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Regular Meeting

Tuesday

January 8, 2013

The regular meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held Tuesday, January 8, 2013, at 8:00 a.m. in the Airport Boardroom.

The members present or absent were as follows:

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

Chairman Kilander presiding.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held December 18, 2012:

The minutes of the regular meeting of the Municipal Airport Authority held December 18, 2012, were approved without objection.

Approved the Airport Vouchers Totaling \$43,149.34:

Dr. Clark moved to approve the airport vouchers totaling \$43,149.34.

Second by Mr. Blazek.

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

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

Approved the Individual Voucher to Grant's Mechanical:

Gen. Macdonald moved to approve the individual voucher in the amount of \$22,317.90 to Grant's Mechanical for Partial Payment Request #6 for mechanical construction of the US Customs General Aviation Facility.

Second by Mr. Blazek.

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

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

Approved the Individual Voucher to Sixel Consulting Group:

Gen. Macdonald moved to approve the individual voucher in the amount of \$3,196.00 to Sixel Consulting Group for December passenger boarding fees – Frontier Airlines (1,598 x \$2.00).

Second by Mr. Blazek.

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

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

Approved the Individual Voucher to Rick Electric:

Gen. Macdonald moved to approve the individual voucher in the amount of \$15,462.40 to Rick Electric for Partial payment Request #9 for electrical construction of US Customs General Aviation Facility.

Second by Mr. Blazek.

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

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

Approved the Individual Voucher to Northstar Insurance:

Gen. Macdonald moved to approve the individual voucher in the amount of \$37,176.00 to Northstar Aviation Insurance for the 2013 liability insurance renewal.

Second by Mr. Blazek.

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

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

Approved the Individual Voucher to Northern Improvement:

Gen. Macdonald moved to approve the individual voucher in the amount of \$25,033.42 to Northern Improvement for Partial Payment Request #8 for construction of Runway 13/31 and Taxiway A Reconstruction Project, AIP39.

Second by Mr. Blazek.

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

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

Approved the Individual Voucher to Northern Improvement:

Gen. Macdonald moved to approve the individual voucher in the amount of \$76,740.01 to Northern Improvement for Partial Payment Request #5 for the construction of Runway 13/31 and Taxiway A Reconstruction.

Second by Mr. Blazek.

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

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

Approved the Individual Voucher to KBW Associates:

Gen. Macdonald moved to approve the individual voucher in the amount of \$19,675.00 to KBW Associates for Partial Payment Request #8 for general construction of the US Customs General Aviation Facility.

Second by Mr. Blazek.

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

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

Approved the Individual Voucher to Flint Communications:

Gen. Macdonald moved to approve the individual voucher in the amount of \$23,896.14 to Flint Communications for partial payment request for the 2012 Airport Marketing Program.

Second by Mr. Blazek.

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

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

Approved the Individual Voucher to Butler Machinery Company:

Gen. Macdonald moved to approve the individual voucher in the amount of \$11,195.00 to Butler Machinery Company for purchase of Shulte rotating drum snow plow (MAA approved 2-14-12).

Second by Mr. Blazek.

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

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

Approved the Individual Voucher to TL Stroh Architects:

Gen. Macdonald moved to approve the individual voucher in the amount of \$1,328.60 to TL Stroh Architects for partial payment request for architectural services in connection with the US Customs General Aviation Facility.

Second by Mr. Blazek.

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

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

Received 4<sup>th</sup> Quarter 2012 PFC Report:

The PFC Report for the 4<sup>th</sup> Quarter of 2012 was received and filed without objection.

Received Change Order G-6 to KBW Associates:

Mr. Terry Stroh, TL Stroh Architects, was recognized and stated Change Order G-6 to KBW Associates for a decrease of \$116.00 is for a mortise lock that was specified for Door #109 that was not needed.

Mr. Blazek moved to approve Change Order G-6 to KBW Associates for a decrease of \$116.00.

Second by Mr. Pawluk.

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

Received Communication from Spectrum Aeromed Regarding East Terminal Lease:

Mr. Dobberstein stated this item was not on the agenda but requested it be added as we just received the communication yesterday.

The communication from Spectrum Aeromed was received and filed without objection and the item was added to the agenda.

Mr. Dobberstein stated Spectrum Aeromed is requesting to lease additional space on the first floor in the East Terminal formerly occupied by the Air Guard Family Support Group. He stated the existing Spectrum lease expires August 31, 2013, and they would like this tied to that lease term at which time they will most likely request an extension. He stated they have provided a copy of the proposal from Olaf Anderson and total investment on these improvements is about \$100,000.

Mr. Blazek moved to approve the request from Spectrum Aeromed to lease additional space in the East Terminal and also to approve proposed improvements to the space, with the lease to run concurrently with their existing space.

Second by Dr. Clark.

Mr. Justin Mahler, Spectrum Aeromed, was recognized and gave a brief overview of Spectrum Aeromed and their business which designs and manufactures customized medical and ambulance equipment for air transport.

Chairman Kilander called for a vote on the motion.

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

Mr. Dobberstein stated he will direct Attorney Stewart to draft an amendment to the Spectrum Aeromed lease.

Authorized Attendance at the Allegiant Air Conference, February 27-March 1, 2013, Mesa, AZ:

Mr. Dobberstein stated this is the annual conference for Allegiant Air at which they give each market their internal report card, discuss new market opportunities, etc.

Gen. Macdonald moved to approve attendance at the Allegiant Air Conference, February 27-March 1, 2013, Mesa, AZ.

Second by Mr. Pawluk.

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

Received Communication from the North Dakota Aviation Council:

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

Mr. Dobberstein stated on behalf of the North Dakota Aeronautics Commission and the Airport Association of North Dakota, the North Dakota Aviation Council is soliciting donations from the aviation industry to fund a lobbyist to represent state aviation interests as they attempt to keep the \$60 million in the governor's budget for oil impacted airports in 18 counties and to increase the general fund contribution to the Aeronautics Commission raising it from \$500,000 to \$5 million to be used for airports around the state. He stated the Council is in the process of hiring a lobbyist, Mr. Shane Goettel, who will lobby to increase funding to the Aeronautics Commission to \$10 million which is needed to match the needs of the airports across the state. He stated the Upper Great Plains Transportation Institute at NDSU recently completed a report which shows that there is a \$50 million funding shortfall each year for the next ten years based on all of the infrastructure data provided by the 89 airports in the state. He stated a lot of that is in the western oil counties. He stated they are hoping the lobbyist will plant the seed with the legislature in terms of funding shortfalls faced by the state's airports.

Mr. Dobberstein stated they are asking for a \$1,000 participation by each airport for this lobbying effort.

Mr. Dobberstein stated he will e-mail the spreadsheet from the report from the Transportation Institute to each of the board members. He added that we are back to gridlock and uncertainty with our federal AIP funds which should have been available to us October 1, 2012. He stated we have an idea of what entitlements we have available through March 31, 2013, but we are not able to access them.

Mr. Pawluk moved to authorize the \$1,000 expenditure to the North Dakota Aviation Council for the hiring of a lobbyist.

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 have solicited and received three bids for furniture for the US Customs General Aviation Facility. He stated Customs required very specific types of furniture. He stated they were able to cherry pick items from two of the providers based on their price rather than accept one bid from just one provider. He stated the total cost for the furniture required by US Customs is \$23,838.38, plus the \$2,870.00 cost for the interior designer's hours spent on the project.

Mr. Pawluk moved to approve the consolidated pricing structure for the furniture purchase for the US Customs Service General Aviation Facility in the amount of \$23,838.38, plus \$2,870.00 for interior designing fees.

Second by Dr. Clark.

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

Airport Construction and Security Update: (Continued)

Mr. Jeff Klein, Ulteig Engineers, was recognized and stated with regard to the Runway 13/31 and Taxiway A Reconstruction Project, they have received Northern Improvement's proposal to correct the work on the Taxiway A portion of the project and the goal is to have a recommendation for the Airport Authority at the January 22 meeting.

Mr. Dobberstein stated we have appreciated the patience on the part of Mr. Phil Duginski and Northern Improvement as we have gone through the process and he is confident we will come to a mutual resolution.

There was nothing to report on security.

Other Business:

Mr. Darren Anderson introduced Mr. Jordan Dahl, north Fargo native and recent UND graduate. He will be serving as the airport intern.

Mr. Dobberstein stated we have not received all of the 2012 airline passenger reports but 2012 should set an all time passenger record.

The meeting of the Municipal Airport Authority was adjourned until the Annual Meeting to be held Tuesday, January 22, 2013 at 8:00 a.m.

Time at adjournment was 8: 29 a.m.

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Annual Meeting

Tuesday

January 22, 2013

The Annual Meeting of the Municipal Airport Authority of the City of Fargo, North Dakota was held Tuesday, January 22, 2013 at 8:00 a.m. in the Airport Boardroom.

The members present or absent were as follows;

Present: Blazek, Pawluk, Macdonald, Kilander

Absent: Clark

Others: Walaker

Chairman Kilander presiding.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held January 8, 2013:

The minutes of the regular meeting of the Municipal Airport Authority held January 8, 2013, were approved without objection.

Approved the Airport Vouchers Totaling \$38,601.52:

Mr. Blazek moved to approve the airport vouchers totaling \$38,601.52.

Second by Mr. Pawluk.

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

Absent and not voting: Clark

The motion was declared carried.

Approved the Individual Voucher to Ulteig Engineers, Inc.:

Mr. Pawluk moved to approve the individual voucher in the amount of \$7,406.00 to Ulteig Engineers, Inc. for partial payment request for engineering services in connection with the Terminal Ramp Expansion Project, AIP41.

Second by Gen. Macdonald.

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

Absent and not voting: Clark

The motion was declared carried.

Approved the Individual Voucher to Ulteig Engineers, Inc.:

Mr. Pawluk moved to approve the individual voucher in the amount of \$2,108.35 to Ulteig Engineers, Inc. for partial payment request for engineering services in connection with the 2012 Parking Lot Expansion Project.

Second by Gen. Macdonald.

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

Absent and not voting: Clark

The motion was declared carried.

Approved the Individual Voucher to Ulteig Engineers, Inc.:

Mr. Pawluk moved to approve the individual voucher in the amount of \$13,079.09 to Ulteig Engineers, Inc. for partial payment request for engineering services in connection with the Runway 13/31 and Taxiway A Reconstruction Project, AIP39.

Second by Gen. Macdonald.

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

Absent and not voting: Clark

The motion was declared carried.

Approved the Individual Voucher to Border States Paving:

Mr. Pawluk moved to approve the individual voucher in the amount of \$17,276.89 to Border States Paving for Partial Payment Request #5 for construction of the 2012 Parking Lot Expansion Project.

Second by Gen. Macdonald.

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

Absent and not voting: Clark

The motion was declared carried.

Approved the Individual Voucher to Fargo Jet Center:

Mr. Pawluk moved to approve the individual voucher in the amount of \$16,352.68 to Fargo Jet Center for 2012 co-op marketing program, trade shows.

Second by Gen. Macdonald.

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

Absent and not voting: Clark

The motion was declared carried.



Received CY2012 Passenger Report:

Mr. Dobberstein reported that 2012 was a record for passenger boardings at Hector International Airport. He stated airline boarding passengers totaled 364,727 in 2012, which is a 4.1% increase over 2011. He stated this does not include charter passengers.

The 2012 Passenger Report was received and filed without objection.

Received Update from Fargo Air Museum Regarding Phase II Hangar Project:

Mr. Jeff Klein, Ulteig Engineers, was recognized and distributed a copy of a diagram showing the proposed expansion plans for the Fargo Air Museum. He stated the FAA has indicated that they will allow the apron connecting the existing building to the new building to be eligible for AIP funding. He stated this could be included in this summer's construction project as separate phase.

Mr. Dobberstein this is just an update and no board action is required at this time. He stated Ulteig Engineers is updating the legal description for the Fargo Air Museum for our records and once the Air Museum gets a building permit Attorney Stewart will proceed with an amendment to the lease.

Received Update Regarding Proposed Foreign Trade Zone Boundary Modifications for CNH America:

The draft communication from CNH America LLC to US Customs & Border Protection requesting boundary modification and expansion to the Foreign Trade Zone No. 267 was received and filed without objection.

Mr. Dobberstein stated the Municipal Airport Authority acts as the grantee for the Foreign Trade Zone. He stated currently the only operator in the FTZ at this time is CNH America LLC and they are requesting a boundary modification, which was submitted to US Customs on January 18, 2013, to incorporate the entire CNH complex where the imported goods are stored until they are put into the manufacturing process and then exported. He stated they are also requesting to add a new facility that Magnum is opening soon. He stated Magnum is their primary handler of the imported goods. He stated the Airport Authority needs to authorize a letter of concurrence.

Mr. Pawluk moved to authorize the letter of concurrence for the CNH America LLC Boundary Modification and Expansion for Foreign Trade Zone No. 267.

Second by Mr. Blazek.

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

Elected Chairman of the Municipal Airport Authority for Calendar Year 2013, as per Bylaws:

Mr. Pawluk moved to elect Mr. Steve Blazek Chairman of the Municipal Airport Authority for calendar year 2013.

Second by Gen. Macdonald.

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

Elected Vice Chairman of the Municipal Airport Authority for Calendar Year 2013, as per Bylaws:

Mr. Pawluk moved to elect Dr. Virginia Clark Vice Chairman of the Municipal Airport Authority for calendar year 2013.

Second by Gen. Macdonald.

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

Adopted Resolution of Appreciation to Outgoing Chairman, Mr. Don Kilander:

Gen. Macdonald offered the following resolution of appreciation and moved its adoption:

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

WHEREAS, During the year of Mr. Kilander's chairmanship the Municipal Airport Authority has continued in its efforts to move Hector International Airport steadily and successfully forward, setting an all time passenger boarding record, and

WHEREAS, Mr. Kilander has labored diligently and given unsparingly of his time leading the Municipal Airport Authority in its efforts to improve the facilities and services available to passengers.

NOW, THEREFORE, BE IT RESOLVED, That the Municipal Airport Authority does hereby commend Mr. Kilander 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. Don Kilander.

Second by Mr. Pawluk.

Members Blazek, Pawluk, Macdonald voted aye.

Kilander passed his vote.

Absent and not voting: Clark

The motion was declared carried.

Airport Construction and Security Update:

Mr. Dobberstein stated Ulteig Engineers has started some preliminary engineering for the Terminal Ramp Expansion Project, AIP Grant #41, which will be our construction project this year. He stated part of the project is an underground glycol storage facility. He stated our plan for the facility is to eventually be able to pump the material to the wastewater treatment plant on a scheduled basis. He stated Ulteig will continue their engineering work on this project even though we are still waiting for the legislative process to pay out for the AIP funding program.

Airport Construction and Security Update: (Continued)

Mr. Terry Stroh, TL Stroh Architects, gave an update on the US Customs General Aviation Facility. He stated we are still looking at least a month before the building is complete. He stated they are still working on the telephone line issue. He stated there was also a delay with the furniture.

Mr. Darren Anderson stated our access control system was initially installed in 1992 and over the years has been added to and updated. He stated with a system this age it is hard to find support and we are having a hard time finding someone to keep the system up and running. He stated we are not yet certain whether we will need to do a complete overhaul but we will need to look at doing something this year, as some of the controller will stop working in 2014.

Mr. Dobberstein stated he has had an inquiry from Mr. Jeremy Price regarding interest in building a hangar in the north general aviation area. He stated he is getting quotes on a steel building and has plans to be ready to go this spring. He stated he will have further to report at a future meeting.

Mr. Dobberstein it is probably time to take a look at an update to the restroom facilities in the Eastside Terminal. He stated he would like TL Stroh Architects to put together specifications on a project to update the restrooms and it was the consensus of the board to authorize TL Stroh Architects to do that.

Other Business:

Mr. Dobberstein and Mr. Blazek gave a brief report on their visit to the Allegiant Air headquarters.

Mr. Pawluk stated two items he would like to continue to discuss in upcoming meetings are the trigger points at which we begin plans for a parking ramp and also our plans for the David F. Johnson Reserve Center facilities.

The Annual Meeting of the Municipal Airport Authority was adjourned until the next regular meeting to be held Tuesday, February 26, 2013, at 8:00 a.m.

Time at adjournment was 9:03 a.m.

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Regular Meeting

Tuesday

February 26, 2013

The regular meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held Tuesday, February 26, 2013, at 8:00 a.m. in the Airport Boardroom.

The members present or absent were as follows:

Present: Clark, Pawluk, Blazek  
Absent: Kilander, Macdonald  
Others: Walaker

Chairman Blazek presiding.

Approved the Minutes of the Annual Meeting of the Municipal Airport Authority Held January 22, 2013:

The minutes of the Annual Meeting of the Municipal Airport Authority held January 22, 2013 were approved without objection.

Approved the Airport Vouchers Totaling \$ 59,259.45:

Mr. Pawluk moved to approve the airport vouchers totaling \$59,259.45.

Second by Dr. Clark.

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

Absent and not voting: Kilander, Macdonald

The motion was declared carried.

Approved the Individual Voucher to Sixel Consulting Group:

Mr. Pawluk moved to approve the individual voucher in the amount of \$3,572.00 to Sixel Consulting Group for payment request for January passenger boarding fees – Frontier (1,786 x \$2.00).

Second by Dr. Clark.

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

Absent and not voting: Kilander, Macdonald

The motion was declared carried.

Approved the Individual Voucher to Sixel Consulting Group:

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

Second by Dr. Clark.

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

Absent and not voting: Kilander, Macdonald

The motion was declared carried.

Approved the Individual Voucher to Grant's Mechanical:

Mr. Pawluk moved to approve the individual voucher in the amount of \$17,000.10 to Grant's Mechanical for Partial Payment Request #7 for mechanical construction of the US Customs General Aviation Facility.

Second by Dr. Clark.

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

Absent and not voting: Kilander, Macdonald

The motion was declared carried.

Approved the Individual Voucher to Rick Electric:

Mr. Pawluk moved to approve the individual voucher in the amount of \$48,996.00 to Rick Electric for Partial Payment Request #10 for electrical construction of the US Customs General Aviation Facility.

Second by Dr. Clark.

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

Absent and not voting: Kilander, Macdonald

The motion was declared carried.

Approved the Individual Voucher to KBW Associates:

Mr. Pawluk moved to approve the individual voucher in the amount of \$33,003.00 to KBW Associates for Payment Request #9 for general construction of the US Customs General Aviation Facility.

Second by Dr. Clark.

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

Absent and not voting: Kilander, Macdonald

The motion was declared carried.

Approved the Individual Voucher to Flint Communications:

Mr. Pawluk moved to approve the individual voucher in the amount of \$8,412.66 to Flint Communications for partial payment request for 2013 Airport Marketing Program.

Second by Dr. Clark.

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

Absent and not voting: Kilander, Macdonald

The motion was declared carried.

Approved the Individual Voucher to Border States Paving:

Mr. Pawluk moved to approve the individual voucher in the amount of \$17,276.89 to Border States Paving for Partial Payment Request #5 for construction of 2012 Parking Lot Expansion Project.

Second by Dr. Clark.

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

Absent and not voting: Kilander, Macdonald

The motion was declared carried.

Approved the Individual Voucher to TL Stroh Architects:

Mr. Pawluk moved to approve the individual voucher in the amount of \$3,514.30 to TL Stroh Architects for partial payment request for architectural services in connection with the US Customs General Aviation Facility.

Second by Dr. Clark.

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

Absent and not voting: Kilander, Macdonald

The motion was declared carried.

Approved the Individual Voucher to Ulteig Engineers, Inc.:

Mr. Pawluk moved to approve the individual voucher in the amount of \$11,984.55 to Ulteig Engineers, Inc. for partial payment request for engineering services in connection with the Runway 13/31 and Taxiway A Reconstruction Project, AIP39.

Second by Dr. Clark.

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

Absent and not voting: Kilander, Macdonald

The motion was declared carried.

Approved the Individual Voucher to Ulteig Engineers, Inc.:

Mr. Pawluk moved to approve the individual voucher in the amount of \$27,345.50 to Ulteig Engineers, Inc. for partial payment request for engineering services in connection with the Terminal Ramp Expansion Project, AIP41.

Second by Dr. Clark.

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

Absent and not voting: Kilander, Macdonald

The motion was declared carried.

Approved the Individual Voucher to Ulteig Engineers, Inc.:

Mr. Pawluk moved to approve the individual voucher in the amount of \$409.79 to Ulteig Engineers, Inc. for partial payment request for engineering services in connection with the 2012 Parking Lot Expansion Project.

Second by Dr. Clark.

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

Absent and not voting: Kilander, Macdonald

The motion was declared carried.

Authorized Attendance at the National Guard Reception and AAE Legislative Conference, Washington, DC, March 19-21, 2013:

Mr. Pawluk moved to authorize attendance at the National Guard Reception and AAE Legislative Conference, March 19-21, 2013, Washington, DC.

Second by Dr. Clark.

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

Authorized Attendance at the 85<sup>th</sup> Annual AAE Conference, Reno, NV, May 19-22, 2013:

Mr. Pawluk moved to authorize attendance at the 85<sup>th</sup> Annual AAE Conference, Reno, NV, May 19-22, 2013.

Second by Dr. Clark.

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

Authorized Attendance at the Sixel Consulting Western Airports Conference, Tucson, AZ, April 9-11, 2013:

Mr. Pawluk moved to authorize attendance at the Sixel Consulting Western Airports Conference, Tucson, AZ, April 9-11, 2013.

Second by Dr. Clark.

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

Received Preliminary CY2012 Improvement Fund Report:

Mr. Dobberstein distributed the CY2012 Improvement Fund Report. He stated the figures have not been finalized and we will be seeing a change in the interest earned amount.

The report was received and filed without objection.

Received Updates Regarding Proposed North and South General Aviation Area Hangar Projects:

Mr. Dobberstein stated the agenda included updates from Jim O'Day, Don Kern, and Del Arneson regarding proposed north general aviation area hangar projects but Mr. O'Day and Mr. Arneson were not present. Mr. Don Kern and Mr. Jerry Kern, General Equipment, were present.

Mr. Dobberstein stated Mr. O'Day is ready for final approval on his hangar. He stated he has been before the board a couple of times with the concepts and has been going through the process. He stated he has been working with Ulteig on a site plan for drainage as well as the airspace study and required setbacks. He stated the hangar owner is responsible for a portion of the taxi lane but we are proposing to widen that lane at our cost in order to accommodate larger aircraft in the future. He added that we have also had discussion about specifying one color for all hangars. He stated we had adopted a policy of earth tones for the south general aviation area but it has been suggested that we continue with white on the north side.

Mr. Pawluk stated he would recommend looking at some additional concrete between the hangar door and the taxi lane in order to make it possible to park an aircraft outside of the hangar for a period of time but yet not blocking the taxi lane for others wanting to taxi aircraft.

Mr. Don Kern was recognized and stated he could see the validity of that recommendation and it may be worth the extra cost.

Mr. Dobberstein stated Mr. O'Day is proposing an 80' x 80' hangar and Mr. Kern and Mr. Arneson are proposing 100' x 100' hangars. He stated we have always tried to maximize the use of space and keep the hangars as close to each other as building codes will allow, which has usually been 10 feet, depending on the firewall of the buildings.

Mr. Don Kern stated the hangar they are proposing is a steel building and Mr. O'Day is possibly looking at changing from a pole building to a steel building. He added he is not certain Mr. O'Day would not consider increasing the size to 100' x 100'.

Mr. Pawluk stated he was an owner in a hangar in the south general aviation area which was a pole barn structure and he always regretted not going with a steel building. He also stated that he agrees with a uniform color and we should specify white.

Chairman Blazek stated we are then getting into design standards.

Mr. Dobberstein stated we can update our construction guidelines which were adopted in the mid 90's.

Mr. Dobberstein asked the General Equipment representatives what time frame they had in mind for construction.

Mr. Don Kern stated they are in the process of gathering quotes and setting a budget. He stated they are definitely serious about the project. He stated they shared their drawing with Mr. O'Day and he liked the idea of the steel building but he was not certain about the size. He asked them to share the quotes with him when they get them.



Received Updates Regarding Proposed North and South General Aviation Area Hangar Projects;  
(Continued)

After further discussion, it was suggested that the three parties get together and consider a uniform size for all three buildings and also whether or not they would be interested in expanding the concrete in front of the hangar to keep taxi lane free while aircraft are parked outside of the hangars.

Mr. Dobberstein stated there is still more work for the three parties to do before the board can give final approval. He stated the next meeting is March 12.

Mr. Dobberstein recognized Mr. Nick Gludt, Moore Engineering, who presented an update on Mr. Jeff Johnson's hangar project.

