

Annual Meeting

Tuesday

January 9, 2018

The Annual Meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held Tuesday, January 9, 2018, at 8:00 a.m. in the Airport Boardroom.

The members present or absent were as follows:

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

Chairman Blazek presiding.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held December 12, 2017:

The minutes of the Regular Meeting of the Municipal Airport Authority held December 12, 2017, were approved without objection.

Approved the Airport Vouchers Totaling \$180,843.53:

Dr. Clark moved to approve the airport vouchers totaling \$180,843.53.
Second by Mr. Kilander.
On the call of the roll, members Clark, Linn, Kilander, Haugen, Blazek voted aye.
No member being absent and none voting nay the motion was declared carried.

Approved the Individual Voucher to Mead & Hunt:

Dr. Clark moved to approve the individual voucher in the amount of \$46,729.55 to Mead & Hunt for partial payment request (final) for engineering services in connection with the Airport Master Plan Update, Project AIP42.
Second by Gen. Haugen.
On the call of the roll, members Clark, Linn, Kilander, Haugen, Blazek voted aye.
No member being absent and none voting nay the motion was declared carried.

Approved the Individual Voucher to Mead & Hunt:

Dr. Clark moved to approve the individual voucher in the amount of \$7,000.00 to Mead & Hunt for partial payment request for engineering services in connection with the air cargo expansion.

Second by Gen. Haugen.

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

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

Approved the Individual Voucher to Mead & Hunt:

Dr. Clark moved to approve the individual voucher in the amount of \$26,144.61 to Mead & Hunt for partial payment request for engineering services in connection with the Taxiway A and A1 Reconstruction Project, AIP47.

Second by Gen. Haugen.

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

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

Approved the Individual Voucher to Mead & Hunt:

Dr. Clark moved to approve the individual voucher in the amount of \$3,019.61 to Mead & Hunt for partial payment request for engineering services in connection with the Employee Parking Lot Reconstruction and Expansion Project.

Second by Gen. Haugen.

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

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

Approved the Individual Voucher to Mead & Hunt:

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

Second by Gen. Haugen.

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

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

Approved the Individual Voucher to Cougar Tree Care:

Dr. Clark moved to approve the individual voucher in the amount of \$8,380.00 to Cougar Tree Care for partial payment request for shelterbelt renovation project (removal of chips).

Second by Gen. Haugen.

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

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

Approved the Individual Voucher to TL Stroh Architects

Dr. Clark moved to approve the individual voucher in the amount of \$21,255.00 to TL Stroh Architects for Partial Payment Request #4 for architectural and engineering services in connection with the Elevated Walkway.

Second by Gen. Haugen.

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

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

Approved the Individual Voucher to Northern Improvement Company:

Dr. Clark moved to approve the individual voucher in the amount of \$16,560.00 to Northern Improvement Company for partial payment Request #2 for construction of the Employee Parking Lot Reconstruction and Expansion Project.

Second by Gen. Haugen.

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

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

Approved the Individual Voucher to Flint Communications:

Dr. Clark moved to approve the individual voucher in the amount of \$1,543.75 to Flint Communications for partial payment request for 2017 Airport Marketing Plan.

Second by Gen. Haugen.

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

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

Reviewed 2018 Marketing Plan Options with Flint Communications:

Ms. Tara Olson, Flint Communications, was recognized and introduced the other Flint representatives present today: Kris Bevill, Crystal Bosch and Jason Lotzer.

Ms. Olson stated we are at the end of the three-year term of our current creative cycle and today they will present two options for the new three-year cycle. She stated we will also be discussing public relations and social media.

Mr. Lotzer was recognized and stated the last campaign emphasized the ease of flying out of Fargo, no hassles, saving time and money not having to drive to another airport. He stated those are the core themes and we don't want to abandon those but we want to take that to another level.

Two concepts were presented:

Concept #1 - "Where good times take off"

Concept #2 - "Find your reason to Fly Fargo"

After discussion of the two concepts, it was the consensus of the board to move forward with Concept #2 because of the flexibility and the ability to change the reasons to fly throughout the three year period.

Reviewed 2018 Marketing Plan Options with Flint Communications: (Continued)

Ms. Kris Bevill was recognized and reviewed an example of a proactive public relations piece Flint handled for the airport last year on the Mamava breastfeeding station installed in the terminal building last year. She stated this was not breaking news but there was a nice article in The Forum about the station in a Saturday edition. She presented a proposal for a Public Relations Strategy and Consulting Program. She stated this would consist of planning, including conducting an input session to further identify goals and upcoming triggers and ultimately public relations implementation, including media outreach/pitching; facilitating interviews. She stated this program would assist the airport in an overall integrated approach to control the flow of information to the public on airport events and issues.

Ms. Bevill stated if the board would like to move forward with this public relations program the first step would be to have a meeting between the airport and Flint and go through a number of scenarios and develop a template for moving forward. Ms. Bevill stated she saw a number of media interviews Mr. Dobberstein had over the holiday travel season and stated she appreciates how he is always on message, on point, and very consistent in all of the interviews. She stated Mr. Dobberstein is very skilled when it comes to the media but part of this program would be to assist with streamlining the process and help to take a proactive approach.

Ms. Linn stated she would place great importance on crisis messaging and developing proactive crisis communications plan, with all that is going on in the world today.

Ms. Bevill stated a crisis communications plan is a different undertaking that public relations but they have discussed this and presented a planning worksheet for crisis communication. She stated there are often situations at the airport which are not under the control of the Airport Authority but rather an airline and crisis communication would help to convey that message to the public. She added that not every situation or crisis requires the same amount or type of communication.

Chairman Blazek stated he would be open to a lift in our public relations but asked if this is in our budget at this time.

Mr. Dobberstein stated we do have some funds for public relations in our operations and maintenance fund.

Mr. Kilander stated with the recent aircraft incident, the news reporting he read gave the responsibility to the Fargo Fire Department for the aircraft rescue response rather than the airport fire department.

Ms. Bevill stated a lot of the time it is an ongoing educational process for the media and the public on the responsibilities of the various airport stakeholders.

Mr. Kilander stated he feels we need to take an active hand in developing and move forward with at least some of what has been proposed today.

Ms. Bevill stated public relations can be as little or as much as you want it to be.

Ms. Linn stated the Airport Authority is fortunate to have such a good spokesperson in Mr. Dobberstein.

Mr. Dobberstein stated that our Airport Emergency Plan covers a lot of this already so it is not something new to us.

Chairman Blazek stated it seems to be the consensus of the board to move forward with the Flint public relations strategy and consultation program and the crisis communication plan. He stated since there are funds in the budget for this no action is necessary.

Reviewed 2018 Marketing Plan Options with Flint Communications: (Continued)

Ms. Crystal Bosch was recognized and reviewed the Social Media 2017 Summary and 2018 Goals.

Ms. Olson presented the proposed media budget for 2018 including television, radio, print online media, as well as campaign creative, social community management, PR planning and implementation, website maintenance and travel association for a grand total of \$274,614.00.

Mr. Kilander moved to approve the 2018 Airport Marketing Plan as proposed by Flint Communications.

Second by Ms. Linn.

Ms. Olson clarified that the Crisis Planning is included in the amount for PR Planning and Implementation and may not reach the \$25,000 shown in the line item.

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

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

Authorized Attendance at 2018 Conferences:

Mr. Kilander moved to authorize attendance by board members and staff at the following conferences in 2018:

GLC-AAAE Winter Board Meeting, February 9-11, 2018, West Palm Beach, FL.

AAAE Legislative Conference, March 20-22, 2018, Washington, DC

AAAE National Airport Economic Development Conference, March 25-27, 2018, San Antonio, TX

AAAE Annual Conference, April 15-18, 2018, San Diego, CA

Second by Dr. Clark.

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

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

Received Communication from the Federal Aviation Administration Regarding Approval of PFC Application #8:

The communication from the Federal Aviation Administration dated January 2, 2018, was received and filed without objection.

Mr. Dobberstein stated we have received notice from the Federal Aviation Administration advising that our PFC Application #8 has been approved. He stated this will extend our collection authority for 24-30 months. He stated that we have already started on the process for the next PFC application.

Received Request from ND Aviation Council Regarding Sponsorship of the Upper Midwest Aviation Symposium, March 4-6, 2018, in Fargo:

The communication from the ND Aviation Council dated December 2017 was received and filed without objection.

Mr. Dobberstein stated the 2018 Upper Midwest Aviation Symposium will be held in Fargo, March 4-6, 2018. He stated the NDAC's tradition has been that the airport in the hosting city sponsor the symposium at the \$5,000 level.

Mr. Kilander moved to approve the \$5,000 sponsorship of the Upper Midwest Aviation Symposium, March 4-6, 2018 in Fargo.

Second by Ms. Linn.

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

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

Received Proposal from Games Unlimited Regarding Revised Arcade Agreement:

Mr. Dobberstein stated Games Unlimited (Valley Video) is the current operator of the video games in the game room area on the first floor of the terminal. He stated their contract expired December 31, 2017 and they are proposing their standard two-year contract, different than the previous. Their previous contract called for them to pay 50% commission with a \$4,000 annual minimum guarantee. He stated the game vending business has changed considerably in the last few years with people using their phones so it has not been at all profitable. He stated the new agreement states they will pay 40% of the net profit with no annual minimum, which will allow them to make something. He stated this is a two-year agreement with a 30 day out.

Dr. Clark moved to approve the two-year agreement with Games Unlimited for operation of the game room.

Second by Ms. Linn.

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

Reviewed Agreement with Gate City Bank Regarding Fargo Air Museum Transaction:

Attorney Stacey Bossart stated she received a request from Mr. Jim Sweeney, Fargo Air Museum Board Chair, to draft an attornment agreement regarding the Fargo Air Museum's financing of their restroom addition and Gate City Bank. She stated she received title information with requirements from, Tim Stokka, Gate City Bank. She stated Mr. Dobberstein reviewed the document and then she forwarded the draft agreement to Mr. Stokka but has not heard back.

Ms. Jackie Williams, Executive Director, Fargo Air Museum, was recognized and clarified that this is an unanticipated expansion project to meet City of Fargo requirements for restrooms, for which they had not budgeted, as it was unanticipated.

Attorney Bossart stated there was some confusion as to who should be drafting the agreement and she stated it should be drafted by Gate City as it benefits the lender, but she received a request from Mr. Sweeney and asked if she could take care of it. She asked Ms. Williams to check with Gate City Bank and check on the status of the agreement.

Chairman Blazek stated his only concern is that any legal expense incurred for the drafting of this agreement not be paid by the Airport Authority but be passed on to the Fargo Air Museum

Reviewed Agreement with Gate City Bank Regarding Fargo Air Museum Transaction:

because there is no reason the Airport Authority should be responsible for creating these documents.

Ms. Williams indicated she would follow up with Mr. Sweeney as well.

Airport Construction and Security Update:

Mr. Terry Stroh, TL Stroh Architects, was recognized and stated they are working on scheduling the community meetings for the skyway project.

Mr. Darren Anderson was recognized and stated the checked baggage conveyor belt project requested by the TSA is being finalized and will probably begin in April.

NDANG Received Air Force Outstanding Unit Award:

Chairman Blazek asked Gen. Haugen to comment on the NDANG 119th Wing's recent Air Force Outstanding Unit Award.

Gen. Haugen stated this is the 19th time the 119th has received this award. He explained that any unit that feels they deserve this award has to apply to the Air Force for the award. He stated only 10% of the units that apply will receive the award. He stated 19 awards to one unit is unprecedented. He stated the award received was for fiscal year 2016.

Recognized ARFF Chief David Bush on his Retirement from the NDANG:

Chairman Blazek stated on behalf of the Municipal Airport Authority he would like to congratulate ARFF Chief David Bush on his retirement from the NDANG after 31 years of service.

Elect Chairman of the Municipal Airport Authority for Calendar Year 2018, as per Bylaws:

Mr. Kilander moved to elect Dr. Virginia Clark Chairman of the Municipal Airport Authority for calendar year 2018, as per bylaws.

Second by Ms. Linn.

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

Dr. Clark abstained.

Elect Vice Chairman of the Municipal Airport Authority for Calendar Year 2018, as per Bylaws:

Dr. Clark moved to elect Gen. Mike Haugen Vice Chairman of the Municipal Airport Authority for calendar year 2018, as per bylaws.

Second by Mr. Kilander.

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

Gen. Haugen abstained.

Adopted Resolution of Appreciation to Outgoing Chairman, Steve Blazek:

Chairman Blazek thanked the other board members for their service this past year. He stated looking back at the last year it has been kind of a tumultuous year. He stated we have made some great strides on things we have talked about for years; we have welcomed new board members. He stated we did not get all of the things off the checklist we wanted to do this year and for that, Mr. Dobberstein, we apologize. He stated he thinks overall we are taking two steps forward even though sometimes we are set one step back. He thanked Mr. Dobberstein and the board members for all of their hard work this past year.

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

WHEREAS, Mr. J. Stephen Blazek has just completed a year as Chairman of the Municipal Airport Authority, and

WHEREAS, Mr. Blazek has labored diligently and given unsparingly of his time and expertise in many areas serving as Chairman of the Municipal Airport Authority, and under his leadership the Airport Authority has continued in its efforts to find ways in which to improve the facilities and services available to passengers, and

WHEREAS, During the year of Mr. Blazek's chairmanship the Municipal Airport Authority has continued in its efforts to move Hector International Airport steadily and successfully two steps forward and for his leadership during those times we were set one step back, and

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

Second by Ms. Linn.

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

Blazek passed his vote.

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

The Annual Meeting of the Municipal Airport Authority was adjourned until the next regular meeting to be held Tuesday, January 23, 2018, at 8:00 am in the Airport Boardroom.

Time at adjournment was 9:20 a.m.

Regular Meeting

Tuesday

January 23, 2018

The Regular Meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held Tuesday, January 23, 2018, at 8:00 a.m. in the Airport Boardroom.

The members present or absent were as follows:

Present: Linn, Haugen, Clark

Absent: Blazek, Kilander

Chairman Clark presiding.

Approved the Minutes of the Annual Meeting of the Municipal Airport Authority Held January 9, 2018:

The minutes of the Annual Meeting of the Municipal Airport Authority held January 9, 2018, were approved without objection.

Approved the Airport Vouchers Totaling \$48,538.25:

Gen. Haugen moved to approve the airport vouchers totaling \$48,538.25.

Second by Ms. Linn.

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

Absent and not voting: Blazek, Kilander

The motion was declared carried.

Approved the Individual Voucher to Mead & Hunt:

Ms. Linn moved to approve the individual voucher in the amount of \$2,423.05 to Mead & Hunt for partial payment request for engineering services in connection with the Employee Parking Lot Reconstruction and Expansion Project.

Second by Gen. Haugen.

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

Absent and not voting: Blazek, Kilander

The motion was declared carried.

Approved the Individual Voucher to Mead & Hunt:

Ms. Linn moved to approve the individual voucher in the amount of \$13,660.87 to Mead & Hunt for partial payment request for engineering services in connection with the Taxiway A and A1 Reconstruction Project, AIP47.

Second by Gen. Haugen.

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

Absent and not voting: Blazek, Kilander

The motion was declared carried.

Received Request from Shaw Investments to Extend Eastside Terminal Lease:

The communication from Mr. Jim Shaw dated January 15, 2018, was received and filed without objection.

Mr. Dobberstein stated Mr. Shaw leases office space on the second floor in the Eastside Terminal and he requesting a one-year extension effective February 1, 2018.

Gen. Haugen moved to approve the one-year extension.

Second by Ms. Linn.

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

Received Communication from Cogi, Inc. Requesting Additional Space in the Eastside Terminal:

Mr. Dobberstein stated Cogi, Inc. began renting office space in the Eastside Terminal in December and has requested through Mr. Rick Flacksbarth, Cityscapes Development, to lease a second office on the second floor effective February 1. He stated Attorney Bossart has drafted a lease amendment adding this space to follow the terms of the original lease which expires November 30, 2018.

Ms. Linn moved to approve the request from Cogi, Inc. to lease a second office space in the Eastside Terminal effective February 1, 2018.

Second by Gen. Haugen.

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

Received State Bid Proposal from Nelson Auto Center to Replace Operations Pickup:

The state bid proposal from Nelson Auto Center dated January 17, 2018, was received and filed without objection.

Mr. Dobberstein stated we have one unit approaching 170,000 miles that we would like to rotate out and place on the City's auction in the spring. He stated the new unit would replace the one currently used by the building/landside operations supervisor and his current unit will be transferred to airfield operations. He stated we have purchased a number of vehicles off the state bid contract.

