers totaling \$63,076.43.

Second by Dr. Clark.

On the call of the roll, members Clark, Pawluk, Haugen, 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. Haugen moved to approve the individual voucher in the amount of \$6,670.00 to Mead & Hunt for partial payment request for engineering services in connection with the Taxiway A & A1 Reconstruction - Design, AIP47.

Second by Dr. Clark.

On the call of the roll, members Clark, Pawluk, Haugen, 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. Haugen moved to approve the individual voucher in the amount of \$5,984.00 to Mead & Hunt for partial payment request for engineering services in connection with the PFC Application #8, APFC08.

Second by Dr. Clark.

On the call of the roll, members Clark, Pawluk, Haugen, 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. Haugen moved to approve the individual voucher in the amount of \$10,399.77 to Mead & Hunt for partial payment request for engineering services in connection with the Taxiway A Reconstruction Project, AIP45.

Second by Dr. Clark.

On the call of the roll, members Clark, Pawluk, Haugen, 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. Haugen moved to approve the individual voucher in the amount of \$9,743.45 to Mead & Hunt for partial payment request for engineering services in connection with the Terminal Taxiway and Taxiway A Reconstruction Project, AIP46.

Second by Dr. Clark.

On the call of the roll, members Clark, Pawluk, Haugen, 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. Haugen moved to approve the individual voucher in the amount of \$1,759.92 to Mead & Hunt for partial payment request for engineering services in connection with the Access Road, Apron Lighting and Sanitary Sewer Improvements.

Second by Dr. Clark.

On the call of the roll, members Clark, Pawluk, Haugen, 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. Haugen moved to approve the individual voucher in the amount of \$56,229.19 to Flint Communications for partial payment request for 2017 Airport Marketing Program.

Second by Dr. Clark.

On the call of the roll, members Clark, Pawluk, Haugen, Blazek, 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. Haugen moved to approve the individual voucher in the amount of \$1,956.68 to Sixel Consulting Group for consulting services in connection with the Routes Americas Conference, Las Vegas, NV.

Second by Dr. Clark.

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

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

Approved the Individual Voucher to FTZC Consulting & Operations:

Gen. Haugen moved to approve the individual voucher in the amount of \$650.00 to FTZC Consulting & Operations for consulting service in connection with the Foreign Trade Zone.

Second by Dr. Clark.

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

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

Reviewed Parking Project Update:

Chairman Blazek welcomed Mayor Mahoney to the Airport Authority meeting today and reviewed the recent history on airport parking that brought us to this discussion today. He stated in 2013 the board acknowledged that our passenger growth was very sharp and that we could quickly run out of parking. He stated we looked at all options, a parking ramp, additional surface parking with shuttle service, etc. and came to the conclusion at the time we had enough parking. He stated as Gen. Macdonald, in his wisdom, told us that this sharp increase would not last and he was right. He stated since passenger growth has leveled off for now we have some time to decide what we want to do for additional parking. He stated the Airport Authority has had some meetings with the Mayor and city staff regarding our decision not to move ahead with a parking ramp at this time. He stated it is still in our plan to have a parking ramp at some time in the future but economically it is not a feasible option at this time. Chairman Blazek stated Mr. Pawluk met with the Mayor and indicated the City would like to present some options and ideas on a ramp.

Mayor Mahoney was recognized and stated there has been some controversy on this matter but he thought the last meeting with the City Commission and the Airport Authority went very well. He stated Mr. Dobberstein has indicated that the Airport Authority has not had the public contacting its office requesting a parking ramp but he stated he does get those comments from the public. He stated the public he is talking about has indicated that they would not mind having an enclosed area in which to park. He stated while the skyway the board is planning may well work he would like to see the board consider a parking ramp with bond rates where they are right now. He stated they worked with some numbers for a parking ramp that was smaller than what was originally being considered by the Airport Authority. He stated he would like the board members to take their shutters off a little bit, consider this as an opportunity, and consider it as an option. He stated there

Reviewed Parking Project Update: (Continued)

was discussion on the effects of online ride services such as Uber, but a lot of people parking at the airport are coming from outside of the city and that type of ride service is not an option to them. He stated he does not disagree with the fact that we do not know the impact of millennials. He stated part of the thought of parking structures is don't build it too big. He stated perhaps if we built it smaller that would help. He introduced Mr. Jim Gilmour, Director of Planning and Development, City of Fargo.

Mr. Gilmour was recognized and stated his office manages the downtown parking facilities. He stated they contract with Interstate Parking to do the day-to-day management of those facilities. He stated the City paid Interstate \$460,000 to manage the parking lots last year. He stated there is a big demand for parking downtown and they are having a hard time meeting that. He stated they find that downtown people are not as concerned about the rate for parking as they are with quality of the parking spot, convenience and safety. He stated the airport could look at its parking rates and also the current management contract to see what could be done to finance a facility. He introduced Mr. Paul Schnettler, Operating Partner, Interstate Parking.

Mr. Schnettler was recognized and stated he is one of the owners of Interstate Parking and has been doing commercial parking for 28 years. He stated that about a month ago the Mayor asked him to look at the parking operation at the airport and see if it could support a parking garage. He stated he does not know the inner workings of the facility or the enplanements and customer mix. He stated with over \$3 million in revenue and a couple of thousand spaces, knowing the weather in Fargo, it was his opinion that with some rate adjustments and some automation it could support a parking garage. He stated there has been discussion on how big and how close. He stated no one is coming to the airport to park but they are coming because they are flying somewhere. He stated there is a segment of the population that will get a ride to the airport but there is also a large population that is captive and they are coming here no matter what. He stated business travelers will park as close and as convenient as possible and often price is the last thing on their list. He stated without a lot of in-depth details their long look is that right now it looks like a parking garage could be supported with the number of parkers and the rates and the possibility for automation and synergies in management.

Mayor Mahoney asked what size parking garage he would recommend.

Mr. Schnettler stated probably 300-500 spaces but the devil would be in the details. He stated you get into the design build conversations. He stated they do own several of their own properties and have developed their own parking garages. He stated that is based on their recent experiences. He stated maybe the discussion is "yes" it is worth spending the money to hire the engineers and design architects to see what will pencil out. He stated in the model he was envisioning there was still an area where you could maintain that \$18-\$20 short-term visitor traveler and maybe have a separate entrance on the backside of the garage and the general population fills the rest of the garage. He stated he does quite a bit of traveling and Fargo is doing nothing but growing. He stated as a somewhat outsider looking in, if he was a business traveler and he lived in Fargo he is not going to park at the airport because his car is nice and he does not want to park it outside. He stated if he had the option of parking in a garage, he would park at the airport every time.

Reviewed Parking Project Update: (Continued)

Mayor Mahoney stated Commissioner Gehrig was concerned that in order to do a parking ramp the airport would have to increase its mill levy, which it has the authority to do, but at the last meeting with the City Commission the Authority indicated they did not want to do that. He asked Mr. Schnettler if he was saying the operation could handle the debt responsibilities.

Mr. Schnettler stated right now it looks like the airport's net profit on the parking lot is about \$3 million per year and asked if it would be the goal to maintain the \$3 million or to get a garage and maintain \$1 million. He stated it is their opinion that the airport would not lose money by building a garage and would still be profitable every year. He added he does not see the airport going into the red to build a garage.

Chairman Blazek stated it is unfortunate that enough information did not get to Mr. Schnettler to make a presentation that would propose a parking ramp, show how much it would cost and show whether or not we could afford it. He stated the Airport Authority has already hired architects and engineers to go through that exercise. He stated we need that \$2.5 to \$3 million revenue each year to sustain operations so it is not cash that is available to service debt on a bond. He stated it would need to be net neutral or just slightly negative net neutral and that has been our struggle. He stated we cannot financially do the parking structure right now. He stated constructing a 500-stall garage would require taking out 150 existing spaces so we would be netting only 350 spaces.

Mr. Schnettler stated in his model he did have rate increases. He stated right now the Economy Lot is \$6 and is just as close to the terminal as some of the \$18 spaces.

Chairman Blazek stated we did do a survey of our clients and they spoke loudly as to what they would be willing to pay for parking.

Mr. Dobberstein stated the survey was put together by SP+ and it was distributed through Chamber members and Economic Development Corporation members and the survey showed the most the participants would be willing to pay for parking at the airport was \$9 per day.

Mr. Pawluk asked what are the rates at our competing airports.

Mr. Dobberstein stated that is completely irrelevant. He stated an airport charges what they need to in order to maintain their operations at the airport.

Mr. Pawluk asked if we could consider a rate increase.

Mr. Dobberstein stated our current rates are \$18, \$8 and \$6. He stated the next rate review is due in July. He stated if there is a need for an adjustment SP+ will provide that to us.

Mr. Schnettler stated the Duluth airport has a parking garage and he was told that the parking garage fills up before the surface lot does. He stated he does not know their rate structure and why that is happening.

Mayor Mahoney stated he does not disagree that it would be a jump to get a parking ramp but sometimes you need to look at those things a little bit just to keep our environment competitive.

Mr. Schnettler stated another thought he had was the possibility of putting a 50-room hotel and conference center on top of a parking garage. He stated he is not an expert on the hotel market but someone could analyze that. He stated it was just an idea.

Gen. Haugen stated his concern is transferring that income for operating the airport to debt service. He stated everyone would like an enclosed space in which to park their car but we have to look at the fiduciary responsibility to the citizens and ask what we can and cannot afford. He stated the busiest lot on the airport is the \$6 Economy Lot. He stated here we have land and a lot of room. He stated a lot of airports that construct parking garages are limited on space.

Reviewed Parking Project Update: (Continued)

Mr. Pawluk stated these discussions started when we were experiencing rapid growth and we recognized that at some point we would need more parking. He stated we looked at both a parking ramp and surface parking and after doing the math, we realized that for a 1200 space facility that our monthly debt service would be \$155,000 and we could not afford that. He stated we then began looking at how we could make the parking experience better and connect with the ultimate extension of surface parking south of the cross over road. He stated the skywalk does not add any parking but it does improve the parking experience and allow us to expand to the south. He stated he maintains the first thing we will need to do is expand surface parking to the south and then from there improve the parking experience. Mr. Pawluk stated for a long time he has felt the least expensive solution is to build a surface lot south of the crossover road and make it the "cheapskate" lot. He stated if that lot was free or \$1 that would free up the other lots to provide an improved parking experience. He stated he is not sure we have the courage to try that but that is no further distance than from the furthest spot at the Fargodome or West Acres.

Mayor Mahoney stated he had to get to another meeting and thanked the board for their time.

Received Request from NW Leasing (Bernie Ness) to Extend South General Aviation Area Building Ground Lease:

The communication from Mr. Bernie Ness, NW Leasing, dated February 21, 2017, was received and filed without objection.

Mr. Dobberstein stated this lease is for the former Avis service facility in the south general aviation area. He stated Mr. Ness is requesting a five-year extension.

Gen. Haugen moved to approve the five-year lease extension requested by NW Leasing.

Second by Dr. Clark.

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

Received Request from Enterprise to Extend South General Aviation Area Building Ground Lease:

The communication dated March 2, 2017, from Enterprise Rent a Car was received and filed without objection.

Mr. Dobberstein stated Enterprise Rent a Car is requesting a five-year extension to the lease for their service facility in the southeast general aviation area.

Dr. Clark moved to approve the five-year lease extension to Enterprise Rent a Car for their service facility ground lease.

Second by Mr. Pawluk.

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

Received Request from Sanford to Extend Eastside Terminal Lease:

The communication from Mr. Tim Meyer, Sanford AirMed, dated February 27, 2017, was received and filed without objection.

Mr. Dobberstein stated Sanford's lease in the Eastside Terminal expires April 30, 2017, and they are requesting a month-to-month renewal with the standard 3% increase. He stated it is their

Received Request from Sanford to Extend Eastside Terminal Lease: (Continued)

plan to move into the Bravo Sierra LLC (Rick Berg and David Sahl) hangar once the project is complete.

Mr. Pawluk moved to approve the one-year lease extension with a 30 day out for Sanford AirMed.

Second by Gen. Haugen.

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

Received Request to Expand Cargo Apron:

The communication dated February 27, 2017 from Mr. Spencer Evans, FedEx Express, was received and filed without objection.

Mr. Dobberstein stated FedEx is requesting an expansion of the cargo apron. He stated the current configuration of the ramp is not conducive to properly accommodating all of the feeder aircraft. He stated this letter ties in with the next item on the agenda. He stated they are looking for a 210' extension of the cargo apron to the west. He stated yesterday we received a revised concept drawing showing the proposed Corporate Air hangar in line with the west edge of the apron expansion. He stated FedEx is requesting to reserve the existing farmland between their current ground service equipment facilities and the proposed Corporate Air hangar for future expansion. He stated MDC Fargo LLC would have a right of first refusal on that property (approx. 127,000 sf) and would pay us the current farm lease rate.