Mr. Gludt stated the drainage around Mr. Johnson's hangar will maintain the same drainage as exists today. He stated the ramp will match the existing ramp and also allow for a King Air.

Mr. Dobberstein stated that Gateway Builders is constructing both Mr. Johnson's hangar and the Fargo Air Museum expansion so there will be a lot of coordination between the two projects.

Mr. Gludt stated he believes all of the approvals from the City of Fargo have been received. He stated access to the hangar will be from 16<sup>th</sup> Street, which has been approved by the City. He stated they are ready to go with the project as soon as the frost comes out of the ground.

Mr. Dobberstein stated we have generally granted 20 year ground leases. He stated Mr. Johnson had asked for longer than that but we can address that at the next meeting.

Mr. Dobberstein stated action needed by the board is to approve the site plan.

Dr. Clark moved to approve the site plan for Mr. Johnson's proposed hangar.

Second by Mr. Pawluk.

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

Absent and not voting: Kilander, Macdonald

The motion was declared carried.

Received Update on Former David F. Johnson Armed Forces Reserve Center Building:

Mr. Dobberstein stated Mr. Neal Eriksmoen is nearing completion of his appraisal of the building and we should have that before the next meeting. He stated he talked with Col. Tabor with the National Guard Bureau and he will have a draft letter ready for the Adjutant General to sign in terms of their interest in the property, which is probably not immediate but rather long term. He stated if that is their response we will not be able to hold the building for them for two years. He stated once we get the appraisal we will pass that information on to NDSU as they have shown interest in the building for their nursing program.

Mr. Pawluk stated he has been contacted by parties interested in expanding general aviation hangars in that area. He stated he thinks the primary use of airport land and facilities should be aviation related. He stated if part of this site can be used for aviation he would prefer that, but of course the building is a complication. He stated he would like to have Ulteig take a look at the site and see how much of it could be used for general aviation.

Chairman Blazek stated he shares Mr. Pawluk's feelings but he thinks we first need to get that appraisal in hand before any decisions can be made.

Received Update on Former David F. Johnson Armed Forces Reserve Center Building:  
(Continued)

Mr. Dobberstein stated once NDSU has the appraisal information their process will take a while. He stated they will have a team evaluate the property and see what improvements need to be made. He stated hopefully they would have a decision by fall.

Mr. Dobberstein stated Mr. Jim Blotsky did come out and visit with him regarding his ideas for general aviation hangars in that area. He stated there was one design that looked favorable for three 80' x 80' hangars. He stated he did review the documentation showing the FAA releasing that property from the airport's obligation for development. He stated Mr. Blotsky had an estimate of \$300,000 to remove the building and the Airport Authority gets a little over \$500 a year in ground rental on an 80' x 80' hangar.

Mr. Dobberstein stated if the building is sold or leased to a tenant such as NDSU there would be a need for a minimum of 350 parking spaces and without adequate space for parking the building does not have value.

Mr. Dobberstein indicated we would continue discussion after the appraisal is received.

Received Communication from Enterprise Rent a Car Company to Extend Their Lease Agreement:

The communication from Mr. Paul Decloux, Enterprise Rent a Car, dated February 6, 2013 was received and filed without objection.

Mr. Dobberstein stated the current Enterprise lease expires December 31, 2013, and they are requesting an extension to December 31, 2027 to match the other car rental operators. He stated when Budget, Avis, Hertz and National formed AutoBAHN, a limited liability company, to construct the car rental service facility the Airport Authority agreed to match their operating lease agreements to the term of the ground lease for the car rental facility. He stated Enterprise is now a member of that company and are requesting that extension. He stated the leases are non-exclusive so that is how we are able to grant leases longer than five years.

Mr. Pawluk moved to approve the request from Enterprise RAC Company to extend their operating lease agreement to December 31, 2027.

Second by Dr. Clark.

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

Approved Change Orders G-7 and G-8 to KBW Associates for the US Customs General Aviation Facility:

Mr. Terry Stroh, TL Stroh Architects, was recognized and stated Change Order G-7 for an increase of \$1,291.00 is to apply a sealer to the floor, which was a request from Airport Operations. He stated Change Order G-8 for an increase of \$599.00 is for the installation of two bollards to protect a gas meter outside the building.

Mr. Pawluk moved to approve Change Order G-7 for an increase of \$1,291.00 and Change Order G-8 for an increase of \$588.00.

Second by Dr. Clark.

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

Received Update Regarding Parking Expansion Status:

Mr. Jon Scaper, Ulteig Engineers, was recognized and distributed a graph showing parking projections out to 2026, which have been updated after getting peak numbers from 2012. He stated they anticipate 2013 will follow the current trend of increase. He stated January 2013 is up 11% over 2012.

Mr. Pawluk stated he brought along the Metro COG forecast for population which should parallel what we see at the airport. He stated to get an accurate forecast you have to look at past projections and who has been most accurate. He stated he has a bias toward moving forward with a parking structure as we have every expectation that we will continue to grow and will have to increase parking capacity.

Chairman Blazek invited comments from those in attendance.

Mr. Bernie Ness (Avis, Budget) was recognized and stated the long term solution to him is a parking garage. He stated he thinks people are willing to pay for enclosed parking. He stated the growth of the economy carriers is going to be faster than population growth. He stated in his conversations with operators at other airports, shuttling is not the long term answer.

Mr. Dobberstein commented that the use of the Economy Lot has exceeded Standard Parking's expectations.

Mr. Pawluk stated that Dr. Clark commented that she had a hard time finding a spot in Hourly Parking this morning so he thinks we should look at increasing that rate to discourage overnight parking.

Mr. Dobberstein stated Standard Parking has pledged to us that they will re-evaluate that early this summer.

Mr. Pawluk added that he has seen about a 200% improvement in snow removal operations in the parking lots.

Airport Construction and Security Update:

Mr. Terry Stroh, TL Stroh Architects, was recognized and stated the US Customs General Aviation Facility is almost complete with the exception of the cabinetry, all of which had to be rejected. He stated another cabinet contractor has been lined up to do the work. He stated the other issue is the telephone line. He stated when Customs ordered the phone line they gave the wrong address so the line was extended to the wrong building. He stated Century Link wants an additional \$6,000 frost charge to extend a new line if it is done before the frost comes out of the ground.

It was the consensus of the board to wait until the frost comes out of the ground before running the new phone line rather than spending an additional \$6,000.

Mr. Dobberstein stated as result of conversations Ulteig Engineers has had with the City of Fargo Wastewater Treatment Plant regarding the discharge of the glycol and also due to cost, we have decided to scale back the glycol retention portion of the apron expansion project until we are required to do so. He stated our plan was to discharge in a moderate fashion into the sanitary sewer system but now it sounds like that is not possible and we would be required to truck the material to another location. He stated right now there is no requirement for it so we will continue our current process of flowing through the storm sewer into the country drain.

Airport Construction and Security Update: (Continued)

Mr. Jeff Klein, Ulteig Engineers, was recognized and stated about a year ago when we first started the process for the apron expansion project it was estimated that the airlines use approximately 30,000 gallons of glycol annually and the Wastewater Treatment Plant had indicated they could take that entire amount in one shot with no adverse affects to the treatment plant. He stated the estimated cost of the project with the glycol retention system was \$3.3 million and \$2.8 without the glycol system, which is about equal to our 2013 entitlement funds.

Other Business:

Mr. Dobberstein stated the North Dakota Aeronautics Commission was attempting to get funding to conduct the Wildlife Hazard Management Assessment and Plan for all eight commercial service airports in North Dakota but it appears the FAA does not allow them to use their state entitlement funds for such a project. Those particular funds must go toward general aviation. He stated that the Grand Forks Airport has reached out to us to partner with them in a request for qualifications for the assessment and plan. He stated we will continue discussions with them on coordinating that process with them.

Mr. Dobberstein stated he stated he received information from AAAE regarding reduced hours at air traffic control towers as a result of the sequestration. He stated Fargo was on that list of 24 hour towers but we don't have any specific information at this time. He stated it may be an 11:00 pm to 6:00 am closure. He stated the FAA also goes through an assessment of tower hours each three years to make certain the 24 hour towers meet the criteria of four operations per hour. He stated we have been able to mitigate any closures in the past and we will continue to engage all of the users that would be impacted and work with our congressional delegation.

Mr. Dobberstein stated Allegiant Air is planning to have universal mobile readers at their airports that will be able to scan boarding passes on your phone at the checkpoint and they will use handheld readers at the gates. He stated the reader is universal so they are looking at making it available to other airlines in the terminal. He stated their plan is to have these readers in use by mid May.

The meeting of the Municipal Airport Authority was adjourned until the next regular meeting to be held Tuesday, March 12, 2013 at 8:00 a.m.

Time at adjournment was 9:16.

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Regular Meeting

Tuesday

March 12, 2013

The Regular Meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held Tuesday, March 12, 2013, at 8:00 a.m. in the Airport Boardroom.

The members present or absent were as follows:

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

Chairman Blazek presiding.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority held February 26, 2013:

The minutes of the regular meeting of the Municipal Airport Authority held February 26, 2013, were approved without objection.

Approved the Airport Vouchers Totaling \$32,626.50:

Mr. Pawluk moved to approve the airport vouchers totaling \$32,626.50.

Second by Mr. Kilander.

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

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

Approved the Individual Voucher to Foreign-Trade Zone Corporation:

Gen. Macdonald moved to approve the individual voucher in the amount of \$243.75 to Foreign-Trade Zone Corporation for review of the CNH America boundary modification.

Second by Mr. Pawluk.

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

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

Approved the Individual Voucher to TL Stroh Architects:

Gen. Macdonald moved to approve the individual voucher in the amount of \$664.30 to TL Stroh Architects for partial payment request for architectural services in connection with the US Customs General Aviation Facility.

Second by Mr. Pawluk.

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

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

Approved the Individual Voucher to TL Stroh Architects:

Gen. Macdonald moved to approve the individual voucher in the amount of \$1,520.00 to TL Stroh Architects for partial payment request for architectural services in connection with the Eastside Terminal Restroom Remodeling Project.

Second by Mr. Pawluk.

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

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

Approved the Individual Voucher to Flint Communications:

Gen. Macdonald moved to approve the individual voucher in the amount of \$22,174.12 to Flint Communications for partial payment request for 2013 Airport Marketing Program.

Second by Mr. Pawluk.

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

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

Approved the Individual Voucher to Grant's Mechanical:

Gen. Macdonald moved to approve the individual voucher in the amount of \$19,207.80 to Grant's Mechanical for Partial Payment Request #8 for mechanical construction of the US Customs General Aviation Facility.

Second by Mr. Pawluk.

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

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

Approved the Individual Voucher to Rick Electric:

Gen. Macdonald moved to approve the individual voucher in the amount of \$6,423.00 to Rick Electric for Partial Payment Request #11 for electrical construction of the US Customs General Aviation Facility.

Second by Mr. Pawluk.

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

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

Approved the Individual Voucher to Sixel Consulting Group:

Gen. Macdonald moved to approve the individual voucher in the amount of \$4,496.00 to Sixel Consulting Group for February passenger boarding fees (Frontier - \$3,166.00, American - \$1,330.00).

Second by Mr. Pawluk.

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

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

Received Update on Proposed North General Aviation Area Hangar Projects:

Mr. Dobberstein stated present at the meeting today are the individuals interested in constructing hangars in the north general aviation area this summer (Jerry Kern, Jim O'Day, Del Arneson).

Mr. Jerry Kern (General Equipment) was recognized and stated that since the last Airport Authority meeting the three parties have gotten together and are looking at three 100' x 80' hangars and they are exploring the possibility of a condo association. He stated they hope to have something relatively final with drawings for the next meeting on March 26. He added that they have discussed the further setback to allow for parking aircraft outside of the hangar door and still allow other aircraft to taxi.

Chairman Blazek thanked the group for their interest in the north general aviation area and stated we look forward to reviewing their plans at the next meeting.

Received Information from Jim Blotsky Regarding Possible South General Aviation Area Hangar Options:

Mr. Jim Blotsky was recognized and distributed a proposed plan for possible hangar options in the south general aviation area. He stated also present at the meeting is Mr. Dick Springer who is another member of the group that has been working with him on this proposed project. He stated the area they are looking at is along Taxiway B, north of the Dakota Air Parts hangar, and they envision eight 100' x 80' hangars with 20' of space between hangars. The plan includes an access road between the two rows of hangars and a taxiway on the west side of the hangars. He stated right now there are four members of their group interested in four hangars. He stated this is not their primary desired location. Their initial interest was in the area west of the former reserve center but if that building remains in place there would be issues with access.

Mr. Blotsky stated the overall goal is to build hangars that will accommodate King Air sized aircraft so they would be attractive for future aircraft owners as well. He stated they are looking for authorization from the Airport Authority to use that space for hangar construction as the area has already been designated for corporate hangar development.

Mr. Pawluk stated he does not find anything objectionable with the proposal presented. He stated he is not certain this is the exact configuration of buildings but at this point we are just looking at a concept. He stated he would like to discuss the former Armed Forces Reserve Center and it would be his first choice to use airport facilities for aviation related interests. He stated if we should

Received Information from Jim Blotsky Regarding Possible South General Aviation Area Hangar Options: (Continued)

decide that is what we want to do then he is not certain who would pay for the expenses to make the site ready for construction. He stated he does not know what those costs would be but this is an airport and if we want to see general aviation expand we might have to spend some resources. He stated if we want to be a land developer and make land available to expand the NDSU campus then we have a lot of other land available for that.

Mr. Kilander stated if we were land locked he would concur with Mr. Pawluk's position but we are not land locked. He stated we have untold acres available in the north general aviation area for development. He stated to take an existing structure with minimal resources on our part and turn it into a revenue stream because it is already there makes sense to him. He stated he would have to look at the cost benefit of demolishing a building to make the site available for hangar construction.

Gen. Macdonald stated years ago the Airport Authority decided it was going to move all future general aviation expansion to the north general aviation area. He stated we have allowed some construction in the southeast even though limited because of lack of available space, but maybe we need to look at getting back to encouraging development on the north side.

Mr. Blotsky stated one of the goals of his group is to maintain the south general aviation area. He stated he knows there is growth on the north end, but their desire is to continue the close knit community among the pilots on the south end.

Gen. Macdonald stated he has no personal objection to this proposal, other than the fact that quite some time ago the board made the decision to move any general aviation expansion to the north general aviation area.

Chairman Blazek stated that since there is no direct dissent from the board he directed Mr. Blotsky to work the Mr. Dobberstein and his staff to bring a more formal proposal before the board at a future date.

Mr. Dobberstein stated this project involves a lot of concrete and at this time we have absolutely no clue as to what we have available for federal funding.

Received Update from the City of Fargo Regarding Clay Borrow Pit Location:

Mr. Dobberstein stated the City of Fargo submitted an aerial photo indicating a possible borrow pit location in the case of a 2013 flood. The photo also shows the 2011, 2010 and 2009 locations.

The board received and filed the aerial photo showing the possible borrow pit location for 2013 and there was no objection to the request.



Presentation by Ulteig Engineers on GIS Project:

Mr. Jeff Klein, Mr. Mike Zimney and Mr. Mike Schnetzer, Ulteig Engineers were recognized. Mr. Klein stated they would like to propose to the Airport Authority the development of a GIS data base for the airport. He stated the airport is required by the FAA to maintain records of all of the existing infrastructure on the airfield and you do have all of those records today. He stated the records exist in various auto cad files and paper drawings and plans. He stated they would like to propose to transform all of this information into one GIS data base program. A presentation was given with examples of information available and how the program would be used.

The program and cost would be in three phases:

|                     |  |
|---------------------|--|
| Phase I - \$50,000  | Data conversion, develop web and mobile application, ArcGIG<br>online subscription |
| Phase II - \$15,000 | Integrate AGIS data  |
| Phase II - \$30,000 | Supplemental Survey  |

Annual costs would include \$2,500 data/web hosting and \$5,000 maintenance and data updates.

Mr. Klein stated that the cost of this program would not be eligible for FAA AIP funds unless it was part of the Airport Master Plan Update.

Mr. Dobberstein stated there is nothing in our budget for this project this year so the first we could even consider it would be with 2014 entitlement funds and that is when we plan to update our Airport Master Plan. He stated there would certainly be advantages to having the information available on a data base.

Discuss April Meeting Dates:

Discussion was held on April meeting dates and it was decided that there will be one meeting, April 23.

Airport Construction and Security Update:

Mr. Dobberstein stated with regard to the US Customs General Aviation Facility, there is a plan being proposed to take the phone cable that was put into the wrong building and somehow move it to the Customs building a different way. He stated it is not in accordance with their technical standards but Customs is willing to waive the requirements in order to get the phone line to the building. He stated he has not yet received a cost estimate from TL Stroh.

Other Business:

Mr. Dobberstein stated that we have been advised by US Customs and Border Protection that effective March 17, 2013, our Customs Office hours will be changed to 9:00 am to 5:00 pm, seven days a week, as a result of the federal sequestration. He stated they have eliminated all overtime except in the case of an emergency. He stated that Fargo Jet Center will advise all of their affected customers. He stated we have not yet heard anything on any reduction in tower hours at this point.

The meeting of the Municipal Airport Authority was adjourned until the next regular meeting to be held Tuesday, March 26, 2013, at 8:00 a.m.

Time at adjournment was 9:07 a.m.

Regular Meeting

Tuesday

March 26, 2013

The regular meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held Tuesday, March 26, 2013, at 8:00 a.m. in the Airport Boardroom.

The members present or absent were as follows:

Present: Kilander, Pawluk, Macdonald, Blazek  
Absent: Clark  
Others: Stewart

Chairman Blazek presiding.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held March 12, 2013:

The minutes of the regular meeting of the Municipal Airport Authority held March 12, 2013, were approved without objection.

Approved the Airport Vouchers Totaling \$62,238.51:

Gen. Macdonald moved to approve the airport vouchers totaling \$62,238.51.  
Second by Mr. Kilander.  
On the call of the roll, members Kilander, Pawluk, Macdonald, Blazek voted aye.  
Absent and not voting: Clark  
The motion was declared carried.

Approved the Individual Voucher to Sixel Consulting Group:

Mr. Pawluk moved to approve the individual voucher in the amount of \$446.15 to Sixel Consulting Group for payment request for consulting services, Allegiant Air Conference.  
Second by Mr. Kilander.  
On the call of the roll, members Kilander, Pawluk, Macdonald, Blazek voted aye.  
Absent and not voting: Clark  
The motion was declared carried.

Approved the Individual Voucher to Ulteig Engineers, Inc.:

Mr. Pawluk moved to approve the individual voucher in the amount of \$5,949.89 to Ulteig Engineers, Inc. for partial payment request for engineering services in connection with the runway 13/31 and Taxiway A Reconstruction project, AIP40.

Second by Mr. Kilander.

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

Absent and not voting: Clark

The motion was declared carried.

Approved the Individual Voucher to Ulteig Engineers, Inc.:

Mr. Pawluk moved to approve the individual voucher in the amount of \$18,672.78 to Ulteig Engineers, Inc. for partial payment request for engineering services in connection with the Terminal Ramp Expansion Project, AIP41.

Second by Mr. Kilander.

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

Absent and not voting: Clark

The motion was declared carried.

Approved the Individual Voucher to Sixel Consulting Group:

Mr. Pawluk moved to approve the individual voucher in the amount of \$1,221.33 to Sixel Consulting Group for payment request for consulting services and expenses, Network USA.

Second by Mr. Kilander.

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

Absent and not voting: Clark

The motion was declared carried.

Approved the Individual Voucher to American Airlines:

Mr. Pawluk moved to approve the individual voucher in the amount of \$30,121.00 to American Airlines for February DOT Grant, Dallas-Fort Worth service.

Second by Mr. Kilander.

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

Absent and not voting: Clark

The motion was declared carried.

Approved the Individual Voucher to KNU, LLC:

Mr. Pawluk moved to approve the individual voucher in the amount of \$8,887.87 to KNU, LLC for La-Z-Boy furniture, US Customs General Aviation Facility.

Second by Mr. Kilander.

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

Absent and not voting: Clark

The motion was declared carried.

Approved the Individual Voucher to Hannaher's:

Mr. Pawluk moved to approve the individual voucher in the amount of \$7,663.14 to Hannaher's for purchase of furniture for the US Customs General Aviation Facility.

Second by Mr. Kilander.

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

Absent and not voting: Clark

The motion was declared carried.

Received Change Order G-9 to KBW Associates for an Increase of \$449.00, US Customs General Aviation Facility:

Mr. Dobberstein stated Change Order #G-9 to KBW Associates for an increase of \$449.00 is for some extra framing for a rain leader penetration. He stated the work has already been completed as TL Stroh Architects determined it was necessary.

Mr. Kilander moved to approve Change Order G-9 to KBW Associates for an increase of \$449.00.

Second by Mr. Pawluk.

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

Absent and not voting: Clark

The motion was declared carried.

Received Update on Proposed South General Aviation Area Hangar Projects:

Mr. Jeff Johnson was recognized and stated he first received information on March 18 regarding the clearances required for his proposed hangar and the Fargo Air Museum's new hangar. He stated after receiving that information his first thought was that he could building a larger hangar, but after further review he does not want to do that as that would limit the area available in which to move aircraft. He stated he is wondering if the Fargo Air Museum would consider moving its building 12' to the south.

Mr. Jon Scaper, Ulteig Engineers, was recognized and referred to a map of the new building for the museum showing the offset of the centerline of that taxiway between the new museum hangar and the proposed Johnson hangar. He stated they used a Kingair 200 as an example of aircraft to be using that taxiway to determine the proper taxiway object free area. This allowed the museum to move their building to the north far enough to allow for 32' between the existing air museum hangar and the new hangar for construction of an entry to the two buildings.

Received Update on Proposed South General Aviation Area Hangar Projects: (Continued)

Mr. Johnson stated he would not consider building a larger hangar unless the air museum was willing to move their building to the south 12'.

Gen. Macdonald stated he is not in a position to approve a change for the Air Museum but he added that the reason the 32' space between the two buildings was for the construction of an entrance to serve both buildings.

Mr. Scrapper stated any change to the location of the museum hangar would require a new FAA airspace study and that would set the project back at least three months.

Mr. Pawluk stated he wants to do everything we can to support Mr. Johnson and his hangar project but he would not want to ask the Air Museum to change their plans which have already received approval.

Mr. Dobberstein stated he would be open to the Airport Authority adding 10' of concrete on the north edge of the existing taxiway.

Mr. Johnson stated he does not want to delay the museum's project. He stated he is open to the option of the additional concrete on the north side of the taxiway.

Received Update on Proposed North General Aviation Area Hangar Project:

Mr. Dobberstein stated no one is present for this item but the group will be here for the next meeting on April 23.

Received CY2012 PFC Audit Report from EideBailly:

Mr. Dobberstein stated that EideBailly conducted the audit of our Passenger Facility Charge (PFC) Program for calendar year 2012. In their opinion, the financial statement presents fairly, in all material respects, the revenue from the Passenger Facility Charges for the year ended December 31, 2012, in accordance with accounting principles generally accepted.

Mr. Pawluk moved to receive and file the audit report from EideBailly for PFC Program for CY2012.

Second by Mr. Kilander.

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

Received Preliminary 2012 Statement of Operations:

The preliminary 2012 Statement of Operations was received and filed without objection.

Airport Construction and Security Update:

Mr. Dobberstein stated TL Stroh Architects has indicated that they are about 50% complete with their work on a concept for the restroom remodeling project for the Eastside Terminal.

Airport Construction and Security Update: (Continued)

Mr. Dobberstein stated we have received a communication dated March 21, 2013 from Mr. Maurice McCormick, Vogel Law Firm, to Attorney Gary Stewart, and also a communication from Mr. Thomas McCormick, Northern Improvement, dated March 25, 2013.

The communications were received and filed without objection.

Mr. Dobberstein stated with regard to the Runway 13/31 and Taxiway A Reconstruction Project, AIP 3-38-0017-39 and AIP 3-38-0017-40, Northern Improvement is offering an extended warranty on Taxiway A. Instead of the one year warranty provided in the contract they will provide a five year warrant running through August 1, 2017, on the Taxiway A pavement, ordinary wear and tear excepted, as outlined in the communication from Attorney Maurice McCormick. Mr. Dobberstein stated it is his recommendation that the board accept the proposed settlement from Northern Improvement

Gen. Macdonald moved the Airport Authority accept the settlement offer from Northern Improvement consisting of eight items outlined in the communication from Attorney Maurice McCormick dated March 21, 2013.

Second by Mr. Kilander.