Gen Haugen moved to approve the purchase of a 2018 Dodge Ram 1500 4WD Quad Cab via the state bid through Nelson Auto Center for a price of \$24,752.00.

Second by Ms. Linn.

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

Discussed Airlines Lease and Operating Agreement Extensions:

Mr. Dobberstein stated when we expanded the terminal building in 2008 we entered into lease and operating agreements with the airlines effective December 1, 2009 for a five year period. Effective January 1, 2014 we had a five-year extension and December 31, 2018 is the end of that five-year extension. He stated he has been visiting with the airline property representatives and we are working on probably another five-year extension to the current lease and operating agreement. He stated he might engage Mr. John Decoster, Trillion Aviation, who helped us develop our current agreement. He stated Mr. Decoster might have some recommendations on language changes or additions since it has been a number of years since the agreement was drafted.

Received Final GSA Lease Agreement Extension for TSA Space:

Mr. Dobberstein stated the General Services Administration (GSA) negotiates all of the leases for the the leases for the Transportation Security Administration (TSA). He stated the current lease for the TSA space in the Westside Terminal expires at the end of this month. He stated we put forth a ten-year lease with five years firm and a 3% annual escalator. He stated they have signed and returned the lease to us.

Airport Construction and Security Update:

Mr. Dobberstein stated Mr. Terry Stroh, TL Stroh Architects, was not able to be here today but they are working on getting out the bid proposal for the replacement of the panels on the east side of the terminal building.

Mr. Dobberstein stated Mr. Andy Platz, Mead & Hunt, was planning to be here today but because of weather yesterday he was not able to make it. He stated we were planning to meet with the FAA Airports District Office to discuss our project for the year but we do not know what that project will be at this point. He stated that this is the final year of the engineering services contract so we will be advertising a request for qualifications sometime this summer.

The meeting of the Municipal Airport Authority was adjourned until the next Regular Meeting to be held Tuesday, February 13, 2018 at 8:00 a.m.

Time at adjournment was 8:13 a.m.

Regular Meeting

Tuesday

February 13, 2018

The Regular Meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held Tuesday, February 13, 2018, at 8:00 a.m. in the Airport Boardroom.

The members present or absent were as follows:

Present: Linn, Blazek, Haugen, Clark
Absent: Kilander
Others: Bossart, Gehrig

Chairman Clark presiding.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held January 23, 2018:

The minutes of the Regular Meeting of the Municipal Airport Authority held January 23, 2018, were approved without objection.

Approved the Airport Vouchers Totaling \$63,144.20:

Mr. Blazek moved to approve the airport vouchers totaling \$63,144.20.
Second by Ms. Linn.
On the call of the roll, members Linn, Blazek, Haugen, Clark voted aye.
Absent and not voting: Kilander
The motion was declared carried.

Approved the Individual Voucher to TL Stroh Architects:

Mr. Blazek moved to approve the individual voucher in the amount of \$70,850.00 to TL Stroh Architects for Partial Payment Request #5 for architectural and engineering services in connection with the Elevated Walkway.

Second by Gen. Haugen.
On the call of the roll, members Linn, Blazek, Haugen, Clark voted aye.
Absent and not voting: Kilander
The motion was declared carried.

Approved the Individual Voucher to Flint Communications:

Mr. Blazek moved to approve the individual voucher in the amount of \$22,344.56 to Flint Communications for partial payment request for 2018 Airport Marketing Program.

Second by Gen. Haugen.

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

Absent and not voting: Kilander

The motion was declared carried.

Approved the Individual Voucher to Northern Improvement Company:

Mr. Blazek moved to approve the individual voucher in the amount of \$144,439.21 to Northern Improvement Company for Partial Payment Request #5 for construction of the Taxiway A and A1 Reconstruction, AIP47.

Second by Gen. Haugen.

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

Absent and not voting: Kilander

The motion was declared carried.

Approved the Individual Voucher to Northern Improvement Company:

Mr. Blazek moved to approve the individual voucher in the amount of \$5,985.39 to Northern Improvement Company for Partial Payment Request #2 (Final) for construction of the North GA Taxilane Extension, Project AIP.

Second by Gen. Haugen.

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

Absent and not voting: Kilander

The motion was declared carried.

Approved the Individual Voucher to Northern Improvement Company:

Mr. Blazek moved to approve the individual voucher in the amount of \$1,661.31 to Northern Improvement Company for Partial Payment Request #3 for construction of the Employee Parking Lot Reconstruction and Expansion.

Second by Gen. Haugen.

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

Absent and not voting: Kilander

The motion was declared carried.

Approved the Individual Voucher to Mead & Hunt:

Mr. Blazek moved to approve the individual voucher in the amount of \$21,929.75 to Mead & Hunt for partial payment request for engineering services in connection with the Taxiway A and A1 Reconstruction, Project AIP47.

Second by Gen. Haugen.

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

Absent and not voting: Kilander

The motion was declared carried.

Approved the Individual Voucher to Mead & Hunt:

Mr. Blazek moved to approve the individual voucher in the amount of \$23,375.45 to Mead & Hunt for partial payment request for engineering services in connection with the Taxiway A and A1 Reconstruction Project, AIP47.

Second by Gen. Haugen.

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

Absent and not voting: Kilander

The motion was declared carried.

Approved the Individual Voucher to Mead & Hunt:

Mr. Blazek moved to approve the individual voucher in the amount of \$11,302.14 to Mead & Hunt for partial payment request for engineering services in connection with the Cargo Apron Expansion, Project APFC.

Second by Gen. Haugen.

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

Absent and not voting: Kilander

The motion was declared carried.

Approved the Individual Voucher to Mead & Hunt:

Mr. Blazek moved to approve the individual voucher in the amount of \$2,769.16 to Mead & Hunt for partial payment request for engineering services in connection with the Cargo Apron Expansion, APFC.

Second by Gen. Haugen.

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

Absent and not voting: Kilander

The motion was declared carried.

Approved the Individual Voucher to Mead & Hunt:

Mr. Blazek moved to approve the individual voucher in the amount of \$4,629.51 to Mead & Hunt for partial payment request for engineering services in connection with the North GA Taxilane Extension, Project AIP.

Second by Gen. Haugen.

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

Absent and not voting: Kilander

The motion was declared carried.

Approved the Individual Voucher to Sixel Consulting Group:

Mr. Blazek moved to approve the individual voucher in the amount of \$2,500.00 to Sixel Consulting Group for third quarter 2017 data subscription.

Second by Gen. Haugen.

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

Absent and not voting: Kilander

The motion was declared carried.

Received Communication Regarding Collateral Assignment of Lease Between Hangar 19, LLP and First International Bank & Trust:

The documents from First International Bank & Trust were received and filed without objection.

Attorney Bossart stated a few months ago, Mr. Rick Berg and Mr. David Sahl requested, and the Airport Authority granted, an Assignment of Lease for the hangar ground lease from Bravo Sierra, LLC to Hangar 19, LLP. She stated Bravo Sierra, LLC also had a Right of First Refusal on an additional parcel which was not assigned to Hangar 19, LLP but they have requested that assignment also and she stated she has prepared the document.

Attorney Bossart stated the Collateral Assignment of Lease between Hangar 19, LLP and First International Bank for both the hangar ground lease and the right of first refusal assigns the lease and the right of first refusal to the bank for the purpose of the construction loan.

Ms. Linn moved to approve the assignment of the Right of First Refusal from Bravo Sierra, LLC to Hangar 19, LLP, and also to approve the collateral assignment of lease between Hangar 19, LLP and First International Bank for both the ground lease and the right of first refusal.

Second by Gen. Haugen.

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

Blazek abstained.

Absent and not voting: Kilander

The motion was declared carried.

Received Request from Northstar Aviation Insurance to Extend Eastside Terminal Lease:

The communication from Mr. Marc Lepage, Northstar Insurance, dated February 8, 2018, was received and filed without objection.

Mr. Dobberstein stated Northstar Insurance is requesting a five-year extension to their lease in the Eastside Terminal.

Mr. Blazek moved to approve the request from Northstar Aviation Insurance for a five-year extension to their lease in the Eastside Terminal effective May 1, 2018.

Second by Ms. Linn.

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

Received Preliminary 2017 Improvement Fund Statement:

The preliminary 2017 Improvement Fund Statement was received and filed without objection.

Received Preliminary 2017 Statement of Operations

The preliminary 2017 Statement of Operations was received and filed without objection.

Authorized Attendance at the Upper Midwest Aviation Symposium, March 4-6, 2018, Fargo:

Gen. Haugen moved to authorize attendance by board members and staff at the Upper Midwest Aviation Symposium, March 4-6, 2018, Fargo.

Second by Mr. Blazek.

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

Received Update Regarding Proposed Skyway Project:

Mr. Terry Stroh, TL Stroh Architects, was recognized and presented renderings of the proposed skyway project. He stated the skyway will have four points of entry extending to the south end of the long-term lot but the number of entrances is still open for discussion. He stated each entry would have a large elevator as well as a stairway. He added that the design does not rule out any possibility of moving the parking lot exit booths to the south. He stated the plan right now is for the walkway to be 16' wide, narrowing to 12' as it enters the terminal so that we will not have to remove a truss. He added that the design would allow expansion south over the crossover road to connect with another entry in an expanded lot to the south.

Chairman Clark told Mr. Stroh these plans are very exciting. She asked Mr. Dobberstein to review the funding options for the project.

Mr. Dobberstein stated we currently have \$8 million in our parking lot maintenance and construction fund. He stated the balance would either come out of reserves or we would issue bonds. He stated this project would qualify for federal AIP funds but it would not carry as high a priority as other projects we may need. He stated we can also put the project in a Passenger Facility Charge application and over time we would recover 100% of the cost.

Chairman Clark thanked the Skyway Subcommittee (Mr. Kilander and Gen. Haugen) for their dedication and excellent work to get us to this point.

Airport Construction and Security Update:

Mr. Terry Stroh, TL Stroh Architects, was recognized and stated we will be opening bids on February 20 for the replacement of the exterior panels on the east side of the terminal building.

The meeting of the Municipal Airport Authority was adjourned until the next regular meeting to be held Tuesday, February 27, 2018 at 8:00 a.m.

Time at adjournment was 8:30 a.m.

Regular Meeting

Tuesday

February 27, 2018

The Regular Meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held Tuesday, February 27, 2018, at 8:00 a.m. in the Airport Boardroom.

The members present or absent were as follows:

Present: Linn, Blazek, Haugen, Clark
Absent: Kilander
Others: Bossart, Gehrig

Chairman Clark presiding.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held February 13, 2018:

The minutes of the Regular Meeting of the Municipal Airport Authority held February 13, 2018, were approved without objection.

Approved the Airport Vouchers Totaling \$32,445.54:

Mr. Blazek moved to approve the airport vouchers totaling \$32,445.54.
Second by Ms. Linn.
On the call of the roll, members Linn, Blazek, Haugen, Clark voted aye.
Absent and not voting: Kilander
The motion was declared carried.

Approved the Individual Voucher to Mead & Hunt:

Mr. Blazek moved to approve the individual voucher in the amount of \$16,598.74 to Mead & Hunt for partial payment request for engineering services in connection with the Taxiway A and A1 Reconstruction Project, AIP47.

Second by Ms. Linn.
On the call of the roll, members Linn, Blazek, Haugen, Clark voted aye.
Absent and not voting: Kilander
The motion was declared carried.

Approve the Individual Voucher to Mead & Hunt:

Mr. Blazek moved to approve the individual voucher in the amount of \$2,955.98 to Mead & Hunt for partial payment request for engineering services in connection with the Cargo Apron Expansion project, APFC.

Second by Ms. Linn.

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

Absent and not voting: Kilander

The motion was declared carried.

Received Bid Tabulation and Recommendation of Award from TL Stroh Architects for Westside Terminal Exterior Metal Panel Replacement:

The bid tabulation for the Westside Terminal Exterior Metal Panel Replacement Project was received and filed without objection.

Mr. Terry Stroh, TL Stroh Architects, was recognized and stated we opened bids on February 20 for the Westside Terminal Exterior Metal Panel Replacement Project. He stated we received bids from Olaf Anderson, Smithco Inc. and TF Powers Construction. He stated Smithco was the low bidder at \$165,500.00. He stated they have done a number of projects with Smithco and they will do a good job.

Mr. Blazek moved to award the bid for the Westside Terminal Exterior Metal Panel Replacement Project to Smithco, Inc. based on their bid of \$165,500.00.

Second by Gen. Haugen.

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

Absent and not voting: Kilander

The motion was declared carried.

Received Communication from MDC Fargo, LLC to Extend Lease Agreements:

The communications dated February 22, 2018 from MDC Fargo, LLC and MDC Fargo 2, LLC were received and filed without objection.

Mr. Dobberstein stated this request from MDC is for five-year extensions to the ground leases for both their FedEx and Corporate Air facilities. He stated this will extend the leases through 2036. He stated Attorney Bossart has a draft of the extensions but we are going to add language to the lease MDC has on the expansion area to clarify that the annual lease amount is tied to our farm tenant leases and is subject to possible change each year.

Ms. Linn moved to approve the request to five year extensions to the leases with MDC Fargo, LLC and MDC Fargo 2, LLC, with changes in language with regard to the expansion area.

Second by Gen. Haugen.

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

Authorized Attendance at the Jumpstart Air Service Development Conference, June 4-6, 2018, Cleveland, OH:

Mr. Blazek moved to authorize attendance at the Jumpstart Air Service Development Conference, June 4-6, 2018, Cleveland, OH.

Second by Gen. Haugen.

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

Authorized Attendance at the North Dakota National Guard Event, May 15, 2018, Washington, DC:

Mr. Blazek moved to authorize attendance at the North Dakota National Guard Event, May 15, 2018, Washington, DC.

Second by Ms. Linn.

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 their staff is continuing their work on the skyway project.

Mr. Jeff Klein, Mead & Hunt, was recognized and stated he does not have anything to report on construction projects.

Mr. Dobberstein stated he and Mr. Klein will be meeting with some FAA and state officials at the symposium next week regarding upcoming grants and projects. He stated our FAA grant funds will likely go to recover the costs that we have for the north general aviation area taxiway extension and cargo apron expansion but that should not require all of our entitlement funds. He stated we do have some other maintenance and repair items on the airfield and that plan should come together in the next few weeks. He added that sometime this summer we will advertise a request for qualifications for engineering services for five years for projects starting in 2019.

The meeting of the Municipal Airport Authority was adjourned until the next Regular Meeting to be held Tuesday, April 10, 2018.

Time at adjournment was 8:26 a.m.

Regular Meeting

Tuesday

April 10, 2018

The Regular Meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held Tuesday, April 10, 2018, at 8:00 a.m. in the Airport Boardroom.

The members present or absent were as follows:

Present: Linn, Blazek, Lind, Haugen, Clark
Absent: None
Others: Bossart

Chairman Clark presiding.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held February 27, 2018:

The minutes of the Regular Meeting of the Municipal Airport Authority held February 27, 2018, were approved without objection.

Chairman Clark welcomed newly appointed board member Mr. Erik Lind.

Approved the Airport Vouchers Totaling \$128,060.71:

Mr. Blazek moved to approve the airport vouchers totaling \$128,060.71.
Second by Ms. Linn.
On the call of the roll, members Linn, Blazek, Lind, Haugen, Clark voted aye.
No member being absent and none voting nay the motion was declared carried.

Approved the Individual Voucher to Northern Improvement Company:

Mr. Blazek moved to approve the individual voucher in the amount of \$1,661.31 to Northern Improvement Company for Partial Payment Request #3 for construction of the Employee Parking Lot Reconstruction and Expansion.

Second by Ms. Linn.
On the call of the roll, members Linn, Blazek, Lind, Haugen, Clark voted aye.
No member being absent and none voting nay the motion was declared carried.

Approved the Individual Voucher to Northern Improvement Company:

Mr. Blazek moved to approve the individual voucher in the amount of \$5,985.39 to Northern Improvement Company for Partial Payment Request #2 for construction of the North General Aviation Area Taxilane Extension.

Second by Ms. Linn.

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

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

Approved the Individual Voucher to Northern Improvement Company:

Mr. Blazek moved to approve the individual voucher in the amount of \$144,439.21 to Northern Improvement Company for construction of the Taxiway A and A1 Reconstruction Project, AIP47.

Second by Ms. Linn.

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

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

Approved the Individual Voucher to TL Stroh Architects:

Mr. Blazek moved to approve the individual voucher in the amount of \$420.00 to TL Stroh Architects for partial payment request for architectural services in connection with the Westside Terminal Exterior Metal Panel Replacement.