Chairman Blazek asked if FedEx would be maintaining the space.

Mr. Dobberstein stated we could propose that. He stated it would be hard to continue to farm the space because of access. Mr. Dobberstein stated without reserving that space FedEx would have no room for growth. He stated one of the reasons they located in Fargo was that there was room for growth.

After further discussion, Mr. Pawluk moved to approve the site plan concept presented and to authorize the airport attorney to move forward with a lease for MDC Fargo LLC.

Second by Gen. Haugen.

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

As a point of clarification, the motion approved the concept of a ground lease for the proposed Corporate Air hangar and a right of first refusal for MDC Fargo LLC on the parcel shown with green hash marks on the site plan for future expansion of FedEx operations, and agreeing to expand the cargo apron.

Airport Construction and Security Update:

Mr. Jeff Klein, Mead & Hunt, was recognized and stated they are continuing to work on the Taxiway A Project and also the PFC Application #8. He stated last week their staff, along with airport staff met with representatives from the Bismarck FAA Airports District Office (Laurie Suttmeier and Dave Anderson) and the Minneapolis ADO Office (Andy Peek) to discuss the Taxiway A Project. He stated there are concerns about the impacts of the approaches during the taxiway project.

Other Business:

Mr. Dobberstein stated our Certificate of Deposit with First International Bank matures on April 8, 2017. He stated this is the CD in which we have our Parking Construction and Maintenance Funds deposited. He stated right now we are not certain about what we will be doing as far as the skywalk and we are also going to need some of those funds for improvements to the employee parking lots this year. He stated because of that uncertainty as to when exactly we are going to need that money and also the fact that the cargo ramp expansion will take some of our Operations and Maintenance Funds reserves we will probably not be able to add any funds to the CD this year. He stated for the interim, First International Bank has a program to create a money market fund or something of that nature to just let it float for another two or three months until we decide how much we want to put into a CD for a new term. He stated we should know more in June or July what amount we will need from that fund.

It was the consensus of the board to not renew the CD on April 8, 2017, but to hold the funds at First International Bank until such time as the board knows what funds will be needed for parking improvements, etc.

The meeting of the Municipal Airport Authority was adjourned until the next Regular Meeting to be held Tuesday, March 28, 2017.

Time at adjournment was 9:03 a.m.

Regular Meeting

Tuesday

March 28, 2017

The Regular Meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held Tuesday, March 28, 2017, at 8:00 am in the Airport Boardroom.

The members present or absent were as follows:

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

Chairman Blazek presiding.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held March 7, 2017:

The minutes of the Regular Meeting of the Municipal Airport Authority held March 7, 2017, were approved without objection.

Approved the Airport Vouchers Totaling \$36,716.51:

Mr. Kilander moved to approve the airport vouchers totaling \$36,716.51.

Second by Dr. Clark.

On the call of the roll, members Clark, Pawluk, Kilander, Haugen, Blazek 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 \$25,133.19 to Flint Communications for partial payment request for 2017 Airport Marketing Program.

Second by Mr. Pawluk.

On the call of the roll, members Clark, Pawluk, Kilander, Haugen, Blazek 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 \$52,026.00 to Mead & Hunt for partial payment request for engineering services in connection with the Taxiway A & A1 Reconstruction - Design, Project AIP47.

Second by Mr. Pawluk.

On the call of the roll, members Clark, Pawluk, Kilander, Haugen, Blazek 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 \$8,704.00 to Mead & Hunt for partial payment request for engineering services in connection with the PFC Application #8, APFC08.

Second by Mr. Pawluk.

On the call of the roll, members Clark, Pawluk, Kilander, Haugen, Blazek 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 \$3,272.16 to Mead & Hunt for partial payment request for engineering services in connection with the Taxiway A Reconstruction Project, AIP45.

Second by Mr. Pawluk.

On the call of the roll, members Clark, Pawluk, Kilander, Haugen, Blazek 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 \$2,245.15 to Mead & Hunt for partial payment request for engineering services in connection with the Terminal Taxiway and Taxiway A3 Reconstruction Project, AIP46.

Second by Mr. Pawluk.

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

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

Received Communication from EideBailly Regarding 2016 PFC Audit:

The Independent Auditor's Report on Compliance for the Passenger Facility Charge Program from EideBailly was received and filed without objection.

Mr. Dobberstein stated EideBailly conducted the audit of our PFC program for calendar year 2016. He stated the report indicates that in their opinion, the airport complied, in all material aspects, with the compliance requirements referred to that could have a direct and material effect on the PFC Program for the year ended December 31, 2016.

Received Preliminary 2016 Statement of Operations:

The preliminary 2016 Statement of Operations was received and filed without objection.

Received Letter of Intent from Shaun Roche to Lease Additional Space in the Eastside Terminal:

The Letter of Intent from Shaun Roche dba Disenchanted Toys was received and filed without objection.

Mr. Dobberstein stated Mr. Roche currently rents office space on the second floor of the Eastside Terminal and is interested in leasing additional space, which is being vacated by Stacie Halverson at the end of the month. The lease for this space will run concurrently with his current lease which expires June 30, 2018.

Mr. Pawluk moved to approve the request from Shaun Roche to lease additional space in the Eastside Terminal with a lease term to run concurrently with his existing lease with an expiration date of June 30, 2018.

Second by Mr. Kilander.

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

Received Update on Tree Planting Bid Award:

The communication from Mr. Jim Hanson, Hanson Design Associates, dated March 13, 2017, was received and filed without objection.

Mr. Dobberstein stated this is an update on the tree planting project along the entrance road. He stated Mr. Jim Hanson, and Scott Liudahl, City Forester, did what the board asked them to do at a previous meeting. He stated after the initial bid for this project was received they decided to leave 12 existing trees in place in an area along Dakota Drive at the end of the runway. He stated the original bid was \$33,838.00 but eliminating the 12 trees on the bid brought it down to \$29,518.00.

Mr. Pawluk moved to award the tree planting project to Pro Landscapers, LLC based on their bid of \$29,518.00.

Second by Mr. Kilander.

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

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

Authorize Attendance at the ACI Jumpstart Airline Network Conference, June 5-7, 2017, Providence, RI:

Mr. Pawluk moved to authorize attendance at the ACI Jumpstart Airline Network Conference, June 5-7, 2017, Providence, RI.

Second by Mr. Kilander.

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

Received Request from Fargo Air Museum for Sponsorship of May 5, 2017 Event:

The communication from Jackie Williams, Executive Director, Fargo Air Museum, dated March 16, 2017, was received and filed without objection.

Mr. Dobberstein stated the Fargo Air Museum is requesting a \$2,500.00 sponsorship, which is the same level at which we have participated in the past.

Mr. Kilander moved to approve the silver sponsorship level of \$2,500.00 for the Fargo Air Museum's Celebrity Dinner and Auction, May 5, 2017.

Second by Dr. Clark.

Ms. Jackie Williams was recognized and stated she is the new Executive Director of the Fargo Air Museum. She thanked the board for their sponsorship of this event which is their major fund raiser each year.

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

Pawluk voted no.

The motion was declared carried.

Mr. Pawluk stated his "no" vote is not because he does not support the museum but that he does not feel this sponsorship is appropriate as the Airport Authority receives tax dollars.

It was clarified that the funds come out of the Public Relations portion of the Operations and Maintenance Budget, which is not funded with property tax dollars.

Received Proposed Contract from Mead & Hunt for Cargo Apron Expansion and North General Aviation Area Taxilane Extension:

This item was tabled.

Received Proposed Contract from Mead & Hunt for Employee Parking Lot Reconstruction and Expansion:

Mr. Jeff Klein, Mead & Hunt, was recognized and stated he was asked to put together a proposal for the reconstruction of the original employee parking lot. He stated the other employee parking lot would just require a crack seal and sealcoat. He stated this proposed Mead & Hunt contract would include putting together plans and specifications for the project and then administer the bid opening. He stated the proposed cost for this contract is \$19,800.00.

Gen. Haugen moved to approve the proposed contract with Mead & Hunt for plans, specifications and the bidding process for the proposed reconstruction to the employee parking lots.

Second by Mr. Kilander.

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

Mr. Dobberstein stated he would also like to see us add to this project the plans for construction of an overflow lot in the area south of the control tower. He stated he is looking at a basic flat surface lot sloped for drainage with about 50-100 spots. He stated we could use that lot for employees while work is being done on the existing employee parking lots. He stated we could also use this lot as an overflow lot for peak times when the SP+ lots are full.

Received Proposed Contract from Mead & Hunt for Employee Parking Lot Reconstruction and Expansion: (Continued)

Chairman Blazek asked if it should be concrete rather than asphalt.

Mr. Klein stated we could bid it both ways, bituminous and concrete. Mr. Klein added that the cost of improvements to the employee parking lots could be added to a PFC application.

Chairman Blazek called for a vote on the motion, which did not include Mr. Dobberstein's request for the additional overflow lot.

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

Mr. Pawluk stated he agrees with Mr. Dobberstein that we need the overflow parking area. He stated he would propose that we commit to a three-phase parking lot expansion program. He stated Phase 1 is to develop the extra parking we will need as we go through our construction phases and also for overflow during peak times. He stated he thinks we will need more than the 50-100 spaces proposed and it will probably require expanding south of the cross-over road. He stated Phase 2 is to go ahead with the skywalk and design it so that it can be connected to Phase 3 which is a parking garage. He stated he sees this as a 10-year plan but it would all depend on enplanements.

Mr. Pawluk stated there is no doubt the airport will have growth and will see continued development as the community grows. He stated he would like to see the board establish the three-phase plan and if we do not ever get to the third phase then we do not get there. He stated he feels this approach would be logical and sequenced to meet the needs and get this issue resolved.

After further discussion, Mr. Dobberstein stated he and Chairman Blazek will be meeting with the mayor on Thursday, which is a follow-up to our meeting on March 7, 2017, at which we believed the mayor was going to make a presentation on a parking ramp but that did not happen.

Chairman Blazek stated his vision has been that we expand parking to the south with an additional 500-space parking lot and the skywalk was critical to get those patrons from that parking lot to the terminal. He stated the skywalk would also be beneficial to the patrons of the other parking lots. He stated if we did not have to go south of the cross-over road he doesn't know that we would be looking at a walkway at this point in time. He stated he agrees that we need to be planning for more parking but we need to start moving the needle, starting with the 50-100 spots Mr. Dobberstein has requested. He stated the next step would be the 500 spaces south of the cross-over road, doing the pedestrian walkway and then looking at a parking structure. He stated when we do build a parking structure we will be taking out 150-200 existing spots. He stated we have to have the surface parking in place first before we start construction on a parking structure. He stated he feels the board members are all in agreement of the direction we need to take.

Mr. Dobberstein stated the Airport Master Plan contains detailed drawings on how the area adjacent to the terminal will be developed which would include terminal expansion and employee parking. He stated at the meeting on March 7, Mr. Jack Ricchiuto, SP+, indicated they have no concerns about running out of space right now, based on enplanements, so there is no urgency on their part for additional parking. He stated even though they were down to 23 open marked spots one day this winter they do have ways of increasing available space to park vehicles.

Received Proposed Contract from Mead & Hunt for Employee Parking Lot Reconstruction and Expansion: (Continued)

Chairman Blazek stated at the next meeting we will have an agenda item on future parking and will have available the plans for parking in the proposed Airport Master Plan.

Mr. Kilander stated he wants us to get the wheel turning again on the walkway. He stated right now the only approval we are waiting for from the FAA is the fee structure proposed by TL Stroh. He stated we need something in front of us on which we can make a decision.

After further discussion, Dr. Clark moved to include in the Mead & Hunt contract just approved by the board for design, planning and bid process for the employee parking lot reconstruction and expansion, an additional 50-100 space overflow lot south of the control tower, as requested by Mr. Dobberstein and in accordance with the Airport Master Plan.

Second by Mr. Kilander.

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

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

Airport Construction and Security Update:

Mr. Jeff Klein, Mead & Hunt, was recognized and stated they are continuing to work on the cargo apron expansion design. He stated we will begin working soon on the punch list from the Taxiway A Project from last year. He stated they are working on plans and specifications for this year's Taxiway A and A-1 project which has an anticipated May bid opening, depending upon FAA funding.

Mr. David Negron, TSA, gave an update on some equipment changes and technology the TSA is using in Fargo. He stated they will be undergoing an ergonomic review of the scanning room, which may result in some design changes within the room. He stated if there are changes with the baggage conveyors coming into the room the airport may be asked to pay for the changes, as the baggage system is owned by the airport. He stated any other changes would be funded by the TSA.