Mr. Jeff Klein and Mr. Jon Scraper, Ulteig Engineers, gave a brief overview of the situation and the results of the tests performed by their expert, Braun Intertec.

Attorney Stewart stated he is comfortable with the five year warranty and feel it is a good faith effort put forth by Northern Improvement. He stated a warranty beyond the normal warranty is expensive and five years gives enough time for any failure in the concrete to show up. He stated the airport's engineer will continually monitor the pavement.

Mr. Tom McCormick, Northern Improvement, was recognized and stated he feels their expert's report speaks for itself. He stated their expert disagrees with the engineer's expert (Braun Intertec). He stated Northern Improvement will stand behind their project and if there is a problem it will be fixed, just as they have always done.

Gen. Macdonald stated we have two experts that somewhat disagree but Northern Improvement has guaranteed the project for five years. He stated from the research he has done on the matter it does not appear that the project does not meet specifications.

Mr. Dobberstein stated the two experts disagree on the test results. He stated he has spent hours going over information on concrete testing. He stated all of the test results come back within the guidelines and limits. He stated because of the reputation of Northern Improvement and the information provided by their expert they will stand behind their work as they always have. He stated he has no reservations whatsoever about accepting the proposed settlement from Northern Improvement.

Chairman Blazek called for the vote on the motion.

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

Absent and not voting: Clark

The motion was declared carried.

Gen. Macdonald stated he would like to commend Ulteig Engineers for their efforts in trying to protect the interests of the Airport Authority.

Chairman Blazek also thanked Mr. Tom McCormick and the staff of Northern Improvement for working with us through this issue.

Airport Construction and Security Update: (Continued)

Mr. Dobberstein stated with the action by Congress to pass another continuing resolution it appears that the FAA AIP Program will be fully funded, although we do not yet know when we can expect grants to be issued. He stated we expect a May or June time frame to see a grant for our apron expansion project this summer. He stated he would rather know the amount of our entitlement funds so that we have an idea of the amount of our grant before awarding any bids.

Mr. Jeff Klein, Ulteig Engineers, was recognized and stated that they are done with the design portion of the terminal ramp expansion project but they do need to sit down with the airport staff to finalize some items in the project.

Mr. Dobberstein stated we could open bids early in May and we should know more in the next couple of weeks.

Mr. Darren Anderson stated the TSA will be upgrading their machines that screen baggage. He stated the current equipment can handle 80 bags per hour and the new equipment should be able to handle 200 bags per hour so it will be a significant improvement.

Other Business:

Mr. Dobberstein stated the Fargo control tower survived the reduction in hours as a result of the federal budget sequestration; however, the FAA will be doing their annual three year review on the 24 hour tower operations. He stated the tower will engage the users here to submit comments to the acting manager by early April. He stated we should have a determination by July with any change to be effective August 1. He stated the minimum closure is six hours so we may see the tower closed from 11:30 pm to 5:30 a.m or midnight to 6:00 a.m.

The meeting of the Municipal Airport Authority was adjourned until the next regular meeting to be held Tuesday, April 23, 2013.

Time at adjournment was 8:54 a.m.



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Regular Meeting

Tuesday

April 23, 2013

The regular meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held Tuesday, April 23, 2013 at 8:00 a.m. in the Airport Boardroom.

The members present or absent were as follows:

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

Chairman Blazek presiding.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held March 26, 2013:

The minutes of the Regular Meeting of the Municipal Airport Authority held March 26, 2013, were approved without objection.

Approved the Airport Vouchers Totaling \$43,579.35:

Dr. Clark moved to approve the airport vouchers totaling \$43,579.35.  
Second by Mr. Kilander.  
On the call of the roll, members Clark, Kilander, Pawluk, Blazek voted aye.  
Absent and not voting: Macdonald  
The motion was declared carried.

Approved the Individual Voucher to EideBailly:

Mr. Kilander moved to approve the individual voucher in the amount of \$1,550.00 to EideBailly for payment request for CY2012 PFC Audit, PFC07.  
Second by Dr. Clark.  
On the call of the roll, members Clark, Kilander, Pawluk, Blazek voted aye.  
Absent and not voting: Macdonald  
The motion was declared carried.

Approved the Individual Voucher to Northern Improvement:

Mr. Kilander moved to approve the individual voucher in the amount of \$987,374.14 to Northern Improvement for Partial Payment Request #9 for construction of the Runway 13/31 and Taxiway A Reconstruction project (AIP39, AIP40).

Second by Dr. Clark.

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

Absent and not voting: Macdonald

The motion was declared carried.

Approved the Individual Voucher to Northern Improvement:

Mr. Kilander moved to approve the individual voucher in the amount of \$10,946.70 to Northern Improvement for Partial Payment Request #10 for construction of the runway 13/31 and Taxiway A Reconstruction project (AIP39, AIP40).

Second by Dr. Clark.

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

Absent and not voting: Macdonald

The motion was declared carried.

Approved the Individual Voucher to Flint Communications:

Mr. Kilander moved to approve the individual voucher in the amount of \$28,585.23 to Flint Communications for partial payment request for the 2013 Airport Marketing Program.

Second by Dr. Clark.

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

Absent and not voting: Macdonald

The motion was declared carried.

Approved the Individual Voucher to Ulteig Engineers, Inc.:

Mr. Kilander moved to approve the individual voucher in the amount of \$14,056.22 to Ulteig Engineers, Inc. for partial payment request for engineering services in connection with the Terminal Ramp Expansion Project, AIP41.

Second by Dr. Clark.

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

Absent and not voting: Macdonald

The motion was declared carried.

Approved the Individual Voucher to Sixel Consulting Group:

Mr. Kilander moved to approve the individual voucher in the amount of \$5,526.00 to Sixel Consulting Group for passenger enplanement fees for March (American - \$2,374.00 and Frontier - \$3,152.00).

Second by Dr. Clark.

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

Absent and not voting: Macdonald

The motion was declared carried.

Approved the Individual Voucher to TL Stroh Architects:

Mr. Kilander moved to approve the individual voucher in the amount of \$1,730.00 to TL Stroh Architects for partial payment request for architectural services in connection with the proposed East Terminal Restroom Remodel.

Second by Dr. Clark.

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

Absent and not voting: Macdonald

The motion was declared carried.

Approved the Individual Voucher to American Airlines:

Mr. Kilander moved to approve the individual voucher in the amount of \$35,645.00 to American Airlines for the March disbursement for the DOT Grant, Dallas-Fort Worth service.

Second by Dr. Clark.

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

Absent and not voting: Macdonald

The motion was declared carried.

Received First Quarter 2013 PFC Report:

The first quarter 2013 PFC Report was received and filed without objection.

Received March Passenger Report:

The March passenger report was received and filed without objection.

Mr. Dobberstein reported that March 2013 set the all time monthly boarding record and that passenger boardings are up 7.7% year to date 2013 over 2012.

Received Request from Cityscapes Development for One Year Extension to Listing Agreement:

Mr. Dobberstein stated we received a communication from Cityscapes Development dated April 22, 2013, requesting a one year extension of their listing agreement for the East Terminal, which expires April 30, 2013.

The communication from Cityscapes Development was received and filed without objection.

Received Request from Cityscapes Development for One Year Extension to Listing Agreement:  
(Continued)

Mr. Dobberstein stated the East Terminal is full and Mr. Flacksbarth has done a good job for us. He stated he would recommend the one year extension.

Mr. Pawluk moved to approve the recommended extension to the listing agreement with Cityscapes Development LLC.

Second by Mr. Kilander.

Mr. Dobberstein stated Attorney Stewart will review the extension.

Mr. Pawluk moved to amend his motion to include that the extension be subject to the review by Attorney Stewart.

Mr. Kilander seconded the amendment to the motion.

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

All members present voted aye and the motion was amended.

Chairman Blazek called for a vote on the motion to approve the extension to the listing agreement, subject to the review by Attorney Stewart.

All members present voting aye and none voting nay the motion was declared carried.

Received Update on Proposed North General Aviation Area Hangar Project:

Mr. Jim O'Day was recognized and stated also present are Jerry Kern, Don Kern and John Schilling. He stated Mr. Del Arneson is the third partner but is not present today.

Mr. O'Day stated their group is proposing an 80' x 300' steel frame building with three hangar units and they plan to form a condo association. He stated the hangar doors will be on the east side of the building and 18' garage doors on the west side. He stated the building will have a full foundation and will be insulated and heated. He stated it is also their plan to pave concrete on the east side of the building with a concrete drive on the west side. Mr. O'Day stated with the board's approval of the concept they will move forward with the airspace study and obtain a building permit. He added that this building proposal is in lieu of the proposal he submitted for himself in July 2012.

Mr. O'Day stated for financing considerations they are requesting a 30 year lease.

Mr. Dobberstein stated there is no disadvantage to granting a 30 year lease for a hangar, we just have not granted one for that long a term in the past. He stated that the ground rent is subject to change each year.

Mr. Kilander stated he does not see any problem with granting a 30 year lease.

Mr. Pawluk moved to approve the concept of the proposed condo hangar project in the north general aviation area as outlined and that a 30 year lease term be granted.

Second by Dr. Clark.

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

Received Update on South General Aviation Area Hangar Projects:

Mr. Jeff Johnson was recognized and distributed updated drawings of the south general aviation area and the site he is proposing to construct a hangar. He stated at the last Airport Authority meeting the board indicated they would be willing to pave an additional strip of concrete along the north side of the taxi lane in order to accommodate a King Air to be able to taxi to his proposed hangar. He stated after extensive review of the area he is proposing a revised plan for the concrete connecting the current taxi lane to his hangar in order to have plenty of space to move aircraft and avoid the air museum building which will be constructed only eight feet off the edge of the taxi lane.

Mr. Pawluk asked if we could have Ulteig Engineers outline the proposed construction project for this summer and what is included in the south general aviation area.

Mr. Jeff Klein, Ulteig Engineers, was recognized and stated the project this summer is the terminal apron expansion and an alternate in that project is the widening of the taxi lane for the condominium hangar in the north general aviation area and another alternate is to remove and replace a portion of the taxi lane north of the proposed air museum building, connect the apron to the new air museum building, and also extend the taxi lane 8' to the north. He stated the reason for removal and replacement is to re-establish the grade for proper drainage. He stated with the additional 8' on the north edge of the taxi lane it will meet the FAA's specifications to accommodate a King Air.

Chairman Blazek stated Mr. Johnson is planning to construct the apron in front of his hangar and connect to the taxi lane.

Mr. Johnson stated the hashed area of concrete shown on the Moore Engineering plan represents 335 square yards and the 8' strip on the north edge of the taxi lane is 150 square yards so the difference of 185 square yards is the additional amount he is requesting the airport fund, which at approximately \$50 per square yard should cost about \$9,250. He stated he is paving 410 square yards for the rest of the project.

Mr. Pawluk stated the site we are discussing is currently used for snow storage but with the construction of Mr. Johnson's hangar he will need this space to be able to maneuver his aircraft in and out of his hangar. He stated he does not think it would be unreasonable for the Airport Authority to split the cost of the additional concrete being requested by Mr. Johnson. He stated many of the hangar owners in the south general aviation area did not have to pay for any concrete.

Chairman Blazek stated he wants to make certain that everyone is treated the same and that FAA requirements are met. He agreed it would not be unreasonable to participate in some of the cost of the concrete.

Mr. Pawluk moved to approve the site plan, grading, utilities and erosion control plan for Mr. Johnson's hangar be approved and that the Airport Authority participate in up to \$5,000 for the additional concrete.

Second by Mr. Kilander.

Mr. Pawluk stated he would not object to some minor modifications of the plan if necessary.

Mr. Johnson stated he does have some concerns about the change in grading for the construction of the air museum expansion and when that concrete is replaced it will be sloped to run to the north which could cause problems for the hangars north of the air museum.

Received Update on South General Aviation Area Hangar Projects: (Continued)

Mr. Jeff Klein stated the air museum will have their roof drains extend into the ground and drain directly into the storm sewer. He stated the project also includes some other changes in storm sewer inlets for adequate drainage.

Chairman Blazek stated the existing museum hangar roof drains the same way.

Mr. Jeff Klein stated they can work with Mr. Johnson on including the additional \$5,000 of concrete in the bid for the airport's construction project this summer, although it would not be eligible for AIP funding. He stated it has been done before and would require some additional accounting.

Chairman Blazek called for a vote on the motion.

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

Mr. Pawluk moved to approve a 30 year ground lease for Mr. Jeff Johnson.

Second by Mr. Kilander.

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

Received Request from Victor Gelking to Extend Carousel Hangar Lease:

Mr. Dobberstein stated we received a communication from Mr. Victor Gelking requesting a five year extension of his lease for the Carousel Hangar, which expires May 31, 2013.

The communication from Mr. Gelking was received and filed without objection.

Mr. Pawluk moved to approve the five year extension to the Carousel Hangar Lease as requested by Mr. Victor Gelking.

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 the East Terminal Restroom Project will be out for bids by the end of the week. He stated we are not going through the formal bidding process with advertisements in the newspaper because it is below the required dollar limit for that. He stated the bid will be posted on the Builders Exchange so most of the area contractors will see it. He stated the project is an update of the restrooms but we are not making significant changes. The fixtures, tile, partitions, etc. will be replaced.

Mr. Stroh stated with regard to the US Customs General Aviation Facility, we are still waiting until the ground softens enough for installation of the telephone line. He stated there was an issue with a clean-out connected to the rain leader from the roof. He stated they have been working with Grant's Mechanical to solve that problem. He stated one possibility is that the cleanout was broken or damaged during installation. He stated they are also waiting for the replacement of the rejected cabinetry. He stated Customs does not want to move into the building until the phone line has been installed.

Mr. Dobberstein stated two weeks ago the TSA announced they would be sending out a revision to the Security Plan basically requiring the airports to take over the responsibility of monitoring the exit lanes. He stated we have engaged our congressional delegation and we have been advised by the AAEE that by statute they do not have the authority to do that.

Other Business:

Mr. Dobberstein stated the acting manager for the Fargo Tower sent her report to her supervisor with numerous letters from airport users regarding the need for the Fargo tower to have 24 hour operations. He stated the FAA will make a decision by July 15 to be effective August 1. He stated our congressional delegation is also engaged on this matter.

Mr. Dobberstein stated our US Customs office hours are now Monday-Friday, 9:00 am to 5:00 pm, with no overtime hours allowed due to the budget sequester. He stated this change in hours has caused a significant impact on business for Fargo Jet Center and it has also caused a significant impact to their customers by having to go to a different airport costing more money and time. He stated our congressional delegation is aware of this situation but we are just one of many airports across the country being affected.

Mr. Darren Hall, Fargo Jet Center, was recognized and stated they have been able to document a significant drop in business since the change in hours. He stated before the change in hours their business was up over last year but is now significantly down since the change in hours. He stated the Duluth Customs office has posted a change in their office hours also but their clearance hours have not been affected, so there does not seem to be any consistency.

Mr. Dobberstein stated he was advised by the FAA Airports District Office in Bismarck of an airspace study submitted by Xcel Energy for a plan to construct 150' power lines along the railroad track south of the airport. He stated their initial reaction is that this would affect the approaches to the airport.

Mr. Pawluk stated he feels it is important to contact the North Dakota Public Service Commission with our objections right away.

Mr. Darren Hall, Fargo Jet Center, was recognized and stated they will be holding a press conference on Thursday morning to announce that Fargo Jet Center was ranked #2 among FBOs in the Americas based on a survey of pilots. He stated they have done a lot of work in marketing over the years in partnership with the Airport Authority and they feel it is paying off. He stated it is not just the Fargo Jet Center team but a combination of efforts by the airport, air traffic control, US Customs, aircraft rescue and firefighting, etc.

Chairman Blazek thanked the general aviation tenants present at today's meeting for their interest in aviation and their investment on the airport.

The meeting of the Municipal Airport Authority was adjourned until the next regular meeting to be held Tuesday, May 14, 2013, at 8:00 a.m.

Time at adjournment was 9:05 a.m.

Regular Meeting

Tuesday

May 14, 2013

The regular meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held Tuesday, May 14, 2013, at 8:00 a.m. in the Airport Boardroom.

The members present or absent were as follows:

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

Chairman Blazek presiding.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held April 23, 2013:

The minutes of the regular meeting of the Municipal Airport Authority held April 23, 2013, were approved without objection.

Approved the Airport Vouchers Totaling \$24,257.53:

Mr. Pawluk moved to approve the airport vouchers totaling \$24,257.53.

Second by Dr. Clark.

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

Absent and not voting: Kilander

The motion was declared carried.

Approved the Individual Voucher to Sixel Consulting Group:

Gen. Macdonald moved to approve the individual voucher in the amount of \$411.00 to Sixel Consulting Group for payment request for Sixel Air Service Meeting, Tucson.

Second by Dr. Clark.

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

Absent and not voting: Kilander

The motion was declared carried.



Approved the Individual Voucher to Sixel Consulting Group:

Gen. Macdonald moved to approve the individual voucher in the amount of \$4,274.00 to Sixel Consulting Group for passenger enplanement fees for April (Frontier/Denver and American/Dallas).

Second by Dr. Clark.

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

Absent and not voting: Kilander

The motion was declared carried.

Approved the Individual Voucher to Forum Communications:

Gen. Macdonald moved to approve the individual voucher in the amount of \$220.41 to Forum Communications for legal advertisement for bids, Terminal Apron Expansion, Project AIP41.

Second by Dr. Clark.

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

Absent and not voting: Kilander

The motion was declared carried.

Approved the Individual Voucher to Flint Communications:

Gen. Macdonald moved to approve the individual voucher in the amount of \$2,498.97 to Flint Communications for partial payment request for 2013 Airport Marketing Program.

Second by Dr. Clark.

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

Absent and not voting: Kilander

The motion was declared carried.

Approved the Individual Voucher to TL Stroh Architects:

Gen. Macdonald moved to approve the individual voucher in the amount of \$7,818.00 to TL Stroh Architects for partial payment request for architectural services in connection with the East Terminal Restroom Project.

Second by Dr. Clark.

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

Absent and not voting: Kilander

The motion was declared carried.

Approved the Individual Voucher to Epic Solutions:

Gen. Macdonald moved to approve the individual voucher in the amount of \$15,649.75 to Epic Solutions for the replacement of an airfield paint sprayer.

Second by Dr. Clark.

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

Absent and not voting: Kilander

The motion was declared carried.

Approved the Individual Voucher to Ulteig Engineers, Inc.:

Gen. Macdonald moved to approve the individual voucher in the amount of \$5,386.96 to Ulteig Engineers, Inc. for partial payment request for engineering services in connection with the Runway 13/31 and Taxiway A Replacement Project, AIP40.

Second by Dr. Clark.

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

Absent and not voting: Kilander

The motion was declared carried.

Approved the Individual Voucher to Ulteig Engineers, Inc.:

Gen. Macdonald moved to approve the individual voucher in the amount of \$5,750.00 to Ulteig Engineers, Inc. for partial payment request for engineering services in connection with the Terminal Apron Expansion Project, AIP41.

Second by Dr. Clark.

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

Absent and not voting: Kilander

The motion was declared carried.

Approved the Individual Voucher to Dawson Insurance:

Gen. Macdonald moved to approve the individual voucher in the amount of \$1,000.00 to Dawson Insurance for the extension of the Builder's Risk Policy for the US Customs General Aviation Facility.

Second by Dr. Clark.

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

Absent and not voting: Kilander

The motion was declared carried.

Kilander now present.

Authorized Attendance at the Great Lakes Chapter AAAE Summer Conference, July 25-28, 2013, Rapid City, SD:

Gen. Macdonald moved to authorize attendance by board members and staff at the Great Lakes Chapter AAAE Summer Conference, July 25-28, 2013.

Second by Mr. Pawluk.

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

Received Easement Request from CenturyLink to Install Fiber Line:

Mr. Dobberstein stated CenturyLink is proposing to install fiber line on airport property north of County Road 20. He stated he does not have a map available showing the route of the line and the easement requested but Ulteig Engineers is working on revisions to the map. He stated there is an existing pedestal in the middle of field and they are proposing to run the line through the middle of the field. He stated he would rather they keep the line as close to County 31 as possible, along an existing one foot Northwestern Bell easement, and we are having Ulteig verify if that is still in place. He stated once the line gets north of the Stockman Addition then they could expand the easement to three or five feet.

Mr. Dobberstein stated we do not have an official request from CenturyLink so this information is just an FYI at this time.

Mr. Pawluk stated maybe we should be establishing a designated easement corridor and we should insist that any easement stay within that corridor. He stated if we don't protect our right of way who else will?

Chairman Blazek stated he would concur.

Gen. Macdonald stated he also agrees. He stated easements can really get in the way at some point in the future.

Mr. Dobberstein stated he would rather not see it in the middle of the field.

Gen. Macdonald moved that the Executive Director be allowed to negotiate the placement of the fiber optic line, with the understanding that the Board's feeling is to keep it as close to the existing easement as possible.

Second by Mr. Pawluk.

Mr. Dobberstein stated Ulteig has been hired by CenturyLink for this project so we will be able to request a copy of the plans for our records.

Chairman Blazek called for a vote on the motion.

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

Received Communication from Jim Shaw Regarding East Terminal Office Space Assignment to Spectrum Aeromed:

Communications from Shaw Investments dated April 29, 2013, and from Spectrum Aeromed (no date) were received and filed without objection.

Mr. Dobberstein stated Mr. Jim Shaw currently leases offices on both the first and second floors of the East Terminal. He stated Mr. Shaw has decided to consolidate his operation to just one office on the second floor and would like to assign his lease for the first floor space to Spectrum Aeromed.

Mr. Kilander moved to approve the lease assignment for space on the first floor of the East Terminal from Shaw Investments, LLC to Spectrum Aeromed effective May 1, 2013.

Second by Mr. Pawluk.

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

Received Communication from Sanford to Extend Their East Terminal Lease:

The communication from Mr. Mike Christianson, Executive Director, Sanford Air Transport, dated April 26, 2013 was received and filed without objection.

Mr. Dobberstein stated the Sanford lease for space in the East Terminal expires May 31, 2013 and they would like a one year extension, with the standard 3% escalator applying.

Gen. Macdonald moved to approve the request from Sanford for a one year extension to their lease.

Second by Dr. Clark.

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

Received Communication from Northstar Aviation Insurance to Extend Their East Terminal Lease:

The communication from Mr. Marc Lepage, Northstar Aviation Insurance, dated May 6, 2013, was received and filed without objection.

Mr. Dobberstein stated Northstar Aviation Insurance, Inc. is requesting a five year extension of their lease effective May 1, 2013, and that the current US Customs space be added once they are able to occupy the space.

Mr. Pawluk moved to approve the five year lease extension for Northstar Aviation Insurance.

Second by Mr. Kilander.

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

Received Communication from Federal Aviation Administration to Extend Their East Terminal Lease:

The communication from the Federal Aviation Administration dated April 24, 2013, was received and filed without objection.

Mr. Dobberstein stated the FAA is requesting a five year extension of their lease for space on the second floor in the East Terminal. He stated rather than the standard 3% escalator clause each year the increase is factored in for the entire term and then averaged over the five years so the payments are the same each month.

Mr. Kilander moved to approve the five year least extension for the Federal Aviation Administration.

Second by Dr. Clark.

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

Received Communication from Avista Regarding Their East Terminal Lease:

The communication from Mr. Thomas Bragg, Avista, dated May 13, 2013, was received and filed without objection.

Mr. Dobberstein stated Avista leases an office on the second floor of the East Terminal which expires May 31 and they are requesting an extension on a month to month basis, with the 3% escalator. He stated they are willing to provide a reasonable notice period in the event of a decision to vacate. Mr. Dobberstein stated he has no problem with this request as one of our other tenants, Myriad Devices, would be interested in leasing the space they day they leave.

Received Communication from Avista Regarding Their East Terminal Lease: (Continued)

Mr. Kilander moved to approve the request from Avista to extend their lease on a month to month basis.

Second by Mr. Pawluk.

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

Received Proposed Contract from Ulteig Engineers for AIP41 2013 Projects:

Mr. Dobberstein stated Ulteig is proposing a Professional Services Agreement for the 2013 improvement projects under FAA Grant AIP41. He stated Attorney Stewart has reviewed the contract language and indicated everything is in order. He stated we retained the services of Mr. Wes Schon, PE, do an independent review of the proposed engineering costs and it was his opinion that those costs were in order.

Mr. Kilander moved to approve the proposed Professional Services Agreement with Ulteig Engineers, Inc. for the 2013 airport improvement projects for FAA Grant #AIP41.

Second by Dr. Clark.