Second by Ms. Linn.

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

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

Approved the Individual Voucher to TL Stroh Architects:

Mr. Blazek moved to approve the individual voucher in the amount of \$475.00 to TL Stroh Architects for partial payment request for architectural services in connection with the Westside Terminal Exterior Metal Panel Replacement.

Second by Ms. Linn.

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

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

Approved the Individual Voucher to TL Stroh Architects:

Mr. Blazek moved to approve the individual voucher in the amount of \$29,165.35 to TL Stroh Architects for partial payment request for architectural and engineering services in connection with the Elevated Walkway.

Second by Ms. Linn.

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

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

Approved the Individual Voucher to TL Stroh Architects:

Mr. Blazek moved to approve the individual voucher in the amount of \$5,450.00 to TL Stroh Architects for partial payment request for architectural and engineering services in connection with the Elevated Walkway.

Second by Ms. Linn.

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

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

Approved the Individual Voucher to Flint Communications:

Mr. Blazek moved to approve the individual voucher in the amount of \$69,105.78 to Flint Communications for partial payment request for the 2018 Airport Marketing Program.

Second by Ms. Linn.

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

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

Approved the Individual Voucher to Mead & Hunt:

Mr. Blazek moved to approve the individual voucher in the amount of \$7,000.00 to Mead & Hunt for partial payment request for engineering services in connection with the Cargo Apron Expansion, Phase II.

Second by Ms. Linn.

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

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

Approved the Individual Voucher to Mead & Hunt:

Mr. Blazek moved to approve the individual voucher in the amount of \$15,810.24 to Mead & Hunt for partial payment request for engineering services in connection with the Taxiway A and A1 Reconstruction Project, AIP47.

Second by Ms. Linn.

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

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

Approved the Individual Voucher to Flint Communications:

Mr. Blazek moved to approve the individual voucher in the amount of \$22,501.58 to Flint Communications for partial payment request for 2018 Airport Marketing Program.

Second by Ms. Linn.

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

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

Received CY2017 PFC Audit Report from EideBailly:

Mr. Dobberstein stated EideBailly conducted the annual audit of the PFC Program for CY2017. He stated the report shows the opinion that the airport complied, in all material respects, with the compliance requirements that could have a direct and material effect on the PFC Program for the year ended December 31, 2017.

The CY2017 PFC Audit Report from EideBailly was received and filed without objection.

Received Request for Split Hangar Ground Lease (Newman/Lammle/Blotsky):

The communications from Roxanne Newman/Greg Lammle and Jim and Twylah Blotsky were received and filed without objection.

Mr. Dobberstein stated a few years ago we entered into a ground lease with Pegasus Plains, LLC for the construction of a new hangar in the southeast general aviation area. Partners in this hangar were Roxanne Newman, Greg Lammle and Jim Blotsky. He stated the partners have now decided to separate the ground lease into two separate parcels. He stated they have already done the work required by the City of Fargo to change the parcel. He stated one parcel will be in the name of R.V. Newman Consulting LLP (Roxanne Newman and William Greg Lammle) and the other in the names of Jim and Twylah Blotsky. He stated any party wall agreement is up to the hangar owners. He added that the only quirk is that there is only one water meter and that is on the Newman side of the building. He stated the airport is not obligated to provide separate water meters.

Mr. Dobberstein stated Attorney Bossart has drafted the two new lease agreements. He stated the terms will remain the same.

Ms. Linn moved to approve the requests from the parties of Pegasus Plains, LLC to separate the ground lease into two leases in the names of R.V. Newman Consulting LLP and Jim and Twylah Blotsky, with the terms remaining the same as the original lease.

Second by Gen. Haugen.

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

Received Communication from Sanford Regarding Eastside Terminal Lease Agreement:

The communication from Mike Christianson, Sanford Air Transportation, dated April 5, 2018, was received and filed without objection.

Mr. Dobberstein stated last year Sanford requested their lease be allowed to continue on a month to month basis and that was approved by the board. He stated they are now advising that they will be vacating the space effective June 30, 2018. He stated the lease has a May 1 anniversary date so the 3% increase will apply to the months of May and June.

Received Request from Men's Hair Company to Extend Their Eastside Terminal Lease:

The communication from Mr. Troy Rinehardt, Men's Hair Company, dated March 22, 2018, was received and filed without objection.

Mr. Dobberstein stated Men's Hair Company is a tenant on the second floor of the Eastside Terminal and their lease expires at the end of April. He stated they are requesting a three year extension.

Gen. Haugen moved to approve the request from Men's Hair Company for a three year extension to their lease in the Eastside Terminal.

Second by Mr. Blazek.

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

Considered Five-Year Extension to Airline Operating Agreement and Terminal Building Lease, January 1, 2019 - December 31, 2023:

Mr. Dobberstein stated after the terminal building expansion project was completed in 2008, we entered into a new five-year lease and operating agreement with the airlines effective January 1, 2009 and expiring December 31, 2013. He stated mid-year 2013 we offered the air carriers a series of five (5) one-year extensions of that same agreement effective January 1, 2014 and those expire December 31, 2018. He stated he is proposing to offer them another five (5) one-year extensions effective January 1, 2019 through December 31, 2023. He stated we will be executing an agreement with Frontier Airlines effective May 1 and that will be good through December 31, 2018.

Mr. Dobberstein stated the terms of this agreement requires that the air carriers need to let us know by June 1 of this year if they are going to operate the following calendar year. He stated once an airline agrees to operate in the next fiscal year, if they terminate service anytime during that fiscal year they are obligated to pay rent only through the end of the fiscal year. Mr. Dobberstein stated our rates and charges are always subject to increase.

Mr. Dobberstein stated with the board's concurrence we will draw up an offer to the airlines to extend the lease term.

Mr. Blazek moved to approve a five-year extension offer to the air carriers serving Fargo.

Second by Ms. Linn.

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

Adopted Resolution of Appreciation to Mr. Don Kilander:

Ms. Linn offered the following resolution of appreciation to Mr. Don Kilander and moved its adoption:

WHEREAS, Mr. Don Kilander has served as a member of the Municipal Airport Authority for more than 17 years, since October 2000, and

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

Adopted Resolution of Appreciation to Mr. Don Kilander: (Continued)

WHEREAS, Mr. Kilander leaves behind a track record of serving with great distinction, making countless contributions and his presence on the board will be greatly missed, and

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

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

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

Second by Mr. Lind.

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

Adopted Resolution of Appreciation to Kevin Anderson:

Ms. Linn offered the following resolution of congratulations to Mr. Kevin Anderson.

WHEREAS, Airport Firefighter Kevin Anderson has completed his last shift as an airport firefighter at Hector International Airport, and

WHEREAS, Kevin Anderson has served as a firefighter at Hector Airport for 35 years, first serving with the ND Air National Guard Fire Department and then with the Airport Fire Department providing valuable experience during the transition in 2014, and

WHEREAS, Kevin Anderson has been a dedicated and valued employee on the airport, being an important asset to the fire department and his service has been greatly appreciated and will be missed.

NOW THEREFORE, BE IT RESOLVED, That the Municipal Airport Authority thanks Mr. Kevin Anderson for his many years of service and extends its best wishes in his retirement and his future endeavors.

Second by Gen. Haugen.

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

Airport Construction and Security Update:

Chairman Clark introduced Mr. Andy Platz, President of Mead & Hunt.

Mr. Platz was recognized and stated it has been five years since speaking before the Airport Authority. He stated the purpose of his visit today is to make certain that Mead & Hunt has kept the promises it made to the board five years ago. He stated one of those promises was to establish a Fargo office and within a week of the board selecting Mead & Hunt they opened their office in Fargo with two local staff members, Jon Scraper and Jeff Klein, and today have a staff of about 15 working in the Fargo office serving clients in North Dakota and Minnesota. He stated they also promised to deliver quality work and only the board and staff can answer if they have kept that promise. He stated he is not here to ask for anything today but just to say thank you.

Mr. Dobberstein stated we have had an excellent working relationship with Mead & Hunt. He stated they have done a great job and we appreciate it.

Mr. Dobberstein stated late this summer we will begin the process to advertise a request for proposals for engineering services for a five-year term for projects beginning January 1, 2019.

Mr. Darren Anderson was recognized and stated the baggage conveyor system renovation project was started yesterday and it should be completed by Friday with minimal impact to the screening operations.

Other Business:

Chairman Clark stated she has asked Attorney Bossart to update the board on our options as far as an attorney general's opinion.

Attorney Bossart was recognized and stated she has had an opportunity to speak with an Assistant Attorney General Tara Brandner, as well as Kyle Wanner, Executive Director of the North Dakota Aeronautics Commission. She stated she also did a lot of legislation research on the bill to make the changes to NDCC 2-06. She stated it is very clear in those discussions and in doing the research that this was simply clean up and that has been done. She stated she spoke with Attorney Brandner about sending an informal letter just to confirm that and stated she has drafted a letter. Attorney Bossart stated that would be her recommended approach.

Ms. Linn moved to proceed with Attorney Bossart's recommendation to submit an informal request for clarification from the ND Attorney General.

Second by Gen. Haugen.

Mr. Dobberstein stated there were some changes in the last legislative session and this informal request will affirm that nothing has changed in terms of the independent autonomy of airport authorities.

Gen. Haugen stated he discussed this matter with Cindy Schreiber-Beck who is a legislator but also serves on the North Dakota Aeronautics Commission. He stated her comment was that the legislature's intent was simply to clean it up and modernize it. He stated it changes nothing with regard to airport authorities.

Other Business: (Continued)

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

Lind abstained.

The motion was declared carried.

Mr. Lind explained that the reason he did not vote on this motion is because this is his first meeting and he would need to become more informed on the matter.

Airport Fire Chief, David Bush, was recognized and briefed the board on the airport's response to a request for assistance from the West Fargo Fire Department during the fuel tank fire at the fuel terminal in West Fargo on February 18, 2018. He stated the original request was just for our foam but about an hour and a half later the request changed and they asked for one of our trucks to respond. He stated two of our firefighters responded and were on the scene for a total of about eight hours. He stated the first five hours were used by the others involved to assess the situation and devise a plan. He stated with the other parties not knowing our capabilities, it took them a while to compile the resources they felt they needed. He stated once our crew was put in place and started to extinguish the fire; it was out in less than ten minutes. He stated our apparatus and the crew that responded exceeded even his expectations. He stated the fuel tank involved was the largest tank on the site but it was also in the most accessible location so that worked in our favor.

Mr. Dobberstein stated we are in the process of working on matters dealing with responding to off airport events, both aviation related and non-aviation related, as those relate to mutual aid agreements, liability insurance, etc. He stated he foresees now that the capabilities of our equipment are more widely known we will probably see increased requests for aid.

The meeting of the Municipal Airport Authority was adjourned until the next Regular Meeting to be held Tuesday, April 24, 2018.

Time at adjournment was 8:33 a.m.

Regular Meeting

Tuesday

April 24, 2018

The Regular Meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held Tuesday, April 24, 2018 at 8:00 a.m. in the Airport Boardroom.

The members present or absent were as follows:

Present: Linn (via phone), Blazek, Lind, Haugen, Clark
Absent: None
Others: Gehrig

Chairman Clark presiding.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held April 10, 2018:

The minutes of the Regular Meeting of the Municipal Airport Authority held April 10, 2018, were approved without objection.

Approved the Airport Vouchers Totaling \$38,133.96:

Mr. Blazek moved to approve the airport vouchers totaling \$38,133.96.
Second by Gen. Haugen.
On the call of the roll, members Linn, Blazek, Lind, Haugen, Clark voted aye.
No member being absent and none voting nay the motion was declared carried.

Approved the Individual Voucher to Foreign-Trade Zone Corporation:

Mr. Blazek moved to approve the individual voucher in the amount of \$487.50 to the Foreign-Trade Zone Corporation for payment request for general consulting for Foreign-Trade Zone No. 257.
Second by Mr. Lind.
On the call of the roll, members Linn, Blazek, Lind, Haugen, Clark voted aye.
No member being absent and none voting nay the motion was declared carried.

Received Communication from Francis Butler Requesting Extension to South General Aviation Area Hangar Ground Lease:

The communication dated April 10, 2018 from Francis Butler was received and filed without objection.

Mr. Dobberstein stated Mr. Butler is requesting a 10-year extension to his hangar ground lease. He stated we traditionally grant five-year extensions based on the aesthetic condition of the hangar. He stated the aesthetic condition of Mr. Butler's hangar is exceptional and he would recommend granting the 10-year extension requested.

Mr. Blazek moved to approve the request from Francis Butler for a 10-year extension to his hangar ground lease in the South General Aviation Area.

Second by Mr. Lind.

Ms. Lind asked if more hangar owners would be requesting 10-year extensions.

Mr. Dobberstein stated the board would have to make those decisions on a case-by-case basis.

Chairman Clark called for a vote on the motion.

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

Received Communication from the Fargo Air Museum Requesting an Extension of the Ground Lease for the Carousel Hangar:

The communication dated April 20, 2018 from Jackie Williams, Fargo Air Museum, was received and filed without objection.

Mr. Dobberstein stated the Fargo Air Museum owns the Carousel Hangar which they purchased from Mr. Victor Gelking. He stated this hangar has been in place since the 1970's. He stated the last time the lease was extended we required that the hangar be painted, which was done. He stated there are some issues with rust on the roof panels of the hangar. He stated he thinks the Air Museum plans to remove the hangar and repurpose the site for the museum.

Mr. Jim Sweeney, Chairman of the Board for the Fargo Air Museum, was recognized and stated they do not have any immediate plans for the hangar. He stated they would like a five-year extension as the hangar is in use and provides revenue for the museum.

Mr. Dobberstein stated he does not want to see aircraft owners displaced from the hangar and he is certain we can work with the museum board on addressing any aesthetic issues. He stated he thinks a five-year extension would be in order.

Ms. Linn moved to approve the request from the Fargo Air Museum for a five-year lease extension for the carousel hangar.

Second by Gen. Haugen.

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

Received Communication from City Finance Director, Kent Costin, Regarding Investment Fund:

The communication dated April 18, 2018, from Mr. Kent Costin, Director of Finance, City of Fargo, was received and filed without objection.

Mr. Dobberstein stated board member Linn attended a meeting last week with the mayor, City Administrator, Bruce Grubb, and Director of Finance, Kent Costin, and as part of that discussion it was mentioned that there may be a new financing option in which the airport can invest some of our reserve funds. He stated the previous option presented to this board in April 2017 by Mr. Costin was under an investment policy created by the City of Fargo under its home rule charter. He stated we were not able to use that option because the changes made under the home rule charter did not apply to political subdivisions such as the Municipal Airport Authority. He stated we could not take advantage of that investment opportunity as we have to follow the ND Century Code.

Mr. Dobberstein stated it now appears that there may be an investment vehicle in which we could invest some of our reserve funds. He stated he is going to meet with Mr. Costin and Attorney Bossart to make certain it would meet the requirements of the ND Century Code. He stated he will report back to the board at the next meeting.

Mr. Dobberstein stated the last time the airport did a bond issue in 2007, the consultant, Mr. David MacGillivray, Springsted Incorporated, recommended an airport of our size have at least \$12-\$15 million in a reserve fund.

Ms. Linn stated since the last recommendation for a reserve was in 2007, she asked if there would be any change in the recommended amount of reserve today.

Mr. Dobberstein stated he would contact Mr. MacGillivray and get his input.

Received Update on the Status of PFC Application #9:

Mr. Dobberstein stated a few months ago the FAA approved PFC Application #8, which contained a number of projects to recover eligible costs. He stated right now our collection authority is carried out through 2020, based on our current collection rate. He stated during the pre-application process of the application that was approved, the FAA requested that we drop a number of the projects from the application due to the length of time it was taking to review the projects. He stated we did this with the agreement that we would immediately begin the application project for PFC #9.

Mr. Jeff Klein, Mead & Hunt, was recognized and stated we started the PFC #8 application process about a year and a half ago and we had about 60 projects for which we wanted to recover costs. He stated the FAA dialed that back to 18 projects and we submitted a 370-page application. He stated the total of these projects in this application was roughly \$2.9 million. He stated the reason this application process was so involved was because at the time, the airport was classified as a small hub but that has now changed and the airport is classified as a non-hub airport. He stated the new application (#9) will be more streamlined, unless the airport changes back to a small hub.

Mr. Klein gave a timeline moving forward for Application #9; we will have the draft application to the FAA by June of this year with plans to have the final application submitted in September of this year. He stated that will set us up for a comment period of October or November with approval by the end of the year.