The meeting of the Municipal Airport Authority was adjourned until the next Regular Meeting to be held Tuesday, April 25, 2017 at 8:00 a.m.

Time at adjournment was 9:03 a.m.

Regular Meeting

Tuesday

April 25, 2017

The Regular Meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held Tuesday, April 25, 2017 at 8:00 am in the Airport Boardroom.

The members present or absent were as follows:

Present: Clark, Linn, Kilander, Haugen (via phone), Blazek
Absent: None
Others: Bossart, Gehrig, Pawluk

Chairman Blazek presiding.

Chairman Blazek introduced and welcomed the newly appointed board member, Tammy Linn. He stated with no communication from the City of Fargo or the mayor, we are assuming that Mr. Ken Pawluk's term is not being renewed. He stated it brings him great pain that the process happened the way it did. He stated he thought lessons were learned after the way Gen. Macdonald's exit was handled but clearly, that is not the case.

Chairman Blazek stated Mr. Pawluk served with great distinction on this board for 21 years, which is almost half the time the Airport Authority has been in existence. He stated the things Mr. Pawluk brought to this authority over the years have been unmeasurable in terms of value. He stated Mr. Pawluk has made him a much better authority member by the questions he has asked and by the way he has conducted business for the airport. He stated Mr. Pawluk's passions for the airport and its operations are second to none and asked Mr. Pawluk not to let that passion burn out. He stated he would like Mr. Pawluk to consider reapplying to the authority at some time in the future.

Mr. Pawluk thanked Chairman Blazek for his kind words. He stated when he was appointed to the Airport Authority by Mayor Furness in 1996 it seemed that the south general aviation area was pretty much designated to be vacated or to not be maintained and all general aviation activity would be moved to the north general aviation area. He stated now looking at the revitalized south general aviation area and the corporate aviation in the north general aviation area, as well as expansion of commercial flights, the addition to the terminal building, airfield surface replacement and improvements; we have done a lot in the last 21 years. He stated it has been an honor to be part of it and to serve with each of the board members. He stated we have grown to be friends and he has appreciated the opportunity to serve.

Mr. Pawluk now absent.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held March 28, 2017:

The minutes of the Regular Meeting of the Municipal Airport Authority held March 28, 2017, were approved without objection.

Approved the Airport Vouchers Totaling \$62,424.34:

Mr. Kilander moved to approve the airport vouchers totaling \$62,424.34.

Second by Dr. Clark.

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

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

Approved the Individual Voucher to Cougar Tree Care:

Dr. Clark moved to approve the individual voucher in the amount of \$95,000.00 to Cougar Tree Care for Partial Payment Request #1 for Phase II of the Shelterbelt Renovation Project.

Second by Mr. Kilander.

On the call of the roll, members Clark, Linn, Kilander, Haugen, Blazek 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 \$6,313.55 to Flint Communications for partial payment request for 2017 Airport Marketing Program.

Second by Mr. Kilander.

On the call of the roll, members Clark, Linn, Kilander, Haugen, Blazek 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 \$3,415.70 to Mead & Hunt for partial payment request for engineering services in connection with the Terminal Taxiway and Taxiway A3 Reconstruction Project, AIP46.

Second by Mr. Kilander.

On the call of the roll, members Clark, Linn, Kilander, Haugen, Blazek 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 \$80,040.00 to Mead & Hunt for partial payment request for engineering services in connection with the Taxiway A & A1 Reconstruction - Design, Project AIP47.

Second by Mr. Kilander.

On the call of the roll, members Clark, Linn, Kilander, Haugen, Blazek 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 \$12,934.85 to Mead & Hunt for partial payment request for engineering services in connection with the Taxiway A Reconstruction Project, AIP45.

Second by Mr. Kilander.

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

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

Approved Final Ground Lease Agreement with MDC, Inc. for Cargo Hangar Project:

Mr. Dobberstein stated this proposed ground lease is exactly the same document as the ground lease we have with MDC, Inc. for the Federal Express facilities. He stated the concept of this lease was approved by the board some time ago but we have been waiting for square footage amounts and legal descriptions. He stated this is the hangar MDC is constructing to be leased to Corporate Air. He stated the initial term of the lease is 15 years with four (4) five-year options for a total of 35 years which was the term requested due to financing.

Dr. Clark moved to approve the final Ground Lease agreement with MDC Fargo 2, LLC.

Second by Mr. Kilander.

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

Approved Consent to Sublease between MDC, Inc. and Corporate Air:

Mr. Dobberstein stated the Ground Lease with MDC, Inc. requires a Consent to Sublease in order to MDC to sublease the proposed hangar to Corporate Air.

Mr. Kilander moved to approve the Consent to Sublease between MDC, Inc. and Corporate Air.

Second by Dr. Clark.

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

Reviewed Airport Certificate of Deposit Renewal for Parking Construction and Maintenance Fund:

Mr. Dobberstein stated the airport's Certificate of Deposit with First International Bank in which we have our Parking Construction and Maintenance Fund came due on April 8. He stated rather than renew the CD the board decided at our March 6 to hold the funds in a money market account at First International Bank until such time as we know what funds will be needed for parking improvements, etc.

Mr. Dobberstein stated Mr. Kent Costin, Director of Finance, City of Fargo, is here today to present some other investment options in conjunction with the City of Fargo.

Mr. Costin was recognized and stated this visit is a follow-up to some information provided to the Airport Authority last year on some changes the City of Fargo has made with its investment policies. He stated because of the almost non-existent returns on investments over the past several

Reviewed Airport Certificate of Deposit Renewal for Parking Construction and Maintenance Fund:
(continued)

years the city looked more closely at the North Dakota Century Code (NDCC 21-06) which contains all of legal requirements regarding authorized investments. He stated the City of Fargo is also a Home Rule Charter city so we have the ability to move beyond and outside of the scope of the century code if we create an ordinance that allows us to do something different. He stated what we did was add a couple of classes of assets to our investment mix. He stated there is a little bit more risk but moderate and tightly controlled by our investment advisors. He stated the city modified its Home Rule Charter (Section 30108) which allowed it to invest in corporate bonds. He stated that change resulted in about half a percent increase over what they were getting. He stated this is only a partial allocation of the entire portfolio.

Mr. Costin stated he thinks there has been some confusion about the research that was done on whether or not the Airport Authority could also participate in this type of investment. He stated Mr. Dobberstein received an opinion from Attorney Gary Stewart about a year ago but that may have referred to deposits rather than investments. He stated it was Mr. Stewart's opinion that the type of investments we are discussing today did not meet the qualifications set in the Century Code. He stated the City's authority and ability to use these types of investments is clearly prescribed and they have used them for a number of years now and have had no problem with the investments.

Mr. Costin stated this investment pool option is still open to the Airport Authority. He stated the 2018 budget process begins soon and he has asked for a projected yield calculation. He provided a copy of the 2017 Projected Yield Calculation to the board members. He added that he believes the Airport Authority could enhance its income by becoming part of this investment pool.

Chairman Blazek stated we would need to do that legal research on whether or not the Airport Authority is eligible to participate under the City of Fargo's Home Rule Charter. He stated we need to make certain we are following all FAA guidelines and requirements. He stated the three priorities the Airport Authority has for its investments are: 1) absolutely no principal risk to taxpayers' dollars, 2) clear every regulatory bar that has been set, and 3) earn the highest rate of return possible.

Mr. Dobberstein stated the airport funds cannot be co-mingled with the City's funds, they must be accounted for separately and we have been doing that for years. The accounting system the City uses works great. He stated every penny the airport earns must go toward the airport. He stated that is the number one priority as far as the FAA's policy on revenue diversion. He stated if we choose to adopt the City's investment policy and the Airport Authorities Act of North Dakota allows us to do that we could invest funds with the City's investment program.

Mr. Dobberstein stated during our last bond issue process in 2007 we were advised by Mr. David Macillivray, Springstead Investments, that an airport our size should have reserves of a minimum of \$12-\$15 million. He stated he is not opposed to this PFM proposal by the City of Fargo. He stated it is just a matter of meeting FAA requirements.

Chairman Blazek stated the PFM program does pose the risk of principal degradation.

Mr. Costin stated that is true but his answer to that is that we are hiring professionals to watch over the funds. He stated he just wanted to give the authority members the details and give them something to consider.

Reviewed Airport Certificate of Deposit Renewal for Parking Construction and Maintenance Fund:
(continued)

Chairman Blazek thanked Mr. Costin and stated the service they perform for the Airport Authority is very valuable.

Attorney Bossart stated she would look into whether the Airport Authority can operate under the City of Fargo's Home Rule Charter and if that answer were yes then we would have to see that it meets with all of the FAA requirements. She stated she would touch base with City Attorney Erik Johnson on the matter.

Received Update on Century Link Easement Request to Provide Services to Cargo Area:

Mr. Dobberstein stated this item was before us last fall when FedEx was in the process of opening their facility but was tabled by Century Link because FedEx had found a temporary solution with another server. He stated the item is now back on the table because FedEx has requested that the project move forward. He stated we are just waiting for a legal description for the easement. He stated once that is available we will have an easement before the board for approval.

Received Update on Proposed South General Aviation Area Hangar Project:

Mr. Dobberstein stated Mr. Rick Berg and Mr. David Sahl, Bravo Sierra Aero, LLC, were not able to be at the meeting today. He stated they are working on an environmental assessment for their proposed hangar project because we knew going into the project that there had been underground fuel tanks on the north side of the hangar. He stated he is not able to find any indication of contamination when the tanks were removed in 1989. He stated the soil borings that Mr. Berg had taken indicates a fuel tank and some soil that needs to be dealt with.

Mr. Dobberstein stated he has made inquiries to the ND Petroleum Tank Release Compensation Fund. He stated the underground tanks were removed prior to this release fund being set up by the state in 1989. He stated another possibility for assistance is the Leaking Underground Storage Tanks Program.

Mr. Dobberstein stated when Mr. Berg moves forward with this hangar project he will be looking to the Airport Authority to take care of whatever hazardous waste that needs to be removed to accommodate the construction of his hangar. He stated he will continue to look for options.

Mr. Kilander stated no matter what the problem turns out to be it has to be remediated and it seems to be our problem since it is our land.

Chairman Blazek stated technically we do not have to remove any contamination. He stated there are active contamination sites all around the city.

Mr. Kilander stated he feels it is incumbent upon us to remove any known contamination.

Chairman Blazek stated he feels we need to first determine the extent of any contamination.

Mr. Dobberstein stated this is informational only at this time until we can get more information.

Reviewed Terminal Area Master Plan Concepts:

Mr. Dobberstein stated at the last meeting the board requested that we review the concepts for the terminal area which are in the Airport Master Plan Update. He stated our master plan has been submitted to the FAA for their review but has been delay due to staffing issues in the Bismarck office.

Mr. Dobberstein presented a layout of the terminal area which shows the terminal building and its proposed expansion, as well as the various parking lots. He stated an 1,800 space parking structure is shown in the plan. He stated the plan also shows proposed expansions of the various parking lots (economy, car rental, employee parking lot). He stated we show terminal expansion options both to the north and to the east and right now we would favor the next expansion to the east, which would cause the least disruption. He showed another plan which included an elevated walkway which could extend south over the crossover road.

Chairman Blazek asked when we would be looking at an expansion of the maintenance shop.

Mr. Dobberstein stated he would like to see that done in the next couple of years. He stated right now we are parking some equipment outside. He stated if it is not an expansion of the existing building it would be an additional cold storage building.

Mr. Dobberstein stated there are other chapters of the Airport Master Plan which we can review at future meetings.

Chairman Blazek asked that we review the North General Aviation Area, including the cargo apron side with the Guard expansion.

In answer to a question from Gen. Haugen, Mr. Dobberstein stated we have learned that our Airport Master Plan Update has been assigned to someone in the FAA's Minneapolis office and we may know more in a couple of weeks.

Construction and Security Update:

Mr. Dobberstein stated once we know what the federal funding situation will be in congress we will know more about our construction projects for this year.

Mr. Jeff Klein, Mead & Hunt, was recognized and stated the project this year is the reconstruction of the remainder of Taxiway A and A-1. He stated the plans and specifications are complete and currently with the FAA pending their review. He stated the plans for the cargo apron expansion to accommodate Corporate Air and the taxilane extension in the North General Aviation Area to accommodate a new hangar proposed have also been completed.

Mr. Klein stated Northern Improvement has started on the punch list items remaining from last year's construction projects.

Mr. Klein stated any project at the airport has to go through an environmental determination. He stated documentation has been submitted for the taxilane extension and the cargo apron complex. He stated they reached out to the National Resources Conservation Service (NRCS) to confirm that there were not any wetland sites on the project area and their research agreed. He stated the documentation was provided to the FAA but they were not satisfied and said we would need to check with the Corps of Engineers. He stated right now we are still in the assessment process and we should hopefully know something soon. He stated until the matter is settled Corporate Air is not able to start constructing their hangar.