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

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

Received Bid Tabulation and Recommendation of Award for Apron Expansion and Taxi Lane Construction:

Mr. Dobberstein stated we received bids for the Terminal Apron and Expansion and Taxi Lane Construction on May 9, 2013, and received bids as follows:

|                      | BASE BID       | ALTERNATE #1 | ALTERNATE #2 |
|----------------------|----------------|--------------|--------------|
| Northern Improvement | \$2,878,631.08 | \$191,668.60 | \$171,970.65 |
| Strata Corporation   | \$3,395,472.32 | \$126,446.88 | \$138,334.43 |
| Dakota Underground   | \$3,593,694.50 | \$132,222.90 | \$157,697.30 |

Mr. Jeff Klein, Ulteig Engineers, was recognized and stated Northern Improvement was the apparent low bidder on the base bid but the high bidder on both Alternate #1 and Alternate #2, but still the low bidder for all three items combined.

Mr. Klein stated Alternate #1 includes two components in the south general aviation area. He stated one is the widening of the taxi lane and the other is the concrete tying the ramp into the new air museum building, which is ineligible for AIP or PFC funding. He stated he reviewed the bids with Mr. Phil Duginski, Northern Improvement, and there were a couple of items on the alternate bids that they are willing to reduce Alternate #1 by \$27,300.00 and Alternate #2 by \$12,300.00.

Mr. Dobberstein stated the earliest we will see this grant is now July.

Mr. Klein stated the entitlement funds total for 2013 is \$2,581,587.00.

Received Bid Tabulation and Recommendation of Award for Apron Expansion and Taxi Lane Construction: (Continued)

Mr. Dobberstein stated he would recommend approving the Base Bid and Alternate #2 with the deductions offered by Northern Improvement, subject to receiving the AIP grant funds. He stated the board could consider Alternate #1 at the next meeting. He stated Mr. Klein will need to work with Northern Improvement to split out the work that needs to be done for the taxi lane and the work that needs to be done for the Fargo Air Museum. He stated the FAA has determined that the development to the air museum is private development and is not eligible for AIP or PFC funding. He stated the work for the air museum will be done at the expense of the air museum and we cannot obligate the air museum by awarding Alternate #1. He stated once those costs have been broken down, we will include all of the work that is eligible and change order out the items that are not eligible.

After further discussion, Mr. Pawluk moved to award the Terminal Apron Expansion Project to Northern Improvement Company for their base bid of \$2,878,631.08 and Alternate #2 for \$171,970.65, and hold the bid for Alternate #1.

Gen. Macdonald stated if Northern Improvement will hold the bids for 60 days is there a reason we have to award the project today? He stated he would rather wait until we are clear on what we will be doing with Alternate #1.

Mr. Klein stated the award of the bid would be subject to receiving the AIP grant funding anyway.

Mr. Dobberstein stated Northern would not be able to get started on the project until June or July anyway.

Mr. Pawluk withdrew his motion.

Gen. Macdonald stated he thinks Northern Improvement knows us well enough to know that we want to get the change orders right before the award is made.

It was the consensus of the board to defer action until the next meeting.

Received Update Regarding David F. Johnson Building:

Mr. Dobberstein stated we have placed an advertisement in The Forum legal section seeking requests for qualifications from interested commercial real estate firms for the sale of the David F. Johnson buildings. He stated there is a tour of the buildings on Thursday.

Mr. Dobberstein stated there are two buildings, the administration building and the maintenance facility. He stated we can consider whether or not we want to sell both buildings or just the administration building. He stated we are currently using the maintenance facility for cold storage.

Mr. Pawluk stated he is no longer committed to selling the building. He stated at one point he was but he wants to see the airport facilities used for aviation.

Mr. Kilander stated our three options are: 1) tear down the building(s), 2) secure a tenant to lease the building(s), 3) sell the building(s) and lease the ground to the buyer. He stated he does not see any benefit at this point to tear down the building because of the cost of demolition. He stated a rental tenant is probably far less likely than someone purchasing the building.

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

Mr. Dobberstein stated that property was released in 1962 to be used for non-aeronautical uses so we are not obligated to use it strictly for aviation. He stated the property is for revenue generation for the airport. He stated he would rather see us sell the building and start generating revenue through ground rental.

He stated he will have proposals from real estate firms for consideration at the next meeting.

Discuss Air Carrier Lease Agreement Extension:

Mr. Dobberstein stated the air carrier lease agreements will expire at the end of the year and four of the five carriers have indicated they would all agree to the five year extension with no increase in terminal rental rates. He stated Frontier is in a little different position as the airline is for sale. He stated Frontier did indicate they would prefer to pay on a "per turn" basis, which we don't offer. He stated they then requested if they sign the five year extension they would like a 60 day out, but we are not going to agree to that either.

Mr. Dobberstein stated in 2008 we worked with Mr. John DeCoster, Trillion Aviation, and he modernized our lease agreements. He stated he sought input from Mr. DeCoster on the extensions and he proposed to do an amendment to the agreement affirming all other terms and conditions and adding only an Option Term as follows:

- A. Option Term: The parties mutually reserve the right to exercise up to a maximum of five (5) each one (1) year Option Terms beyond the Base Term provided that the Airline exercises the Option Term(s) on or before June 1 of the expiring Term year by sending written notice to Authority of such exercise. Any Option Term(s) exercised shall be under the same terms and conditions as set forth herein.

Mr. Dobberstein stated he thinks this will satisfy Frontier. He stated this is pretty common language across the country because when low cost carriers come into a market they want an easy in and easy out. He stated any new airline coming in has to take the same agreement so they are all treated equally.

Mr. Kilander stated he is in favor of doing anything we can to be as friendly as possible to airlines, as we have done historically.

Mr. Kilander moved to approve the Option Term be added to the five year lease extension agreements with the airlines.

Second by Gen. Macdonald.

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

Airport Construction and Security Update:

Mr. Dobberstein stated Northern Improvement started work on the repairs to last year's project.

Mr. Jeff Klein, Ulteig Engineers, was recognized and stated Border States Paving is working on the punchlist of final items for the parking lot project.

Airport Construction and Security Update: (Continued)

Mr. Terry Stroh, TL Stroh Architects, was recognized and stated the telephone line is being installed this week for the US Customs General Aviation Facility. He stated the cabinetry should be completed by the first week of June. He added that they are looking at a June 10 opening for the building.

Mr. Stroh stated we are currently advertising for bids for the East Terminal restroom project with a bid opening date of May 23. He stated they have not had a lot of interest from contractors yet.

Other Business:

Mr. Dobberstein stated we are currently advertising for proposals from firms to perform our Wildlife Hazard Management Plan as required by the FAA for our Part 139 Certification. He stated we are advertising at the same time Grand Forks is with the thought that we might select the same firm and lower the cost. He stated we may be able to award that project at the next meeting.

The meeting of the Municipal Airport Authority was adjourned until the next regular meeting to be held Tuesday, May 28, 2013 at 8:00 a.m.

Time at adjournment was 9:03 a.m.



Regular Meeting

Tuesday

May 28, 2013

The regular meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held Tuesday, May 28, 2013 at 8:00 a.m. in the Airport Boardroom.

The members present or absent were as follows:

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

Chairman Blazek presiding.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held May 14, 2013:

The minutes of the regular meeting of the Municipal Airport Authority held May 14, 2013 were approved without objection.

Approved the Airport Vouchers Totaling \$35,879.71:

Gen. Macdonald moved to approve the airport vouchers totaling \$35,879.71.  
Second by Mr. Pawluk.  
On the call of the roll, members Kilander, Pawluk, Macdonald, Blazek voted aye.  
Absent and not voting: Clark  
The motion was declared carried.

Approved the Individual Voucher to Sixel Consulting Group:

Mr. Kilander moved to approve the individual voucher in the amount of \$2,250.00 to Sixel Consulting Group for the quarterly airline report.  
Second by Gen. Macdonald.  
On the call of the roll, members Kilander, Pawluk, Macdonald, Blazek voted aye.  
Absent and not voting: Clark  
The motion was declared carried.

Approved the Individual Voucher to Border States Paving:

Mr. Kilander moved to approve the individual voucher in the amount of \$4,545.75 to Border States Paving for Partial Payment Request #6 for construction of the 2012 Parking Lot Expansion Project.

Second by Gen. Macdonald.

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

Absent and not voting: Clark

The motion was declared carried.

Approved the Individual Voucher to Northern Improvement:

Mr. Kilander moved to approve the individual voucher in the amount of \$681,192.28 to Northern Improvement for Partial Payment Request #11 for construction of Runway 13/31 and Taxiway A Reconstruction project, AIP40.

Second by Gen. Macdonald.

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

Absent and not voting: Clark

The motion was declared carried.

Continued Discussion Regarding AIP41 Project Bids:

Mr. Jeff Klein, Ulteig Engineers, was recognized and distributed a project cost summary for the projects included in AIP Grant #41. He stated he has been working with Northern Improvement on the items included in Alternate #1 and Alternate #2. He stated the total for Alternate #1 is now \$48,211.15, after excluding the pavement around the new air museum hangar which the FAA indicated would not be eligible for funding. He stated there was also an adjustment for Alternate #2 down to \$159,670.95 as Northern revised their amount for airport safety control.

Mr. Klein stated total cost for all elements of the project is \$3,439,862.88 and entitlement funds for Grant #41 are \$2,581,587.00 leaving a shortfall of \$514,289.59. He stated he is projecting an entitlement carryover from grants #39 and #40 of \$327,000.00 which could be carried over to AIP Grant #41 if the other grants are closed out in time.

Mr. Dobberstein stated even if grants #39 and #40 are not closed out in time the \$327,000 carryover will still be available for our use. He stated with that carryover we would still be \$187,000 short, which would come out of our reserve funds until we could add that amount to a future grant.

Mr. Kilander moved to award the Terminal Apron Expansion Project (Base Bid, Alternate #1 and Alternate #2) to Northern Improvement, subject to receiving funds from AIP Grant #41.

Second by Gen. Macdonald.

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

Absent and not voting: Clark

The motion was declared carried.

Received Request for Proposal Packets for David F. Johnson Building:

Mr. Dobberstein stated we advertised a request for qualifications from commercial real estate firms for the sale of the former David F. Johnson Reserve Center. He stated we received proposals from Goldmark Schlossman and Cityscapes Development. He stated both firms are more than capable of representing us for the sale of this building. He stated he would like at least one exclusion included in a listing agreement (Dakota Air Parts) as they have indicated some interest in the building.

Mr. Kilander recommended a time limit be placed on the exclusion. He recommended 30 days.

Mr. Dobberstein stated the goal is to sell the building and enter into a lease agreement with the buyer for a ground lease.

Mr. Rick Flacksbarth, Cityscapes Development, was recognized and stated a potential buyer would probably like to know the length of time possible for the ground lease.

Mr. Dobberstein stated he would be comfortable with granting a 30 year lease.

Mr. Pawluk stated the building is a remarkable structure and is too nice to demolish. He stated he is still not totally sold on the course of action we are taking but he wants to do what is best for the airport.

Mr. Pawluk moved to accept the proposal from Cityscapes Development and that we offer a 30 year ground lease to the buyer.

Second by Mr. Kilander.

Chairman Blazek recommended including the exclusion for Dakota Air Parts in the motion.

Mr. Pawluk moved to amend his motion to include a 60 day exclusion for Dakota Air Parts.

Mr. Kilander seconded the amendment.

Chairman Blazek called for a vote on the amendment.

All members present voted aye and the amendment carried.

Chairman Blazek called for a vote on the motion.

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

Received Update Regarding Proposed CenturyLink Easement:

Representatives from Ulteig Engineers (Lisa Brekkestran and Joan Steiner) were recognized and distributed a plan for the proposed easement. Ms. Brekkestran stated CenturyLink currently has a 10' easement on the east side of County Road 31 north of County 20, and they would like to extend north and join an existing Cass County Electric easement through the Stockman subdivision, place a manhole and then bore under 52<sup>nd</sup> Avenue North. She stated the Airport Authority granted the easement to Cass County Electric and it is a non-exclusive easement so CenturyLink needs permission from the Airport Authority to enter it. She also stated that CenturyLink has proposed this to Cass County Electric and they gave their authorization for CenturyLink to enter the easement. She stated in the process, CenturyLink is proposing to release an existing 1' easement which was granted to Northwestern Bell going from the development west to Drain #10, so that would no longer exist.

Received Update Regarding Proposed CenturyLink Easement: (Continued)

Gen. Macdonald moved to approve the request from CenturyLink for the easement as outlined.

Second by Mr. Kilander.

Mr. Dobberstein stated he is fine with the route that is being proposed.

Mr. Pawluk stated there is really no new easement being proposed. He stated they are proposing going into existing easements and are simply requesting the Airport's permission.

Mr. Dobberstein stated with the last several easements we have granted we have required a legal description be provided based on "as built". He added that Ulteig should work directly with the tenant farmers to advise them of their plan and to address any crop loss and then advise the Airport Authority.

Chairman Blazek stated one advantage is that the easement going right through the tenant's field will be vacated.

Chairman Blazek called for a vote on the motion.

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

Received Change Order #2 to Northern Improvement for an Increase of \$2,800.00 for Runway 13/31 and Taxiway A Reconstruction Project, AIP39/AIP40:

Mr. Jeff Klein, Ulteig Engineers, was recognized and stated Change Order #2 to Northern Improvement in the amount of \$2,800.00 is to install Bioroll for erosion control along the south edge of the Cargo Apron. He stated the area was seeded and mulched but with the heavy rains we have received this spring the runoff from the ramp had washed away the seed and mulch. He stated installing the Bioroll along the south edge of the Cargo Ramp will slow the runoff so the grass seed can become established. He stated he feels this is a reasonable request.

Mr. Kilander moved to approve Change Order #2 in the amount of \$2,800.00.

Second by Mr. Pawluk.

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

Absent and not voting: Clark

The motion was declared carried.

Received Change Order #3 to Northern Improvement for Resolution Agreement for Runway 13/31 and Taxiway A Reconstruction Project, AIP39/AIP40:

Mr. Dobberstein stated Change Order #3 to this project recognizes the Resolution Agreement for the five year warranty on the project. He stated Attorney Stewart recommended we include this change order. He stated there is no cost.

Gen. Macdonald moved to approve Change Order #3 recognizing the Resolution Agreement.

Second by Mr. Kilander.

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

Received Bids and Recommendation of Award from TL Stroh Architects for Proposed East Terminal Restroom Improvements:

Mr. Terry Stroh, TL Stroh Architects, was recognized and stated bids for the East Terminal Restroom project were received on May 23. He stated they distributed plans to six contractors but we received just one bid and that was from Gast Construction. He stated their bid was \$73,200.00 for the base bid and \$2,400 for Alternate #1, which is to replace the ceilings in the second floor restrooms. He stated Gast did not know they were the only bidder. He stated they had a couple of the bidders decline to bid just days before the bid opening for various reasons. He stated they just had a similar restroom remodeling project in The Forum's building and the prices were comparable. He stated as far as the alternate, he would recommend replacing the ceiling in the second floor rooms because he does not want to upgrade the rest of the room and then the board be disappointed that the ceiling wasn't improved. He stated to go in later and replace it would cost more.

Gen. Macdonald moved to award the bid for the East Terminal Restroom Project to Gast Construction for the base bid of \$73,200.00 and Alternate #1 for \$2,400.00.

Second by Mr. Kilander.

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

Absent and not voting: Clark

The motion was declared carried.

Received Bids for Replacement of Airfield Mower:

Mr. Dobberstein stated this item will be delayed until the next meeting as we are still doing some checking on GSA pricing.

Airport Construction and Security Update:

Mr. Terry Stroh, TL Stroh Architects, was recognized and stated the phone line to the US Customs General Aviation Facility has been installed. He stated Dakota Securities, which is a subcontractor under the electrical contract, can't get to the site to do their work until June 7. He stated the final walk through of the building with Ms. Stacy Cassel, US Customs, will be June 24.

Mr. Jeff Klein, Ulteig Engineers, was recognized and stated Northern Improvement is finishing up on seeding and painting on the Runway 13/31-Taxiway A Reconstruction Project. He stated once those items are done we will issue final payment and get the project closed.

Other Business:

Chairman Blazek stated while attending the AAAE Annual Conference they had some very good discussions with Standard Parking. He stated he would like us to schedule a publicly advertised meeting, probably in the fall following one of our regular meetings, to have a lengthy open discussion on our parking plans.

The meeting was adjourned until the next regular meeting to be held Tuesday, June 11, 2013, at 8:00 a.m. Time at adjournment was 8:48 a.m.

Regular Meeting

Tuesday

June 11, 2013

The regular meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held Tuesday, June 11, 2013, at 8:00 a.m. in the Airport Boardroom.

The members present or absent were as follows:

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

Chairman Blazek presiding.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority held May 28, 2013:

The minutes of the regular meeting of the Municipal Airport Authority held May 28, 2013, were approved without objection.

Approved the Airport Vouchers Totaling \$38,703.71:

Mr. Kilander moved to approve the airport vouchers totaling \$38,703.71.  
Second by Dr. Clark.  
On the call of the roll, members Clark, Kilander, Pawluk, Blazek voted aye.  
Absent and not voting: Macdonald  
The motion was declared carried.

Approved the Individual Voucher to Sixel Consulting Group:

Mr. Pawluk moved to approve the individual voucher in the amount of \$6,226.00 to Sixel Consulting Group for May passenger enplanement fees (American/Dallas - \$1,952.00 and Frontier/Denver - \$4,274.00).  
Second by Dr. Clark.  
On the call of the roll, members Clark, Kilander, Pawluk, Blazek voted aye.  
Absent and not voting: Macdonald  
The motion was declared carried.

Approved the Individual Voucher to TL Stroh Architects:

Mr. Pawluk moved to approve the individual voucher in the amount of \$1,609.00 to TL Stroh Architects for partial payment request for architectural services in connection with the East Terminal Restroom Remodel.

Second by Dr. Clark.

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

Absent and not voting: Macdonald

The motion was declared carried.

Approved the Individual Voucher to Northern Improvement:

Mr. Pawluk moved to approve the individual voucher in the amount of \$179,947.37 to Northern Improvement Company for Partial Payment Request #11 (Final) for the construction of the Runway 13/31 and Taxiway A Reconstruction Project, AIP39 - \$179,947.37 and AIP40 - \$78,191.00.

Second by Dr. Clark.

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

Absent and not voting: Macdonald

The motion was declared carried.

Approved the Individual Voucher to Ulteig Engineers, Inc.:

Mr. Pawluk moved to approve the individual voucher in the amount of \$15,538.60 to Ulteig Engineers, Inc. for partial payment request (final) for engineering services in connection with the Runway 13/31 and Taxiway A Reconstruction Project, AIP39/AIP40.

Second by Dr. Clark.

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

Absent and not voting: Macdonald

The motion was declared carried.

Approved the Individual Voucher to Flint Communications:

Mr. Pawluk moved to approve the individual voucher in the amount of \$13,203.35 to Flint Communications for partial payment request for 2013 Airport Marketing Program.

Second by Dr. Clark.

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

Absent and not voting: Macdonald

The motion was declared carried.

Mr. Kent Costin, Director of Finance, City of Fargo, Reviewed Investment Policy:

Mr. Kent Costin, Director of Finance, City of Fargo, was recognized and stated Mr. Dobberstein asked him to come and review the City of Fargo's investment policy. Mr. Costin distributed a Review of Investment Performance for the first quarter of 2013.

Mr. Costin stated anyone who has been around for a while has seen the ebb and flow of interest rates and right now they are very low. He stated the City used to manage the money internally with staff working with banks, but as the interest rates continued to decline they became much less comfortable with having any sense of what investments they should buy. He stated the City did a request for proposals on a national basis for investment management services. He stated the firm selected was PFM Asset Management LLC from St. Louis, MO. He stated they helped write a formal investment policy and get on track with a professional approach to money management.

Mr. Costin stated the airport funds are pooled with the City of Fargo funds but have not been in these investment funds. He stated this investment opportunity is available to the Airport Authority if the board should so desire. He stated we are restricted in what we can buy and the income would be prorated based on funds invested. He stated there is a fee involved but the fee is low. He stated the City has used this firm for two years and while the returns are still not that great they have every confidence that the money is being professionally managed. He stated PFM is very highly rated nationally and are known for their conservative approach to investment.

Chairman Blazek stated he would like to do some homework before making a decision.

Received Wildlife Assessment Proposals:

Mr. Dobberstein stated we advertised for proposals from firms to conduct our wildlife assessment. He stated we received seven proposals and there is a lot of variety in how the proposals were put together in terms of the number of surveys and site visits they would do each month. He stated the costs range from \$70,000 to \$102,000.

Mr. Dobberstein stated as we go through the process to decide who is best qualified to perform the wildlife assessment, he stated we also have the option of foregoing AIP funds and hire the USDA to conduct the assessment and recoup the cost through a PFC. He stated the cost for the USDA to conduct the assessment would be around \$38,000. He stated we have until August to get someone under contract to conduct the assessment. He stated Grand Forks is going through the same process right now. He stated the last time we had this assessment done about ten years ago it cost \$17,000. He stated we do not have to decide today but the contractors will want to know soon.

Mr. Kilander asked if there is any reason we would not just go with the USDA.

Mr. Dobberstein stated we could hire the USDA today and recover the cost through a future PFC and simplify the process.

Chairman Blazek recommended leaving the decision up to the discretion of the Executive Director.

Mr. Kilander moved to receive the proposals for the Wildlife Hazard Assessment and leave the decision to the discretion of the Executive Director.

Second by Mr. Pawluk.

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



Received Mower Bids and Recommendation of Award:

Mr. Dobberstein stated the airfield maintenance staff solicited bids for a replacement mower and received four proposals.

Mr. Pawluk stated after reviewing the four bids he would recommend purchasing the John Deere 997 from RDO Equipment Co. He stated all of the mowers proposed would do a good job but he feels the John Deere will hold its value better. He stated he also feels the deck on the John Deere does the best job of cutting.

After further discussion, Mr. Pawluk moved to authorize the purchase of the 2013 John Deere 997 Mid Ztrak for a price of \$13,900.00.

Second by Mr. Kilander.

Chairman Blazek asked what happens if the airfield staff preferred one of the other units.

Mr. Pawluk stated if they do not want the John Deere they can bring that request to the board.

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 he received an e-mail confirming the visit from US Customs for the General Aviation Facility will be June 27. He stated the materials for the East Terminal restrooms are being ordered.

Mr. Dobberstein stated Allegiant Air representatives contacted us some weeks ago regarding a proposal to install a mobile reader at the checkpoint so passengers are able to use their smart phones and scan their boarding passes. He stated the other airlines will have an opportunity to partner with Allegiant to activate their mobile devices in Fargo. He stated he will have more to report at the next meeting.

Mr. Jeff Klein, Ulteig Engineers, was recognized and stated the seeding on the cargo apron has been completed and there are some minor punchlist items remaining.

Mr. Dobberstein stated we are still awaiting word on federal funding for the Terminal Expansion Project.

Mr. Dobberstein stated the lighting at the checkpoint contains a high heat light bulb. He stated when we experience a power outage it takes about 15 minutes for the lights to come back on. He stated during that time the TSA closes down the checkpoint. He stated our building staff wants to replace the current lighting with LED lighting at a cost of approximately \$18,000. He stated this will be put in the budget for next year.

The meeting of the Municipal Airport Authority was adjourned until the next regular meeting to be held Tuesday, June 25, 2013 at 8:00 a.m.

Time at adjournment was 8:49 a.m.

Regular Meeting

Tuesday

June 25, 2013

The regular meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held Tuesday, June 25, 2013, at 8:00 a.m. in the Airport Boardroom.

The members present or absent were as follows:

Present: Clark, Pawluk, Macdonald, Blazek  
Absent: Kilander  
Others: Walaker

Chairman Blazek presiding.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held June 11, 2013:

The minutes of the regular meeting of the Municipal Airport Authority held June 11, 2013, were approved without objection.

Approved the Airport Vouchers Totaling \$28,882.82:

Dr. Clark moved to approve the airport vouchers totaling \$28,882.82.

Second by Mr. Pawluk.

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

Absent and not voting: Kilander

The motion was declared carried.

Approved the Individual Voucher to Grant's Mechanical:

Gen. Macdonald moved to approve the individual voucher in the amount of \$12,989.00 to Grant's Mechanical for Partial Payment Request #9 (Final) for mechanical construction of the US Customs and Border Protection General Aviation Facility.

Second by Dr. Clark.

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

Absent and not voting: Kilander

The motion was declared carried.