Airport Construction and Security Update:

Mr. Terry Stroh, TL Stroh Architects, was recognized and stated they hope to have Smithco start on the Westside Terminal exterior metal panel replacement project in June.

Mr. David Negron, TSA, was recognized and thanked the Airport Authority for its part in the baggage conveyor improvement project in the TSA baggage screening room. He stated the purpose of this project was to abate ergonomic hazards identified. He stated without the board's participation the project could not have taken place. He stated the project went well and was actually completed ahead of time.

Mr. Negron stated the enhanced screening program at airport checkpoints has been implemented across the country and as we expected there has been a normalization in that process. He stated we are not seeing the delays we saw initially when the program was being implemented. He stated the program is working well and as intended.

Other Business:

Mr. Dobberstein stated he and Gen. Haugen attended the AAAE Annual Conference in San Diego, April 13-18, and both gave brief comments on the highlights of the conference.

Mr. Dobberstein stated Frontier will move into their space on May 1 with the first flight on May 15th.

The meeting of the Municipal Airport Authority was adjourned until the next Regular Meeting to be held Tuesday, May 8, 2018 at 8:00 a.m.

Time at adjournment was 8:33 a.m.

Regular Meeting

Tuesday

May 8, 2018

The Regular Meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held Tuesday, May 8, 2018, at 8:00 a.m. in the Airport Boardroom.

The members present or absent were as follows:

Present: Linn, Blazek, Lind, Haugen, Clark
Absent: None
Others: Bossart

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held April 24, 2018:

The minutes of the Regular Meeting of the Municipal Airport Authority held April 24, 2018, were approved without objection.

Approved the Airport Vouchers Totaling \$36,516.70:

Mr. Blazek moved to approve the airport vouchers totaling \$36,516.70.
Second by Gen. Haugen.
On the call of the roll, members Linn, Blazek, Lind, Haugen, Clark voted aye.
No member being absent and none voting nay the motion was declared carried.

Approved the Individual Voucher to Sixel LLC:

Ms. Linn moved to approve the individual voucher in the amount of \$2,500.00 to Sixel LLC for the quarterly airline report.
Second by Mr. Lind.
On the call of the roll, members Linn, Blazek, Lind, Haugen, Clark voted aye.
No member being absent and none voting nay the motion was declared carried.

Approved the Individual Voucher to Northern Improvement Company:

Ms. Linn moved to approve the individual voucher in the amount of \$8,280.00 to Northern Improvement Company for Partial Payment Request #4 for the Employee Parking Lot Reconstruction and Expansion Project.

Second by Mr. Lind.

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

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

Approved the Individual Voucher to TL Stroh Architects:

Ms. Linn moved to approve the individual voucher in the amount of \$147.00 to TL Stroh Architects for partial payment request for architectural services in connection with the Westside Terminal Exterior Metal Panel Replacement Project.

Second by Mr. Lind.

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

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

Approved the Individual Voucher to TL Stroh Architects:

Ms. Linn moved to approve the individual voucher in the amount of \$5,450.00 to TL Stroh Architects for Partial Payment Request #8 for architectural and engineering services in connection with the Elevated Walkway.

Second by Mr. Lind.

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

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

Approved the Individual Voucher to Flint Communications:

Ms. Linn moved to approve the individual voucher in the amount of \$11,145.20 to Flint Communications for partial payment request for the 2018 Airport Marketing Program.

Second by Mr. Lind.

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

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

Received Request from Spectrum Aeromed to Exercise Option to Extend Lease Agreements for Hangar #9 and Space in the Eastside Terminal:

The communication from Mr. Chad Kost, Spectrum Aeromed, dated April 26, 2018 was received and filed without objection.

Mr. Dobberstein stated Spectrum Aeromed has been a long time tenant leasing office space in the Eastside Terminal and Hangar #9. He stated they are requesting to exercise the option on their leases for another five-year term with the 3% annual escalator.

Received Request from Spectrum Aeromed to Exercise Option to Extend Lease Agreements for Hangar #9 and Space in the Eastside Terminal: (Continued)

Mr. Chad Kost, Chief Operating Officer, Spectrum Aeromed, was recognized and gave a brief overview of Spectrum Aeromed and their operations. He stated the space has been good for them and they would appreciate the lease extension so they can continue to grow their business.

Mr. Blazek stated we appreciate that Spectrum is such a good tenant.

Ms. Linn suggested we include information on Spectrum in our next newsletter.

Mr. Blazek moved to approve the request from Spectrum Aeromed for a five-year lease extension for space in the Eastside Terminal and Hangar #9.

Second by Ms. Linn.

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

Received Request to Purchase ARFF Training Equipment:

Mr. David Bush, ARFF Fire Chief, was recognized and stated with the uptick in cargo operations on the field they feel it a necessity to purchase a penetration aircraft skin trainer. He stated the FAA requires that we have some sort of training program in place for piercing training. He stated he is recommending the purchase of a PAST Trainer from Airport Professional Services at a cost of \$10,860.00. He stated in talking with other fire chiefs around the country this equipment seems to be the industry standard. He stated the NDANG has authorized the installation of the unit on guard property.

Gen. Haugen moved to authorize the purchase of the P.A.S.T. Training System from Airport Professional Services based on their bid of \$10,860.00.

Second by Mr. Lind.

Mr. Bush stated this unit should meet our training requirements for 8-10 years.

Chairman Clark called for a vote on the motion.

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

Authorized Attendance at the AAAE Legislative Conference, July 17-18, 2018, Washington, DC:

Mr. Blazek moved to authorize attendance at the AAAE Legislative Conference, July 17-18, 2018, Washington, DC.

Second by Ms. Linn.

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

Authorized Attendance at the Great Lakes AAAE Chapter Annual Conference, July 26-29, 2018, Alexandria, MN:

Mr. Dobberstein stated this conference is scheduled the week of the Fargo Airsho so he does not think any staff members will be able to attend. He stated he is on the Great Lakes AAAE board so he will have to go to attend the board meeting.

Ms. Linn moved to authorize attendance at the Great Lakes AAAE Chapter Annual Conference, July 26-29, 2018, Alexandria, MN.

Second by Mr. Lind.

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

Received Landlord's Consent to Assignment between KFAR Hangar, LLC (Skatvold), Union State Bank, and the Municipal Airport Authority:

Mr. Dobberstein stated Mr. Andy Skatvold is in the process of building a hangar in the North General Aviation Area, and for financing purposes is requesting the Airport Authority's signature on a Consent to Assignment to Union State Bank. He stated Attorney Bossart has reviewed and approved the document.

Mr. Lind moved to authorize signature of the Consent to Assignment between KFAR Hangar and Union State Bank.

Second by Ms. Linn.

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 presented a Schematic Estimate for the skyway project. He stated because the plans for the skyway include eventually connecting to a parking ramp and because of the distance requirements for the ramp from the terminal building, we are going to eliminate one of the proposed entrance structures. He stated we are also looking at the entrance furthest south to be an alternate in the bid. He stated one of the main reasons for that far south structure was to be able to connect to a future parking lot south of the crossover road. He stated since we do not yet know the full extent that ride-sharing apps will have on parking at the airport we can make it an alternate, as that is a simple process. He added that as they have been developing the design drawings they have been able to add at least an additional foot to the clearance height so it is now closer to 16'.

Other Business:

Gen. Haugen was recognized and presented an updated Statement of Support for the Guard and Reserves to replace the current document from 2008 on display in the Boardroom.

Mr. Dobberstein congratulated Fargo Jet Center on once again been recognized by Aviation International News as one of the top fixed base operators in the world.

Mr. Dobberstein extended the Airport Authority's thanks and appreciation to Mead & Hunt. He stated their staff spent the day on May 1st picking up litter on the airport grounds.

Mr. Dobberstein stated we had a tabletop emergency disaster exercise last week and on June 12 we will be having the full-scale triennial exercise, as required by the FAA.

Mr. Dobberstein stated Frontier Airlines begins service May 15 and in talking with their properties people they are happy so far with their bookings.

Mr. Dobberstein stated he met with staff from the City of Fargo regarding the storm water fee that was proposed last year. He stated right now we are paying about \$900 per year. He stated the initial proposal would have been about \$16,000 per month but after significant revisions, that amount was reduced to about \$9,000 per month, and after further revision we are now looking at about \$2,048 per month, which would be for all tenants on the airport so he is not sure how much of that would be the Airport Authority's share. He stated the FAA is staying engaged in this process to make certain that any fees that will be charged are in line with their revenue use policies. He stated there are a number of other airports across the country in the same situation.

The meeting of the Municipal Airport Authority was adjourned until the next Regular Meeting to be held Tuesday, June 12, 2018 at 8:00 a.m.

Time at adjournment was 8:33 am.

Regular Meeting

Tuesday

June 12, 2018

The Regular Meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held Tuesday, June 12, 2018, at 8:00 a.m. in the Airport Boardroom.

The members present or absent were as follows:

Present: Linn, Blazek, Lind, Clark
Absent: Haugen
Others: Bossart, Gehrig

Chairman Clark presiding.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held May 8, 2018:

The minutes of the Regular Meeting of the Municipal Airport Authority held May 8, 2018, were approved without objection.

Approved the Airport Vouchers Totaling \$107,945.92:

Mr. Blazek moved to approve the airport vouchers totaling \$107,945.92.
Second by Ms. Linn.
On the call of the roll, members Linn, Blazek, Lind, Clark voted aye.
Absent and not voting: Haugen
The motion was declared carried.

Approved the Individual Voucher to TL Stroh Architects:

Mr. Blazek moved to approve the individual voucher in the amount of \$555.00 to TL Stroh Architects for partial payment request for architectural services in connection with the Westside Terminal Exterior Metal Panel Replacement.
Second by Mr. Lind.
On the call of the roll, members Linn, Blazek, Lind, Clark voted aye.
Absent and not voting: Haugen
The motion was declared carried.

Approved the Individual Voucher to TL Stroh Architects

Mr. Blazek moved to approve the individual voucher in the amount of \$59,950.00 to TL Stroh Architects for partial payment request for architectural and engineering services in connection with the Elevated Walkway.

Second by Mr. Lind.

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

Absent and not voting: Haugen

The motion was declared carried.

Approved the Individual Voucher to Northern Improvement Company:

Mr. Blazek moved to approve the individual voucher in the amount of \$29,143.28 to Northern Improvement Company for Partial Payment Request No. 6 for repairs to Taxiway A, Project AIP47.

Second by Mr. Lind.

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

Absent and not voting: Haugen

The motion was declared carried.

Approved the Individual Voucher to Northern Improvement Company:

Mr. Blazek moved to approve the individual voucher in the amount of \$78,788.70 to Northern Improvement Company for Partial Payment Request No. 5 for construction of the Employee Parking Lot Reconstruction and Expansion Project.

Second by Mr. Lind.

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

Absent and not voting: Haugen

The motion was declared carried.

Approved the Individual Voucher to Flint Communications:

Mr. Blazek moved to approve the individual voucher in the amount of \$7,610.50 to Flint Communications for partial payment request for 2018 Airport Marketing Program.

Second by Mr. Lind.

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

Absent and not voting: Haugen

The motion was declared carried.

Approved the Individual Voucher to Sixel LLC:

Mr. Blazek moved to approve the individual voucher in the amount of \$2,070.00 to Sixel LLC for Frontier Airlines passenger enplanements for May 2018.

Second by Mr. Lind.

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

Absent and not voting: Haugen

The motion was declared carried.

Approved the Individual Voucher to Olaf Anderson Construction:

Mr. Blazek moved to approve the individual voucher in the amount of \$44,269.00 to Olaf Anderson Construction for Partial Payment Request #2 for the south general aviation area apron revisions in connection with the Hangar 19 project.

Second by Mr. Lind.

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

Absent and not voting: Haugen

The motion was declared carried.

Received Communication from VoxtelSYS to Lease Additional Space in the Eastside Terminal and Extend Lease Agreement:

The communication dated May 30, 2018 from Mr. Bruce Burke, VoxtelSYS, was received and filed without objection.

Mr. Dobberstein stated Mr. Jim Shaw will be vacating his office space on the second floor of the Eastside Terminal effective June 15, 2018, and a current tenant on the second floor, VoxtelSYS, would like to lease that office effective July 1 for three years and are requesting that the lease share the same term as their current lease.

Mr. Blazek moved to approve the request from VoxtelSYS to lease additional space on the second floor in the Eastside Terminal effective July 1, 2018, and that the term line up with the current lease.

Second by Ms. Linn.

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

Received Communication from American Legion post 2 Requesting a Lease Extension for Their Eastside Terminal Space:

The communication dated May 24, 2018, from Sylvan Melroe, Commander of the American Legion Post No. 2 was received and filed without objection.

Mr. Dobberstein stated the Legion is requesting a one-year extension for their space in the Eastside Terminal.

Mr. Blazek moved to approve the one-year extension of the lease with the American Legion Post 2 for space in the Eastside Terminal.

Second by Ms. Linn.

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

Received Communications from Beaton Farms and Cass Clay Farms to Extend Farm Contracts:

The communications from Beaton Farms dated May 30, 2018 and Cass Clay Farms dated June 11, 2018, were received and filed without objection.

Mr. Dobberstein stated our current farm tenants, Beaton Farms and Cass Clay Farms, are requesting a three-year extension of their leases, which expire at the end of this season. He stated the parcels that Beaton Farms is leasing is in need of some drainage work, which they are willing to complete in exchange for a three-year extension.

Mr. Blazek stated both operators have been excellent tenants and he moved approval of the three-year extensions to both farm leases.

Second by Mr. Lind.

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

Authorized Purchase of Additional Seating for Departure Gate Areas:

Mr. Dobberstein stated with the addition of Frontier Airlines at Gate 5 we have found the need for additional seating. He stated the Herman Miller seating which we have currently can be purchased under GSA pricing from Inter Office.

Mr. Lind moved to approve the purchase of additional seating for departure gate areas based on GSA pricing submitted by Inter Office for a total of \$39,831.80.

Second by Ms. Linn.

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

Received Update from the ND Army National Guard Regarding Proposed Building Project:

Col. Clark Johnson, ND Army National Guard, was recognized and also introduced Mr. Tim Zerr, Zerr Berg Architects, and Mr. Josh Magelky, MBN Engineering, who are the design team for the proposed readiness center.

Col. Johnson stated the National Guard has a lease for 20+ acres on the north end of the airport and they have received \$32 million in funding for the readiness center and plan to break ground for that project in the spring of 2019.

Mr. Tim Zerr was recognized and reviewed the building and site plans for the ND Army National Guard readiness center.

Mr. Blazek asked if the facility will need access to the airfield for fixed wing aircraft.

Col. Johnson stated that is included in their long-range plans for the facility but would not be needed for at least 10 years

Mr. Dobberstein stated right now the Airport Authority has committed to leasing the property should funding come through for the project. He stated in order to finish the formal lease agreement we need legal descriptions, etc. He stated the FAA has approved the lease as an aeronautical use and the lease will be \$1.00 per year. He stated we would also need the Guard to make certain any plantings on the site are in compliance with FAA wildlife hazard requirements. He stated we can provide the Guard with a copy of the FAA guidelines.

Received Update from the ND Army National Guard Regarding Proposed Building Project:
(Continued)

Col. Johnson stated as far as a timeline they plan to bid the project in late December or January with bids in hand ready for award with a spring 2019 construction start, expecting the project to take 16-18 months.

Received Communication from Fargo Aircraft Maintenance/Hangar 19 Regarding Proposed Aircraft Fuel Operation:

The communication dated June 6, 2018, from Mr. David Sahl, Fargo Aircraft Maintenance, Inc., was received and filed without objection.

Mr. David Sahl was recognized and stated in order to facilitate Hangar 19 they would like to start a Jet A fuel club for tenants in their hangar as they feel this is a service that is needed. He stated to start they are looking at leasing a tank from Group VI and in the future install their own fuel tank.

Mr. Dobberstein stated the Group VI tanks have shareholders and those are the only people who can fuel aircraft from those tanks. Mr. Dobberstein stated that the FAA looks differently at those tanks that are owned by shareholders than a tank that would be owned by Fargo Aircraft Maintenance who would dispense fuel to customers. He stated the latter would be considered a public tank and that would add another inspection and proper training for those employees actually doing the fueling. He stated Group VI is considered a private tank.

Mr. Dobberstein stated the Fargo Aircraft Maintenance operating agreement requires that Mr. Sahl get approval from the board in order to provide fueling services. He stated right now he is authorized to do aircraft maintenance and storage of aircraft. He stated use of the tank would be restricted to owners/members and Fargo Aircraft Maintenance would not be able to dispense fuel into any other aircraft. He stated it is his understanding that they are looking to follow the Group VI model.