Construction and Security Update: (Continued)

Mr. Darren Anderson was recognized and stated the TSA is conducting their ergonomic study of the EDS room. He stated because of an increase of back injuries to TSA employees they will be raising their machines which will require raising the conveyors into the room and will be looking to the airport for some participation in the cost as we own the conveyors.

Mr. Dobberstein stated due to city building codes the Fargo Air Museum has to build an addition for restrooms on the west side of the hangar. He stated Mead & Hunt outlined all of the legal descriptions for the hangars surrounding the museum. He stated we found that some of the legal descriptions for those hangars were wrong and need to be revised. He stated the main finding that came out of this is that the legal description the city shows for the ABHN hangar west of the museum is wrong and the actual description is much smaller so there is no impediment to the air museum putting this addition on their hangar. He stated we have not yet received the request from the Fargo Air Museum.

Other Business:

Attorney Bossart gave a brief update on the deed restrictions she has been working on for airport property. She stated she submitted her draft restrictions to the FAA and they have given their approval. She stated she is working with Nancy Morris, Assistant City Attorney, and has advised her the Airport Authority wants to move forward and get these deed restrictions in place.

Mr. Dobberstein briefed the board on an upcoming staffing situation at the Fargo Air Traffic Control Tower.

Ms. Linn now absent.

Chairman Blazek stated he would like to establish a compensation review team. He stated Mr. Pawluk and Mr. Kilander served on this team last year and he is recommending that he and Ms. Linn comprise that team.

There were no objections from the board members.

The meeting of the Municipal Airport Authority was adjourned until the next Regular Meeting to be held Tuesday, May 23, 2017 at 8:00 a.m.

Time at adjournment was 9:21 a.m.

Regular Meeting

Tuesday

May 23, 2017

The Regular Meeting of the Municipal Airport Authority of the City of Fargo, ND was held Tuesday, May 23, 2017 at 8:00 a.m. in the Airport Boardroom.

The members present or absent were as follows:

Present: Clark, Linn, Kilander, Haugen, Blazek

Absent: None

Others: Bossart

Chairman Blazek presiding.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held April 25, 2017:

The minutes of the Regular Meeting of the Municipal Airport Authority held April 25, 2017 were approved without objection.

Approved the Airport Vouchers Totaling \$53,953.74:

Mr. Kilander moved to approve the airport vouchers totaling \$53,953.74.

Second by Dr. Clark.

On the call of the roll, members Clark, Linn, Kilander, Haugen, Blazek 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 \$7,399.04 to Flint Communications for partial payment request for 2017 Airport Marketing Program.

Second by Gen. Haugen.

On the call of the roll, members Clark, Linn, Kilander, Haugen, Blazek 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 \$16,864.00 to Mead & Hunt for partial payment request for engineering services in connection with the PFC Application #8, APFC08.

Second by Gen. Haugen.

On the call of the roll, members Clark, Linn, Kilander, Haugen, Blazek 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 \$5,940.00 to Mead & Hunt for partial payment request for engineering services in connection with the Employee Parking Lot Reconstruction Project.

Second by Gen. Haugen.

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

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

Approved the Individual Voucher Mead & Hunt:

Dr. Clark moved to approve the individual voucher in the amount of \$11,051.77 to Mead & Hunt for partial payment request for engineering services in connection with the Taxiway A Reconstruction Project, AIP45.

Second by Gen. Haugen.

On the call of the roll, members Clark, Linn, Kilander, Haugen, Blazek 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 \$10,813.28 to Mead & Hunt for partial payment request for engineering services in connection with the Terminal Taxiway and Taxiway A Reconstruction, Project AIP46.

Second by Gen. Haugen.

On the call of the roll, members Clark, Linn, Kilander, Haugen, Blazek 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 \$53,360.00 to Mead & Hunt for partial payment request for engineering services in connection with the Taxiway A & A1 Reconstruction - Design, Project AIP147.

Second by Gen. Haugen.

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

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

Approved the Individual Voucher to Sixel Consulting Group - \$5,757.92

Dr. Clark moved to approve the individual voucher in the amount of \$5,757.92 to Sixel Consulting Group for consulting services for the Allegiant Air Conference and the quarterly reports.

Second by Gen. Haugen.

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

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

Approved the Individual Voucher to EideBailly:

Dr. Clark moved to approve the individual voucher in the amount of \$1,950.00 to EideBailly for accounting services in connection with the audit for PFC program for the year ending December 31, 2016, APFC07.

Second by Gen. Haugen.

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

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

Welcomed Tammy Linn to the Airport Authority:

Chairman Blazek stated we were not able to officially welcome new board member, Tammy Linn, at the last meeting and stated we would like to take that opportunity today.

Ms. Linn gave a brief bio and stated she was happy to be on the board, ready to be a team member and support what this team decides.

Received Update from ND Air National Guard - Col. Thomas Hatley:

Chairman Blazek introduced the new wing commander of the ND Air National Guard 119th, Col. Thomas "Britt" Hatley.

Col. Hatley was recognized and gave a brief bio. He also gave an update on the MQ-9 aircraft operations at the 119th Wing. He stated not all of the information in the media has been accurate so there will be a media roundtable at the base this Thursday to correct any inaccuracies. He stated the MQ is a highly scripted mission, no different than what the F16 used to do, the only difference being that the pilot is not in the aircraft and the degree of oversight is exceptional.

Chairman Blazek stated the Happy Hooligan pilots today are a very modest group of professionals and very humble as well. He stated just to show how good they are, since World War II, the Hooligans were the first unit to ever step in from flying one aircraft right into a new aircraft without losing any combatant command capabilities.

Col. Hatley stated that is correct. He stated they continued to fly the MQ-1 mission while training on the MQ-9 without any down time, which is unheard of since WWII, and that is a significant feather in their cap.

Chairman Blazek stated when you walk through the halls of the Pentagon, everyone knows of the Hooligans and that is because of the great work they do.

Received Communication Regarding revised Legal Descriptions for the Fargo Air Museum Hangar #2 and Proposed Addition to Hangar #1:

The communication dated May 4, 2017, from Mr. Jon Scrapper, Mead & Hunt, on behalf of the Fargo Air Museum, was received and filed without objection.

Mr. Dobberstein stated some time ago he received an inquiry from Gen. Macdonald on behalf of the Fargo Air Museum on whether or not there would be ample room for a 22.5' addition to the west side of the museum for additional restrooms. He stated he provided this information to Mr. Jon Scrapper, Mead & Hunt, and after he looked into the matter further it was discovered that the City of Fargo had an inaccurate legal description for the hangar west of the museum (ABHN Partnership). He stated the description the city had included more land than the actual description.

Mr. Jon Scrapper, Mead & Hunt, was recognized and stated in revisiting the lease descriptions they also discovered that the lease for Building #2 was incorrect due to the fact that at the last minute before construction the second building they decided to move the building further south and the lease description was never modified.

Mr. Scrapper stated the museum is requesting additional lease space in order to construct a 22.5' addition to their building for restrooms in order to meet City of Fargo code. He stated the museum will conduct the air space study for this project. He stated there will also be additional sanitary sewer installed and we will also need to move a transformer.

Mr. Scrapper stated this is the Fargo Air Museum's official request for an amendment to the lease.

Mr. Kilander moved to authorize Attorney Bossart to draft a lease amendment for the expansion requested by the Fargo Air Museum.

Second by Haugen.

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

Received and Discussed Proposal to Upgrade ARFF Emergency Alert System:

Chief David Bush was recognized and stated our current emergency alert system is functioning but degrading over time. He stated we do not have a maintenance contract on the current system. He stated the system he is proposing to purchase is the same system used by the Guard and it was upon their recommendation that they began working with Forum Communications International. He stated this is a modular system so if one module goes out the system would never be inoperable. He stated this system would also allow us to tie directly into the regional dispatch center so there could be a quicker response to the airport by other resources. He stated the proposal for the system is \$24,380.00 and the annual support agreement would be \$3,150.00. He added that all of the infrastructure is in place so this system would tie into the existing infrastructure.

Dr. Clark moved to approve the upgrade to the ARFF Emergency Alert System per the proposal from Forum Communications International for a total of \$24,380.00.

Second by Mr. Kilander.

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

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

Received Proposal and Update from Mamava:

The communication from Mr. Sam Hart, Mamava, dated May 19, 2017, was received and filed without objection.

Mr. Dobberstein stated that he had been contacted by Ms. BriAnna Wanner, on behalf of the North Dakota Breastfeeding Council and the State of North Dakota Department of Health, regarding the installation of a Mamava unit in the terminal. He stated the NDBC and the State Department of Health are providing grant funds to place these units in the four largest airports in the state. He stated these units are private pods for use by nursing mothers. He stated the state is paying to purchase the unit and we will assemble the unit when it arrives as well as provide the electricity needed and also daily cleaning of the facility. He added that the unit would be handicapped accessible. He stated he would like to see us purchase a second unit for the public area on the main floor.

Mr. Kilander stated he thinks it is important to move forward with this and he would be in favor of purchasing a second unit.

Ms. Linn recommended we approve the first unit and see how much it is used before we purchase a second unit.

Mr. Darren Anderson stated this is not for use by anyone. He stated access is granted through a smart phone app.

Dr. Clark moved to approve the installation of one Mamava unit in the departure lounge as proposed.

Second by Gen. Haugen.

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

Authorized Attendance at the AAEE/ACI Legislative Conference, July 25-26, 2017, Washington, DC:

Mr. Kilander moved to authorize attendance by board members and staff at the AAEE/ACI Legislative Conference, July 25-26, 2017, Washington, DC.

Second by Linn.

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

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

Received Final Easement Agreement with CenturyLink for Cargo Area Project:

Mr. Dobberstein stated Attorney Bossart has reviewed the final easement agreement with CenturyLink for the installation of fiber going into the FedEx facility. He stated we will now sign this agreement and forward it to CenturyLink for their signature and they will have the document recorded.

The final easement agreement was received and filed without objection.

Reviewed Draft Airport Master Plan Development Operations for North General Aviation Area, South General Aviation Area and Cargo Areas:

Mr. Dobberstein stated the board members had wanted a review of the concepts in the Airport Master Plan. He stated at the last meeting we reviewed the terminal area and parking. He reviewed the layouts for the North General Aviation Area, South General Aviation Area and the Cargo Area.

Discussed Compensation Review:

Chairman Blazek stated in 2014 the board retained the services of ADK Consulting do a survey of airport executives salaries and he is recommending that we hire ADK to update that information for us. He stated he would also like to see the board appoint a subcommittee of two board members to pursue the review of the Executive Director's compensation. He stated he is requesting that Mr. Kilander and Ms. Linn serve on that subcommittee.

Gen. Haugen moved to retain the services of ADK Consulting to update salary information, not to exceed a cost of \$5,000.

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

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

Airport Construction and Security Review:

Mr. David Negron, Assistant Federal Security Director, TSA, was recognized and distributed a proposed checked baggage screening solution. He stated the screening room is not up to ergonomic standards and he requested that a site survey be conducted. He stated the survey was conducted by Raytheon and they have presented two options. He stated Option #1 would basically be swapping the existing power conveyors, those now in the front would go to the back of the room and those in the back would be moved to the front. He stated Option #2 would be to install a new power conveyor in the front which would mitigate the slipping of bags. He stated all of the electrical infrastructure in in place. He stated the drawings presented are just initial concept drawing and would need fine tuning. He stated one item that is not covered in either of these options is a manual control for the photo eye that stops the conveyor. He stated he would like to see the airport consider adding that feature.

Mr. Negron stated he is not looking for approval today as he does not have cost proposals for either options.

Mr. Dobberstein stated he would recommend that since Glidepath installed the system we have them design the changes and move forward with them. He stated we can check with our contacts at Glidepath.

Mr. Jeff Klein, Mead & Hunt, was recognized and stated we are working with Northern Improvement on the punch list items from last year's Taxiway A and also with Olaf Anderson on the cargo area project.

Airport Construction and Security Review: (Continued)

Mr. Klein stated on June 8 we will be opening bids on our project for this year which is the reconstruction of Taxiway A and A1, the expansion of the cargo ramp, and the addition of a taxiway in the north general aviation area.

Mr. Dobberstein stated we did receive the independent fee review for the architectural services contract with TL Stroh Architects on the skyway. He stated the review came back with the findings that the proposed contract was within FAA guidelines. He stated the proposed fee in the contract is \$1,090,000 plus construction administration fees and other incidentals.

Mr. Dobberstein reviewed some of the funding options for the proposed skyway project as well as other upcoming projects.

Chairman Blazek stated he and Mr. Dobberstein will be meeting with Attorney Jim Stewart who is an expert on municipal and bond financing to review some financing options on airport projects.