Received Proposed Ground Lease for Fargo Air Museum Expansion:

Mr. Dobberstein stated the board members received the proposed ground lease for the Fargo Air Museum expansion which was prepared by Attorney Andy Noah in conjunction with our attorney, Gary Stewart. He stated this is to amend the current lease to add the proposed hangar. He stated the Air Museum may consider moving the proposed hangar further south and if that is the case then the legal description would need to be amended. He stated that Attorney Stewart has reviewed and approved the ground lease.

Mr. Pawluk moved to approve the proposed ground lease for the Fargo Air Museum expansion.

Second by Dr. Clark.

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

Received Preliminary CY2014 Budget:

Mr. Dobberstein stated the board members have received copies of the proposed budget for calendar year 2014. Mr. Dobberstein reviewed the expenses noting that the amount for full time staff would be adjusted with the cost of living adjustment which was approved by the Fargo City Commission. He stated one unknown is what the TSA will do with the staffing of the exit lanes at airports. The TSA wants to shift that responsibility to airports and that could cost approximately \$200,000 per year. He stated we are still working diligently with our congressional delegation to fight that change.

Mr. Dobberstein stated with regard to the aircraft rescue and fire fighting services (ARFF), by sometime in July or August the guard is supposed to have a transition plan in place with us for the very likelihood that the airport will have to take over ARFF services as early as next year. He stated we are working with our congressional delegation to request a two year extension through September 30, 2015. He stated this is uncharted territory so we will need to work with the guard on costs. He stated those costs could well be \$1.5 million annually, which is three times what we pay now. He stated one option for funding is to increase our mill levy to four mills, but hopefully that would be a last resort. He added that the airlines are aware of this situation and there are other airports facing this situation as well.

Chairman Blazek asked Mr. Dobberstein if it would be helpful to have a subcommittee from the board to assist with this transition.

Mr. Dobberstein stated we should know more by the first meeting in July but a subcommittee might be a good idea. He stated there are a lot of decisions to be made.

Mr. Dobberstein stated another item included in the expense budget is \$500,000 for restroom expansion in the departure lounge/gate area.

Mr. Dobberstein reviewed the revenue projections.

Dr. Clark moved to approve the preliminary budget for calendar year 2014 as presented.

Second by Gen. Macdonald.

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

Airport Construction and Security Update:

Mr. Terry Stroh, TL Stroh Architects, was recognized and stated on Thursday morning officials from US Customs will be here to do a final walk inspection of the General Aviation Facility. He stated we are still waiting for materials to start on the East Terminal restroom project.

Mr. Jeff Klein, Ulteig Engineers, was recognized and stated we are still waiting for funding for the Terminal Apron Expansion. He stated July 15 is probably the earliest we will see the grant. He stated the delay of funding has a significant impact on the project. He stated the FAA/ADO office in Bismarck is doing everything they can to expedite the process.

Other Business:

Mr. Dobberstein stated Herman Miller will be replacing all of the seat bottoms in our departure lounge and waiting area seating. He stated we have had a significant enough number of failures to qualify for complete replacement.

Mr. Dobberstein stated following the presentation at the last meeting by Kent Costin, City of Fargo Finance Director, he has done some checking into federal restrictions on how government entities are able to invest their funds. He stated he checked with the FAA/ADO office in Bismarck and they have not been able to find any restrictions. He stated Mr. Costin is waiting for a decision from us, which we do not need to make today.

Chairman Blazek stated he did some research on PFM, the company the City of Fargo has chosen to work with on their investment. He stated PFM has no direct ties to our community, which is a negative for him. He stated they do have a specific airport division and he would not object to working with the City of Fargo on investments.

Mr. Dobberstein stated he will reach out to PFM's airport division and report back at the next meeting.

Mr. Pawluk stated it would make sense to him to not have to reinvent the wheel and join with the City of Fargo and use PFM for investment services.

The meeting was adjourned until the next regular meeting to be held Tuesday, July 9, 2013, at 8:00 a.m.

Time at adjournment was 8:41 a.m.

Regular Meeting

Tuesday

July 9, 2013

The regular meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held Tuesday, July 9, 2013, at 8:00 a.m. in the Airport Boardroom.

The members present or absent were as follows:

Present: Clark, Kilander, Macdonald, Blazek

Absent: Pawluk

Others: None

Chairman Blazek presiding.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held June 25, 2013:

The minutes of the regular meeting of the Municipal Airport Authority held June 25, 2013, were approved without objection.

Approved the Airport Vouchers Totaling \$32,108.12:

Mr. Kilander moved to approve the airport vouchers in the amount of \$32,108.12.

Second by Dr. Clark.

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

Absent and not voting: Pawluk

The motion was declared carried.

Approved the Individual Voucher to Flint Communications:

Gen. Macdonald moved to approve the individual voucher in the amount of \$1,665.00 to Flint Communications.

Second by Kilander.

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

Absent and not voting: Pawluk

The motion was declared carried.

Approved the Individual Voucher to Sixel Consulting Group:

Gen. Macdonald moved to approve the individual voucher in the amount of \$6,464.00 to Sixel Consulting Group for June passenger enplanement fees (American/Dallas - \$2,122.00, Frontier/Denver - \$4,342.00).

Second by Mr. Kilander.

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

Absent and not voting: Pawluk

The motion was declared carried.

Approved the Individual Voucher to Ulteig Engineers, Inc.:

Gen. Macdonald moved to approve the individual voucher in the amount of \$644.50 to Ulteig Engineers, Inc. for partial payment request for engineering services in connection with the 2012 Parking Lot Expansion Project.

Second by Mr. Kilander.

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

Absent and not voting: Pawluk

The motion was declared carried.

Approved the Individual Voucher to Swanston Equipment Company:

Gen. Macdonald moved to approve the individual voucher in the amount of \$34,213.89 to Swanston Equipment Company for payment request (full and final) for the Runway 18/26 marking project.

Second by Mr. Kilander.

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

Absent and not voting: Pawluk

The motion was declared carried.

Received Communications from Esterline/AVISTA and Myriad Devices Regarding East Terminal Lease:

The communication from Mr. Thomas Bragg, Esterline/AVISTA, dated June 25, 2013, and the Letter of Intent from Myriad Devices, were received and filed without objection.

Mr. Dobberstein stated on May 14, 2013, the board approved a month to month extension of AVISTA's second floor office lease in the East Terminal. He stated we have now received a notice from AVISTA of their intention to vacate the space effective August 1, 2013. He stated we have also received a Letter of Intent from Myriad Devices to lease the AVISTA space effective August 1, 2013 through August 31, 2014, which would be the same expiration date as their existing lease and at that time we will combine the spaces into one lease.

Mr. Kilander moved to approve the termination of lease with AVISTA effective August 1, 2013 and to approve the leasing of that space to Myriad Devices effective August 1, 2013 through August 31, 2014.

Second by Dr. Clark.

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

Received Communication from Spectrum Aeromed Exercising Their Five Year Option to Continue Lease in East Terminal and Hangar #9:

The communication from Chad Kost, Spectrum Aeromed, dated June 28, 2013 was received and filed without objection.

Mr. Dobberstein stated Spectrum Aeromed has a five year extension option in their leases for space in the East Terminal effective September 1 and Hangar #9 effective July 1. He stated they are proposing to continue the current annual increases.

Gen. Macdonald moved to approve the five year lease extensions as requested by Spectrum Aeromed.

Second by Dr. Clark.

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

Received FAA AIP Grant #41:

Mr. Dobberstein stated the closeouts for AIP Grants #39 and #40 have been completed and we have received our drawdown funds for those grants. He stated the carryover from these grants will be applied to Grant #41, which the Bismarck FAA office is finalizing. He stated the congressional delegation has made the announcement on the grant. He stated the board should approve receipt of the grant, subject to signature by our attorney.

Gen. Macdonald moved to receive FAA AIP Grant #41, subject to review and signature by Attorney Stewart.

Second by Dr. Clark.

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

Mr. Dobberstein stated the board should also authorize the issuance of a Notice to Proceed, subject to receipt and signature of the grant.

Mr. Kilander moved to authorize the issuance of a Notice to Proceed for the project, subject to receiving and signature of the grant.

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 we had our walk through of the US Customs General Aviation Facility with Customs officials on June 27 and it went well. There were a couple of minor items but those should be take care of this week. He stated they were very happy with the facility. As far as the restroom project in the East Terminal, he stated we are still waiting for some materials and don't want to start with demolition until the materials are here and ready to be installed.

Other Business:

Mr. Dobberstein stated that Mr. Danny Schatz appeared before the board last August to request approval for a fuel tank and is now ready to move forward with that project. He stated Mr. Schatz has been working with Mr. Jim Schaefer, R&R Petroleum, who is present today.

Mr. Schaefer was recognized and stated that Mr. Schatz owns a 5-hour fire guard tank which would be above ground and he would like to locate that at the north general aviation area fuel farm and pipe the fuel to his hangar location to fuel his aircraft. He stated they have talked to the Fargo Fire Department and have their approval. He stated there is still a zoning issue they are working on with the City of Fargo. He stated the pipe would go under the drain in that area and also under the taxiway. He stated there would be a 6" conduit so there should be no disruption to the taxiway.

Mr. Dobberstein stated he is indifferent on above ground or below ground tanks, as long as all of the conditions and approvals are met. He stated Mr. Schatz did indicate last year that if he were to sell the hangar he would remove everything related to the tank. He stated Mr. Schatz and Mr. Schaefer will meet and coordinate with Fargo Jet Center as far as the tank location in the fuel farm and we will then get a legal description for the lease.

Mr. Dobberstein stated last week he, Darren Anderson and Gen. Macdonald met with representatives at the Guard on the issue of the aircraft rescue and fire fighting (ARFF) services. He stated verbally the Guard had indicated the ARFF agreement between the airport and the Guard will end in August when the last C-21 aircraft leaves. He stated they discussed a way for the Airport Authority to enter into a contract with the State to continue what we are doing now, which is funding eight fire fighters, plus add possibly one to three more to keep the structure in order. He stated we may possibly have to buy a fire truck which would cost approximately \$500,000. He stated they seem to be committed to working with us to shift that agreement from the Guard Bureau to the State and basically continue what we are doing now, just with some additional staff. He stated we would also have to negotiate some sharing of the cost of the station and some other equipment.

Mr. Dobberstein stated there is another military entity on the field that requires fire protection, the Army National Guard helicopter detachment. He stated we are still exploring working out an arrangement with them. He stated as far as structural fire protection, the Guard must provide fire protection for certain buildings on the base. He stated the City of Fargo Fire Department can provide mutual aid but cannot be the primary responder. He stated at this point we are planning on providing 24 hour coverage, three fire fighters per shift are required to provide Index C coverage. He added that we have to have a tentative agreement in place by the end of July or the first part of August.

Gen. Macdonald stated he feels confident this arrangement will work. He stated he thinks it looks like we will possibly get some support from the Army Guard after they meet with the Guard Bureau.

Mr. Dobberstein stated we are working with our congressional delegation on a request for a two year extension of the existing agreement to give us time to transition. He stated we will continue on this process and have regular updates.



Other Business:

Mr. Dobberstein stated he has been in contact with a representative PFM (City of Fargo's investment group) and we are waiting for a packet of information from them. He stated he did provide them with information on our cash flow history and projected cash flow for the next three years. He stated hopefully we should have this information for the next meeting.

Mr. Dobberstein stated we are still fighting an uphill battle with the TSA turning over the responsibility of the passenger exit doors to the airports, which could happen effective December 1. He stated there is concern from the insurance industry's airport liability carriers. He stated our congressional delegation is engaged in the matter and we will continue to have updates on the matter.

Mr. Dobberstein stated the Fargo Air Museum voted to move their new hangar 12 feet to the south so we will not have to provide any additional concrete for the Jeff Johnson hangar being constructed in the south general aviation area.

The meeting of the Municipal Airport Authority was adjourned until the next regular meeting to be held Tuesday, July 23, 2013 at 8:00 a.m.

Time at adjournment was 8:23 a.m.

Regular Meeting

Tuesday

July 23, 2013

The regular meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held Tuesday, July 23, 2013, at 8:00 a.m. in the Airport Boardroom.

The members present or absent were as follows:

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

Chairman Blazek presiding.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held July 9, 2013:

The minutes of the regular meeting of the Municipal Airport Authority held July 9, 2013, were approved without objection.

Approved the Airport Vouchers Totaling \$62,847.62:

Dr. Clark moved to approve the airport vouchers totaling \$62,847.62.  
Second by Mr. Kilander.  
On the call of the roll, members Clark, Kilander, Macdonald, Blazek voted aye.  
Absent and not voting: Pawluk  
The motion was declared carried.

Approved the Individual Voucher to Ulteig Engineers, Inc.:

Gen. Macdonald moved to approve the individual voucher in the amount of \$28,581.76 to Ulteig Engineers, Inc. for partial payment request for engineering services in connection with the Terminal Apron Expansion Project, AIP41.  
Second by Dr. Clark.  
On the call of the roll, members Clark, Kilander, Macdonald, Blazek voted aye.  
Absent and not voting: Pawluk  
The motion was declared carried.

Approved the Individual Voucher to TL Stroh Architects:

Gen. Macdonald moved to approve the individual voucher in the amount of \$490.00 to TL Stroh Architects for partial payment request for architectural services in connection with the East Terminal Restroom Project.

Second by Dr. Clark.

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

Absent and not voting: Pawluk

The motion was declared carried.

Approved the Individual Voucher to RDO Equipment:

Gen. Macdonald moved to approve the individual voucher in the amount of \$13,900.00 to RDO Equipment for the purchase of a 2013 John Deere 997 Mower.

Second by Dr. Clark.

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

Absent and not voting: Pawluk

The motion was declared carried.

Approved Extension of Airport Administration Intern Position:

Mr. Dobberstein stated the airport internship program is a partnership with the ND Aeronautics Commission and they pay 50% of the cost, up to a maximum of \$11,000 and we have exceeded that limit. He stated he would like the board to authorize the extension of the internship for Jordan Dahl through December 31, 2013.

Gen. Macdonald moved to approve the extension of the internship for Jordan Dahl through December 31, 2013.

Second by Mr. Kilander.

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

Reviewed Proposed 2014 Budget:

Mr. Dobberstein stated we now have the adjustments in the personnel costs in the budget for 2014. He stated this also includes a possible cost of living adjustment effective July 1, 2014, which the City of Fargo has been using rather than January 1. He stated he also increased the Aircraft Rescue and Fire Fighting costs (ARFF) to \$672,000, due to possible changes in our agreement with the National Guard. He stated we did receive a letter from the National Guard Bureau advising that our agreement with them will end 30 days after the final jet has departed the base in Fargo, which is scheduled for some time in August. He stated the Guard has agreed to provide the ARFF service as it is today through March 31, 2014. He stated our congressional delegation is working on requesting a two year extension of those services which would take us through September 2015. If we were granted a one year extension it would take us to September 2014. He stated verbally it appears that we will be able to share the fire station facility and contribute to those costs. He stated

Reviewed Proposed 2014 Budget: (Continued)

the Adjutant General is adamant that the current fire fighters we are paying for continue as state employees. He stated we will not be able to share the equipment with the guard and the cost of the equipment we will need to purchase to maintain Index C coverage will be about \$2 million, which he has put into the 2014 budget. He stated the wait time for such equipment is over 300 days so that may give us some leverage with the Guard Bureau to continue services beyond the April 1, 2014 date. He stated before we order equipment we will exhaust all efforts with the Guard Bureau to have the current equipment transferred to us, but that may not happen. He stated we will also look into surplus military equipment but that equipment may not be in very good condition. He stated we may be able to get some funding from the state for equipment as well as AIP funding.

Mr. Dobberstein stated if we are not able to secure equipment before the date the Guard Bureau gives hopefully they would agree to provide the service until the equipment arrives. He stated we will get Attorney Stewart's opinion on declaring a waiver and forego the formal bidding process in order to get the equipment as soon as possible. He stated he will have continual updates on the matter.

Dr. Clark moved to approve the proposed 2014 budget.

Second by Mr. Kilander.

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

Certified Mill Levy to the Board of City Commissioners for 2014 Improvements Per Section 2-06-14 of the North Dakota Century Code:

Gen. Macdonald moved to certify to the Board of City Commissioners a mill levy amount of \$725,000 not to exceed 2.0 mills, as per Section 2-06-14 of the North Dakota Century Code.

Second by Mr. Kilander.

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

Airport Construction and Security Update:

Mr. Dobberstein gave a brief summary of progress on the East Terminal Restroom Remodeling Project.

Mr. Dobberstein stated the IT people for US Customs will be here this week to do the installation for the General Aviation Facility. He stated the goal is to move in by August 1.

Mr. Jeff Klein, Ulteig Engineers, was recognized and stated now that the AIP41 grant has been received they have been working with Northern Improvement on getting started with the Terminal Ramp Expansion Project. He stated the plan is to start the project August 5 with an October 15, 2013 completion date.

Mr. Klein stated Border States Paving is working on the final punchlist items on the parking lot project and those should be completed by Friday.

Other Business:

Mr. Dobberstein stated TL Stroh Architects has recommended looking at installing sun control window film on the windows in the East Terminal. He stated this is the product we used on the windows on the south side of the terminal building before the new windows were installed and it was very effective in decreasing the amount of heat coming through the windows. He stated the cost for the East Terminal would be about \$25,000 for all of the windows and we should see a five to seven year payback. He stated we are also looking at installing this on the office area windows on the new Customs building. He stated besides the energy efficiency it will improve the appearance of the building so he is recommending we move ahead with that project.

Mr. Dobberstein stated Mr. Clint Joy, Standard Parking, will be here for our meeting on August 27 and following our meeting we will have an open forum on parking.

Chairman Blazek noted the airport lost a long time pilot recently with the passing of Lowell "Louie" Johnson. He stated he would like to extend condolences to the family on behalf of the Municipal Airport Authority.

The meeting of the Municipal Airport Authority was adjourned until the next regular meeting to be held Tuesday, August 13, at 8:00 a.m.

Time at adjournment was 8:32 a.m.

Special Meeting

Tuesday

August 6, 2013

A Special Meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held Tuesday, August 6, 2013, at 8:00 a.m. in the Airport Boardroom.

The members present or absent were as follows:

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

Chairman Blazek presiding.

Approved the Individual Voucher to Sixel Consulting Group:

Mr. Pawluk moved to approve the individual voucher in the amount of \$2,250.00 to Sixel Consulting Group for payment request for the quarterly airline report.

Second by Dr. Clark.

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

Approved the Individual Voucher to TL Stroh Architects:

Mr. Pawluk moved to approve the individual voucher in the amount of \$305.00 to TL Stroh Architects for architectural services in connection with the East Terminal Restroom Remodel.

Second by Dr. Clark.

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

Approved the Individual Voucher to TL Stroh Architects:

Mr. Pawluk moved to approve the individual voucher in the amount of \$167.43 to TL Stroh Architects for partial payment request for architectural services in connection with the US Customs and Border Protection General Aviation Facility.

Second by Dr. Clark.

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

Received Update on Adjacent Property Sale:

Mr. Dobberstein stated at 11:00 a.m. today there will be an auction for the sale of the Martin property north of the airport. He stated the Airport Authority has been working with the Martin family on the purchase of this property since 2004 and provided the board members with a summary of the negotiations over the years. He stated the purchase of this property would insure that we are able to maintain the extended centerline of Runway 18/36 under the airport's control. He stated our last offer on the 55.86 acres was September 12, 2012 to Dennis, Tom and Brian Martin.

Mr. Dobberstein stated our strategy for the auction today is to have a representative attend the auction on our behalf.

Mr. Pawluk stated it is his recommendation that the Airport Authority resubmit its last offer of \$335,000 and that we not participate in the auction, but rather send Mr. Billy Nustad as a representative, in the event there are offers over that amount. He stated this may be our only opportunity to purchase this property.

Mr. Kilander stated he agrees it is important that we own this property as another step in protecting the airport.

Mr. Pawluk stated he feels we need to authorize Mr. Nustad to represent us at the auction and also authorize the Executive Director to make any decisions necessary during the auction process.

After further discussion, Mr. Pawluk moved Mr. Nustad be authorized to serve as the Authority's representative at the auction and that he be empowered to bid on the property and that the Executive Director be empowered to make decisions related to this sale should they come up during the auction process to best represent the interests of the Airport Authority.

Second by Gen. Macdonald.

Chairman Blazek stated due to schedules none of the board members were able to attend the auction this morning so it was recommended that we ask Mr. Nustad to represent the Airport Authority. He stated Mr. Nustad has been in the banking business for many years and is no stranger to commercial real estate and auctions. Chairman Blazek thanked Mr. Nustad for his willingness to represent the airport.

Chairman Blazek called for a vote on the motion.

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

Received Change Order #1 to Northern Improvement Company for a Deduct of \$12,300.00, Terminal Ramp Expansion Project, AIP41:

Mr. Dobberstein stated Change Order #1 to Northern Improvement for a deduct of \$12,300.00 on the Terminal Ramp Expansion Project, AIP41, which eliminates the need for some of the security control (gate guard) in the north general aviation area because of the temporary fence which will be in place for the 380 North hangar project.

Mr. Kilander moved to approve Change Order #1 to Northern Improvement Company for a deduct of \$12,300.00 for the Terminal Ramp Expansion Project, AIP41.

Second by Dr. Clark.

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

Rescind Award of Alternate #1 for Project AIP41 Due to Hangar Location Change:

Mr. Dobberstein stated when we awarded the bid for the Terminal Ramp Expansion Project, AIP41, we also awarded Alternate #1 which included some additional concrete in the south general aviation area. He stated the Fargo Air Museum has now decided to change the location of their new hangar so this additional concrete is not needed. He stated Alternate #1 should be rescinded.

Mr. Kilander moved to rescind Alternate #1 to the Terminal Ramp Expansion Project, AIP41.

Second by Dr. Clark.

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

Received Update on David F. Johnson Building:

Mr. Dobberstein stated Mr. Rick Flacksbarth, Cityscapes Development, has advised us of an offer and letter of intent to purchase the David F. Johnson buildings. He stated Attorney Stewart reviewed those documents and made some changes in the language which were acceptable to the purchaser. He stated he will be signing that document on behalf of the Airport Authority by 5:00 pm today. He stated the purchase will have 90 days to do their due diligence. He stated they have not indicated a lease term but the precedent of 30 years has been set with recent hangar ground leases. He stated this should generate about \$50,000 a year in ground rental.

The Special Meeting of the Municipal Airport Authority was adjourned until the next regular meeting to be held Tuesday, August 13, 2013, at 8:00 a.m.

Time at adjournment was 8:23 a.m.



Regular Meeting

Tuesday

August 13, 2013

The regular meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held Tuesday, August 13, 2013, at 8:00 a.m. in the Airport Boardroom.

The members present or absent were as follows:

Present: Kilander, Pawluk, Macdonald

Absent: Clark, Blazek

Others: Walaker

In the absence of Chairman Blazek and Vice Chairman Clark, Gen. Macdonald was appointed Chairman pro tem.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held July 23, 2013 and the Special Meeting Held August 6, 2013:

The minutes of the regular meeting of the Municipal Airport Authority held July 23, 2013 and the special meeting held August 6, 2013 were approved without objection.

Approved the Airport Vouchers Totaling \$25,013.53:

Mr. Pawluk moved to approve the airport vouchers totaling \$25,013.53.

Second by Mr. Kilander.

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

Absent and not voting: Clark, Blazek

The motion was declared carried.

Approved the Individual Voucher to Sixel Consulting Group:

Mr. Kilander moved to approve the individual voucher in the amount of \$5,846.00 to Sixel Consulting Group for July passenger enplanement fees (Frontier - \$4,646.00, American/Dallas - \$2,400.00).

Second by Mr. Pawluk.

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

Absent and not voting: Clark, Blazek

The motion was declared carried.

Approved the Individual Voucher to Fargo Electric Construction:

Mr. Kilander moved to approve the individual voucher in the amount of \$210.00 to Fargo Electric Construction for payment request for utility locates for the Terminal Ramp Expansion Project, AIP41.

Second by Mr. Pawluk.

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

Absent and not voting: Clark, Blazek

The motion was declared carried.

Approved the Individual Voucher to Flint Communications:

Mr. Kilander moved to approve the individual voucher in the amount of \$2,237.50 to Flint Communications for partial payment request for 2013 Airport Marketing Program.

Second by Mr. Pawluk.

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

Absent and not voting: Clark, Blazek

The motion was declared carried.

Approved the Individual Voucher to Flint Communications:

Mr. Kilander moved to approve the individual voucher in the amount of \$2,237.50 to Flint Communications for partial payment request for 2013 Airport Marketing Program.