Mr. Sahl stated they also plan to purchase a fuel truck formerly used by Group VI which they are planning to sell. He stated they are still in the planning stages for the fuel truck. He added that they are just looking at Jet A for now.

Mr. Dobberstein stated the construction of Hangar 19 is almost complete and looks spectacular. He thanked Mr. Sahl and Mr. Rick Berg for their investment.

Mr. Berg was recognized and stated part of their goal was to dress up that part of the airport and make people driving on 19th Avenue North aware that it is part of the airport. He stated they expect a certificate of occupancy by the end of the month.

Ms. Linn moved to allow the lease agreement with Fargo Aircraft Maintenance to be amended to add non-public fueling services.

Second by Mr. Blazek.

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

Received Communication from the North Dakota Aeronautics Commission Regarding 2018 Grant Award:

The communication from the ND Aeronautics Commission showing the Air Carrier Airport Grand Awards for 2018 was received and filed without objection.

Mr. Dobberstein stated we requested a total of \$339,919.00 and were awarded \$322,146.00 for the Taxiway A and A1 Reconstruction Project, AIP47. He stated those items we requested that were not funded will be added to next year's application.

Received Preliminary CY2019 Budgets for Operations and Maintenance and Construction Funds:

Mr. Dobberstein presented and reviewed the preliminary CY2019 budgets for Operations and Maintenance, and the Construction Fund. He stated the Construction Fund involves federal funding and it is almost impossible at this time of the year to know those amounts so these are just estimates.

Mr. Dobberstein stated if there are any significant changes he will bring those back to the board.

Mr. Dobberstein stated at the next meeting the board will certify the mill levy to the City of Fargo. He stated that state statute allows the Airport Authority to levy four mills but he is recommending two mills.

Mr. Blazek moved to accept the proposed CY2019 Budgets for Operations and Maintenance and Construction Funds.

Second by Ms. Linn.

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 are waiting for materials for the exterior metal panel replacement project on the Westside Terminal.

Mr. Dobberstein stated we had a failure in a portion of concrete on Taxiway H at Taxiway C. Mr. Jeff Klein, Mead & Hunt, got a bid from Northern Improvement for \$5,939.00 to repair the area. He stated we would coordinate with the North GA hangar owners as Fargo Jet Center has offered to park aircraft on their ramp during construction.

Ms. Linn now absent.

Other Business:

Mr. Dobberstein stated he attended the ACI Jumpstart Conference in Cleveland, OH, June 4-6. He stated he had some good meetings with airlines on service but the major topic of discussion was the pilot shortage.

The meeting of the Municipal Airport Authority was adjourned until the next Regular Meeting to be held Tuesday, June 26, 2018.

Time at adjournment was 8:48 a.m.

Regular Meeting

Tuesday

June 26, 2018

The Regular Meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held Tuesday, June 26, 2018 at 8:00 a.m. in the Airport Boardroom.

The members present or absent were as follows:

Present: Linn, Blazek, Lind, Haugen
Absent: Clark
Others: Bossart

Vice-Chairman Haugen presiding.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held June 12, 2018:

The minutes of the Regular Meeting of the Municipal Airport Authority held June 12, 2018 were approved without objection.

Approved the Airport Vouchers Totaling \$50,577.87:

Mr. Blazek moved to approve the airport vouchers totaling \$50,577.87.
Second by Ms. Linn.
On the call of the roll, members Linn, Blazek, Lind, Haugen voted aye.
Absent and not voting: Clark
The motion was declared carried.

Approved the Individual Voucher to Greater Fargo-Moorhead Economic Development Corporation:

Ms. Linn moved to approve the individual voucher in the amount of \$1,650.00 to the Greater Fargo-Moorhead Economic Development Corporation for the 2018 Focus Investment.
Second by Blazek.
On the call of the roll, members Linn, Blazek, Lind, Haugen voted aye.
Absent and not voting: Clark
The motion was declared carried.

Approved the Individual Voucher to Moorhead Electric:

Ms. Linn moved to approve the individual voucher in the amount of \$85.00 to Moorhead Electric for utility locates in connection with the Employee Parking Lot Reconstruction and Expansion Project.

Second by Mr. Blazek.

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

Absent and not voting: Clark

The motion was declared carried.

Approved the Individual Voucher to Sixel Consulting LLC:

Ms. Linn moved to approve the individual voucher in the amount of \$3,824.09 to Sixel Consulting LLC for payment request for consulting services in connection with the ACI Jumpstart Conference, June 4-6, 2018, Cleveland, OH.

Second by Mr. Blazek.

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

Absent and not voting: Clark

The motion was declared carried.

Approved the Individual Voucher to Mead & Hunt:

Ms. Linn moved to approve the individual voucher in the amount of \$8,564.43 to Mead & Hunt for partial payment request for engineering services in connection with the Employee Parking Lot Reconstruction and Expansion Project.

Second by Mr. Blazek.

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

Absent and not voting: Clark

The motion was declared carried.

Approved the Individual Voucher to Mead & Hunt:

Ms. Linn moved to approve the individual voucher in the amount of \$36,896.26 to Mead & Hunt for partial payment request for engineering services in connection with the Taxiway A and A1 Reconstruction Project, AIP47.

Second by Mr. Blazek.

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

Absent and not voting: Clark

The motion was declared carried.

Received Request from ND American Legion Auxiliary Regarding Lease Extension for Eastside Terminal Office:

The communication dated June 8, 2018 from Marcy Schmidt, Department Secretary, ND American Legion Auxiliary, was received and filed without objection.

Mr. Dobberstein stated the Auxiliary has been a tenant in the Eastside Terminal for a few years now and is requesting a one-year extension of their lease. Mr. Dobberstein stated the standard 3% escalator will apply.

Mr. Blazek moved to approve the request from the ND American Legion Auxiliary for a one-year extension to their lease for space in the Eastside Terminal.

Second by Mr. Lind.

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

Received Change Order #3 to Taxiway A and A1 Reconstruction Project, AIP47, for an Increase of \$11,300.00 for Guidance Sign Modifications:

Mr. Dobberstein stated Change Order #3 to the Taxiway A and A1 Reconstruction Project, AIP47, is to comply with a request from the FAA control tower and the FAA certification inspector to change signage at the east entrance to the cargo apron at a cost of \$11,300.00.

Mr. Blazek moved to approve Change Order #3 to Project AIP47, as requested by the FAA.

Second by Mr. Lind.

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

Received Change Order #1 to the Employee Parking Lot Reconstruction and Expansion Project for an Increase of \$2,444.75 for Guardrail Relocation:

Mr. Dobberstein stated the Employee Parking Lot Reconstruction and Expansion Project is almost complete. He stated Change Order #1 for an increase of \$2,444.75 is to move an existing guardrail in order to create more space to more effectively remove snow. The new guardrail location will be within the footprint of the existing concrete.

Ms. Linn moved to approve Change Order #1 for an increase of \$2,444.75 to the Employee Parking Lot Reconstruction and Expansion Project.

Second by Mr. Blazek.

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

Received Update Regarding Proposed Storm Water Fee Structure Changes (Roger Kluck, City of Fargo, Presenting):

Mr. Dobberstein introduced Mr. Roger Kluck and Mr. Jody Bertrand from the Storm Water Division of the Engineering Department of the City of Fargo.

Mr. Kluck was recognized and stated for about the last 18 months the Storm Water division has been looking at how the city's storm water fees are generated and as part of that they hired the engineering firm AE2S to conduct a study to look at income generated, costs expended and how we can better fund this division. He stated right now their base budget is

Received Update Regarding Proposed Storm Water Fee Structure Changes (Roger Kluck, City of Fargo, Presenting): (Continued)

\$1.7 million, which covers four staff members required to maintain all of the flood control system within the city. He stated we currently have 78 pump stations throughout the city. He stated they also maintain the legal drains within the city jurisdiction.

Mr. Kluck stated in addition to the budget they also receive special assessment dollars for drain projects.

Mr. Kluck stated the current monthly fee for residential properties is \$3.00 and for commercial properties it is \$15.00 per month per water meter. He gave the example of West Acres, who has only two water meters so they pay only \$30.00 per month for a storm water fee even though they are one of the properties in the city that generates the most amount of storm water. He stated they are looking at the entire city and all of the impervious surfaces, hard surfaces, roofs, etc., and how we can charge those property owners that generate a bigger share of the storm water a bigger share of the cost.

Mr. Kluck distributed a handout on the Storm Water Utility Fee Study. He stated they tried to implement the new fee structure in 2018 but they are now looking at 2019 so that the larger public entities are able build the additional costs into their budgets. He reviewed existing storm water spending vs. proposed sources. He stated right now they are trying to mitigate the effects to the major storm water generators (Airport, Fargo Park District, City of Fargo, Fargo School District, and NDSU). He stated they have looked at a tiered system. He stated the residential fee has been \$3.00 for 15 years so they are looking at increasing that to \$4.00 a month.

Mr. Kluck stated the Airport is currently paying a little over \$900 per year and that would increase to a little over \$2,000 per month. He stated the original proposal last year without the tiered approach was about \$15,000 per month.

Mr. Kluck stated he knows there have been questions relative to the legal drains within the city. He stated every property owner in Cass County pays storm water charges to the Southeast Cass and while they have helped us from time to time with repairing slides, etc., the lion's share of the maintenance is done by the City of Fargo.

Mr. Blazek asked Mr. Kluck if the City of Fargo maintains the county drains.

Mr. Kluck stated yes, within the city limits.

Mr. Blazek asked if that is an elective decision the City has made or does the County require that of the City?

Mr. Kluck stated he has been in this position only 18 months so he is not certain how or when that agreement was reached but that is the agreement in place.

Mr. Dobberstein asked Mr. Kluck if he was present at the meeting of the Southeast Cass Water Resource District on May 8, 2018, when board member Mr. Ken Pawluk (also former MAA board members) asked where the agreement between the City of Fargo and the Southeast Cass Water Resource District was?

Mr. Kluck stated he was at that meeting.

Mr. Dobberstein stated the FAA has to review all impact fees paid by airports and their question is why we are paying drain maintenance fees both to Southeast Cass and to the City of Fargo. He stated the Airport Authority will need a copy of the agreement between Southeast Cass and the City of Fargo in order to provide it to the FAA. He stated they will not allow us to pay both

Received Update Regarding Proposed Storm Water Fee Structure Changes (Roger Kluck, City of Fargo, Presenting): (Continued)

entities for the same service. He stated we need clarity on who is providing what service. He added that the Airport Authority has been maintaining the county drains on airport property.

Mr. Bertrand was recognized and stated the City of Fargo does the general maintenance and the mowing that Southeast Cass does not do. He stated it is two entities working together on the maintenance of the drains and does not think anyone is paying twice for the same service.

Mr. Dobberstein stated it would be in the best interest of both the City of Fargo and Southeast Cass to have an official agreement in writing. He stated that is what the FAA is requesting to see. He stated the proposed fee of \$2,048 per month is for all of the tenants on the airport property so he does not know how much of that would be the Airport Authority's share.

Mr. Kluck stated they would work with the Airport Authority on calculating a formula for those fees for each entity.

Mr. Kluck indicated he would visit with the City Administrator regarding a written agreement between the City of Fargo and Southeast Cass.

Received Communication from The Arts Partnership Regarding Proposed Airport Art Project:

Ms. Dayna Del Val, President & CEO, The Arts Partnership was recognized and also introduced Ms. Tania Blanich, Director of Operations.

Ms. Del Val stated The Arts Partnership is the local area arts council and represents local artists, art non-profits and art related businesses. She stated they advocate for arts in the community. She stated The Arts Partnership has had an advertisement near the top of the up escalator in the terminal for a number of years. She showed some examples of art displays and exhibits in other airports around the country. She stated one reason for having art in an airport terminal is to help passengers relieve anxiety about flying. She showed photos of the art display in the Rapid City Airport, which would be on a similar scale as what they are proposing for Fargo.

Ms. Del Val showed a photo of the wall space on the west end of the airport near baggage claim and there is a lot of wall space and light in that area. She stated they are proposing to hang art above the baggage area, which would eliminate the need for security for the art as it would be out of reach. She stated the art would be for sale and they would change the display about three times per year. She stated there would also be a thumbnail at eye level showing the pieces and giving details on each.

Ms. Del Val stated they would also like to display some pieces in the Departure Lounge and those pieces would not be originals but would be prints.

Ms. Del Val stated they think they can accomplish this one-year pilot program for about \$3,000 and they are requesting the Airport Authority participate with \$1,500. She added that the art would be appropriate for the public and will fit with the tone and tenor of the airport. She stated at the end of year one we can take a look at it and see how it worked for both parties.

Mr. Blazek moved to authorize the Executive Director to spend up to \$1,500.00 to negotiate the one-year pilot art program in the terminal with The Arts Partnership.

Second by Linn.

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

Received Proposal to Replace Ceiling Panels Above the Security Checkpoint:

Mr. Dobberstein stated the ceiling panels above the security checkpoint have been delaminating. He stated the company that manufactured the panels has gone out of business so we are looking for another solution.

Mr. Terry Stroh, TL Stroh Architects, was recognized and stated they have been monitoring the condition of the panels for a number of years. He stated the problem started after the warranty on the product was up. He stated TF Powers did some repairs a couple of times. He stated ceiling manufacturers no longer use real wood on curved panels so it has obviously been a problem industry wide.

Mr. Stroh stated the original installer was Flament Ulman who is one of the best ceiling and flooring companies in town. He stated after reviewing a number of products they are recommending an Armstrong perforated wood look metal panel, which is segmented. He stated the product is acoustical so it will absorb sound.

Mr. Stroh stated he proposed to Flament Ulman that the project should be done on a time and materials basis as a lot of the project has to do with how many times they will have to assemble and disassemble their scaffolding. He stated it will take almost 12 weeks to get the materials and traffic shows down in September, which will help the project, so the timing is right. He stated the checkpoint is a difficult place to work because scheduled vary so coordination will be important.

Mr. Stroh stated the \$89,000 is a not to exceed price, but the time and materials basis would be the most fair to both the contract and the airport. He added that we will not have to move any of the light fixtures in the area. He also stated that TL Stroh will not be charging any architect fees. He added that the project is expected to take about two weeks.

Mr. Blazek moved to accept the proposal from Flament Ulman to replace the curved ceiling clouds at the checkpoint on a time and material basis, not to exceed \$89,000.00.

Second by Ms. Linn.

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

Mr. Dobberstein stated this will qualify for a sole source exception to our purchasing policy. He stated normally for this amount we would get three bids.

Vice Chairman Haugen stated he wished the TSA were here to comment on any concerns they have with scaffolding and their equipment but we will trust that they will offer their full cooperation on the project.

Discussed Payroll/HR Services Options:

Mr. Dobberstein stated as we continue our discussion with the City of Fargo and work on a Memorandum of Understanding between the City of Fargo and the Municipal Airport Authority we will hopefully see this move forward now that the election is over. He stated ProResources would like to make a presentation to the Airport Authority on their HR and payroll services at our meeting on July 10. He stated if this is a direction we are going to take there will be a lot of work to be done before January 1.

It was the consensus of the board to have ProResources make a presentation at our meeting on July 10.

Mr. Dobberstein stated he was contacted by Commissioner Piepkorn and he advised that he will be the City Commission's new liaison to the Airport Authority starting at our July 10 meeting.

Certified Mill Levy to the Board of City Commissioners for 2019 Improvements, per Section 2-06-14 of the North Dakota Century Code:

Ms. Linn moved to certify to the Board of City Commissioners a mill levy amount of \$1.2 million, not to exceed 2.0 mills, as per Section 2-06-14 of the North Dakota Century Code, for 2019 improvements.

Second by Mr. Lind.

All members present voted and the motion was declared carried.

Airport Construction and Security Update:

Mr. Jeff Klein, Mead & Hunt, was recognized and stated the Employee Parking Lot Reconstruction and Expansion Project is mostly complete, with the exception of some landscaping on the reconstructed lot and the sealcoat on the second lot.

Mr. Dobberstein stated Northern Improvement did complete some repairs to the pavement on Taxiway H and that taxiway is again open for use.

Other Business:

Airport Fire Chief David Bush gave a summary of the Triennial Emergency Exercise conducted on June 12. He indicated it was very successful with 200 participants and 78 volunteers portraying victims.

The meeting of the Municipal Airport Authority was adjourned until the next Regular Meeting to be held Tuesday, July 10, 2018 at 8:00 a.m.

Time at adjournment was 9:06 a.m.