Mr. Kilander stated for clarification, we have authorized TL Stroh Architects to move forward with the design phase of the skyway so that we have everything in place and are prepared to pull the trigger on construction when we are ready.

Gen. Haugen stated it became obvious to him at the recent AAAE conference that the trend in parking at airports, due to the revenue shortfall some airports are experiencing, is not toward more parking but toward more service drop-offs. He stated there were many statements from airports that have recently built parking ramps that if they had known the impact of Uber and Lyft they would not have built parking ramps. He stated he is even more convinced that the skyway is the better solution for us.

Mr. Dobberstein stated it was reported that 25% of the traffic that pulls up to the terminal at LAX is Uber and Lyft and increasing all the time. He added that some of the larger employers in Fargo are highly encouraging their employees travelling on business to use Uber rather than park at the airport as it lowers their costs.

Ms. Linn stated she thinks it would be important to have some data on where our passengers that fly out of Fargo are coming from. She stated if you live in Grafton or Hillsboro you are not going to take Uber. She stated it would also help to know the mix of business and leisure travelers. She stated she knows the trend at larger airports is less parking but our market is a little different.

Mr. Dobberstein stated he has discussed this with SP+ and about the only way to do that is to have someone stationed in the terminal gathering that information. He stated that could easily be done, possibly hiring college students to conduct surveys.

Other Business:

Mr. Rick Flacksbarth, Cityscapes Development, was recognized and stated he was contacted by the son of the owner of the property at the southwest corner of the airport, west of the entrance road. He stated he was first contact by him in 2014 regarding the sale of the property but nothing transpired. He stated the son lives out of state and indicated it was now time to sell the property. He stated he did not want to name a price so he suggested that the family have the property appraised. He stated the city's current appraisal is about \$63,000. He stated he would suggest to the board, if

Other Business: (Continued)

they are interested in pursuing purchase of the property, to start with a Phase I Environmental Site Assessment. He stated he indicated to the son that either the seller will have to clean up the property or if it is the buyer's responsibility the cost would be deducted from the value of the property. He stated the cost and extent of any contamination is unknown at this time.

Mr. Dobberstein stated in October 2014 Attorney Stewart provided us with information that city ordinance 4818 requires that land within 175' of the centerline of any legal drain be dedicated to the public for purposes of such drain at the time of platting. He stated there is no plat for this property. He stated if someone were to purchase the property, it's basically public property as no one would be able to develop the property. He stated the property was offered to us years ago but it was not the right time.

It was the consensus of the board to work with Mead & Hunt to engage someone to conduct a Phase I Environmental Assessment of the property and communicate our plans with the son.

Adopted Resolution of Appreciation to Mr. Ken Pawluk:

Mr. Kilander offered the following resolution of appreciation to Mr. Ken Pawluk and moved its adoption:

WHEREAS, Mr. Ken Pawluk has served as a member of the Municipal Airport Authority for 21 years, since April 8, 1996, and

WHEREAS, Mr. Pawluk has labored diligently and given unsparingly of his time and efforts over those 21 years, playing a key role in the steady forward movement and constant improvements to Hector International Airport in its service to commercial aviation, general aviation, and military aviation, and

WHEREAS, Mr. Pawluk leaves behind a track record of serving with great distinction and has made contributions unmeasurable in terms of value and his presence on the board will be greatly missed, and

WHEREAS, it is the desire of the members of the Municipal Airport Authority and its staff that Mr. Pawluk continue his interest in and regard for Hector International Airport and remain involved by maintaining a relationship with the board and being willing to continue to offer input in the future.

NOW, THEREFORE, BE IT RESOLVED, That the members of the Municipal Airport Authority hereby convey their thanks and deep gratitude for the many years of dedicated service from Mr. Ken Pawluk and wish him the best in his future endeavors and community service.

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

Second by Dr. Clark.

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

The meeting of the Municipal Airport Authority was adjourned until the next regular meeting to be held Tuesday, June 13, 2017, at 8:00 a.m.
Time at adjournment was 9:35 a.m.

Regular Meeting

Tuesday

June 13, 2017

The Regular Meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held Tuesday, June 13, 2017 at 8:00 a.m. in the Airport Boardroom.

The members present or absent were as follows:

Present: Clark, Linn, Kilander, Haugen, Blazek

Absent: None

Others: Bossart

Chairman Blazek presiding.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held May 23, 2017:

The minutes of the Regular Meeting of the Municipal Airport Authority held May 23, 2017 were approved as amended.

Received Update from ND Air National Guard on MQ-9:

Col. Mitch Johnson, NDANG, was recognized and gave an update on the MQ-9 aircraft. He stated one of the aircraft is on the base and the second one is arriving today. He stated over the next two months the aircraft will be in some state of assembly. He stated at this point they are not able to give a date the aircraft will be operational.

Chairman Blazek stated he does not know what the Guard has planned as far as a ceremony or ribbon cutting, but on behalf of the board he would like to offer any participation by the Airport Authority to lend support.

Approved the Airport Vouchers Totaling \$44,098.63:

Mr. Kilander moved to approve the airport vouchers totaling \$44,098.63.

Second by Dr. Clark.

On the call of the roll, members Clark, Linn, Kilander, Haugen, Blazek 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 \$6,392.39 to Mead & Hunt for partial payment request for engineering services in connection with the Taxiway A Reconstruction Project, AIP45.

Second by Linn.

On the call of the roll, members Clark, Linn, Kilander, Haugen, Blazek 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 \$3,145.39 to Mead & Hunt for partial payment request for engineering services in connection with the cargo project.

Second by Linn.

On the call of the roll, members Clark, Linn, Kilander, Haugen, Blazek 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 \$3,168.00 to Mead & Hunt for partial payment request for engineering services in connection with the Employee Parking Lot Reconstruction and Expansion Project.

Second by Linn.

On the call of the roll members Clark, Linn, Kilander, Haugen, Blazek 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 \$26,680.00 to Mead & Hunt for partial payment request for engineering services in connection with the Taxiway A & A1 Reconstruction - Design, Project AIP47.

Second by Linn.

On the call of the roll, members Clark, Linn, Kilander, Haugen, Blazek 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 \$2,176.00 to Mead & Hunt for partial payment request for engineering services in connection with the PFC Application #8.

Second by Linn.

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

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

Approved the Individual Voucher to Sixel Consulting Group:

Dr. Clark moved to approve the individual voucher in the amount of \$1,464.12 to Sixel Consulting Group for consulting fees for the Jumpstart Conference, June 5-7, 2017.

Second by Linn.

On the call of the roll, members Clark, Linn, Kilander, Haugen, Blazek 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 \$7,631.90 to Flint Communications for partial payment request for 2017 Airport Marketing Program.

Second by Linn.

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

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

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

Dr. Clark moved to approve the individual voucher in the amount of \$1,650.00 to the Greater F-M Economic Development Corporation for the Focus Investment 2017 - Air Service.

Second by Linn.

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

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

Authorized Attendance at the Great Lakes Chapter AAAE Conference, August 3-6, 2017, Grand Forks, ND:

Gen. Haugen moved to authorize attendance by staff and board members at the Great Lakes Chapter AAAE Conference, August 3-6, 2017, Grand Forks, ND.

Second by Kilander.

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

Received Communication from the ND Aeronautics Commission Regarding 2017 Grant Awards:

The communication from the ND Aeronautics Commission was received and filed without objection.

Mr. Dobberstein stated we submitted a request to the ND Aeronautics Commission for state grant funding in the amount of \$4,325,910.00 and we were awarded \$333,727.00 for 2017.

Received Preliminary 2018 Budget:

Mr. Dobberstein stated the preliminary 2018 budget had been distributed to board members for their review. He went through the revenue and expense projections for the proposed 2018 budget. He indicated there are many items in our budget that we are not able to project at this time of the year but since we use the City of Fargo's accounting system we follow their budget schedule. He stated there should not be any significant differences before this is finalized but if there are any he will bring those to the attention of the board.

Certified Mill Levy to the Board of City Commissioners for 2018 Improvements, per Section 2-06-14 of the North Dakota Century Code:

Mr. Kilander moved to certify to the Board of City Commissioners a mill levy amount of \$1.1 million, not to exceed 2.0 mills, as per Section 2-06-14 of the North Dakota Century Code, for 2018 improvements.

Second by Clark.

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

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

Received Bid Tabulation and Recommendation of Award for the Taxiway A Reconstruction (Phase III), Cargo Apron Expansion and Taxilane Extension:

Mr. Jeff Klein, Mead & Hunt, was recognized and stated last Thursday we received bids for this year's construction project. He stated bids were received from Northern Improvement and Strata Corporation. He stated this project consists of a base bid which is for the Taxiway A & A1 Reconstruction, Cargo Apron Expansion and Taxilane Extension and Alternate #1 which is storm sewer to be installed between Taxiway A and Runway 18/36. He stated Northern Improvement was the low bidder on the base bid at \$7,394,558.35 and also low bidder on Alternate #1 for \$135,039.80.

Mr. Klein stated the project is scheduled to start July 1 but we do not anticipate receiving a grant until mid July or August. He stated the AIP program allows airports to start projects before grants are actually received, which would require an airport to use their own funds until the grant is received. He added once the grant is received the airport can pay themselves back with entitlement funds. He stated if discretionary funding is being used for a project, those funds cannot be spent until they are actually awarded. He stated since we have not yet received the grant and this project is going to be funded with mostly discretionary dollars, he would suggest awarding the base bid to Northern Improvement, ahead of receiving the grant, and letting them get started as they will probably not exceed the entitlement amount before the grant is awarded.

Mr. Klein stated we are still working through the environmental documentation for the taxiway. He stated the FAA is looking for additional documentation for the storm sewer project and once we have that approval we can award the storm sewer portion (Alternate #1).

Mr. Kilander moved to award the base bid for Taxiway A & A1 Reconstruction, Cargo Apron Expansion and Taxilane Extension to Northern Improvement based on their bid of \$7,394,558.35.

Second by Haugen.

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

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

Received Proposed Agreement Between the FAA and MAA to Conduct Flight Inspection for Temporary PAPI on Runway 18:

Mr. Dobberstein stated as part of the Taxiway A & A1 Reconstruction project this summer we are required to install temporary Precision Approach Path Indicators (PAPI) lights on Runway 18. He stated before the temporary PAPIs are put into service the FAA requires a special flight inspection of the system. He stated the cost of the inspection is \$13,178.66 and must be paid before the inspection is conducted and the cost is then reimbursed by the FAA.

Gen. Haugen moved to approve the reimbursable agreement with the Federal Aviation Administration for special flight inspection of the temporary PAPI on Runway 18 at a cost of \$13,178.66.

Second by Linn.

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

Received Proposed Contract from Mead & Hunt for the Cargo Apron Expansion and North GA Taxilane - Design:

Mr. Dobberstein stated the proposed contracts from Mead & Hunt were distributed to the board members for their review.

Mr. Jeff Klein, Mead & Hunt, was recognized and stated the first contract covers the design services for the cargo apron expansion and the taxilane extension. He stated the proposed not to exceed amounts are \$73,600.00 for the cargo apron expansion and \$15,000.00 for the taxilane extension. He added that all of these contracts are subject to the FAA's requirement of an independent fee review.

Mr. Klein stated the second contract covers construction services with not to exceed amounts of \$144,600.00 for the Cargo Apron Expansion and \$29,300.00 for the North GA Taxilane Extension.

Mr. Klein stated the third contract is for construction services and project closeout for the Taxiway A & A1 Reconstruction Project not to exceed \$504,000.00 for construction and \$8,500.00 for the project closeout.

Mr. Kilander moved to approve the three proposed contracts for engineering services with Mead & Hunt for the not to exceed amounts outlined, subject to the independent fee review.

Second by Linn.

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

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

Airport Construction and Security Update:

Mr. Jeff Klein, Mead & Hunt, was recognized and stated last Friday, Northern Improvement completed all of the items on the punch list for last year's project. He stated they will now go through all of the quantities and submit a final payment request.

Mr. Klein stated yesterday Scott Hagel from their office was doing an inspection of the pavement on Taxiway A as 2017 is the last year of Northern Improvement's extended warranty on that pavement. He stated there are some minor spall repairs that Northern will need to address so we will sit down with them and get a plan in place to address those.

Airport Construction and Security Update: (Continued)

Mr. Klein stated Olaf Anderson also has a punch list of items from last year's Access Road, Apron Lighting, Sanitary Sewer Improvements in the cargo area such as seeding and joint seal repair.

Mr. Dobberstein stated Midwest Development & Construction (MDC) has contracted with Olaf Anderson for the construction of the hangar that will be leased to Corporate Air. He stated before they started construction we were aware that there had been a batch plant in the northeast corner of the construction site so they have come across buried chunks of concrete. He stated they are working with a testing company to determine how much clean-up will be required but he does not think it will be that much.