Second by Mr. Pawluk.

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

Absent and not voting: Clark, Blazek

The motion was declared carried.

Approved the Individual Voucher to Northern Improvement:

Mr. Kilander moved to approve the individual voucher in the amount of \$246,092.18 to Northern Improvement Company for Partial Payment Request #1 for construction of the Terminal Apron Expansion Project, AIP41.

Second by Mr. Pawluk.

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

Absent and not voting: Clark, Blazek

The motion was declared carried.

Approved the Individual Voucher to Ulteig Engineers, Inc.:

Mr. Kilander moved to approve the individual voucher in the amount of \$9,838.93 to Ulteig Engineers, Inc. for partial payment request for engineering services in connection with the Terminal Apron Expansion Project, AIP41.

Second by Mr. Pawluk.

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

Absent and not voting: Clark, Blazek

The motion was declared carried.

Received Request from Victor Gelking to Extend FBO Agreement and South General Aviation Area Hangar Ground Lease:

The communication dated August 8, 2013 from Victor Gelking was received and filed without objection.

Mr. Dobberstein stated Mr. Victor Gelking is requesting a five year extension for both his FBO agreement and the ground lease for his hangar in the south general aviation area.

Mr. Pawluk moved to approve the five year extension of the FBO agreement with Victor Gelking and also the ground lease for this hangar in the south general aviation area.

Second by Mr. Kilander.

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

Received Request from Northwest Hangar (Olig/Glatt) to Extend the South General Aviation Area Hangar Ground Lease:

The communication from David Glatt dated July 19, 2013, was received and filed without objection.

Mr. Dobberstein stated the Northwest Hangar (David Olig/David Glatt) is requesting a five year extension of the ground lease for their hangar, through October 31, 2018.

Mr. Kilander moved to approve the five year extension to the Northwest Hangar lease.

Second by Mr. Pawluk.

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

Received Request from Myriad Devices to Extend Lease on East Terminal Office:

Mr. Dobberstein stated Myriad Devices leases an office with 192 sf. on the second floor of the East Terminal and the lease expires August 31. He stated they are requesting that this space be tied to the same term as their lease for other space in the building.

Mr. Kilander moved to approve the request from Myriad Devices to extend the lease for Room 228 to August 31, 2014.

Second by Mr. Pawluk.

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

Authorized Attendance at the Foreign Trade Zone Annual Conference, September 8-12, 2013, Miami, FL:

Mr. Pawluk moved to authorize attendance at the Foreign Trade Zone Annual Conference, September 8-12, 2013, Miami, FL, by staff and board members.

Second by Mr. Kilander.

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

Authorized Attendance at the AAAE National Airports Conference, October 20-22, 2013:

Mr. Kilander moved to authorize attendance at the AAAE National Airports Conference, October 20-22, 2013, Nashville, TN, by staff and board members.

Second by Mr. Pawluk.

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

Considered Change Order #2 from Northern Improvement for an Increase of \$13,518.50:

Mr. Jeff Klein, Ulteig Engineers, was recognized and stated Change Order #2 for an increase of \$13,518.50 is for saw cutting 710 linear feet of 17" pavement along the north edge of the terminal ramp. He stated the edge of the pavement has some spalling and cracking so they are proposing to cut off the edge and provide a better edge to pave against and a better joint to seal.

Mr. Kilander moved to approve Change Order #2 to Northern Improvement for an increase of \$13,518.50, Terminal Ramp Expansion Project, AIP41.

Second by Mr. Kilander.

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

Received Communication from JP Development Regarding North General Aviation Area Hangar Project:

The communication dated August 9, 2013, from Mr. James Sweeney, JP Development, LLP, was received and filed without objection.

Mr. Dobberstein stated we just received word from Mr. Sweeney that he will not be able to attend the meeting this morning. Mr. Dobberstein stated JP Development is working with an architect to build a 30,000 square foot hangar which is basically the same size as two of their existing hangars. He stated their preference is to construct on the east side of their buildings in front of the fuel farm. He stated our ability to fund any additional ramp in that area next year is virtually zero. He stated our entitlement funds have already been committed to other projects. He stated if we were to use our funds for this ramp, which would have a very low priority for the FAA, we would hurt our chances of getting any discretionary funding. He stated if the hangar were built on the west side of their current buildings we would not have to add any ramp. He stated that still leaves the east location for future expansion. He stated their plan is to locate all aircraft storage on one side of the ramp. He stated they also prefer the east location in order to preserve the sight line from their offices in the Fargo Jet Center building. He stated if the proposed hangar were built in the west location but placed further north that portion of ramp would probably not be eligible for FAA funding and JP Development would have to fund that portion.

Received Communication from JP Development Regarding North General Aviation Area Hangar Project: (Continued)

Mr. Pawluk suggested, in the interest of time, that we approve the location that works for the Airport Authority since we cannot do anything about funding additional ramp at this time. He stated then if JP Development is not agreeable with that they can make another request.

Mr. Kilander stated rather than approving something for which we have not seen plans, he would rather authorize the Executive Director to carry our concerns to Mr. Sweeney and the situation about our inability to fund additional concrete at this time.

Gen. Macdonald stated he would like Ulteig to provide us with figures on the cost of enough concrete to serve as a taxi entrance to a hangar on the east side before a decision is made.

Mr. Dobberstein stated we will continue discussions with Mr. Sweeney and the item will be on the agenda for the next meeting.

Airport Construction and Security Update:

Mr. Jeff Klein, Ulteig Engineers, was recognized and stated there is not a lot to report yet on the ramp project. He stated Northern Improvement has started the project and are mainly moving dirt right now.

Mr. Terry Stroh, TL Stroh Architects, was recognized and stated the East Terminal restroom remodel project is progressing.

Other Business:

Mr. Dobberstein stated we have received four offers so far on the David F. Johnson buildings.

Mr. Rick Flacksbarth, Cityscapes Development, stated they are trying to make certain we have a non-exclusive agreement with any bidder. He stated these bidders are going after the same GSA contract.

Mr. Dobberstein stated Attorney Stewart is reviewing the offers.

Mr. Dobberstein stated the board recently approved an easement for Century Link on airport property north of County 20. He stated when Ulteig surveyed the location of an existing Cass County Electric easement it was discovered that the lines were actually installed outside of the easement area. He stated this was brought to the attention of Cass County Electric and they have agreed to relocate the lines within the easement area.

Mr. Dobberstein stated following the next meeting of August 27 there will be an open discussion on parking and Mr. Clint Joy, Standard Parking, will be here for that meeting.

The meeting of the Municipal Airport Authority was adjourned until the next regular meeting to be held Tuesday, August 27, 2013 at 8:00 a.m.

Time at adjournment was 8:40 a.m.

Regular Meeting

Tuesday

August 27, 2013

The regular meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held Tuesday, August 27, 2013 at 8:00 a.m. in the Airport Boardroom.

The members present or absent were as follows:

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

Chairman Blazek presiding.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held Tuesday, August 13, 2013:

The minutes of the regular meeting of the Municipal Airport Authority held Tuesday, August 13, 2013 were approved without objection.

Approved the Airport Vouchers Totaling \$26,782.24:

Mr. Pawluk moved to approve the airport vouchers totaling \$26,782.24.

Second by Dr. Clark.

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

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

Approved the Individual Voucher to Rick Electric:

Mr. Kilander moved to approve the individual voucher in the amount of \$6,422.00 to Rick Electric for Partial Payment Request #12 (final) for electrical construction of the US Customs General Aviation Facility.

Second by Dr. Clark.

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

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

Received Request from Integrated Commercial Solutions to Extend Their East Terminal Lease:

The communication from Mr. Clayton Erhardt, Integrated Commercial Solutions, dated August 23, 2013, was received and filed without objection.

Mr. Dobberstein stated ICS is requesting a one year extension of their lease in the East Terminal. He stated there will be the standard 3% rate increase.

Mr. Kilander moved to approve the one year extension of the ICS lease in the East Terminal through September 30, 2014.

Second by Gen. Macdonald.

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

Authorized Purchase of Replacement Airfield Service Pickup and Replacement Snowplow Attachment via National Joint Powers Alliance Purchasing Group:

Mr. Dobberstein stated we need to replace our main airfield maintenance pickup and we have budgeted for that purchase. He stated through the state bid we can purchase a 2013 Dodge Ram Pickup for \$22,162.91 plus \$7,556.00 for a utility box purchased from Bert's Truck Equipment.

Mr. Dobberstein stated we also need to replace a 2003 Schmidt Wausau plow which attaches to the front of one of our smaller loaders. He stated this unit has some structural issues which cannot be repaired. He stated we have a quote of \$21,013.00 for a Henke FV-16, six way folding v-plow, also from the state bid.

Mr. Pawluk moved to authorize the purchase of an airfield service pickup with utility box and the Henke snow plow on the state bid process.

Second by Mr. Kilander.

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

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

Received Update on Proposed Schatz Fuel Tank:

Mr. Dobberstein stated Mr. Danny Schatz and Mr. Jim Schaefer, R&R Petroleum, are present at the meeting today. He stated the board previously approved Mr. Schatz's request to place a fuel tank in the north general aviation area fuel farm. He stated Mr. Schatz is now requesting authorization to place either an above ground or below ground fuel tank adjacent to his hangar. He stated in the recent past, entities have gone with locating fuel tanks in fuel farms due to the environmental situations that developed from the old tank technology in the 1940's, 50's and 60's. He stated fuel tank technology today is pretty sound. He stated he feels if we would have any vulnerability with fuel tanks it would be in the piping from the tank to a remote dispensing system.

Mr. Jim Schaefer, R&R Petroleum, was recognized and stated the reason underground piping would be vulnerable is that it is under pressure whereas a tank is not. He stated there are fuel stations and truck stops with underground piping because it is necessary but if it is not necessary, as in this case, it is best to not expose yourself to that. He stated the other concern is with water getting into the system in an underground piping system.

Received Update on Proposed Schatz Fuel Tank: (continued)

Mr. Dobberstein stated that Mr. Schatz is requesting authorization to bury a fuel tank next to his hangar.

Mr. Danny Schatz was recognized and stated he currently has approval from the Airport Authority to place an above ground or underground tank in the north general aviation area fuel farm and run a double walled pipe from the tank, under the taxiway and through a ditch, to a dispensing system adjacent to his hangar. He stated after further consideration he is changing his request and would like to place an underground tank adjacent to his hangar. He stated the tank has to be registered with the state and the state is more comfortable with an underground tank than an above ground tank in today's environment because the tanks have electronic monitoring systems that are checked every month. He stated his cheapest option is to install an above ground tank but the best program would be to install and underground tank.

Gen. Macdonald moved to approve the request from Mr. Schatz to install an underground tank adjacent to his hangar, provided it meets all local, state and federal standards, and that upon the sale of the hangar at some time in the future that either the tank be removed at his cost or that the new hangar owner accept responsibility for the tank and that the acceptance be in writing.

Second by Mr. Pawluk.

Chairman Blazek stated he wants this board to support Mr. Schatz as much as possible but has concerns that we are opening a can of worms by allowing him to place this tank in a location other than a fuel farm, which was policy previously set by the Airport Authority.

Gen. Macdonald stated he recalls when the Airport Authority was developing the north general aviation area we made a statement that there would be no more hangars allowed in the south general aviation area and all future hangars would be located in the north general aviation area, due in part to the fact that the FAA was going to close Runway 13/31. He stated not only was the runway not closed but it has been reconstructed and we have approved new hangar construction in the south general aviation area. He stated as long as a fuel tank meets all of the local, state and federal requirements why would we care where a tank is placed.

Mr. Kilander stated Gen. Macdonald makes a good point but he too is concerned about setting precedent. He stated he would be difficult for us to deny someone else's request if we approve this one.

Mr. Pawluk stated he feels when it becomes a problem that needs addressing we would address it at that time.

Mr. Kilander stated he does not see this specific request as a problem but he sees a problem with potential requests.

Mr. Pawluk stated the price of admission is pretty high on this type of project. He stated he does not see too many people making this type of request, considering the expense.

Mr. Dobberstein stated when you look at the investment vs. what you are going to save on fuel cost he cannot find a calculator that would give a return.

Chairman Blazek called for a vote on the motion.

Pawluk, Macdonald, Blazek voted aye.

Clark, Kilander voted no.

The motion was declared carried.



Received Bids for Airport Farmland:

Mr. Dobberstein stated we received bids for the airport farmland yesterday and the high bidder on all seven parcels was Mr. Ryan Sauter, who is one of our current tenant farmers. He stated the price per acre for the 1,445.4 acres ranged from \$121.00 to \$252.00 for an average of \$197.19 per acre. He stated the average in the last bidding process in 2009 was a little over \$139.00 per acre. He stated one parcel is the Martin property we purchased recently but have not closed on the property yet. He stated he is not certain of any agreement with the current tenant on that property we would need to honor. Mr. Dobberstein stated the bids were sealed but the bidders had the opportunity at the opening to increase their bids.

Dr. Clark moved to accept the bids for rental of the airport farmland and that the award be made to Mr. Ryan Sauter for all parcels.

Second by Mr. Kilander.

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

Received Communication from Lammle/Newman Regarding Proposed South General Aviation Area Hangar Project:

Mr. Dobberstein introduced Mr. Greg Lammle and Dr. Roxanne Newman who are proposing to build a hangar in the south general aviation area.

Dr. Newman was recognized and copies of their hangar proposal were distributed. She stated they were originally considering an 80' x 160' condo type hangar but after further discussion with Mr. Dobberstein and looking at the plot plan they decided it would be better to go with a 70' x 160' building. She stated the location they have chosen would require the relocation of the security/vehicle gate and they understand they would be responsible for that cost. She stated they have also done research on the underground utilities and what would be required to relocate those. She stated the fire hydrant may or may not need to be moved, depending on where the gate is relocated.

Mr. Greg Lammle was recognized reviewed the storm sewer drains and lines in the area. He stated they are seeking permission to construct the hangar over the storm sewer lines with the understanding that if there is a problem with the line in the future they would be responsible to dig up the concrete and connect the line. He stated as far as security fence relocation it seems the best solution is to connect the fence to the corner their proposed hangar and the corner of Dr. Nagle's hangar. He stated they have checked with Mr. Gerald Eid and he did not have any strong feelings about whether or not he had external access to the back of his hangar.

Mr. Pawluk stated he has long maintained that this area should be used for general aviation expansion. He stated he supports the project as long as it does not negatively impact others and the gate access can be preserved.

Mr. Dobberstein stated we have had others interested in building a hangar in that area but have walked away once they learn the issues of moving utilities and the fence. He stated these two have done their homework and are still interested in the location.

Dr. Newman stated in the interest of being good neighbors they have visited with most of the other hangar owners in the area and no one has had any objections to their proposal.

Received Communication from Lammle/Newman Regarding Proposed South General Aviation Area Hangar Project: (Continued)

Chairman Blazek asked Mr. Jeff Klein, Ulteig Engineers, his opinion on whether or not the underground utilities should be replaced now before a building is constructed.

Mr. Klein stated that is the oldest area on the airport and the information on the underground utilities is the best information we have but we are not certain what might be found once excavation starts.

Mr. Dobberstein stated there is a clause in the lease for the hangar that is now owned by Mr. Paul Bernabucci, which is also constructed over storm sewer, making it clear it is at the risk of the hangar owner.

Mr. Dobberstein stated if the board approves the concept the next phase is for them to go to the FAA for an airspace study.

Mr. Kilander stated he has no objection to the proposal as long as the Airport Authority assumes no risk with the utilities.

Dr. Newman stated precedence has been set and they are willing to accept the same terms.

Mr. Lammle stated they are still working out the issue of tying into the sanitary sewer line.

Mr. Dobberstein indicated that should not be an issue.

Mr. Bernie Ness was recognized and stated as a tenant in the area he does not see any problem with the proposal and feels it would be an asset.

Mr. Kilander moved to approve the concept for construction of a hangar by Mr. Lammle and Dr. Newman.

Second by Mr. Pawluk.

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

Chairman Blazek thanked Dr. Newman and Mr. Lammle for their investment on the airport.

Airport Construction and Security Update:

Mr. Devin Mogck, TL Stroh Architects, was recognized and stated they are mostly complete with the restroom remodel on the first floor in the East Terminal and are ready to move on to the second floor.

Mr. Jeff Klein, Ulteig Engineers, was recognized and stated Northern Improvement has finished the aggregate base for the ramp expansion project and is getting ready to pave. He stated the subcontractor is working on the underground storm water containment system.

The meeting of the Municipal Airport Authority was adjourned until the next regular meeting to be held Tuesday, September 17, 2013.

Time at adjournment was 8:38 a.m.

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Regular Meeting

Tuesday

September 17, 2013

The Regular Meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held Tuesday, September 17, 2013, at 8:00 a.m. in the Airport Boardroom.

The members present or absent were as follows:

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

Chairman Blazek presiding.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held August 27, 2013:

The minutes of the Regular Meeting of the Municipal Airport Authority held August 27, 2013, were approved without objection.

Approved the Airport Vouchers Totaling \$23,303.96:

Dr. Clark moved to approve the airport vouchers totaling \$23,303.96.

Second by Gen. Macdonald.

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

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

Approved the Individual Voucher to Sixel Consulting Group:

Mr. Kilander moved to approve the individual voucher in the amount of \$6,750.00 to Sixel Consulting Group for August passenger enplanement fees (American/Dallas - \$2,230.00, Frontier/Denver - \$4,520.00).

Second by Dr. Clark.

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

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

Approved the Individual Voucher to Flint Communications:

Mr. Kilander moved to approve the individual voucher in the amount of \$3,038.80 to Flint Communications for payment request for American Airlines DFW marketing, DOT Grant.

Second by Dr. Clark.

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

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

Approved the Individual Voucher to Flint Communications:

Mr. Kilander moved to approve the individual voucher in the amount of \$3,335.00 to Partial Payment Request for 2013 Airport Marketing Program.

Second by Dr. Clark.

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

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

Approved the Individual Voucher to Gast Construction:

Mr. Kilander moved to approve the individual voucher in the amount of \$47,515.50 to Gast Construction for Partial Payment Request #1 for the East Terminal Restroom Remodel.

Second by Dr. Clark.

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

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

Approved the Individual Voucher to TL Stroh Architects:

Mr. Kilander moved to approve the individual voucher in the amount of \$1,065.00 to TL Stroh Architects for partial payment request for architectural services in connection with the East Terminal Restroom Remodel.

Second by Dr. Clark.

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

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

Approved the Individual Voucher to Northern Improvement:

Mr. Kilander moved to approve the individual voucher in the amount of \$1,219,598.01 to Northern Improvement Company for Partial payment Request #2 for construction of the Terminal Ramp Expansion Project, AIP41.

Second by Dr. Clark.

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

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

Approved the Individual Voucher to Sun Control Window Film:

Mr. Kilander moved to approve the individual voucher in the amount of \$24,735.00 to Sun Control Window Film for installation of window film on all windows and doors – East Terminal.

Second by Dr. Clark.

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

Authorized Attendance at the ICAS Airshow Convention, December 2-5, 2013, Las Vegas, NV:

Mr. Pawluk moved to authorize attendance by Mr. Dobberstein and Chairman Blazek at the ICAS Airshow Convention, December 2-5, 2013, Las Vegas, NV.

Second by Dr. Clark.

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

Received Communication from Dani Arnold Regarding Proposed Service:

The communication from Dani Arnold on the seasonal concierge service was received and filed without objection.

Ms. Danielle Arnold was recognized and stated she is the Vice President for Ness Rent a Car (Avis and Budget). She stated recently while visiting with some friends who are frequent air travelers they brought up the idea of having some type of concierge parking lot at the airport. She stated she is proposing to establish a business entity separate from Avis and Budget. She stated they plan to use their spaces in their overflow lot during October-March, which is basically their off season. He stated during that time they have about 75-100 extra parking spaces in the overflow lot. She stated the customers would park in the overflow lot and would get a ride to the terminal building. She stated when the customer returns their vehicle would be retrieved and brought to the front of the terminal, warmed up and waiting for them. She stated they have the space, they have the staff, and the runner vehicles. She stated she does not feel this would be completing with the existing or future parking lots but rather offering an additional service.

Ms. Arnold stated she is looking for the board's approval of this concept and also approval for some additional signage which will be at their cost. She stated she is in the process of the application for Disadvantaged Business Enterprise (DBE) status with the State of North Dakota.

Mr. Dobberstein stated he would support this. He stated he talked with Mr. Clint Joy, Standard Parking, and they do offer valet service at some airports but not Fargo. He stated Mr. Joy did not have any objections.

Gen. Macdonald stated Ms. Arnold is offering 10% to the airport but we are currently receiving a much higher percentage from the parking lot.

Mr. Kilander stated he does not look at the revenue as the main reason he would support this but rather the service provided to the airport customers. He stated it may result in some lost revenue from the parking lot but it would probably be pretty minor compared to the convenience offered to the flying public.

Chairman Blazek stated he wants to make certain that this would be net revenue neutral for the airport. He stated he does not want to see this result in a loss of revenue to the airport.

Received Communication from Dani Arnold Regarding Proposed Service: (Continued)

Mr. Pawluk stated if the service is utilized it may extend the capacity of our parking lots during our peak times.

Mr. Dobberstein stated Mr. Joy felt this would have a minimal effect on the parking lot revenue.

Mr. Pawluk stated he is not unwilling to go ahead with the proposal as presented and if adjustments need to be made in the future that would not be unreasonable. He stated any new venture involves a certain amount of risk and he feels risk should be rewarded, as long as the Airport Authority is not losing revenue.

Dr. Clark stated when they travel in the winter they usually take a taxi but if this service was available they would probably drive and use this service instead so we may be gaining parking customers we don't have now.

Mr. Kilander moved to authorize Ms. Arnold to move forward as proposed, subject to the establishment of a separate entity, meeting all insurance requirements, etc., and that the approval be for a one year trial basis.

Second by Gen. Macdonald.

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

Received Change Order #1 to Gast Construction for an Increase of \$268.00, East Terminal Restroom Remodel:

Mr. Dobberstein stated Change Order #1 to Gast Construction for an increase of \$268.00 is for the addition of mirrors above the shelf in the women's restrooms in the East Terminal.

Mr. Pawluk moved to approve Change Order #1 to Gast Construction for an increase of \$268.00 for the East Terminal Restroom Remodel.

Second by Gen. Macdonald.

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

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

Received Change Order #2 to Northern Improvement for an Increase of \$12,300.00 (reverses Change Order #1):

Mr. Dobberstein stated the Terminal Ramp Expansion Project includes some taxi lane paving in the north general aviation area. He stated when the contract was original awarded to Northern Improvement they included expenses for a gate guard in the north general aviation area but Change Order #1 reduced the contract by \$12,300.00 because when the owners of the 380 North submitted plans for their construction it included moving the fence so that a gate guard would not be needed. The 380 North construction plans have now changed so Northern will be required to have a gate guard on duty during that portion of the project.

Mr. Kilander moved to approve Change Order #3 to Northern Improvement for an Increase of \$12,300.00 to the Terminal Expansion Project, AIP41.

Second by Dr. Clark.

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

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

Discussed East Terminal Modification:

Mr. Dobberstein stated when US Customs had their office in the East Terminal they used an entryway that was added to the building. He stated now that they have relocated to their new building there is no need for this entry and it is somewhat of an eyesore. He stated since Gast Construction is currently working in the East Terminal, and with some input from TL Stroh Architects, he would like to get a price from them to remove the entry and replace the windows.

Mr. Pawluk stated he does not object to the concept but would like to see a proposal before approving anything.

Received Update from Victor Gelking Regarding Proposed Aircraft Maintenance Service:

Mr. Victor Gelking was recognized and stated he would like to expand his fixed base operating agreement to include a maintenance shop. He stated he is working with Mr. Mike Koenig who would be the mechanic.

Mr. Dobberstein stated Mr. Gelking has two options:

Option 1 – Mr. Koenig would be an employee of Vic's Aircraft Sales.

Option 2 – Mr. Koenig would form a separate entity and operate under Vic's FBO agreement and pay the Airport Authority \$200.00 per month or 1.5% of gross sales, whichever is greater.

Mr. Dobberstein stated he would prefer to see Mr. Gelking go with Option #1. He advised Mr. Gelking that maintenance can be conducted in his hangar only. He stated the mechanic cannot perform maintenance at locations other than Vic's hangar. He stated Mr. Gelking's current FBO agreement is a limited service provider and allows him to do chartering, hangar rental and flight instruction. He stated if he wants to add any other services he needs to get authorization from the board.