Regular Meeting

Tuesday

July 10, 2018

The Regular Meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held Tuesday, July 10, 2018, at 8:00 a.m. in the Airport Boardroom.

The members present or absent were as follows:

Present: Linn, Blazek, Lind, Haugen, Clark
Absent: None
Others: Piepkorn

Chairman Clark presiding.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held June 26, 2018:

The minutes of the Regular Meeting of the Municipal Airport Authority held June 26, 2018, were approved without objection.

Approved the Airport Vouchers Totaling \$38,813.44:

Gen. Haugen moved to approve the airport vouchers totaling \$38,813.44.
Second by Mr. Blazek.
On the call of the roll, members Linn, Blazek, Lind, Haugen, Clark voted aye.
No member being absent and none voting nay the motion was declared carried.

Approved the Individual Voucher to Northern Improvement Company:

Mr. Blazek moved to approve the individual voucher in the amount of \$5,939.00 to Northern Improvement company for partial payment request to remove and replace Taxiway H Radius Pavement.

Second by Ms. Linn.
On the call of the roll, members Linn, Blazek, Lind, Haugen, Clark voted aye.
No member being absent and none voting nay the motion was declared carried.

Approved the Individual Voucher to Northern Improvement Company:

Mr. Blazek moved to approve the individual voucher in the amount of \$1,031.25 to Northern Improvement Company for partial payment request for repairs to Taxiway H.

Second by Ms. Linn.

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

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

Approved the Individual Voucher to Flint Group:

Mr. Blazek moved to approve the individual voucher in the amount of \$11,683.31 to Flint Group for partial payment request for 2018 Airport Marketing Program.

Second by Ms. Linn.

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

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

Approved the Individual Voucher to TL Stroh Architects:

Mr. Blazek moved to approve the individual voucher in the amount of \$59,950.00 to TL Stroh Architects for partial payment request for architectural and engineering services in connection with the Elevated Walkway.

Second by Ms. Linn.

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

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

Approved the Individual Voucher to Sixel LLC:

Mr. Blazek moved to approve the individual voucher in the amount of \$3,242.00 to Sixel LLC for Frontier passenger enplanement fees for June 2018.

Second by Ms. Linn.

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

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

Chairman Clark stated we will delay agenda item #4 for a few minutes.

Authorized Attendance at the National Association of Foreign Trade Zones Annual Conference, September 16-19, 2018, Atlanta, GA:

Ms. Linn moved to authorize attendance at the National Association of Foreign Trade Zones Annual Conference, September 16-19, 2018, Atlanta, GA.

Second by Gen. Haugen.

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

Received Proposed Contracts from Mead & Hunt for Access Road Pavement Rehabilitation and Access Road Lighting Upgrade, AIP48:

The proposed contracts with Mead & Hunt for the Dakota Drive Pavement Rehabilitation Dakota Drive and Dakota Drive Street Lighting Improvements were received and filed without objection.

Mr. Dobberstein stated the reason we decided to move this project up on our list of capital improvements is because of our boarding classification. He stated right now we are at a non-hub but our boardings are increasing and when we move back into a small hub this project would not be eligible for federal funding. He stated we met with the FAA a couple of weeks ago and they are supporting this project. He stated this would be the entire rehabilitation of Dakota Drive from Old 81 north. He stated we would also be rehabilitation the street lighting. He stated the pavement has not been touched since it was installed in 1985. He stated the project would include joint sealing, painting, spall repair, replace cracked panels, etc. on Dakota Drive and associated connecting roads, maintenance building apron, car rental apron, pay parking entrances/exits, employee parking lot road, etc. He stated the lighting rehabilitation will consist of replacing the light fixtures with an LED unit. He stated we would like to get this project out for bid as soon as possible.

Mr. Klein stated the grant application was due today but the FAA in Bismarck has allowed an extension until September in order to be able to get this project together and under grant this year. He stated we will probably have a September bid opening with the work to actually be done in 2019.

Mr. Dobberstein stated if the board approves these contracts today, the next step is to submit them to an engineer for an independent fee review, as required by the FAA. He stated we have been using Mr. Wes Schon for those independent fee review services.

Mr. Blazek moved to approve the proposed contracts from Mead & Hunt for the Dakota Drive Pavement Rehabilitation and the Dakota Drive Lighting Improvements, subject to an independent fee review.

Second by Ms. Linn.

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

Presentation by ProResources:

Ms. Kriss Burns was recognized, gave a brief overview of the company and introduced the other members of the ProResources team. She stated ProResources was founded in 1991 in Detroit Lakes. She stated they currently have about 400 clients and about 6,400 employees that they service. She stated the ownership and board of directors include Mike Brodsho, Scott Busker, Matt Johnson and Paul Highness, who is the managing partner in Fargo. She stated they currently have employers in five states with employees in 36 states. Ms. Burns stated ProResources has solutions that make businesses grow.

Presentations were given in the following areas payroll processing, benefits administration, human resources management, Workers' Comp and risk management, safety and wellness company culture and cloud based employee solutions.

Mr. Highness stated on the benefits side of their services they shop the market for the best value for the dollar and they do not receive any commissions. He stated he feels that service is invaluable to customers.

Presentation by ProResources: (Continued)

Mr. Highness stated as a business owner, before coming on board with ProResources, he thought he was doing a great job in these areas of his business, but after seeing what ProResources can do he realized he was not doing a good job in those human resources areas.

Mr. Highness stated ProResources is a Professional Employer Organization (PEO). He stated they partner with employers and take that liability off their plate. He stated they are not a staffing agency and do not lease you employees. He stated the employees are your employees. He stated should the airport ever terminate its contract with ProResources they would put you back the way you were. He stated because of the core-shared employment they can bring you these benefits you can't get on your own. He stated they can bring you the efficiencies you cannot normally get. He stated they can deal with many of the human resources functions on your behalf and that is one of the advantages of a PEO.

Mr. Highness stated their proposal is based on a straight percentage of gross payroll so the fees are based on your actual gross payroll. He stated the percentage of gross payroll covers all payroll taxes, FICA (Social Security/Medicare), Workers' Compensation, Federal Unemployment plus state unemployment taxes. The airport would have two payroll factors: Fire Department employees and all other airport employees.

Mr. Dobberstein stated

Mr. Highness stated ProResources would become liable for all of the payroll taxes as well as other fiduciary responsibilities, such as their 401ks.

Mr. Dobberstein explained the Municipal Airport Authority's relationship with the City of Fargo is out of convenience, period. It is not due to necessity. He stated that is the way it has always been since 1969 when the Airport Authority was established. He stated we are at this stage today at the recommendation of the City Administrator. He asked that the Airport Authority go out and find a human resources opportunity and that is why we are here.

Commissioner Piepkorn asked how much the services of the City of Fargo cost the Airport Authority.

Mr. Dobberstein stated the Airport Authority currently pays \$50,000 per year for services provided. He stated it was proposed by the City of Fargo about two years ago that the amount be increased to something over \$90,000 and the Airport Authority agreed to that. However, that amount needs to be approved by the FAA and the information they need is sitting with the City's Finance Department. He stated the Finance Director needs to justify the amount of money they have proposed. He stated we would not need approval of the recommended change as they just look at this as a human resources function and a cost of operating. He stated there are other services provided by the City of Fargo, which we would look at continuing. He stated that would be addressed in the Memorandum of Understanding we have been negotiating with the City for a number of months.

Ms. Linn asked how many airports in North Dakota are operated by airport authorities.

Mr. Dobberstein stated there are 89 publicly funded airports in the state and 84 are operated by airport authorities.

Mr. Dobberstein stated as far as cost, we figured roughly \$55,000-\$60,000 based on gross payroll.

Mr. Dobberstein stated this proposal is for our information at this point.

Presentation by ProResources: (Continued)

Ms. Linn stated we could let Mr. Grubb know that we have followed through with his request and that we did as he suggested. She stated if she recalls correctly we went through the proposed MOU thoroughly in January and now that the election is over we should be getting that finalized and decide on those relationships.

Mr. Dobberstein stated even if we decide to go with ProResources for the human resources and payroll functions, we might retain the services of the City of Fargo for accounting and IT functions. He asked how much lead-time ProResources would need before a January 1 start time.

Mr. Highness stated six weeks would be ideal.

Mr. Dobberstein stated he would advise the City Administrator that we have taken this step. He added that in his research on ProResources and contacting others that use their services he did not hear one negative comment.

Gen. Haugen stated during his time at the Guard they had just one person in Human Resources and there was no way that person was able to handle all of that and they had to outsource some of it. He stated for the airport and 30 employees this proposal seems to offer an immense amount of expertise.

Commissioner Piepkorn asked if there is some dissatisfaction with the City or non-performance. He stated we are on the same team, the City and the Airport, and we should always be on the same team and we should work together. He stated especially economic development wise. He stated the airport is a critical part of our city and so it is a big deal. He stated to him it is symbolic and so it is not a good sign.

Ms. Linn asked what was not a good sign?

Commissioner Piepkorn stated the airport is working with the City now and you are looking at probably spending more money and if there was some dissatisfaction or if it was less money that would be interesting, but to him, this being his first meeting, that is what he is looking at.

Gen. Haugen stated the City of Fargo is looking at doubling the fee to the airport so it is not going to be more money.

Commissioner Piepkorn asked if there was dissatisfaction or non-performance or some issues because he deals with Human Resources a lot and they seem to be doing a very good job.

Mr. Dobberstein stated there has been some frustration with board members over the years on compensation issues and some of the politics and the hoops. He stated it has not appeared that Human Resources nor the City understands and recognizes the independent autonomous entity that is the Airport Authority, and under state statute, it is very very clear that this organization sets compensation. Period. He stated that is where things have gone awry.

Commissioner Piepkorn stated he has sat on the personnel evaluation thing so he has been in on the meetings so he gets that part of it. He stated he wants to get back to the Human Resources. He said we already have all of this and we have an excellent Human Resources staff who do an excellent job. He stated this is symbolic and this is not a good symbolism.

Mr. Dobberstein agreed the City of Fargo Human Resources Office staff does an excellent job but suggested Commissioner Piepkorn have a conversation with City Administrator Bruce Grubb as it was because of his recommendation that we are here today.

Presentation by ProResources: (Continued)

Ms. Linn stated she does not think she understands Mr. Piepkorn's statement that it seems symbolic. She stated we are all part of the City of Fargo and service our constituents.

Commissioner Piepkorn stated we should be but we should be working together but that definitely is not the vibe he is getting. He stated maybe Ms. Linn's vibe is different than the vibe he is getting. He stated he is getting this "stay out of our business" kind of thing. He stated he thinks the airport is a huge part of our economic development so we need to work together. He stated we need to be on the same team.

Mr. Dobberstein stated we are on the same team.

Ms. Linn stated we are on the same team but looking at it as a business owner would, she feels it is prudent to look at other options that are going to be more valuable and cost effective and that is what we are doing, and that is nothing against the City.

Commissioner Piepkorn stated we have the same boss and that is the citizens of Fargo.

General Haugen stated that is exactly the point. He stated if we can do it better and cheaper that is what we ought to do.

Commissioner Piepkorn stated there is more to this story. He stated we need to work together and we need to be on the same page, and if we are not then he thinks we need to make some changes.

Mr. Blazek asked what changes?

Commissioner Piepkorn stated we do not need to get into that today but he is saying it is critical that we have to be on the same page. He gets the vibe that the airport does not want to be that and that is not good.

All Airport Authority members voiced the opinion that Commissioner Piepkorn's statement was not true.

Commissioner Piepkorn stated if that is not true that is good and he is going to be here for four years and is looking forward to working with the Airport Authority.

Airport Construction and Security Update:

Mr. Jeff Klein, Mead & Hunt, was recognized and stated the Employee Parking Lot Reconstruction and Expansion Project is complete with the exception of some punch list items.

The meeting of the Municipal Airport Authority was adjourned until the next Regular Meeting to be held Thursday, July 26, 2018 at 10:00 a.m.

Time at adjournment was 8:58 a.m.

Regular Meeting

Thursday

July 26, 2018

The Regular Meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held Thursday, July 26, 2018, at 10:00 a.m. in the Airport Boardroom.

The members present or absent were as follows:

Present: Linn, Blazek, Lind, Haugen, Clark
Absent: None
Others: Bossart, Piepkorn

Chairman Clark presiding.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held June 26, 2018:

The minutes of the Regular Meeting of the Municipal Airport Authority held June 26, 2018, were approved without objection.

Approved the Airport Vouchers Totaling \$38,001.51:

Mr. Blazek moved to approve the airport vouchers totaling \$38,001.51.
Second by Mr. Lind.
On the call of the roll, members Linn, Blazek, Lind, Haugen, Clark voted aye.
No member being absent and none voting nay the motion was declared carried.

Approved the Individual Voucher to TL Stroh Architects:

Mr. Blazek moved to approve the individual voucher in the amount of \$63,650.00 to TL Stroh Architects for partial payment request for architectural and engineering services in connection with the Elevated Walkway.

Second by Gen. Haugen.
On the call of the roll, members Linn, Blazek, Lind, Haugen, Clark voted aye.
No member being absent and none voting nay the motion was declared carried.

Approved the Individual Voucher to Mead & Hunt:

Mr. Blazek moved to approve the individual voucher in the amount of \$15,810.24 to Mead & Hunt for partial payment request for engineering services in connection with the Taxiway A and A1 Reconstruction, AIP47.

Second by Gen. Haugen.

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

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

Approved the Individual Voucher to Mead & Hunt:

Mr. Blazek moved to approve the individual voucher in the amount of \$2,185.68 to Mead & Hunt for partial payment request for engineering services in connection with the Taxiway A and A1 Reconstruction Project, AIP47.

Second by Gen. Haugen.

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

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

Approved the Individual Voucher to Mead & Hunt:

Mr. Blazek moved to approve the individual voucher in the amount of \$9,865.06 to Mead & Hunt for partial payment request for engineering services in connection with the Employee Parking Lot Reconstruction and Expansion Project,

Second by Gen. Haugen.

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

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

Approved the Individual Voucher to Mead & Hunt:

Mr. Blazek moved to approve the individual voucher in the amount of \$2,176.00 to Mead & Hunt for partial payment request for engineering services in connection with the PFC Application #8.

Second by Gen. Haugen.

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

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

Approved the Individual Voucher to Northern Improvement Company:

Mr. Blazek moved to approve the individual voucher in the amount of \$87,543.00 to Northern Improvement Company for Partial Payment Request #5 for construction of the Employee Parking Lot Reconstruction and Expansion, Project APA.

Second by Gen. Haugen.

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

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

Approved the Individual Voucher to Northern Improvement Company:

Mr. Blazek moved to approve the individual voucher in the amount of \$170,522.13 to Northern Improvement Company for Partial Payment Request #6 for construction of the Employee Parking Lot Reconstruction and Expansion, Project APA.

Second by Gen. Haugen.

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

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

Approved the Individual Voucher to Northern Improvement Company:

Mr. Blazek moved to approve the individual voucher in the amount of \$29,143.28 to Northern Improvement Company for Partial Payment Request #6 for construction of the Taxiway A and A1 Reconstruction Project, AIP47.

Second by Gen. Haugen.

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

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

Approved the Individual Voucher to Ted's Tesoro:

Mr. Blazek moved to approve the individual voucher in the amount of \$115.00 to Ted's Tesoro for vehicle towing charges in connection with the Employee Parking Lot Reconstruction and Expansion Project.

Second by Gen. Haugen.

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

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

Approved the Individual Voucher to Sixel, LLC:

Mr. Blazek moved to approve the individual voucher in the amount of \$2,500.00 to Sixel, LLC for quarterly airline report - 1st Quarter 2018.

Second by Gen. Haugen.

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

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

Received Request to Lease Space in the Eastside Terminal Building:

The communication dated July 16, 2018, from Mr. Kevin Hoffmann, UPS, was received and filed without objection.

Mr. Dobberstein stated we received a request from United Parcel Service (UPS) to lease space in the Eastside Terminal Building. He stated they have requested the space on the first floor recently vacated by Sanford and the conference room on the second floor. He stated they are requesting a three-year lease.

Received Request to Lease Space in the Eastside Terminal Building: (Continued)

Mr. Dobberstein stated UPS put out a regional press release this morning and Flint Communications assisted us with a local press release announcing they are establishing jet service in Fargo. He stated it does not get much bigger than this at an airport as far as this type of development. He added that this is what his counterparts at airports across the country dream of happening at their airports.

Mr. Blazek moved to approve the three-year lease with UPS for space in the Eastside Terminal.

Second by Ms. Linn.