Mr. Dobberstein stated Mr. Rick Berg and Mr. David Sahl, Bravo Sierra LLC, have been thrown another curve ball in the process of the expansion of their hangar in the south general aviation area. He stated now the FAA has told them that because the hangar was built in 1966 they have to hire an architect to an architectural survey to determine if it is eligible to be on the national register bulletin of historic properties for aviation. He stated it has been one thing after another on this project and a lot of the issues are due to some new FAA regulations that went into effect in 2015.

Other Business:

Mr. Dobberstein reported on the Jumpstart Conference he attended in Providence, RI, June 5-7, 2017.

Mr. Dobberstein stated per the board's instructions at the June 13 meeting, he signed a contract with Northern Technologies for \$2,000.00 to conduct a Phase I Environmental Site Assessment of the Mickel property. He stated they have not been able to start on the assessment, as we have not yet been allowed on the property.

Mr. Dobberstein stated Attorney Bossart has been working with Mr. Joel Jorgenson's attorney regarding the proposed hangar in the north general aviation area. He stated our lease agreement with them calls for construction to begin by December 1, 2017, or the lease is void.

Attorney Bossart gave an update on the process of placing deed restrictions on airport owned property.

After discussion, Chairman Blazek stated he would encourage us to move forward with the deed restrictions.

Attorney Bossart indicated she would continue on the process and clarify whether or not a deed restriction could be reversed.

The meeting of the Municipal Airport Authority was adjourned until the next Regular Meeting to be held Tuesday, June 27, 2017, at 8:00 a.m.

Time at adjournment was 9:03 a.m.

Regular Meeting

Tuesday

June 27, 2017

The Regular Meeting of the Municipal Airport Authority was held Tuesday, June 27, 2017, at 8:00 a.m. in the Airport Boardroom.

The members present or absent were as follows:

Present: Clark, Linn, Kilander, Haugen, Blazek

Absent: None

Others: Bossart

Chairman Blazek presiding.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held June 13, 2017:

The minutes of the Regular Meeting of the Municipal Airport Authority held June 13, 2017, were approved without objection.

Approved the Airport Vouchers Totaling \$50,871.24:

Mr. Kilander moved to approve the airport vouchers totaling \$50,871.24.

Second by Clark.

On the call of the roll, members Clark, Linn, Kilander, Haugen, Blazek 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 \$7,033.10 to Mead & Hunt for partial payment request for engineering services in connection with the Terminal Taxiway and Taxiway A Reconstruction, Project AIP46.

Second by Ms. Linn.

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

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

Approved the Individual Voucher to Pro Landscapers:

Dr. Clark moved to approve the individual voucher in the amount of \$29,518.00 to Pro Landscapers for installation of trees along Joe Parmer Drive as per bid approved March 28, 2017 meeting.

Second by Ms. Linn.

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

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

Approved the Individual Voucher to Wesley Schon:

Dr. Clark moved to approve the individual voucher in the amount of \$750.00 to Wesley Schon, PE, for the independent engineering fee review for the Cargo Apron and North GA Taxilane Expansion Project (APFC08).

Second by Ms. Linn.

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

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

Approved the Individual Voucher to Wesley Schon:

Dr. Clark moved to approve the individual voucher in the amount of \$750.00 to Wesley Schon, PE, for the independent engineering fee review for the Taxiway A and A1 Reconstruction, Project AIP47.

Second by Ms. Linn.

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

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

Received Proposed Ground Lease With SALAD DAYS AVIATION for North General Aviation Area Hangar:

Mr. Dobberstein stated this is the Joel Jorgenson hangar that was presented to us a number of months ago. He stated Mr. Jorgenson is slowly working through the process and right now is working with Mead & Hunt on the engineering aspects. He stated the lease agreement is ready for approval, subject to getting a legal description. He stated the reason the legal description has not been completed is that they are still working their way through City Inspections because our direction to Mr. Jorgenson is that he build as close to the Schatz hangar as possible.

Mr. Kilander moved to approve the proposed ground lease with SALAD DAYS Aviation for a proposed hangar in the North General Aviation Area, subject to receiving a legal description.

Second by Gen. Haugen.

Mr. Dobberstein stated the proposed hangar is a four unit building with a 100' x 140' footprint with the extra 5'. He stated the proposed lease does include the caveat that if they do not begin construction by December 1, 2017, they can walk away from the lease.

Chairman Blazek called for a vote on the motion.

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

Received Proposed Third Amendment to Ground Lease for MDC Fargo LLC, for Expanded Lease Area for Cargo Operations:

Mr. Dobberstein stated the third amendment to the ground lease with MDC Fargo LLC has been prepared and is for the extra 30,000 square feet of ground service equipment expansion to accommodate Federal Express. He stated the rate on this is 25 cents per square foot. He stated this amendment also includes approximately 110,000 square feet of area for future expansion. The rent on this area will be based on current lease rates for our farmland. He stated the airport will continue to maintain the area.

Gen. Haugen moved to approve the third amendment to the ground lease for MDC Fargo LLC.

Second by Ms. Linn.

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

Authorized Attendance at the AAE National Airports Conference, October 1-4, 2017, Las Vegas, NV:

Mr. Kilander moved to authorize attendance by board members and staff at the AAE National Airports Conference, October 1-4, 2017, Las Vegas, NV.

Second by Dr. Clark.

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

Discussed Project to Replace Exterior Panels on Westside Terminal:

Mr. Dobberstein stated that about a year ago our building supervisor noticed the exterior panels on the east side of the terminal building are rusting. Mr. Joe Jenni, TL Stroh Architects, came out a took a look at the panels and had TF Powers give us an idea of what it would cost to replace the panels. He stated they estimated \$46,500 for the main area and an alternate of \$25,200 to add the stair tower.

Mr. Dobberstein stated our purchasing policy allows for expenditures between \$15,000-\$100,000 to get formal bids, informal bids, or we can award the project to TF Powers. He stated we could have TL Stroh draw up a bid document and get informal bids from three contractors.

In answer to a question from Chairman Blazek, Mr. Dobberstein stated any future expansion plans of the terminal would not directly involve this area. He added that he would definitely include the stair tower so that the panels match.

Mr. Kilander moved to direct TL Stroh Architects to draw up specifications to get informal bids to replace the exterior panels on the east side of the Westside Terminal.

Second by Ms. Linn.

Chairman Blazek asked what the architectural fee would be.

Mr. Dobberstein stated if the project got extremely detailed it could be as high as \$15,000 but he thought it would be more like \$5,000.

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

Received Update Regarding Passenger Survey:

Mr. Dobberstein stated starting tomorrow, SP+ (Standard Parking) will begin conducting a passenger survey collecting data on how passengers get to the airport. He stated they will be conducting this survey two to three days a month over a period of one year using their area managers as well as Fargo staff to conduct the survey. He stated they are doing this at no cost to the airport. He stated at the conclusion of each period they will provide updated data to us.

Received Request to Renew Listing Agreement with Cityscapes Development for Eastside Terminal:

Mr. Dobberstein stated he is recommending we renew our listing agreement with Cityscapes Development for the Eastside Terminal building for one year. He stated Mr. Rick Flacksbarth has been doing a great job for us.

Mr. Kilander stated he reviewed the listing agreement and moved to approve the request to renew the listing agreement with Cityscapes Development for the Eastside Terminal.

Second by Dr. Clark.

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

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

Airport Construction and Security Update:

Mr. Jeff Klein, Mead & Hunt, was recognized and stated yesterday Northern Improvement started work on the cargo apron expansion.

Mr. Dobberstein stated the environmental assessments for both the Berg/Sahl hangar project and the Fargo Air Museum addition cleared yesterday.

Other Business:

Mr. Dobberstein stated yesterday he and Attorney Bossart met with City of Fargo representatives (Mike Redlinger, Nancy Morris, Erik Johnson) regarding the deed restrictions.

Attorney Bossart gave an update on the deed restriction process.

Mr. Dobberstein stated the Fargo Police Department will be taking over the law enforcement duties at the checkpoint on July 3.

Mr. Dobberstein stated Mr. Jeff Klein, Mead & Hunt, is working on our employee parking lot rehabilitation and expansion.

Mr. Klein stated the board directed him to come up with plans for a 100-200 space overflow lot in the area south and west of the control tower. He stated this area has been used in the past for an overflow lot and it is shown on the Airport Master Plan as possible future parking.

After discussion of various options, Mr. Kilander recommended moving forward with the 80 space expansion of the employee parking lot which could be used for overflow of passenger parking during peak times which would provide close proximity parking without expanding into a whole new area.

Other Business: (Continued)

Chairman Blazek asked how we would address mixing passenger cars with permitted employee vehicles.

Mr. Dobberstein stated we could control that with signage and possibly work with SP+ on a hang tag for those vehicles.

Mr. Klein stated he also had that thought and then it eliminates the need for additional walkways.

Gen. Haugen gave a report on the Drone Focus Conference he attended, which was held in Fargo May 31-June 1, 2017.

Chairman Blazek stated he would like to have facility tours of the various areas of the airport for the board members. He would like those to be scheduled for about one hour after each of the next three or four meetings.

Mr. Dobberstein stated he would make those arrangements and schedule the first tour for the next meeting.

Mr. Kilander stated he and Ms. Linn have been working on the salary review and he reported that they have met and have received the salary study information. He stated before making a recommendation to the board they are going to review the Executive Director's job description and come up with a job evaluation.

The meeting of the Municipal Airport Authority was adjourned until the next regular meeting to be held Tuesday, July 11, 2017 at 8:00 a.m.

Time at adjournment was 9:03 a.m.

Regular Meeting

Tuesday

July 11, 2017

The Regular Meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held Tuesday, July 11, 2017, at 8:00 a.m. in the Airport Boardroom.

The members present or absent were as follows:

Present: Clark, Linn, Kilander, Blazek

Absent: Haugen

Others: Bossart, Gehrig

Chairman Blazek presiding.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held June 27, 2017:

The minutes of the Regular Meeting of the Municipal Airport Authority held June 27, 2017, were approved without objection.

Approved the Airport Vouchers Totaling \$29,097.62:

Dr. Clark moved to approve the airport vouchers totaling \$29,097.62.

Second by Mr. Kilander.

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

Absent and not voting: Haugen

The motion was declared carried.

Approved the Individual Voucher to Cougar Tree Care:

Mr. Kilander moved to approve the individual voucher in the amount of \$59,500.00 to Cougar Tree Care for Partial Payment Request #2 (Final) for Phase II of the Shelterbelt Renovation (tree removal).

Second by Dr. Clark.

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

Absent and not voting: Haugen

The motion was declared carried.

Received Update from Berg/Sahl Regarding Proposed South General Aviation Area Hangar:

Mr. Dobberstein stated neither Mr. Berg nor Mr. Sahl were able to be here today but Mr. Troy Mallow and Mr. Ward Briggs of Olaf Anderson Construction are representing them.

Mr. Mallow was recognized and stated they first looked at an option to build over the existing hangar in order to prevent interruption to Mr. Sahl's aircraft maintenance operation during construction. He stated after looking at a number of options they finally came to the conclusion that it might be better to stay away from the original hangar space for now. He stated they are proposing to build south of the existing hangar and design it in a way that we can phase the project so that in two to five years the hangar can be expanded and then Mr. Sahl can move his operation into the new hangar. He presented a site plan for the proposed hangar and future expansion.

Mr. Ward Briggs was recognized and stated Phase I will have 20,000 sf of hangar space with 10,000 sf of office space (5,000 sf on each floor). He stated this will require some relocation of the airport fence on the east side. He stated Phase II will be two to five years in the future and will be 33,000 sf of strictly hangar space.

Mr. Mallow stated they have done just preliminary exterior design for Mr. Berg but do not have anything to present at this time.

Mr. Dobberstein stated when the Fargo Air Museum built their first hangar they were told they could not move the building any further south than the Taco Bell building to the east.

Mr. Mallow explained that since the airport property is zoned Public Institution and the Taco Bell is in a different zone (General Commercial) any building within 150 of another zone must follow the setback criteria of the other zone. He stated those same setbacks would not apply to the Berg/Sahl hangar.

Mr. Dobberstein stated the access gate off 19th Avenue would be relocated at Mr. Berg's expense, as well as any utilities that may need to be moved. He added that an airspace study still needs to be completed before the project can be approved. He stated our next meeting is August 8 and we should have some preliminary concept drawings at that time.

Received Communication from ND American Legion Auxiliary Regarding Eastside Terminal Lease Extension:

The communication from the ND American Legion Auxiliary dated June 29, 2017, was received and filed without objection.