Mr. Dobberstein stated the Airport Authority cannot deny the owner of the aircraft the right to work on their own aircraft but an owner cannot bring someone else in to do maintenance on their aircraft that does not have an agreement with the Airport Authority to conduct work for profit on the airport.

Gen. Macdonald moved to approve Mr. Gelking's request to add a maintenance shop to his limited FBO operating agreement subject to meeting all of the requirements.

Second by Mr. Kilander.

Mr. Dobberstein clarified for Mr. Gelking that Mr. Koenig will have to be an employee of Vic's Aircraft Sales and all maintenance work must be conducted in the Vic's Aircraft Sales hangar and all business will be reported on his monthly report to the Airport Authority. He stated if there is a violation of these requirements the agreement will be terminated.

Mr. Gelking indicated he understands the requirements.

Chairman Blazek called for a vote on the motion.

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

Airport Construction and Security Update:

Mr. Devin Mogck, TL Stroh Architects, was recognized and stated the first floor restrooms in the East Terminal are complete and Gast Construction is now moving on to the second floor restrooms.

Mr. Scott Hagel, Ulteig Engineers, was recognized and reviewed the progress on the Terminal Ramp Expansion Project. He stated we are waiting for final seeding for the 2012 Parking Lot Expansion Project. He stated Border States Paving has been working with S&S Landscaping to get that done within the next two weeks or another contractor will be hired.

Other Business:

Mr. Dobberstein stated at the last meeting the board approved the purchase of a replacement airfield service pickup (2013 Dodge Ram). He stated we were going to purchase this under the Minnesota State Bid but apparently that pickup was no longer available under that contract. He stated after further checking we found we are able to purchase a Ford under the North Dakota state bid from Hatton Ford.

Mr. Dobberstein stated we will be meeting just once next month, Tuesday, October 8. He stated that is the day we will conduct interviews for engineering services.

Received Update Regarding Parking Study:

Mr. Terry Stroh, TL Stroh Architects, was recognized and stated they have been reviewing many options for a possible parking structure. He stated they met recently with structural engineer Jim Heyer, Heyer Engineering, and Tom Downs, who is a parking lot consultant from their office in Minneapolis. He stated they asked Mr. Downs for some ideas on the least expensive way to build a parking ramp. He stated one of his recommendations was to have only one ramp (ingress/egress point) for the structure rather than ramps on each side. Stroh representatives presented architectural schemes of possible placement for a 1200 space ramp which were all located to the south of the terminal building. Mr. Stroh stated there are many things that can be done to the outer design to make a ramp look good and not take away from the architectural integrity of the terminal building.

Mr. Pawluk asked if we are no longer considering the location to the east of the terminal where the employee parking lot is now.

Mr. Stroh stated with the location to the east of the terminal it would limit the ability to expand the terminal building.

Mr. Jon Scaper was recognized and stated there were many positives to the site east of the terminal, one being the least amount of cars displaced during construction. However, that location would limit expansion of the terminal and would be a greater distance from the terminal than the locations south of the terminal. He stated people would be paying for premium parking but would not really be getting premium customer service because of the distance from the terminal. He stated another positive of locating the ramp across south of the terminal is the closer proximity to the parking lot booths and the ability of the parking lot staff to go from one location to the other.



Received Update Regarding Parking Study: (Continued)

Mr. Dobberstein stated he feels it is important to maintain the ability to expand the terminal building.

Mr. Stroh stated another factor to be considered in placement of the parking structure is snow removal. He stated the structure would have to be placed and ground areas left available to place snow from the structure.

Mr. Kilander stated he wants to see any plan for ramp parking take into consideration those who will be in the ground level parking and make it as customer friendly for both customers.

Chairman Blazek stated he considers this parking structure Phase I and he wants to make certain that it is designed and located with Phases 2, 3 and 4 in mind.

Mr. Stroh distributed a cost estimate for the ramp, which he indicated are really schematic numbers. He added that the estimated cost per space for the average parking structure is about \$15,000-\$18,000 but he used the \$18,500 figure which would allow for the structure to be dressed because of its proximity to the terminal building.

|                               |              |
|-------------------------------|--------------|
| Parking Ramp (\$18,500/stall) | \$22,200,000 |
| Site Work                     | \$ 450,000   |
| Skyway/Connection             | \$ 2,200,000 |
| Moving Ticketing Area         | \$ 600,000   |
| Fees                          | \$ 1,500,000 |

Chairman Blazek asked what would be the next step in this process.

Mr. Stroh stated really the next step is to get into looking at the whole flow and circulation of parking at the airport.

Mr. Dobberstein stated if a parking structure is the direction in which the Airport Authority wants to move we have to figure out how to pay for it. He stated he does not know if we have enough information at this time to present to our bond counsel and put together a financial plan.

Gen. Macdonald asked for an idea on estimate time frame needed for construction.

Mr. Stroh stated this is a project that could be started at any time of the year, but at this point he could not say how long the project would take.

Mr. Dobberstein stated Mr. Stroh's work on the project so far has been part of the Airport Parking Master Plan and Study. He stated we will have to go through the formal process of requesting proposals from architectural firms and selecting a firm.

After further discussion, Chairman Blazek stated the logical next step seems to be to advertise a Request for Proposals from architectural firms for the construction of a parking structure and also to begin working on financing options for an October 2014 start date of the project, which would make it operational by sometime in 2016.

The meeting of the Municipal Airport Authority was adjourned until the next regular meeting to be held Tuesday, October 8, 2013.

Time at adjournment was 9:27 a.m.

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Regular Meeting

Tuesday

October 8, 2013

The regular meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held Tuesday, October 8, 2013 at 8:00 a.m. in the Airport Boardroom.

The members present or absent were as follows:

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

Chairman Blazek presiding.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held September 17, 2013;

The minutes of the Regular Meeting of the Municipal Airport Authority held September 17, 2013, were approved without objection.

Approved the Airport Vouchers Totaling \$63,786.92:

Mr. Pawluk moved to approve the airport vouchers totaling \$63,786.92.

Second by Mr. Kilander.

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

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

Approved the Individual Voucher to Ulteig Engineers, Inc.:

Gen. Macdonald moved to approve the individual voucher in the amount of \$52,058.44 to Ulteig Engineers, Inc. for partial payment request for engineering services in connection with the Terminal Ramp Expansion Project, AIP41.

Second by Mr. Pawluk.

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

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

Approved the Individual Voucher to KBW Associates:

Gen. Macdonald moved to approve the individual voucher in the amount of \$41,066.00 to KBW Associates for Partial Payment Request #10 (Final) for general construction of the US Customs General Aviation Facility.

Second by Mr. Pawluk.

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

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

Approved the Individual Voucher to American Airlines:

Gen. Macdonald moved to approve the individual voucher in the amount of \$53,538.00 to American Airlines for revenue guarantee payment, DOT Grant, Dallas/Fort Worth service.

Second by Mr. Pawluk.

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

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

Approved the Individual Voucher to Gast Construction:

Gen. Macdonald moved to approve the individual voucher in the amount of \$16,425.00 to Gast Construction for Partial Payment Request #2 for construction of the East Terminal Restroom Remodel.

Second by Mr. Pawluk.

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

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

Approved the Individual Voucher to Sixel Consulting Group:

Gen. Macdonald moved to approve the individual voucher in the amount of \$5,870.00 to Sixel Consulting Group for September passenger enplanement fees (Frontier/Denver - \$3,930.00, American/Dallas - \$1,940.00).

Second by Mr. Pawluk.

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

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

Approved the Individual Voucher to Border States Paving:

Gen. Macdonald moved to approve the individual voucher in the amount of \$53,234.81 to Border States Paving for Partial Payment Request #7 for construction of 2012 Parking Lot Expansion Project.

Second by Mr. Pawluk.

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

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

Approved the Individual Voucher to Flint Communications:

Gen. Macdonald moved to approve the individual voucher in the amount of \$4,017.50 to Flint Communications for partial payment request for American/DRW marketing, SCAD Grant.

Second by Mr. Pawluk.

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

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

Approved the Individual Voucher to Flint Communications:

Gen. Macdonald moved to approve the individual voucher in the amount of \$15,184.16 to Flint Communications for partial payment request for 2013 Airport Marketing Program.

Second by Mr. Pawluk.

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

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

Approved the Individual Voucher to TL Stroh Architects:

Gen. Macdonald moved to approve the individual voucher in the amount of \$305.00 to TL Stroh Architects for partial payment request for architectural services in connection with the East Terminal Restroom Remodel.

Second by Mr. Pawluk.

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

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

Approved the Individual Voucher to Ulteig Engineers, Inc.:

Gen. Macdonald moved to approve the individual voucher in the amount of \$47,156.44 to Ulteig Engineers, Inc. for partial payment request for engineering services in connection with the Terminal Apron Expansion Project, AIP41.

Second by Mr. Pawluk.

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

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

Received Change Order from Gast Construction for an Increase of \$1,540.00 for the East Terminal Restroom Remodel:

Mr. Dobberstein stated this change order to the East Terminal Restroom Remodel is to sand and finish the doors to the main floor restrooms. He stated this was an item that we overlooked when drafting the specifications for the project.

Mr. Kilander moved to approve the change order in the amount of \$1,540.00 to Gast Construction to for the East Terminal Restroom Remodel Project.

Second by Mr. Pawluk.

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

Authorized Purchase of ARFF Equipment and Associated Accessories:

Mr. Dobberstein stated he has an update on the Aircraft Rescue and Fire Fighting (ARFF) transition. He stated he, Darren Anderson and Gen. Macdonald had a meeting with the Guard Bureau last week and not a lot has changed in terms of what we have explained before. He stated they will be working on an agreement between the National Guard Bureau and the Municipal Airport Authority for the sharing of the station and some of the operating costs (utilities, etc.). He stated he does not know exactly what that agreement will look like but we should have something before the end of the year.

Mr. Dobberstein stated we did meet with the current Fire Chief and staff a few days ago. He stated right now the station provides Index C fire protection but that will probably change to Index B, as we do not have at least five operations per day of the size aircraft that would require that we provide Index C coverage. He stated we should be able to get by with 10 firefighters, which would include one chief, to provide that Index B coverage. He stated we have been paying for eight firefighters since 1972 so we will need to add two. He stated as far as we know now our contract with the State may be amended but the employees will continue as State employees and the State will continue to do the hiring and training until we take over on April 1, 2014. He stated the ND congressional delegation has requested an extension but that will probably be denied.

Mr. Dobberstein stated the Guard Bureau has verbally indicated to us that we will be able to continue to use their equipment under some type of lease agreement. He stated in the mean time we will need to go out into the market and purchase our own ARFF equipment. He stated we will need at least two 1,500 gallon fire trucks and the best idea of cost we have from Oshkosh right now is about \$600,000-\$750,000 each, and that does not include any additional equipment which will be required.

Mr. Dobberstein stated what he needs from the board today is authorization to purchase this equipment from two publicly bid consortiums once we find out exactly what equipment will be required. He stated these costs can be recovered through a future PFC application.

Mr. Kilander moved the board authorize the expenditure of up to \$2.5 million for required ARFF equipment.

Second by Gen. Macdonald.

Mr. Kilander asked if the employee costs will continue to be a pass through cost to the airlines.

Mr. Dobberstein stated we would continue to pass that on to the airlines and he stated he has been in contact with all five airlines and they are aware of the impending changes.

Gen. Macdonald stated even with the increase, the cost for the airlines to operate in Fargo is much less than most other airports in the country.

After further discussion, Chairman Blazek called for a vote on the motion.

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

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

Received Proposal from Johnson Controls Inc. to Upgrade the Access Control System:

Mr. Jason Miller and Mr. David Kress, Johnson Controls Inc. were recognized. Mr. Miller stated the airport access control system needs to be upgraded as the existing infrastructure is currently run by outdated software that cannot be upgraded and there is no longer support for the software.

The proposal from Johnson Controls was as follows:

Johnson Controls Inc. - \$125,000.00

Parts and Labor to provide the needed upgraded parts including card readers, cards, badge printer, service, network switch, access control panels and lock power supplies.

Modern Electric - \$30,750.00

Install low voltage cabling for new card readers throughout airport as per direction of Johnson Controls (Modern Electric would bill the airport directly)

Mr. Darren Anderson stated our access control system is a Honeywell based system dating back to 1991. He stated we have done upgrades over the years and Johnson Controls has been maintaining the system. He stated we are at the point now where we can no longer "patch" it and this is something we have been working on over the past year and a half.

Mr. Miller stated we will be able to use a lot of the existing infrastructure. He stated the main items that are being replaced are the card readers and the access control panels.

Mr. Pawluk stated he does not have any problem with the service we have received from Johnson Controls and he has no bias against doing this, but this is the first the board members have seen this proposal. He stated it seems unusual to him that if we are reconfiguring all of the card readers and the estimated cost of the project is \$155,750.00 he does not know why we would not have any competitive proposals. He asked what would happen on January 1, 2014 if we do not do anything.

Mr. Miller stated January 1, 2014 the system will roll back to the 1998 setup and all of the dates will be incorrect and in order for the system to grant access you would have to reconfigure all of the access based on incorrect dates.

Mr. Anderson stated this was the first he has seen the cost and it also surprised him. He stated it is an older system and we have been working on this for a while and in retrospect he does not know how we could have approached it any differently.

Mr. Dobberstein stated it is somewhat a "sole source" project but this is a lot more than he thought also.

Mr. Pawluk stated maybe this is the best alternative but maybe tabling this until the next meeting will give us an opportunity to do some further research.

Mr. Pawluk moved to table this item until the next meeting.

Second by Mr. Kilander.

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

Received Third Quarter 2013 PFC Report:

The Third Quarter 2013 PFC Report was received and filed without objection.

Airport Construction and Security Update:

Mr. Scott Hagel, Ulteig Engineers, was recognized and gave an update on the Terminal Ramp Expansion Project. He stated Northern Improvement is going to be doing the final lane of paving today. He stated Northern is very happy with the quality of the pavement. He stated once all of the paving is done they will still have the grading work and also the slab extensions for the storm tech system.

Mr. Terry Stroh, TL Stroh Architects, was recognized and stated they are done with the first floor restrooms in the East Terminal and are waiting for some tiling materials for the second floor restrooms.

Mr. Dobberstein stated on October 1 we received official notice from the TSA that effective January 1, 2014 we will be required to take over the responsibility of staffing and monitoring the exit lanes. He stated we have until October 16 to file a letter of reconsideration and that letter has been drafted and is ready to be sent to the TSA in Bismarck. He stated this would cost us about \$150,000 to \$200,000 a year. He stated there is a very active effort on behalf of the AAAE and the air carriers to fight the TSA on this and not take over the TSA's responsibility.

The meeting of the Municipal Airport Authority was adjourned to conduct interviews of engineering firms. The next regular meeting to be held is Tuesday, November 12, 2013.

Time at adjournment was 8:45 a.m.

Regular Meeting

Tuesday

November 12, 2013

The Regular Meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held Tuesday, November 12, 2013 at 8:00 a.m. in the Airport Boardroom.

The members present or absent were as follows:

Present: Kilander, Pawluk, Macdonald, Blazek  
Absent: Clark  
Others: Walaker

Chairman Blazek presiding.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held October 8, 2013:

The minutes of the Regular Meeting of the Municipal Airport Authority held October 8, 2013, were approved without objection.

Approved the Airport Vouchers Totaling \$73,886.16

Mr. Pawluk moved to approve the airport vouchers totaling \$73,886.16.  
Second by Gen. Macdonald.  
On the call of the roll, members Pawluk, Macdonald, Blazek voted aye.  
Absent and not voting: Clark, Kilander  
The motion was declared carried.

Approved the Individual Voucher to TL Stroh Architects:

Gen. Macdonald moved to approve the individual voucher in the amount of \$305.00 to TL Stroh Architects for partial payment request for architectural services in connection with the East Terminal Restroom Remodel.  
Second by Mr. Pawluk.  
On the call of the roll, members Pawluk, Macdonald, Blazek voted aye.  
Absent and not voting: Clark, Kilander  
The motion was declared carried.



Approved the Individual Voucher to Ulteig Engineers, Inc.:

Gen. Macdonald moved to approve the individual voucher in the amount of \$47,156.44 to Ulteig Engineers, Inc. for partial payment request for engineering services in connection with the Terminal Ramp Expansion Project, AIP41.

Second by Mr. Pawluk.

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

Absent and not voting: Clark, Kilander

The motion was declared carried.

Approved the Individual Voucher to American Airlines:

Gen. Macdonald moved to approve the individual voucher in the amount of \$91,148.00 to American Airlines for the October (DFW) revenue guarantee, Small Community Air Service Development Grant.

Second by Mr. Pawluk.

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

Absent and not voting: Clark, Kilander

The motion was declared carried.

Approved the Individual Voucher to Sixel Consulting Group:

Gen. Macdonald moved to approve the individual voucher in the amount of \$6,052.00 to Sixel Consulting Group for October passenger enplanement fees (American/DFW - \$2,116.00, Frontier/DEN - \$3,936.00).

Second by Mr. Pawluk.

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

Absent and not voting: Clark, Kilander

The motion was declared carried.

Approved the Individual Voucher to Northern Improvement:

Gen. Macdonald moved to approve the individual voucher in the amount of \$166,232.34 to Northern Improvement for Partial Payment Request #4 for construction of the Terminal Ramp Expansion Project, AIP41.

Second by Mr. Pawluk.

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

Absent and not voting: Clark, Kilander

The motion was declared carried.

Approved the Individual Voucher to Ulteig Engineers, Inc.:

Gen. Macdonald moved to approve the individual voucher in the amount of \$40,261.32 to Ulteig Engineers, Inc. for partial payment request for engineering services in connection with the Terminal Ramp Expansion Project, AIP41.

Second by Mr. Pawluk.

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

Absent and not voting: Clark, Kilander

The motion was declared carried.

Approved the Individual Voucher to Gast Construction:

Gen. Macdonald moved to approve the individual voucher in the amount of \$13,467.50 to Gast Construction for Partial Payment Request (Final) for construction of the East Terminal Restroom Remodel.

Second by Mr. Pawluk.

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

Absent and not voting: Clark, Kilander

The motion was declared carried.

Approved the Individual Voucher to Flint Communications:

Gen. Macdonald moved to approve the individual voucher in the amount of \$3,809.02 to Flint communications for partial payment request for American Airlines/DFW marketing, DOT Grant.

Second by Mr. Pawluk.

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

Absent and not voting: Clark, Kilander

The motion was declared carried.

Approved the Individual Voucher to Flint Communications:

Gen. Macdonald moved to approve the individual voucher in the amount of \$32,736.96 to Flint Communications for partial payment request for 2013 Airport Marketing Program.

Second by Mr. Pawluk.

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

Absent and not voting: Clark, Kilander

The motion was declared carried.

Approved the Individual Voucher to TL Stroh Architects:

Gen. Macdonald moved to approve the individual voucher in the amount of \$3,231.00 to TL Stroh Architects for partial payment request for Parking Study and Master Plan.

Second by Mr. Pawluk.

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

Absent and not voting: Clark, Kilander

The motion was declared carried.

Approved the Individual Voucher to TL Stroh Architects:

Gen. Macdonald moved to approve the individual voucher in the amount of \$780.00 to TL Stroh Architects for partial payment request for architectural services in connection with the East Terminal Restroom Remodel.

Second by Mr. Pawluk.

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

Absent and not voting: Clark, Kilander

The motion was declared carried.

Mr. Kilander now present.

Received Update Regarding Engineering Services Selection:

Mr. Dobberstein stated following the meeting on October 8 the board interviewed engineering firms to provide engineering services for a maximum of a five year period for the start of the project for the federal fiscal year 2014 which is October 1, 2013. He stated the three firms interviewed were KLJ, Mead & Hunt, and Ulteig Engineers. He stated the results of the interviews were Mead & Hunt with the highest score, KLJ second and Ulteig third.

Mr. Dobberstein stated for the public record the board has selected Mead & Hunt to provide engineering services for a maximum of five years on a contract by contract basis.

Received Qualification Proposals from Architectural Firms:

Mr. Dobberstein stated we advertised a request for qualification proposals from architectural firms for the possible construction of a parking ramp. He stated we received proposals from the following firms:

- EAPC
- Helenske Design Group
- LJA
- TL Stroh Architects
- Leo A. Daly
- JLG
- Foss Architecture & Interiors

Received Qualification Proposals from Architectural Firms: (Continued)

Mr. Dobberstein stated the Airport Authority has the option to select one firm today or interview as many firms as it wishes at the next meeting.

Chairman Blazek stated he would like each board member to indicate their top two firms and we can shorten the list.

After discussion, the following firms were selected to be interviewed following the next meeting on November 26:

Helenske Design Group  
JLG  
TL Stroh Architects

Mr. Dobberstein stated the board will be selecting a firm and they will be tasked with designing a parking structure and take us to the point of opening bids for the project. He stated the board is not committing to building the structure.

Chairman Blazek stated the board has identified that there is going to be a need for additional parking and it is the group's consensus that the best way to fill this need seems to be a parking structure. He stated the thing that is missing is the cost of the structure but we have to take this obvious first step to determine that cost before we decide to go with the parking structure or another option. He stated we will interview these three firms at our next meeting.

Mr. Kilander stated he would request that the firms being interviewed have some idea of what the design and bidding phase will cost.

Chairman Blazek stated we could include the requirement for a cost not to exceed in their proposal.

Received Change Order #4 to Northern Improvement for an Increase of \$3,403.07:

Mr. Dobberstein stated Change Order #4 to Northern Improvement for an increase of \$3,403.07 for the Terminal Ramp Expansion Project, AIP, is for the relocation of electrical conduit in the north general aviation area taxi lane for the security gate.

Mr. Pawluk moved to approve Change Order #4 to Northern Improvement for an increase of \$3,403.07.

Second by Mr. Kilander.

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

Absent and not voting: Clark

The motion was declared carried.

Continued Discussion Regarding Security System Update:

Mr. Dobberstein stated at the last meeting we received a proposal from Johnson Controls to upgrade our access control security system. He stated that proposal was substantially higher than we had anticipated so we went back out into the market to look for another solution.

Mr. Darren Anderson was recognized and stated right after the last meeting we met with Johnson Controls and they made a connection with Honeywell for us and within a couple of days we met with representatives from Honeywell and after spending a few hours reviewing our system they had a solution for us. He stated they are proposing a system update at a cost of \$64,200 and they have no concerns that they will be able to meet the January 1, 2014 deadline. He stated the Johnson Controls proposal was \$155,000 but they were going to have to replace components they did not have access to but Honeywell does.

Discussed Possible Fuel Tank Replacement – Fargo Air, Inc.:

Mr. Dobberstein stated Mr. Bernie Ness and Mr. Robert Thibedeau are here representing Fargo Air, Inc. He stated Fargo Air, Inc. is a group owned private fuel tank (2,000 gallons) which was approved by the Airport Authority in 1987. He stated the fuel supplier has been Lileks Oil and they have paid the two cent per gallon fuel flowage fee to the airport.

Mr. Bernie Ness was recognized and stated their current tank is a single wall tank which was the technology in the 1980's. He stated Fargo Air, Inc. has an opportunity to buy a double wall tank from Mr. Danny Schatz. He stated the card controller on the existing tank also needs replacement so they are looking at upgrading the tank. He stated they are talking with David Sahl, Fargo Aircraft Maintenance, about partnering with him under his FBO agreement. He stated they would also like to open it up to the public which would increase usage and keep the fuel fresher.

Mr. Dobberstein stated the current lease with Fargo Air, Inc. states it is a private fuel system and that there are "no retail sales to the public." He stated this would be a major change to their lease.

Mr. Pawluk stated he can see why they would want to do this. He stated there may be a number of transient pilots who may prefer self-service fueling. He stated he thinks the primary use of this system will still be the 29 owners. He stated he does not think there would be that many transient pilots who would find their way down to the south general aviation area to buy fuel. He stated he does not see any reason he would object to their request.

Mr. Dobberstein stated David Sahl, Fargo Aircraft Maintenance, is currently a limited FBO (maintenance and hangaring) and does not have fuel sales under his current operating agreement but it could be added.

Mr. Ness stated this would not be happening until spring. He stated before moving any further they wanted to get the board's approval of the concept. He stated if the board is not in favor of the concept they are not going to move further on a formal agreement with Mr. Sahl.

Gen. Macdonald stated it would certainly be in the airport's interest to replace the current single wall tank with a double wall tank.

Chairman Blazek stated his concern is liability for someone injured while fueling their own aircraft.