Mr. Greg Erickson, West Region Air Planning Manager, UPS, was recognized and stated UPS is very excited to be in Fargo. He stated UPS has been working toward this since 1992. He stated they have been working daily with the Airport Authority and Mead & Hunt on details. He stated they will be bringing 757 aircraft into Fargo two times daily with increased flights over the holiday season. He stated there will be 8-10 small feeder aircraft daily. He stated these feeders will now launch out of Fargo to feed the entire state of North Dakota as well as portions of northwest Minnesota. Mr. Erickson stated on behalf of UPS he would like to thank the Airport Authority for this opportunity.

Mr. Dobberstein stated the lease will be our standard lease agreement for the Eastside Terminal.

Chairman Clark called for a vote on the motion.

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

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

Receive Request for Airline Operating Agreement:

The communication dated July 16, 2018 from Kevin Hoffmann, United Parcel Service, was received and filed without objection.

Mr. Dobberstein stated UPS is requesting to enter into a Cargo Airline Operating Agreement, which would be the same as the agreement we have with our current tenant in the cargo area. He stated UPS will be paying landing fees at a rate of 55 cents per 1,000 lbs. certified maximum gross landing weight and will participate in the Aircraft Rescue and Fire Fighting costs.

Gen. Haugen moved to approve the request to enter into a Cargo Airline Operating Agreement with United Parcel Service.

Second by Mr. Lind.

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

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

Received Letter of Intent to Lease Space in the Eastside Terminal Building:

The Letter of Intent from Gavilon Grain, LLC was received and filed without objection.

Mr. Dobberstein stated Gavilon would like a two-year lease on two offices on the second floor of the Eastside Terminal, recently vacated by Disenchanted Toys.

Ms. Linn moved to approve the two-year lease with Gavilon Grain, LLC for space in the Eastside Terminal.

Received Letter of Intent to Lease Space in the Eastside Terminal Building: (Continued)

Second by Mr. Lind.

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

Received Request from the Fargo Air Museum to Sponsor the September 8, 2018 Event:

The communication dated July 16, 2018 from Mr. Jim Sweeney, Board Chairman, Fargo Air Museum, was received and filed without objection.

Mr. Dobberstein stated the Fargo Air Museum is requesting we help sponsor the 10th Annual Celebrity Dinner & Auction, Saturday, September 8, 2018, which is their main fundraiser of the year. He stated in the past the board has been a sponsor at the level of \$2,500.00.

Gen. Haugen moved to approve the sponsorship of the Annual Fargo Air Museum Celebrity Dinner & Auction at the \$2,500.00 level.

Second by Mr. Lind.

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

Authorized Attendance at the Allegiant Annual Conference, October 9-12, 2018, Savannah, GA:

Mr. Blazek moved to authorize attendance at the Allegiant Annual Conference, October 9-12, 2018, Savannah, GA.

Second by Ms. Linn.

Mr. Blazek encouraged any board member able to attend this conference to go because this year will be critical for Allegiant and all of the issues they are facing with the pilot shortage. He stated Allegiant is a huge part of our daily operations.

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

Airport Construction and Security Update:

Mr. Dobberstein stated we did have an issue on Taxiway A2 where the pavement heaved. He stated Northern Improvement is working on that repair.

The meeting of the Municipal Airport Authority was adjourned until the next Regular Meeting to be held Tuesday, August 28, 2018 at 8:00 a.m.

Time at adjournment was 10:18 a.m.

Regular Meeting

Tuesday

August 28, 2018

The Regular Meeting of the Municipal Airport Authority of the City of Fargo, North Dakota was held Tuesday, August 28, 2018, at 8:00 a.m. in the Airport Boardroom.

The members present or absent were as follows:

Present: Lind, Haugen, Clark

Absent: Linn, Blazek

Others: Bossart, Piepkorn

Chairman Clark presiding.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held July 26, 2018:

The minutes of the Regular Meeting of the Municipal Airport Authority held July 26, 2018, were approved without objection.

Approved the Airport Vouchers Totaling \$53,690.79:

Gen. Haugen moved to approve the airport vouchers totaling \$53,690.79.

Second by Mr. Lind.

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

Absent and not voting: Linn, Blazek

The motion was declared carried.

Approved the Individual Voucher to Sixel Consulting Group:

Gen. Haugen moved to approve the individual voucher in the amount of \$4,556.00 to Sixel Consulting Group for July Frontier passenger enplanement fees.

Second by Mr. Lind.

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

Absent and not voting: Linn, Blazek

Approved the Individual Voucher to TL Stroh Architects:

Gen. Haugen moved to approve the individual voucher in the amount of \$76,300.00 to TL Stroh Architects for partial payment request for architectural and engineering services in connection with the Elevated Walkway.

Second by Mr. Lind.

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

Absent and not voting: Linn, Blazek

The motion was declared carried.

Approved the Individual Voucher to Flint Group:

Gen. Haugen moved to approve the individual voucher in the amount of \$9,165.91 to Flint Group for partial payment request for 2018 Airport Marketing Program.

Second by Mr. Lind.

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

Absent and not voting: Linn, Blazek

The motion was declared carried.

Approved the Individual Voucher to Moorhead Electric:

Gen. Haugen moved to approve the individual voucher in the amount of \$85.00 to Moorhead Electric for utility locates for the Elevated Walkway Project.

Second by Mr. Lind.

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

Absent and not voting: Linn, Blazek

The motion was declared carried.

Approved the Individual Voucher to Mead & Hunt:

Gen. Haugen moved to approve the individual voucher in the amount of \$35,222.56 to Mead & Hunt for partial payment request for engineering services in connection with the Taxiway A and A1 Reconstruction Project, AIP47.

Second by Mr. Lind.

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

Absent and not voting: Linn, Blazek

The motion was declared carried.

Approved the Individual Voucher to Mead & Hunt:

Gen. Haugen moved to approve the individual voucher in the amount of \$1,673.00 to Mead & Hunt for partial payment request (Final) for engineering services in connection with the 2017 Cargo Apron Expansion Project.

Second by Mr. Lind.

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

Absent and not voting: Linn, Blazek

The motion was declared carried.

Approved the Individual Voucher to Mead & Hunt:

Gen. Haugen moved to approve the individual voucher in the amount of \$6,533.53 to Mead & Hunt for partial payment request (Final) for engineering services in connection with the Employee Parking Lot Reconstruction and Expansion Project.

Second by Mr. Lind.

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

Absent and not voting: Linn, Blazek

The motion was declared carried.

Approved the Individual Voucher to Mead & Hunt:

Gen. Haugen moved to approve the individual voucher in the amount of \$12,489.00 to Mead & Hunt for partial payment request for engineering services in connection with the Dakota Drive Pavement Rehabilitation Project, AIP48.

Second by Mr. Lind.

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

Absent and not voting: Linn, Blazek

The motion was declared carried.

Approved the Individual Voucher to Mead & Hunt:

Gen. Haugen moved to approve the individual voucher in the amount of \$7,830.00 to Mead & Hunt for partial payment request for engineering services in connection with the Dakota Drive Lighting Improvements Project, AIP48.

Second by Mr. Lind.

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

Absent and not voting: Linn, Blazek

The motion was declared carried.

Approved the Individual Voucher to 3-D Specialties:

Gen. Haugen moved to approve the individual voucher in the amount of \$139.44 to 3D Specialties for ADA signage for the Employee Parking Lot Reconstruction and Expansion Project.

Second by Mr. Lind.

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

Absent and not voting: Linn, Blazek

The motion was declared carried.

Approved the Individual Voucher to Northern Improvement Company:

Gen. Haugen moved to approve the individual voucher in the amount of \$178,186.56 to Northern Improvement Company for Partial Payment Request #6 (Final) for construction of the Employee Parking Lot Reconstruction Project.

Second by Mr. Lind.

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

Absent and not voting: Linn, Blazek

The motion was declared carried.

Approved the Individual Voucher to Northern Improvement Company:

Gen. Haugen moved to approve the individual voucher in the amount of \$105,363.64 to Northern Improvement Company for Partial Payment Request #5 for construction of the 2017 Cargo Apron Expansion Project.

Second by Mr. Lind.

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

Absent and not voting: Linn, Blazek

The motion was declared carried.

Approved the Individual Voucher to Northern Improvement Company:

Gen. Haugen moved to approve the individual voucher in the amount of \$9,350.00 to Northern Improvement Company for Partial Payment Request #7 for construction of the Taxiway A and A1 Reconstruction Project, AIP47.

Second by Mr. Lind.

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

Absent and not voting: Linn, Blazek

The motion was declared carried.

Approved the Individual Voucher to Smithco:

Gen. Haugen moved to approve the individual voucher in the amount of \$118,620.00 to Smithco for Partial Payment Request #1 for construction of the Westside Terminal Siding Replacement Project.

Second by Mr. Lind.

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

Absent and not voting: Linn, Blazek

The motion was declared carried.

Received Communication from Fargo Jet Center Regarding Hangar Sublease Agreement (UPS):

The communication dated August 9, 2018, from Mr. James Sweeney, Fargo Jet Center, was received and filed without objection.

Mr. Dobberstein stated Fargo Jet Center leases Hangar #3 from the Airport Authority and a requirement in that lease is that the Airport Authority approve any sublease. He stated Fargo Jet Center is requesting approval of a sublease with United Parcel Services for a two-year period August 1, 2018 to July 31, 2020.

Mr. Lind moved to approve the request from Fargo Jet Center to sublease Hangar #3 to United Parcel Service for a two-year period effective August 1, 2018.

Second by Gen. Haugen.

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

Received Public Parking Concession Request for Proposals Document and Proposed Parking Concession Agreement:

The Public Parking Concession Request for Proposals and proposed Parking Concession Agreement were received and filed without objection.

Mr. Dobberstein stated the Request for Proposals will be advertised in The Forum for three weeks and we have also published an ad on the AAAE's website so the request will get national attention. He stated Sioux Falls is also going through the process at the same time.

Mr. Dobberstein stated this is a concession agreement so we have a minimum annual guarantee. He stated this proposed agreement calls for a \$2.4 million minimum annual guarantee. He stated the agreement is pretty clear on who is responsible for what. He stated the time frame for the proposal process is included in the request. He stated proposals must be received by October 4 and our intention would be that the Chair would appoint a committee to evaluate the proposals. He stated we can conduct interviews if the board wishes, but we can award based on the proposal received. He stated it would be our plan to award the contract at our second meeting in October.

Mr. Dobberstein stated we have an opportunity to issue addendums in the event firms interested in the concession may approach us with questions and those would be posted on our website. He stated there was one local person who expressed interest in the contract some time ago and he was made aware of this request. He stated that Attorney Bossart has reviewed the documents.

Received Public Parking Concession Request for Proposals Document and Proposed Parking Concession Agreement: (Continued)

In answer to a question from Mr. Piepkorn, Mr. Dobberstein stated the current agreement expires December 31, 2018 and the new agreement would be effective January 1, 2019 for a five-year term with one five-year option. He also stated that we wrote the RFP, which is a culmination of those from other airports in the region.

Mr. Lind asked why a concession agreement is preferred over a management contract.

Mr. Dobberstein stated with a management contract we would assume all of the risk whereas with a concession agreement all of the operating costs are the responsibility of the operator. He added that the guarantee is locked in and continues to go up based on the previous year's revenue.

Mr. Lind moved to approve the Request for Proposals and the proposed Parking Concession Agreement.

Second by Gen. Haugen.

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

Received Proposed Request for Qualifications for Engineering Services:

The proposed Request for Qualifications Statement for engineering services was received and filed without objection.

Mr. Dobberstein stated this is the final year of the current five-year agreement for engineering services, which is the maximum term allowed by the FAA. He stated Mead & Hunt has been our contract engineering firm for the past five years. He stated if the board concurs, we will start the Request for Qualifications process on September 10 and advertise for 21 days. Proposals would be due by October 4 and then the Chair can appoint a committee to evaluate those proposals and score them. He stated in the past we have had all five board members review the proposals and score them. He stated we can conduct interviews if the board wishes.

Mr. Dobberstein stated that each project is handled on a contract by contract basis and each of those contracts are reviewed. He stated this request includes terminal planning services so that we do not have to go through a separate process to select a qualified firm for terminal planning. He added that if we do have a terminal project we would still go through the process to request qualifications for architects.

Mr. Dobberstein stated our goal would be to have the process completed and ready for award at our second meeting in October. He stated after the project is awarded we would negotiate rates with the successful firm. He stated the RFQ process cannot have anything to do with rates and charges, that is after the fact and on a contract by contract basis.

Gen. Haugen moved to approve the Request for Qualifications Statement for engineering services and the proposed timeline for the process.

Second by Mr. Lind.

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

Received Communication from FAA Real Estate Regarding Eastside Terminal Office Lease Extension:

The communication from Demetra Johnson, FAA Real Estate, dated December 12, 2017, was received and filed without objection.

Mr. Dobberstein stated the FAA currently leases space in the Eastside Terminal for their Tech Ops division, which expires September 30, 2018. He stated they have requested a five-year extension of their lease and they set an average rate, which contains the 3% per year escalator over the five-year term. He stated we should have the actual lease document for signature next week.

Gen. Haugen moved to approve the five-year extension of the lease with the FAA for their Tech Ops office in the Eastside Terminal effective October 1, 2018.

Second by Mr. Lind.

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

Received Proposed Construction Services Agreement with Mead & Hunt for the Dakota Drive Pavement Rehabilitation Project, AIP48, and the Dakota Drive Lighting Improvement Project, AIP48:

The proposed Construction Services Agreements with Mead & Hunt were received and filed without objection.

Mr. Dobberstein stated we will be receiving bids for these projects on September 5 and plan to award the construction contracts at our meeting on September 11. He stated the proposed agreements before us are for construction services for these projects. He stated the FAA requires that the contracts for the pavement rehabilitation and the electrical be separate contracts.

Mr. Dobberstein stated Mead & Hunt is proposing a maximum cost of \$82,200.00 for the Pavement Rehabilitation along with a lump sum of \$5,200.00 for the project closeout. He stated the proposed maximum cost for the electrical/lighting portion is \$26,650.00. He stated the closeout amount covers both the pavement rehabilitation and the lighting as they are under the same AIP Grant.

Mr. Dobberstein stated we did receive preliminary word that the FAA awarded our AIP Grant for about \$2.3 million. He stated these funds will go toward the cargo apron expansion and the North General Aviation Area taxiway extension, which were completed last year, as well as these two projects to rehabilitate Dakota Drive.

Mr. Jeff Klein, Mead & Hunt, was recognized and reviewed the pavement areas that will be rehabilitated, those that are eligible for AIP funding and those that are not eligible for federal funding. He stated the bid schedule will show those areas separately so that if funding is not available we will forego those non-eligible areas until a later date. He also reviewed the lighting improvements that were eligible and those that are not eligible for AIP funding.

Mr. Klein stated another pavement area that needs replacement but will be shown on a separate bid schedule is the road between the overhead gate and the fuel farm west of the terminal building. He stated the estimated cost of this is \$500,000.00 so if funding is not available we will be getting a bid on rehab rather than replacement.

Mr. Klein reviewed a summary of project costs showing eligible and non-eligible costs as well as the total local share.

Received Proposed Construction Services Agreement with Mead & Hunt for the Dakota Drive Pavement Rehabilitation Project, AIP48, and the Dakota Drive Lighting Improvement Project, AIP48:
(Continued)

Mr. Dobberstein stated after October 1, we should have an idea of our 2019 entitlement funds, but this current grant was for our 2018 entitlement funds so it may be a while before we know how much we will have for 2019.

Mr. Dobberstein stated these proposed construction services contracts can be approved, subject to the awarding of the grant, which we intend to do on September 11.

Gen. Haugen moved to approve the proposed construction services contracts with Mead & Hunt for the Dakota Drive Pavement Rehabilitation Project and the Dakota Drive Lighting Improvements, AIP48, subject to the award of AIP Grant 48.

Second by Mr. Lind.

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 reported on the exterior panel replacement project on the east side of the terminal building. He stated the new panels are an insulated panel and they are replacing a metal panel that was not insulated. He stated the contractor did run into an issue where they did not use fire-treated plywood between the structure and the insulated metal panels, which did not meet city building code. He stated that after further investigation they found that the plywood was not required as the stud spacing is 16" and the panels can be attached to the studs. He stated they will be removing the new panels they have installed, remove the plywood and reinstall the new panels.

Mr. Stroh stated they are continuing to work on plans for the skyway and will have some updated renderings available for the second meeting in September.