Mr. Dobberstein stated the Auxiliary is requesting a one-year extension of their office lease in the Eastside Terminal.

Mr. Kilander moved to approve the one-year lease extension as requested by the ND American Legion Auxiliary.

Second by Dr. Clark.

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

Received Update on Modifications to Checked Baggage Screening Conveyor System:

Mr. Dobberstein stated Darren Anderson has been working with the TSA on the proposed ergonomic modifications to the checked baggage screening conveyor system. He stated Glidepath is the sole source supplier on this baggage system and he did get two preliminary options from them. Option #1 at a cost of \$118,500 utilizes most of the existing equipment. He stated Option #2 for \$142,920 replaces all of the equipment. He stated a TSA representative is not present today so we will hold this item until our meeting on August 8.

Airport Construction and Security Update:

Mr. Terry Stroh, TL Stroh Architects, was recognized and stated they are doing some pre-design work on the skyway. He stated he would like the board to consider setting up a building committee consisting of Mr. Dobberstein, Mr. Anderson and possibly two board members with which he can touch base on a regular basis.

Chairman Blazek stated that is a good idea and we will get that set up.

Mr. Stroh stated the bids for the replacement of the siding on the east side of the building should be done by the end of the week. He stated they have contact four contractors to get informal bids and he will have those by the next meeting. He stated most of them have had some experience on airport projects.

Mr. Jeff Klein, Mead & Hunt, was recognized and stated Northern Improvement has broken all of the concrete on the portion of Taxiway A that is being reconstructed. He stated they are working on removal of the concrete and laying the gravel base. He stated they are working on the topsoil and dirt work for the cargo ramp expansion.

Other Business:

Ms. Linn stated she and Mr. Kilander have met a couple of times regarding compensation. She stated they have been taking a look at the differences between the City of Fargo and the Municipal Airport Authority. She stated the next step is to meet with multiple stakeholders as the airport interacts with so many more entities than just the citizens and travelers. She stated they plan to come back with a report in August.

Mr. Dobberstein stated SP+ (Standard Parking) did conduct their survey for two days last month and had over 1,000 responses. He stated we should be seeing those results in the near future. He stated they will continue this survey for about a one year period.

Mr. Dobberstein stated we received a notice from the City of Fargo regarding upcoming changes in how they charge property owners for storm water each month.

The meeting of the Municipal Airport Authority was adjourned until the next Regular Meeting to be held Tuesday, August 8, 2017 at 8:00 a.m.

Time at adjournment was 8:27 a.m.

Regular Meeting

Tuesday

August 8, 2017

The Regular Meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held Tuesday, August 8, 2017, at 8:00 am in the Airport Boardroom.

The members present or absent were as follows:

Present: Clark, Linn, Haugen, Blazek

Absent: Kilander

Others: Bossart

Chairman Blazek presiding.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held July 11, 2017:

The minutes of the Regular Meeting of the Municipal Airport Authority held July 11, 2017, were approved without objection.

Approved the Airport Vouchers Totaling \$61,624.65:

Gen. Haugen moved to approve the airport vouchers totaling \$61,624.65.

Second by Dr. Clark.

On the call of the roll, members Clark, Linn, Haugen, Blazek voted aye.

Absent and not voting: Kilander

The motion was declared carried.

Approved the Individual Voucher to Flint Communications:

Dr. Clark moved to approve the individual voucher in the amount of \$8,475.25 to Flint Communications for partial payment request for the 2017 Airport Marketing Program.

Second by Ms. Linn.

On the call of the roll, members Clark, Linn, Haugen, Blazek voted aye.

Absent and not voting: Kilander

The motion was declared carried.

Approved the Individual Voucher to Forum Communications Systems:

Dr. Clark moved to approve the individual voucher in the amount of \$24,282.36 to Forum Communications Systems for the Alert III Emergency Conference System - ARFF Station (approved by MAA 5/23/17).

Second by Ms. Linn.

On the call of the roll, members Clark, Linn, Haugen, Blazek voted aye.

Absent and not voting: Kilander

The motion was declared carried.

Approved the Individual Voucher to Fargo Electric:

Dr. Clark moved to approve the individual voucher in the amount of \$150.00 to Fargo Electric for utility locates for the Taxiway A and A1 Reconstruction, Project AIP47.

Second by Ms. Linn.

On the call of the roll, members Clark, Linn, Haugen, Blazek voted aye.

Absent and not voting: Kilander.

The motion was declared carried.

Approved the Individual Voucher to Mead & Hunt:

Dr. Clark moved to approve the individual voucher in the amount of \$6,351.79 to Mead & Hunt for partial payment request for engineering services in connection with the Terminal Taxiway and Taxiway A Reconstruction, Project AIP46.

Second by Ms. Linn.

On the call of the roll, members Clark, Linn, Haugen, Blazek voted aye.

Absent and not voting: Kilander

The motion was declared carried.

Approved the Individual Voucher to Mead & Hunt:

Dr. Clark moved to approve the individual voucher in the amount of \$10,627.06 to Mead & Hunt for partial payment request for engineering services in connection with the Taxiway A Reconstruction Project, AIP45.

Second by Ms. Linn.

On the call of the roll, members Clark, Linn, Haugen, Blazek voted aye.

Absent and not voting: Kilander

The motion was declared carried.

Approved the Individual Voucher to Mead & Hunt:

Dr. Clark moved to approve the individual voucher in the amount of \$88,600.00 to Mead & Hunt for payment request (full and final) for engineering services in connection with the Cargo Apron Expansion and North GA Taxilane, Project APFC.

Second by Ms. Linn.

On the call of the roll, members Clark, Linn, Haugen, Blazek voted aye.

Absent and not voting: Kilander

The motion was declared carried.

Approved the Individual Voucher to Mead & Hunt:

Dr. Clark moved to approve the individual voucher in the amount of \$28,691.96 to Mead & Hunt for partial payment request for engineering services in connection with the Taxiway A and A1 Reconstruction, Project AIP47.

Second by Ms. Linn.

On the call of the roll, members Clark, Linn, Haugen, Blazek voted aye.

Absent and not voting: Kilander

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 \$120,842.15 to Northern Improvement Company for Partial Payment Request #9 (Final) for construction of the Terminal Taxiway and Taxiway A Reconstruction Project, AIP46.

Second by Ms. Linn.

On the call of the roll, members Clark, Linn, Haugen, Blazek voted aye.

Absent and not voting: Kilander

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 \$85,074.56 to Northern Improvement Company for Partial payment Request #6 (Final) for construction of the Terminal Taxiway and Taxiway A Reconstruction Project, AIP46.

Second by Ms. Linn.

On the call of the roll, members Clark, Linn, Haugen, Blazek voted aye.

Absent and not voting: Kilander

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 \$1,836,902.70 to Northern Improvement Company for Partial Payment Request #1 for construction of the Taxiway A and A1 Reconstruction Project, AIP47.

Second by Ms. Linn.

On the call of the roll, members Clark, Linn, Haugen, Blazek voted aye.

Absent and not voting: Kilander

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 \$114,728.09 to Northern Improvement Company for Partial payment Request #1 for construction of the Cargo Apron Expansion, Project APFC.

Second by Ms. Linn.

On the call of the roll, members Clark, Linn, Haugen, Blazek voted aye.

Absent and not voting: Kilander

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 \$5,907.50 to TL Stroh Architects for Partial Payment Request for architectural services for the exterior panel replacement, Westside Terminal.

Second by Ms. Linn.

On the call of the roll, members Clark, Linn, Haugen, Blazek voted aye.

Absent and not voting: Kilander

The motion was declared carried.

Approved the Individual Voucher to Flint Communications:

Dr. Clark moved to approve the individual voucher in the amount of \$13,457.79 to Flint Communications for partial payment request for 2017 Airport Marketing Program.

Second by Ms. Linn.

On the call of the roll, members Clark, Linn, Haugen, Blazek voted aye.

Absent and not voting: Kilander

The motion was declared carried.

Received Change Order #1 to Northern Improvement Company for an Increase of \$144,081.80 (storm sewer award from original bid, signage, in-pavement lights), Taxiway A and A1 Reconstruction Project, AIP47:

Mr. Dobberstein stated the biggest part of this change order is for the storm water portion of the Taxiway A and A1 Reconstruction Project (AIP47), which was not awarded along with the base bid for the project as we were waiting for the FAA to complete their environment assessment and wetland delineation. He stated now that they have completed those we can award that portion of the project. He stated the change order includes some additional signage and edge lighting.

Dr. Clark moved to approve Change Order #1 to Northern Improvement Company for an increase of \$144,081.80.

Second by Ms. Linn.

On the call of the roll, members Clark, Linn, Haugen, Blazek voted aye.

Absent and not voting: Kilander.

The motion was declared carried.

Authorized Attendance at the National Association of Foreign Trade Zones Annual Conference, October 22-25, 2017, San Diego, CA:

Ms. Linn moved to authorize attendance at the National Association of Foreign Trade Zones Annual Conference, October 22-25, 2017, San Diego, CA.

Second by Dr. Clark.

On the call of the roll, members Clark, Linn, Haugen, Blazek voted aye.

Absent and not voting: Kilander

The motion was declared carried.

Received Request from CenturyLink for Fiber Installation Easement to FAA ATC Building:

Mr. Dobberstein stated CenturyLink is requesting an easement to install fiber from a point in front of the terminal building east along the short term parking lot, through the employee parking lots to the control tower. He stated Mr. Jeff Klein, Mead & Hunt, has asked that we delay installation because of our reconstruction in the employee parking lots. He stated the board's concurrence today will allow them to move forward with their plans. He stated Attorney Bossart has reviewed the standard easement. He added that they would be responsible for moving the line at their expense should the airport need the area for future expansion.

Ms. Linn moved to approve the request from CenturyLink for a fiber installation easement to the FAA ATC building, with the installation to be coordinated with our employee parking lot project.

Second by Gen. Haugen.

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

Discussed Proposal from Mead & Hunt to Complete Wetland Delineation for Anticipated Cargo Apron Expansion Project - \$7,900.00 Proposed Fee:

Mr. Dobberstein stated in anticipation of the need for expanded cargo ramp space, Mead & Hunt is proposing to complete the wetland delineation yet this year as this study cannot be done during winter months. He stated the proposed fee from Mead & Hunt is not to exceed \$7,900.00. He stated the proposal document has not yet been drafted but he recommends the board approve this so that we are ready for expansion next year.

Gen. Haugen moved to approve the proposal from Mead & Hunt to complete the wetland delineation for anticipated cargo apron expansion, for a fee not to exceed \$7,900.00.

Second by Dr. Clark.

On the call of the roll, members Clark, Linn, Haugen, Blazek voted aye.

Absent and not voting: Kilander

The motion was declared carried.

Received FY 2018-2020 Disadvantaged Business Enterprise (DBE) Contract Goals Required by 49 CFR Part 26 (3.32%):

Mr. Dobberstein stated the advertisement for our Disadvantaged Business Enterprise (DBE) Contract Goals required by 49 CFR Part 26 for fiscal years 2018-2020 will be advertised in The Forum on August 14, 2017. He stated every three years we set up a goal for our FAA assisted contracts. He stated we basically follow the NDDOT goal and work with the ND Aeronautics Commission to put together these goals. He stated our goal is 3.32% participation

The FY 2018-2020 Disadvantaged Business Enterprise (DBE) Contract Goals were received and filed without objection.

Airport Construction and Security Update:

Mr. John Scrapper, Mead & Hunt, was recognized and stated the Taxiway A project is moving along nicely and on schedule. He stated they have paved past the entrance to the cargo apron and are waiting for cure time on the concrete. He stated that Mr. Jeff Klein has indicated that it is some of the best paving Northern has ever done on the airport. He stated the dry weather has helped.

Mr. Scrapper stated we are going to receive bids on the employee parking lot project on August 29.

Mr. Terry Stroh, TL Stroh Architects, was recognized and stated they are working on getting informal bids on the siding replacement project on the east side of the terminal building. He stated they hope to have four to six bids. He stated they are continuing to work on concepts for the skyway.

Mr. Rick Berg was recognized and stated he would like to update the board on their hangar project. He stated his objective is to dress up Hector Airport along 19th Avenue. He distributed drawings of the exterior of the proposed hangar. He stated it is getting to be more of a project than he originally intended but he thinks long term it will be a great building on the south side. He stated this building also incorporates Dave Sahl's Fargo Aircraft Maintenance operation.

Airport Construction and Security Update: (Continued)

Mr. Berg said he has two items for the board today, the first being that he will be requesting a ground lease at the next meeting, with possibly a term of 40 years to meet any financing requirements. He stated the next item will be to discuss Phase II which will be expanding the space of the original hangar and possibly getting a Right of First Refusal for that additional ground. He stated right now he is getting the meets and bounds descriptions. He stated the only other issue is to discuss some cost sharing for replacing some of the asphalt pavement with concrete.