Mr. Ness stated Fargo Air currently has liability insurance but would expand that coverage if it is open to the public. He stated there is still a lot of work to be done for this but they did not want to

Discussed Possible Fuel Tank Replacement – Fargo Air, Inc.: (Continued)

go any further if the board did not approve the concept.

Mr. Pawluk stated he feels this proposal would enhance general aviation on Hector Airport and he would be in favor of supporting the resurgence in general aviation on the field.

Mr. Dobberstein stated this would be a big change to the Fargo Air, Inc. agreement but this board has the ability to change agreements. He stated he does not know if Fargo Jet Center has any plans to install a self-fueling facility.

Mr. Ness stated they are also looking at an agreement with Group VI to use their unloading containment facilities.

Gen. Macdonald stated he shares Mr. Pawluk's feeling that we should do whatever we can to support general aviation on Hector Airport.

Mr. Kilander stated he also agrees with supporting general aviation but are we opening a Pandora's Box by allowing public sales from a privately owned group tank.

Chairman Blazek stated there are certainly a lot of things yet to be worked out but if this is tied to an FBO operation it should address some of those concerns,

Mr. Dobberstein stated he would certainly prefer to see this managed through an FBO.

Mr. Ness stated this is not an inexpensive venture so he does not think the board would see a lot of other requests like this. He stated since they were going to have to do upgrades anyway they wanted to look at expanding the use of the tank.

Mr. Robert Thibedeau was recognized and stated for his flying club they are looking not only at cost savings for the fuel but also the convenience of the tank in the south general aviation area. He stated his airplane is terrible at hot starts so to taxi to the north end to fuel he may not get his plane started again.

Mr. Darren Hall, Fargo Jet Center, was recognized and stated if Fargo Jet Center was going to install a self-service fuel tank it would be on the north end of the airport. He stated they do service a number of general aviation aircraft in the south general aviation area and they use their fuel trucks to deliver to the aircraft.

Mr. Dobberstein asked if the cost of the proposed improvements to the Fargo Air tank would result in losing some of their shareholders.

Mr. Thibedeau stated they have had an initial meeting with their members and everyone is on board at this point.

Chairman Blazek stated it is the consensus of the board to support this project and directed Mr. Ness and Mr. Thibedeau to move forward and work out details as they progress on a formal proposal for the Airport Authority.

Received Communication from American Farm Equipment to Extend Their East Terminal Lease:

The communication from Mr. Guy Kittelson, American Farm Equipment, dated October 30, 2013, was received and filed without objection.

Mr. Dobberstein stated Mr. Kittelson is requesting a one year extension to his lease in the East Terminal.

Received Communication from American Farm Equipment to Extend Their East Terminal Lease:  
(Continued)

Gen. Macdonald moved to approve the one year lease extension for American Farm Equipment.

Second by Mr. Kilander.

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

Received Update on Field Restoration Project:

The communication from Nathan Boerboom, City of Fargo Engineering, dated November 6, 2013, was received and filed without objection.

Mr. Dobberstein identified the three cells in the airport's farm field the City of Fargo has used over the past years as clay borrow pits for flood events. He stated once the sites are backfilled they do settle. He stated this area is under lease to NDSU and they have been working the field but the settlement area is significant. He stated he has been working with Nathan Boerboom from the City Engineering Office on the restoration. He stated after the engineering survey they have identified approximately 2,200 cubic yards of topsoil that would need to be imported into the site in order to get it to drain properly. He stated they are estimating this work to be approximately \$40,000-\$50,000 and due to the cost and uncertainty if the sites are done settling they are looking at some sort of agreement with the Airport Authority.

Mr. Dobberstein stated Nathan is proposing to continue the restoration in conjunction with NDSU over the next five years. He stated the City of Fargo will pay the Airport Authority the difference of what the rent payment should be and what we have actually received from NDSU. Mr. Dobberstein added that NDSU has been paying 50% of the per acre rent for that parcel. He stated the City did commit to us that they would restore the site. He stated with the board's concurrence he will write a letter to Nathan requesting this agreement be drafted and forwarded to us for approval by the Airport Authority.

After further discussion the board concurred and directed Mr. Dobberstein to write a letter to the City of Fargo Engineering Office asking them to proceed with the drafting of a proposal.

Received Update on ARFF Equipment:

Mr. Dobberstein stated the board members have received the contract pricing worksheets from HGACBuy for the purchase of two Oshkosh fire trucks. He stated HGACBuy is a publicly bid consortium of which we are a member. He stated according to Oshkosh these are the best prices for these two trucks.

Mr. Darren Anderson stated the bids are for one 1,500 gallon truck (\$805,913) and one 3,000 gallon truck (\$1,054,271). He stated since we are establishing a fire department there are a lot of items related to the trucks we need to purchase, so we are not buying just the fire trucks. He stated the representative from Oshkosh was here and spent quite a bit of time with us and the fire station crew going over the specifications line by line.

Received Update on ARFF Equipment: (Continued)

Mr. Dobberstein stated we will be requesting 50% funding from the ND Aeronautics Commission as this would be an eligible project for state funding.

Mr. Dobberstein stated this equipment meets all of the requirements to maintain Index B coverage but we do have the capability with these trucks to provide Index C. He added that we will also have to purchase a vehicle for the Fire Chief. He stated the state will be conducting interviews for the position of Fire Chief this week and Darren Anderson will be taking part in those interviews.

Mr. Dobberstein stated we will have an agreement in place by April 1, 2014 with the Guard Bureau on sharing the fire station and some equipment until our trucks are delivered, which will take about 365 days. He stated on July 1, 2015 those employees will become Airport Authority employees.

Mr. Dobberstein stated we will be ordering this equipment this week and provide the board members with continued updates.

Received Update on Airport Master Plan Update and Taxiway A Reconstruction:

Mr. Dobberstein stated our projects for our 2014 AIP entitlement funds will be our Airport Master Plan Update and the continued design for the reconstruction of Taxiway A. He stated we want to move forward with the design phase so that should discretionary funds become available we would have the plans and specifications ready for the project. He stated Mr. Jeff Klein and Mr. Jon Scrapper, Mead & Hunt, are present today.

Mr. Klein was recognized and stated the entire Taxiway A needs to be reconstructed but the airport does not have funds to do that all at once so they are proposing to do the reconstruction in phases. He stated they are looking for approval from the board to begin the preliminary design work for the next phase of Taxiway A reconstruction which would include topographic survey, geotechnical investigation report which would include borings to be completed at night, so they can gather the preliminary data now before winter and work on the design phase during the winter months. He stated the lump sum price for this (Proposal 1) is \$34,500.

Mr. Klein stated Proposal 2 is to complete the preliminary design for Taxiway I construction (terminal apron to Runway 9). He stated in order to reconstruct the terminal taxiway from the ramp to Taxiway A we would need to construct a temporary bypass taxiway for access during reconstruction. He stated rather than spending \$1.4 million on a temporary bypass apron they are proposing to put those funds toward constructing Taxiway I connecting the terminal apron to Runway 9 which would be permanent and also serve as the alternate during reconstruction of the terminal taxiway. He stated they have estimated total construction cost for Taxiway I to be \$2.5 million. He stated the lump sum price to do the same preliminary design work (geotechnical investigation report, topographical survey, etc.) is \$15,000.

Mr. Kilander moved to approve Proposal 1 for \$34,500 and Proposal 2 for \$15,000 from Mead & Hunt.

Second by Mr. Pawluk.

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

Absent and not voting: Clark.

The motion was declared carried.



Received Update on Airport Master Plan Update and Taxiway A Reconstruction: (Continued)

Mr. Klein stated they are working through the scope and fee for the Airport Master Plan Update. He stated the master plan project can take many different directions. He stated he has been working with Mr. Dobberstein and the approach they have decided on so far is to make a baseline scope to include the FAA's minimum requirements with add on costs for any additional areas covered. He stated they will have further information on that at a future meeting.

Airport Construction and Security Update:

Mr. Dobberstein introduced Mr. Justin Forde, Senator Hoeven's staff. Mr. Dobberstein gave an update on the TSA's January 1, 2014 deadline for airports to take over the function of monitoring checkpoint exit lanes. He stated this is an ongoing situation a number of airports in the country are fighting with the assistance of the AAIE, ACI and Airlines for America (A4A), and looking at some type of legal action against the TSA. He added that our congressional delegation is also engaged in this matter. He stated the estimated annual cost to us would be \$180,000-\$200,000 and this cost would have to be passed on to the airlines. He stated congress should require the TSA to find a technology solution rather than pass this on to the airports. He stated this it is clear this is a budget savings maneuver for the TSA but they did not follow proper procedure in doing this. He stated he expects continued communication from the AAIE and will continue to update the board. Mr. Dobberstein added that we have a great working relationship with the local TSA staff and they are just following their orders.

Mr. Scott Hagel, Ulteig Engineers, was recognized and stated the Terminal Ramp Expansion Project was substantially complete on November 8 and it was opened for use at that time. He stated Northern Improvement submitted their letter of substantial completion and will complete the grading and seeding in the spring. He stated the north general aviation area pavement portion of the project is also complete and ready for use. He stated he is creating a punch list for final items to be completed next spring.

Mr. Dobberstein stated this expanded ramp space will be an big improvement for the airlines with the congestion with overnight parking.

Mr. Devin Mogck, TL Stroh Architects, was recognized and stated the East Terminal restroom remodel project is complete and the contractor submitted their final payment request.

The meeting of the Municipal Airport Authority was adjourned until the next regular meeting to be held Tuesday, November 26, 2013, at 8:00 a.m.

Time at adjournment was 9:40 a.m.

Regular Meeting

Tuesday

November 26, 2013

The Regular Meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held Tuesday, November 26, 2013 at 8:00 a.m. in the Airport Boardroom.

The members present or absent were as follows:

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

In the absence of Chairman Blazek and Vice Chairman Clark, Gen. Macdonald was appointed Chairman pro tem.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held November 12, 2013:

The minutes of the Regular Meeting of the Municipal Airport Authority held November 12, 2013, were approved without objection.

Approved the Airport Vouchers Totaling \$63,704.76:

Mr. Kilander moved to approve the airport vouchers totaling \$63,704.76.  
Second by Mr. Pawluk.  
On the call of the roll, members Kilander, Pawluk, Macdonald voted aye.  
Absent and not voting: Clark, Blazek  
The motion was declared carried.

Reviewed 2014 Airport Marketing Plan – Flint Communications:

Representatives of Flint Communications, Tara Olson, Crystal Campbell, Maran Hamilton, were recognized and reviewed the proposed 2014 Airport Marketing Plan. Ms. Tara Olson stated that 2014 is the third year of the three year campaign. She stated the goals for the year are increased passengers and increased public awareness of new flights. Ms. Campbell reviewed the budget stated they are proposing a \$12,000 increase in the budget over 2013 for a total of \$182,137.86. Ms. Hamilton reviewed the social media aspects of the marketing plan.

Reviewed 2014 Airport Marketing Plan – Flint Communications: (Continued)

After further discussion, Mr. Pawluk moved to approve the 2014 Airport Marketing Plan as proposed by Flint Communications.

Second by Mr. Kilander.

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

Airport Construction and Security Update:

Mr. Scott Hagel, Ulteig Engineers, was recognized and stated partial payments have been made to Northern Improvement for all work completed to date on the Terminal Ramp Expansion Project. He stated the grading and seeding for the project will be completed in the spring.

Mr. Hagel stated there is also a remaining seeding item from last year's car rental parking lot project and we have received a letter of guarantee from Border States Paving for that area.

Chairman pro tem Macdonald relinquished the chair. Chairman Blazek now present.

Mr. Dobberstein stated we are still working on the exit lane issue with the TSA. He stated we did receive a letter from the Administrator of the TSA, John Pistole, denying our letter of reconsideration for taking over the exit lane responsibility. He stated they did extend our deadline to February 1, 2014. He stated we are supposed to be working on an amendment to our Airport Security Plan. He stated we are working with AAAE and ACI as part of a large group of airports working with a law firm to file an injunction.

Mr. Dobberstein stated he and Darren Anderson met with representatives from the Fargo Fire Department and the current Guard fire chief and incoming chief. He stated we have been planning for an April 1, 2014 transition date but last Friday the Guard Bureau here was advised that the Guard's ARFF responsibilities have been extended through September 30, 2014. He stated we have ordered the fire trucks.

The meeting of the Municipal Airport Authority was adjourned until the next regular meeting to be held Tuesday, December 10, 2013. This will be the only meeting in December.

Time at adjournment was 8:50 a.m.

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Regular Meeting

Tuesday

December 10, 2013

The Regular Meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held Tuesday, December 10, 2013, at 8:00 a.m. in the Airport Boardroom.

The members present or absent were as follows:

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

Chairman Blazek presiding.

Approve the Minutes of the Regular Meeting of the Municipal Airport Authority Held November 26, 2013:

The minutes of the Regular Meeting of the Municipal Airport Authority held November 26, 2013, were approved without objection.

Approved the Airport Vouchers Totaling \$62,603.42:

Mr. Pawluk moved to approve the airport vouchers totaling \$62,603.42.  
Second by Gen. Macdonald.  
On the call of the roll, members Kilander, Pawluk, Macdonald, Blazek voted aye.  
Absent and not voting: Clark  
The motion was declared carried.

Approved the Individual Voucher to Sixel Consulting Group:

Gen. Macdonald moved to approve the individual voucher in the amount of \$5,610.00 to Sixel Consulting Group for November passenger enplanement fees (Allegiant/PIE - \$736.00, Frontier/DIA - \$2,896.00, American/DFW - \$1,978.00).  
Second by Mr. Kilander.  
On the call of the roll, members Kilander, Pawluk, Macdonald, Blazek voted aye.  
Absent and not voting: Clark  
The motion was declared carried.

Approved the Individual Voucher to Border States Paving:

Gen. Macdonald moved to approve the individual voucher in the amount of \$12,300.00 to Border States Paving for Partial Payment Request #8 (Final) for 2012 Parking Lot Improvement Project.

Second by Mr. Kilander.

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

Absent and not voting: Clark

The motion was declared carried.

Approved the Individual Voucher to Flint Communications:

Gen. Macdonald moved to approve the individual voucher in the amount of \$1,412.91 to Flint Communications for partial payment request for American Airlines DFW promotion.

Second by Mr. Kilander.

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

Absent and not voting: Clark

The motion was declared carried.

Approved the Individual Voucher to Flint Communications:

Gen. Macdonald moved to approve the individual voucher in the amount of \$31,480.64 to Flint Communications for partial payment request for 2013 Airport Marketing Program.

Second by Mr. Kilander.

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

Absent and not voting: Clark

The motion was declared carried.

Approved the Individual Voucher to Ulteig Engineers, Inc.:

Gen. Macdonald moved to approve the individual voucher in the amount of \$32,056.34 to Ulteig Engineers, Inc. for partial payment request for engineering services in connection with the Terminal Ramp Expansion Project, AIP41.

Second by Mr. Kilander.

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

Absent and not voting: Clark

The motion was declared carried.

Approved the Individual Voucher to Northern Improvement:

Gen. Macdonald moved to approve the individual voucher in the amount of \$78,404.45 to Northern Improvement Company for Partial Payment Request #6 for construction of the Terminal Ramp Expansion Project, AIP41.

Second by Mr. Kilander.

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

Absent and not voting: Clark

The motion was declared carried.

Clark now present.

Received 2014 Airport Liability Insurance Policy Renewal Information:

The communication from Northstar Aviation Insurance, Inc. dated December 6, 2013, was received and filed without objection.

Mr. Dobberstein stated Mr. Marc Lepage, Northstar Insurance, is proposing the renewal of our airport liability insurance remain with the current carrier, AIG Aviation. He stated the premium will be \$37,176.00, which is a slight decrease from this year.

Mr. Pawluk moved to approve the renewal of the 2014 airport liability insurance with AIG Aviation through Northstar Aviation Insurance for a premium of \$37,176.00.

Second by Mr. Kilander.

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

Continued Discussion Regarding Possible Parking Project and Associated Architect Interviews:

Chairman Blazek stated he and Mr. Dobberstein have had lengthy discussions regarding parking expansion at the airport. He stated he is not speaking for Mr. Dobberstein, but it is his opinion that while we will need a parking ramp eventually, he feels we are still a few years away from that. He stated he feels we can fulfill the demand for the next few years by adding 2,000 parking spots to the south, build some type of a shelter for walking, and operating a shuttle service during a few months out of the year. He stated that would cost us roughly \$4.5 million.

Mr. Pawluk stated he has also given this a lot of thought and has considered how far is "too far" to expect our customers to walk. He stated with that in mind, he used his measuring wheel to see how far it is from the crossover road south of the parking lot and it measured 900 feet. He stated he then took a measurement in the Fargodome parking lot from the further point in the northeast corner of the lot up to the building and that was 900 feet. He stated he also measured from the west parking lot at the dome and that was 1,450 feet. He stated right now he is not willing to dedicate the funds required for a parking ramp. Instead, he would like to expand surface parking to the south. He added that he is not even ready to commit to a shuttle at this time. He stated we first need to provide the parking spaces and address the other issues later. He stated we really need this extra lot for only a short period of the year.

Continued Discussion Regarding Possible Parking Project and Associated Architect Interviews:  
(Continued)

Mr. Pawluk stated instead of moving forward with the parking ramp he would like to see us dedicate some of our reserves toward a ramp, as well as adjust our rates in the parking lot as though we had the ramp and capture a portion of that revenue and put it toward a structure. He stated it is not like we can pay for a ramp with the fees that we are already receiving as those funds are currently being used in our operational budget. He stated he originally pushed for moving ahead with a parking ramp but after further consideration he feels we need to have more money in hand before we start the project.

Mr. Kilander stated he had the same opinion as Mr. Pawluk a few months ago but he now feels differently. He stated he has parked in a distant parking spot at the dome but it has been in 50 or 60 degree weather. He stated in weather like we are having today he would probably go an hour early so he would not have to walk so far. He stated if you shop at the mall long enough you know where the empty spots might be and you also don't have to be there at a certain time as you do at the airport. He stated his thoughts still reflect the fact that we are in a non-typical position when it comes to customer relations. He stated as long as he has been on the Authority the main consideration in decision making has been "how does it play for our customers?" He stated he also agrees that looking at a large monthly debt retirement scares him also as we are currently using the parking lot revenue for operations. He stated rather than just expand parking to the south we should look at some type of a customer friendly shelter through which they can walk up to the terminal or a shuttle for a few months out of the year.

Chairman Blazek stated even when we eventually build a parking ramp we will need additional surface parking spaces anyway.

Mr. Pawluk stated he would not disagree with anything Mr. Kilander said. He stated we can structure the parking so that our customers decide whether they park in the remote lot or a lot closer to the building by pricing the remote lot at a reduced price.

Gen. Macdonald stated he thinks to build a ramp for the short period of time during the year that the lots are full does not make sense right now. He stated we could figure out how much it would cost to operate a shuttle and subtract that from the revenue generated from that lot and set the rate accordingly. He stated he thinks if people know they are getting a much lower rate they will drop their family off at the door, park in the low cost lot, walk to the terminal and save the money. He stated it could be a credit card operated lot like our economy lot. He stated he thinks we could get along for quite some time with that arrangement because the people that park there will know they will have to walk but will be willing to do that because they are getting a deal. He added that as it has been stated, even if we build a ramp in the future we will need additional parking spaces in the future.

Mr. Pawluk stated along with that he feels it is important for us to identify the portion of our reserves that we want to dedicate toward the ramp and how much revenue from the existing lot we want to put toward a future ramp.

Mr. Kilander stated he is hesitant on making the decision based solely on the hard numbers and the reason for that is we need to figure the consumer into the equation. He stated it goes back to how we can best accommodate the consumer, and the consumer is the only reason we are here.

Continued Discussion Regarding Possible Parking Project and Associated Architect Interviews:  
(Continued)

He stated if we are going to go this direction then we should look at some type of protected access to the building. He stated he is not talking a moving walkway but something that will get them at least partially out of the elements.

Dr. Clark stated we all have our own ideas and we are probably making a lot of assumptions. She stated she feels it would be beneficial to have some data and feedback from our customers as to what they would like. She stated she does not necessarily agree with raising rates so we can pay for a ramp in the future because people are used to our low rates. She stated she does not feel we can move forward without some type of data from a survey and we should have adequate time to do that since a decision on construction of a ramp does not have to be made right away.

Chairman Blazek stated if we are moving ahead with any type of construction this year, even if it is just additional surface parking, we should move ahead in the next 60 to 90 days.

Mr. Pawluk stated we do have proposals from these architectural firms and we do need to give them an answer as soon as possible.

Mr. Dobberstein stated he agrees we are not yet ready for a ramp. He stated he likes the discussion today about surface parking and looking into a seasonal shuttle. He stated he also likes the idea of a survey and the Chamber and EDC can help us with input from their members. He stated the reality of the debt service on a \$24 million ramp is not possible right now, even if we used all of our reserves into offsetting the cost. He stated additional the surface parking will get us out to that 2020 to 2021 time frame based on Standard Parking's projections and we could look at a seasonal shuttle during peak periods.

Gen. Macdonald stated the answers a traveler gives on a survey may depend on whether it is 35 below or 35 above and no wind. He stated one time they are going to be willing to pay an extra \$5 a day to park in a ramp but the next time they may not. He stated if we build a ramp and charge a premium rate to park there the ramp will probably be full in cold weather but during nice weather they will probably choose the lower cost lot.

Mr. Kilander stated he does not necessarily agree with that. He thinks people will pay more to park closer to the terminal or whichever is more convenient for them.

Gen. Macdonald stated we have an advantage over the larger airports that are a can of worms to get through. He stated we can provide first class service but we have to take into account our customers and what they are willing to pay vs. the inconvenience. He stated he would support expanding the surface parking to the south at a reduced rate and if that does not work we use a shuttle. He stated he agrees with the idea of starting a fund for a parking ramp. He added that Standard Parking may be willing to participate in the cost.

Chairman Blazek stated there are other projects we will have to look at over the next five years such as terminal expansion for international flights, additional gates, etc.

Gen. Macdonald stated this is a flight of stairs and we need to take one step at a time rather than try to run all the way up at once.

Mr. Dobberstein stated if we conduct a survey we have to decide what type of information we want gathered.

Mr. Pawluk stated he feels it is very important to hire a professional to develop what information we want to collect and then analyzing the data.



Continued Discussion Regarding Possible Parking Project and Associated Architect Interviews:  
(Continued)

Dr. Clark stated NDSU conducts many surveys for businesses in various industries and the students are trained for the specific survey so each survey is conducted in exactly the same way so the data is accurate.

Mr. Pawluk moved to reject all architectural proposals for the parking ramp and that the board expresses its sincere appreciation to those firms submitting proposals.

Second by Gen. Macdonald.

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

Gen. Macdonald moved to direct our engineers, Mead & Hunt, to report to the board by the second meeting in January a plan for proposed expansion to the south that would fit in with future ramp construction.

Second by Kilander.

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

Mr. Dobberstein asked if the board wants us to approach NDSU for help in conducting the survey.

Mr. Pawluk stated he feels it is important to have a well defined survey and use professionals who really understand what information is trying to be obtained.

Gen. Macdonald stated he would suggest we hire a professional firm to design the survey but use NDSU students to conduct the survey.

Mr. Kilander stated he feels the first step is the designing of the instrument and there are professional firms in town or faculty at NDSU that teach those people at those professional firms how to do that. He stated the implementation has to be done by highly trained, well qualified people who will be able to ask follow-up questions and interpret what is being said. He stated he does not see this survey as a group of questions with boxes to check. He stated he agrees it needs to be done professionally but there is that potential with assistance from NDSU.

Chairman Blazek asked Mr. Dobberstein to report at the next meeting what he would propose for a survey.

Dr. Clark stated she will get some input from those who train people to conduct surveys. She added that a lot of surveys are done on line and people may tell you things they would not in person.

Chairman Blazek thanked the board members for the good discussion on parking and we will look forward to continued discussion in the future.

Airport Construction and Security Update:

Mr. Jeff Klein, Mead & Hunt, was recognized and gave a brief update on the Airport Master Plan Study. He stated the scope of work is basically put together. He stated one of the components of the Master Plan is an aerial survey and photography. He stated right now the City of Fargo is doing a lidar aerial survey so he is going to see if we can take that data and incorporate it into the Airport Master Plan but make certain it will meet the requirements of the FAA. He stated that could be an opportunity to save a substantial amount of money.

Airport Construction and Security Update: (Continued)

Mr. Dobberstein stated we are still working on the TSA exit lane staffing issue.

The meeting of the Municipal Airport Authority was adjourned until the next regular meeting to be held Tuesday, January 14, 2014.

Time at adjournment was 9:07 a.m.