Mr. Dobberstein stated the pavement area to which Mr. Berg is referring is to the east of the proposed hangar and south of the existing fence. He stated with the new hangar being constructed to the south and the 19th Avenue access gate being moved, some of the existing vehicle parking would become aircraft parking space and the Airport Authority could look at participating in that cost. He stated our current contract with Northern Improvement is an open contract and we could get the same quantity prices on any additional work.

In answer to a question on timeframe, Mr. Berg stated they are still waiting for studies from the FAA but they have put the building out for bid and they are expecting the bids to come back next week. Mr. Berg stated with Phase II they will still have to deal with the previous underground tanks and the results of the tests they had done were not anything severe.

Mr. Dobberstein stated the State would recommend leaving the soil in place until excavation for the building takes place. He stated the State does not seem to be concerned about this site.

Chairman Blazek stated we are very excited to see this project and thanked Mr. Berg for his investment in the airport.

Other Business:

Ms. Linn gave an update on the compensation review process and meetings with airport stakeholders in the community. She stated all of the interviews have been positive and they have received feedback from those stakeholders. She indicated they would have a written report to present to the board at the next meeting.

Chairman Blazek thanked Ms. Linn and Mr. Kilander for their many hours of work on the process.

Mr. Dobberstein stated we received a notice from Southeast Cass Water Resource District regarding a reassessment of benefits for Cass County Drains #10 and #3. He stated at the same time the City of Fargo is looking at a change in their storm water fees. He stated he attended both meetings held by the City of Fargo. He stated if what the city is proposing is passed, the airport's assessment for storm water fees will go from \$900 per year to \$114,000 and will slowly creep up to \$210,000 over the next three to five years. He stated NDSU, Fargo Park District and the airport make up about 33% of the revenues they are trying to generate and they do not treat one drop of the airport's storm water. He stated we have our own storm water permit and have to meet the Clean Water Act.

Other Business: (Continued)

Mr. Dobberstein stated this is still just a study at this time but if it is approved in October the large land owners, based on gross area and impervious surfaces, will be hit hard. He stated all of the storm water from the airport drains into Drain #3 and Drain #10. He stated everyone probably agrees we need to pay more to maintain the storm water system but what they are recommending is not equitable. He stated there will be more information to come on this matter.

Mr. Dobberstein stated Frontier Airlines has announced that they will again start service to Fargo but we have not been advised when the service will start.

The meeting of the Municipal Airport Authority was adjourned until the next Regular Meeting to be held Tuesday, August 22, 2017.

Time at adjournment was 8:37 a.m.

Regular Meeting

Tuesday

August 22, 2017

The Regular Meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held Tuesday, August 22, 2017, at 8:00 a.m. in the Airport Boardroom.

The members present or absent were as follows:

Present: Clark, Linn, Kilander, Blazek

Absent: Haugen

Others: Bossart

Chairman Blazek presiding.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held August 8, 2017:

The minutes of the Regular Meeting of the Municipal Airport Authority held August 8, 2017, were approved without objection.

Approved the Airport Vouchers Totaling \$46,330.22:

Dr. Clark moved to approve the airport vouchers totaling \$46,330.22.

Second by Ms. Linn.

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

Absent and not voting: Haugen

The motion was declared carried.

Approved the Individual Voucher to Mead & Hunt:

Dr. Clark moved to approve the individual voucher in the amount of \$1,632.00 to Mead & Hunt for partial payment request for engineering services in connection with the PFC Application #8, APFC08.

Second by Mr. Kilander.

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

Absent and not voting: Haugen

The motion was declared carried.

Approved the Individual Voucher to Mead & Hunt:

Dr. Clark moved to approve the individual voucher in the amount of \$10,692.00 to Mead & Hunt for partial payment request for engineering services in connection with the Employee Parking Lot Reconstruction and Expansion Project.

Second by Mr. Kilander.

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

Absent and not voting: Haugen

The motion was declared carried.

Approved the Individual Voucher to Mead & Hunt:

Dr. Clark moved to approve the individual voucher in the amount of \$77,955.10 to Mead & Hunt for partial payment request for engineering services in connection with the Taxiway A and A1 Reconstruction project, AIP47.

Second by Mr. Kilander.

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

Absent and not voting: Haugen

The motion was declared carried.

Receive Update from Rick Berg Regarding Proposed South General Aviation Area Hangar Project:

Mr. Rick Berg was recognized and stated the hangar project is progressing and they are ready to begin construction with the Airport Authority's approval. He stated today he is looking for three things:

- 1) 40 year ground lease on the space
- 2) Right of First Refusal for Phase II, which is the space to the north of the existing hangar
- 3) Cost sharing by the Airport Authority for some of the improvements

Mr. Dobberstein stated he provided information to the board members on the items he feels the Airport Authority should be responsible for and that would include paving inside the fence to expand the apron, both on the east and west sides. He stated Olaf Anderson provided some cost estimates and those were \$41,860.00 for the east side and \$18,575.00 for the west side. He stated if the board decides to go ahead with this, which he hopes they do, we can check with Northern Improvement and get some prices from them on this paving since we have an open contract with them on our current taxiway project. He stated the project would be removal of the existing pavement and replacement. He stated the other two items are replacement of the sanitary sewer (\$11,475.00) and the waterline (\$13,500.00). He stated both lines were going to be scoped to determine their condition.

Mr. Berg stated the landlord (MAA) would be responsible for the lines up to the manhole and the tenant would be responsible from manhole to the building. He stated the results of the scope have not come back yet.

Receive Update from Rick Berg Regarding Proposed South General Aviation Area Hangar Project:
(Continued)

Mr. Dobberstein stated the water line is now 6" and the Fire Department would want that changed to 8".

Mr. Berg stated they are spending about \$500,000 on site work for the project.

Mr. Dobberstein stated another item is the vehicle access gate, which will need to be relocated to the east. He stated there are times now when vehicles are trying to enter and exit while aircraft is parked in front of the hangar. He stated Mr. Berg had requested that the Airport Authority share in that expense. He stated the proposal we have is \$27,325.00. He stated this would improve ingress and egress for all tenants in that area.

Mr. Dobberstein stated based on the bid prices we have at this time, these items would total \$98,707.00 for the airport's share and in exchange for that investment we would be getting a more than \$3 million facelift to the airport along 19th Avenue.

Mr. Dobberstein stated there is an old fuel farm north of the existing hangar but the State has indicated that it does not have a lot of concern until the area is disturbed.

Mr. Dobberstein asked about a timeline for the construction and pointed out that there is an airshow in July 2018.

Mr. Berg stated his goal is six months for construction (September 2017-March 2018) and Olaf Anderson understands the urgency of the project. He stated he hopes to be done 60 days before the airshow.

Ms. Linn moved to approve the 40-year land lease with Bravo Sierra LLC for the proposed hangar site.

Second by Mr. Kilander.

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

Dr. Clark moved to grant a 90 day Right of First Refusal to Bravo Sierra LLC for the site to the north for Phase II of the hangar project.

Second by Ms. Linn.

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

Mr. Kilander moved to approve 50% participation in utility improvements (sanitary sewer line, water line, vehicle gate) not to exceed \$100,000 for the Bravo Sierra LLC hangar project and to give the Executive Director discretion to award the projects based on the results of the scope of the sanitary sewer and water lines.

Second by Ms. Linn.

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

Absent and not voting: Haugen

The motion was declared carried.

Receive Update from Rick Berg Regarding Proposed South General Aviation Area Hangar Project:
(Continued)

Mr. Kilander moved to approve the surface reconstruction for the Bravo Sierra LLC hangar project and that the Executive Director be given discretion to award the project subject to receiving cost estimates from Northern Improvement through our open construction contract with them.

Second by Ms. Linn.

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

Absent and not voting: Haugen

The motion was declared carried.

After discussion about overhead power lines, Mr. Dobberstein stated he would work with Xcel Energy and Olaf Anderson Construction to look at changing the overhead lines to underground to the east.

Chairman Blazek stated the Airport Authority is excited about this project and thanked Mr. Berg for his efforts on redevelopment on the airport.

Received Communication from American Airlines Regarding Additional Space for Envoy:

Mr. Dobberstein stated we did not receive the communication from American Airlines so we will not take any official action today but we will work with them on locating the space they need.

Mr. Dobberstein stated American Airlines is ceasing its contract with Worldwide Flight Services and Envoy (a subsidiary of American Airlines) will be handling their operations in Fargo. He stated they are looking for some additional space. He stated they are requesting to lease about 300 sf. in our old generator room in the tug concourse as well as some space for ground service equipment. He stated they currently lease 250 sf during the winter months but they are looking to lease that year round.

Received Lease Extension for Fargo Aircraft Maintenance:

Mr. Dobberstein stated Fargo Aircraft Maintenance is Mr. David Sahl's limited FBO operation. He stated there have been a number of changes related to this agreement and it needs to be cleaned up. He stated he is proposing a five year limited FBO agreement with Fargo Aircraft Maintenance effective September 1, 2017. He stated right now Lyle Andvik is operating Red River Aero (charter operation) under Vic's Aircraft Sales FBO agreement and he would like to change that to operate under Fargo Aircraft Maintenance. He stated this is our requirement for any operation that does not actually lease space from the Airport Authority or own a hangar on the airport and their monthly operational lease payment to the Airport Authority is 1.5% or \$200.00, whichever is greater.

Mr. Kilander moved to approve the five-year Extension to Agreement for Limited Fixed-Based Operation effective September 1, 2017, with the requested changes.

Second by Dr. Clark.

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

Received Update Regarding Compensation Study:

Ms. Linn reported she and Mr. Kilander are continuing their work on the compensation study. She stated their research includes 22 other airports of similar size. She stated she has a meeting scheduled with the mayor next Thursday.

Appointed Skyway Subcommittee:

Chairman Blazek stated he would like to appoint a subcommittee of board members to work with TL Stroh Architects on the skyway project. He stated Mr. Kilander and Gen. Haugen have expressed an interest in serving on this subcommittee. He stated while it does not require a motion to appoint this committee he would like one for the record.

Ms. Linn stated that since this will be an official subcommittee it would be subject to open meeting laws and then anyone is able to attend those meetings, including other board members.

Ms. Linn moved that Mr. Kilander and Gen. Haugen be appointed to the Skyway Subcommittee.

Second by Dr. Clark.

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 received only one bid for the Westside Terminal siding replacement project so far. He stated they contacted five contractors but right now is not the best time of the year for bids. He stated the board could reject the bid without even opening it and advertise for formal bids. He stated the one bid we did receive is from a good contractor but he would feel better if we had other bids.

Chairman Blazek asked if delaying the project would cause further damage.

Mr. Stroh stated he is not sure of risk to the facility from water damage. He stated we can bid the project to be done during the winter as this is a project that can be done in the winter. He stated he would recommend rejecting the one unopened bid and delaying the project for now and he can contact the same contractors for a later completion date.

Mr. Kilander moved to reject the one unopened bid for the Westside Terminal Siding Replacement Project and direct TL Stroh Architects to advertise for formal bids with a later start date.

Second by Ms. Linn.

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

Mr. Jeff Klein, Mead & Hunt, was recognized and stated Northern Improvement is continuing to make good progress on the Taxiway A Reconstruction Project. He stated the portion leading to the cargo area is now open for use providing access to FedEx during cargo apron expansion construction.

Mr. Klein stated yesterday we had our scheduled meeting with the airlines for our PFC Application #8 and no airline representatives attended. He stated we will continue with the process.

Other Business:

Mr. Dobberstein gave an update on the City of Fargo's proposed increase in charges for storm water. He stated he and Chairman Blazek were supposed to meet with city officials last week but that meeting did not happen. He stated we are scheduled to be meeting with Mark Bittner, Roger Kluck, and Jody Bertrand of the City of Fargo, as well as with the other largest property owners (Fargo School District, Fargo Park District, NDSU) who will have to increase their mill levies to pay for the increase. He stated there is also supposed to be a brown bag meeting with the Fargo City Commission on the matter. He stated there was a hearing at SE Cass on their reassessment but he was not able to make that meeting. He stated there are parties pushing to get clarification on the formal agreement between the City of Fargo and SE Cass Water Resource District as both are charging for drain maintenance. He stated there is more dialogue that needs to take place.

Mr. Dobberstein stated last Friday he and Attorney Bossart accepted our \$5.8 million grant from the FAA for the Taxiway A and A-1 Reconstruction Project, AIP47.

The meeting of the Municipal Airport Authority was adjourned until the next regular meeting to be held Tuesday, September 12, 2017 at 10:00 am in the Airport Boardroom, with an Airport Authority Appreciation Reception following the meeting.

Time at adjournment was 8:48 a.m.