Mr. Dobberstein stated we did receive a letter from Mr. Kevin Hoffman, UPS, informing us of their intention to construct an air package sort facility and probably a hangar. He stated what this letter does for us is give us justification with the FAA to move forward with an engineering contract to design the expansion of the cargo ramp. He stated we will probably move forward with that after the engineering selection process. He stated this is good news that UPS is expediting their plans.

The meeting of the Municipal Airport Authority was adjourned until the next Regular Meeting to be held September 11, 2018.

Time at adjournment was 8:37 a.m.

Regular Meeting

Tuesday

September 11, 2018

The Regular Meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held Tuesday, September 11, 2018, at 8:00 a.m. in the Airport Boardroom.

The members present or absent were as follows:

Present: Linn, Lind, Haugen, Clark
Absent: Blazek
Others: Bossart, Piepkorn

Chairman Clark presiding.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held August 28, 2018:

The minutes of the Regular Meeting of the Municipal Airport Authority held August 28, 2018 were approved without objection.

Approved the Airport Vouchers Totaling \$35,998.88:

Ms. Linn moved to approve the airport vouchers totaling \$35,998.88.
Second by Mr. Lind.
On the call of the roll, members Linn, Lind, Haugen, Clark voted aye.
Absent and not voting: Blazek
The motion was declared carried.

Approved the Individual Voucher to Sixel LLC:

Gen. Haugen moved to approve the individual voucher in the amount of \$4,214.00 to Sixel, LLC for August passenger enplanement fees for Frontier Airlines.
Second by Mr. Lind.
On the call of the roll, members Linn, Lind, Haugen, Clark voted aye.
Absent and not voting: Blazek
The motion was declared carried.

Approved the Individual Voucher to Forum Communications:

Gen. Haugen moved to approve the individual voucher in the amount of \$563.34 to Forum Communications for legal advertisement for bids for the Dakota Drive Pavement Rehabilitation, AIP48.

Second by Mr. Lind.

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

Absent and not voting: Blazek

The motion was declared carried.

Approved the Individual Voucher to Forum Communications:

Gen. Haugen moved to approve the individual voucher in the amount of \$560.88 to Forum Communications for legal advertisement for bids for the Dakota Drive Lighting Improvements, AIP48.

Second by Mr. Lind.

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

Absent and not voting: Blazek

The motion was declared carried.

Approved the Individual Voucher to Flint Group:

Gen. Haugen moved to approve the individual voucher in the amount of \$48,903.43 to Flint Group for partial payment request for 2018 Airport Marketing Program.

Second by Mr. Lind.

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

Absent and not voting: Blazek

The motion was declared carried.

Approved the Individual Voucher to TL Stroh Architects:

Gen. Haugen moved to approve the individual voucher in the amount of \$285.00 to TL Stroh Architects for partial payment request for architectural services in connection with the Westside Terminal Metal Panel Replacement Project.

Second by Mr. Lind.

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

Absent and not voting: Blazek

The motion was declared carried.

Approved the Individual Voucher to TL Stroh Architects:

Gen. Haugen moved to approve the individual voucher in the amount of \$35,970.00 to TL Stroh Architects for partial payment request for architectural and engineering services in connection with the Elevated Walkway.

Second by Mr. Lind.

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

Absent and not voting: Blazek

The motion was declared carried.

Authorized Purchase of Vehicle to Replace 1998 ARFF/Airfield Ops Truck (State Bid - 2019 Dodge Ram):

Mr. Dobberstein stated we need to replace a 1998 Ford Expedition, which we purchased from a state auction a number of years ago. He stated when our ARFF staff started we assigned that vehicle to them. He stated we are proposing to replace this unit with a 2019 Dodge Ram 1500 Classic Crew Cab for the ND State bid price of \$26,422.00 from Nelson Auto Center. He stated when the new vehicle arrives we will place the 1998 Ford on the City's auction.

Mr. Lind moved to authorize the purchase of a 2019 Dodge Ram from Nelson Auto Center for the ND State bid price of \$26,422.00.

Second by Ms. Linn.

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

Received Bid Tabulation and Recommendation of Award for Dakota Drive Pavement Rehabilitation and Lighting Improvements, AIP48:

Mr. Dobberstein stated on September 5, we received bids for the Dakota Drive Pavement Rehabilitation and Lighting Improvements.

Mr. Jeff Klein, Mead & Hunt, was recognized and stated the bids for the pavement and the lighting portion were separate bids. He stated the intent of the lighting portion of the project is to replace the fixture heads on all of the street lighting along Dakota Drive from 19th Avenue, around the terminal building, control tower, parking lots and car rental lots, with LED fixtures. He stated Bid Schedule 1 is for the AIP eligible portions of the project and Bid Schedule 2 is for the areas not eligible for AIP funding. He stated we received five bids and the low bidder was Strata Corporation with a combined total of \$163,555.00. Mr. Klein stated it is their recommendation to award Bid Schedule 1 and Bid Schedule 2 to Strata Corporation.

Ms. Linn moved to award the bid for the Dakota Drive Street Lighting Improvements, AIP48, both Bid Schedule 1 and Bid Schedule 2 for a total of \$163,555.00 to Strata Corporation.

Second by Gen. Haugen.

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

Mr. Klein stated Strata would be able to start on the lighting project any time with a May 31, 2019 completion date.

Received Bid Tabulation and Recommendation of Award for Dakota Drive Pavement Rehabilitation and Lighting Improvements, AIP48: (Continued)

Mr. Klein stated the pavement rehabilitation portion of the project will involve joint seal replacement, panel replacement, crack repair, routine pavement maintenance to maximize the life of the pavement. He stated the areas will include everything along the access road from 19th Avenue to the terminal building, including entrances to the parking lots, maintenance shop parking lot and service roads, fuel farm road, etc.

Mr. Klein stated there is one section of pavement from the overhead lift gate south to the entrance to the fuel farm. He stated pavement maintenance for that portion is Bid Schedule #3 at a cost of \$31,264.00 and pavement replacement is Bid Schedule #4 at a cost of \$535,047.48. He stated the maintenance would work for short term but the real long term solution is replacement. He stated either option is eligible for AIP funds.

Mr. Klein stated their recommendation is to award Bid Schedules #1, #2 and #4 to Interstate Improvement for a total of \$1,867,841.48.

Mr. Lind moved to approve the recommendation of Mead & Hunt and award Bid Schedules #1, #2 and #4 to the low bidder, Interstate Improvement, based on their bid of \$1,867,841.48.

Second by Gen. Haugen.

Mr. Dobberstein stated it is in our best interest to do this project now as we are still a non-hub airport. He stated if our boardings increase we would then be classified as a small hub airport and would not be eligible for AIP funding for this project.

Mr. Klein stated the project would start mid May of 2019 with a completion date of June 30, 2019.

Chairman Clark called for a vote on the motion.

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

Mr. Dobberstein stated the FAA's bank account closes down on Friday for the fiscal year. He stated now that we have bid numbers we will be able to submit our grant application and then we will be receiving our grant Thursday or Friday, which he and Attorney Bossart will sign on behalf of the Airport Authority. He stated we will receive a draw down on the funds for the projects that were completed last year but we will not be able to draw down any funds for the upcoming projects until work has begun.

Reviewed Capital Improvement Plan:

Mr. Dobberstein stated each year the FAA requires that we submit an updated Capital Improvement Plan. He distributed copies of the CIP for the last fiscal year and asked the board to review the plan as we will be submitting an updated plan in the next few months. He stated the plan goes out many years but each year we are able to make changes so our focus is on the next two to three years. He stated we have to be flexible as priorities change, such as our need for expansion in the cargo area as UPS will be starting operations. He stated as part of the cargo apron expansion we would be integrating that with runway centerline lighting. He stated we are working with the FAA to justify that. He stated we are also working with FAA Tech Ops on discussions regarding updating the Instrument Landing System (ILS) for the approach to Runway 36.

Reviewed Capital Improvement Plan: (Continued)

Mr. Dobberstein stated the board members could review the plan and have any recommendations at the next meeting. He stated we will have to provide an updated CIP to the engineering firms who will be putting in their qualification submissions in response to our RFQ.

Mr. Lind stated he agrees the centerline lighting and approach lighting systems need to have a very high priority. He stated even if we have to fund it at this point it would be a wise investment.

Discussed Snow Removal Equipment Needs:

Mr. Dobberstein stated he has been having discussions with Darren Anderson, Henry Swedberg (Airfield Supervisor) and Mr. Jeff Klein (Mead & Hunt) on our needs for snow removal because of the addition of the UPS operations. He stated in the past we have not had a lot of activity between 11 pm and 5 am but we will see a change in that which will cause a need for additional snow removal equipment and personnel. He stated Darren and Henry have been reviewing State Bid specifications and other public bid websites that are large consortiums that publicly bid hundreds of pieces of equipment. He stated we are able to purchase from those consortiums and meet FAA requirements. He stated we would like to replace one of our older sander trucks with a plow on it. He stated we are looking to purchase a very large truck with a plow on it and a chemical spreader. He stated the FAA has a formula they use for funding equipment based on a priority system for pavement areas. He stated we are looking at purchasing at least \$1-\$2 million in new equipment.

Mr. Dobberstein stated we are working through a plan for the snow removal personnel. He stated we have for a number of years had some part time seasonal snow removal equipment operators who have been able to work just during snow events, but that is getting harder to find. He stated we are looking at the possibility of utilizing our firefighters on their days off.

Mr. Darren Anderson stated orders for airfield equipment are about 300 days out so we won't be getting any new equipment for this season.

Mr. Dobberstein stated we are also looking into hiring a private snow removal contractor to take care of the Eastside Terminal parking lot.

Gen. Haugen asked if we have looked into any help from the Guard.

Mr. Dobberstein stated we do have a pretty good agreement with the NDANG in the event we have a major breakdown of equipment, so that has been our backup for many years. He added that we are confident we will have a plan in place before snow removal season.

Discussed October Meeting Dates (Tuesday, October 9 and Wednesday, October 24):

Mr. Dobberstein stated our October 9 meeting date should be fine but our second meeting scheduled for the 23rd has a conflict. He stated he is currently serving as First Vice President of the Great Lakes Chapter of the AAAE and they are having their Operations and Maintenance Conference in Chicago through October 23.

Mr. Dobberstein stated it would be good if at that October 24 meeting the board could finalize decisions on both the Public Parking Proposals and the Engineering Services. He stated if that is not possible those will be delayed until November.

Discussed October Meeting Dates (Tuesday, October 9 and Wednesday, October 24): (Continued)

Chairman Clark stated she will not be here for the October 24 meeting. She stated rather than appointing committees to review and make recommendations on each proposal she wants all board members to review both proposals and make recommendations.

Airport Construction and Security Update:

Mr. Terry Stroh, TL Stroh Architects, was recognized and stated Smithco is continuing to work on the Metal Panel Replacement Project on the east side of the terminal building. He stated the project has taken longer than anticipated due to some issues but those are being addressed and the project should be done soon.

Other Business:

Mr. Dobberstein stated in August he was contact by a law firm representing Digikey Electronics advising us that they submitted a subzone application to the Foreign Trade Zone Board. He stated it is for two buildings north of the airport. He stated he will be meeting with the Executive Secretary of the Foreign Trade Zone Board at the national conference next week in Atlanta and hopefully this application will go through fairly quickly. He stated we are working with two more firms interested in the designation.

Mr. Dobberstein stated he received an inquiry from InFlight Parking, a firm interested in our RFP for public parking. He stated he believes InFlight is part of Interstate Parking. He stated our RFP required five (5) consecutive years of experience managing parking operations at US airports. He stated they operate parking lots at airports around the world are requesting that "US" airports" be removed, as they would be prohibited from submitting a proposal. He stated they are currently operating the parking lots at the airport in Milwaukee and have just been awarded the contract for Roanoke, VA. Mr. Dobberstein stated he does not have any problem with this request.

Mr. Dobberstein stated there will also be another addendum with regard to insurance and the per occurrence and aggregate limits.

Mr. Dobberstein stated he visited with a representative from Republic Parking last week and they submitted 20 questions, which will be answered and those answers will be posted on the website. He stated they requested that the annual minimum guarantee be lowered from the \$2.4 million amount as well as lower the percentage to the airport of 85% . He stated his answer to that request was "no." He stated the minimum guarantee is a little on the high side but the lease agreement has provisions that if boardings decrease substantially year over year those minimums can be re-negotiated.

Other Business: (Continued)

Gen. Haugen asked if any of the firms have indicated the trends of airport parking going way down because of Uber and Lyft.

Mr. Dobberstein stated the significant impacts of Uber and Lyft are being felt at airports all over the country, especially in the larger cities. He stated they are also affecting the car rental agencies.

Ms. Linn stated she looks forward to getting the results of the recent survey taken by SP+ and getting those figures into the spreadsheet and see if that trend is moving up.

Mr. Lind stated in the interest of getting the most competitive bids, he moved to approve the request to remove "US" from the section in the request for proposals referring to five (5) consecutive years of experience and issue an addendum to the request for proposals.

Second by Gen. Haugen.

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

Chairman Clark called for a vote on the motion.

All members present voted aye.

The meeting of the Municipal Airport Authority was adjourned until the next Regular Meeting to be held Tuesday, September 25, 2018.

Time at adjournment was 8:36 a.m.

Regular Meeting

Tuesday

September 25, 2018

The Regular Meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held Tuesday, September 25, 2018, in the Airport Boardroom.

The members present or absent were as follows:

Present: Linn, Lind, Haugen, Clark
Absent: Blazek
Others: Bossart

Chairman Clark presiding.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held September 11, 2018:

The minutes of the Regular Meeting of the Municipal Airport Authority held September 11, 2018, were approved without objection.

Approved the Airport Vouchers Totaling \$45,161.88:

Gen. Haugen moved to approve the airport vouchers totaling \$45,161.88.
Second by Mr. Lind.
On the call of the roll, members Linn, Lind, Haugen, Clark voted aye.
Absent and not voting: Blazek
The motion was declared carried.

Approved the Individual Voucher to Mead & Hunt:

Ms. Linn moved to approve the individual voucher in the amount of \$29,141.00 to Mead & Hunt for partial payment request for engineering services in connection with the Dakota Drive Pavement Rehabilitation Project, AIP48.
Second by Mr. Lind.
On the call of the roll, members Linn, Lind, Haugen, Clark voted aye.
Absent and not voting: Blazek
The motion was declared carried.

Approved the Individual Voucher to Mead & Hunt:

Ms. Linn moved to approve the individual voucher in the amount of \$18,270.00 to Mead & Hunt for partial payment request for engineering services in connection with the Dakota Drive Street Lighting Improvements, AIP48.

Second by Mr. Lind.

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

Absent and not voting: Blazek

The motion was declared carried.

Received Request from David Olig/David Glatt (Northwest Hangar) Regarding South General Aviation Area Lease Extension:

The communication from Northwest Hangar (David Olig, David Glatt) dated September 17, 2018, was received and filed without objection.

Mr. Dobberstein stated Northwest Hangar is requesting an extension of their hangar lease in the south general aviation area. He stated we typically grant a five-year extension on hangar leases.

Mr. Lind moved to approve the request for a five-year lease extension for the Northwest Hangar.

Second by Ms. Linn.

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

Received Update on AIP Grant 48:

Mr. Dobberstein stated on September 14, 2018, he and Attorney Bossart accepted the FAA AIP Grant 48 for just over \$2.7 million. He stated that is for the reimbursement of the second phase of the Cargo Apron Expansion, which was completed last year, and also for the Dakota Drive Rehabilitation Project with which we are moving forward.

Received Parking and Transportation Study #3:

Mr. Dobberstein stated we received the results of the Parking and Transportation Study conducted by SP Plus for the period July 31 - August 1, 2018, and that report was distributed.

Ms. Linn stated she feels the information in this report is so helpful and she will be adding this information to the summary she has compiled with information from the two previous studies. She stated she noted that there was a 3% drop in taxis but a 4% increase in TNC's (Transportation Network Companies). She stated it will be interesting to watch that trend. She asked if we will continue to do these studies.

Mr. Dobberstein stated this will be the last one done by SP Plus under our current concession contract. He stated the proposals for our new parking concession contract effective January 1, 2019 are due October 1.

Mr. Lind stated this is good, hard data to review. He stated for any future surveys he would like to see the question "Where are you from?" changed to "Where do you live?"

The report was received and filed without objection.

Received Update on Proposed Skyway from TL Stroh Architects:

Mr. Terry Stroh, TL Stroh Architects, was recognized and stated he has brought some new design boards today to show some of the changes they have made as they have continued their work on designing the project. He stated there have not been major changes from the previous design. He stated the main change is going from five buildings to three. He stated for the long-term planning process we are including plans for a parking ramp which has to be a certain distance from the terminal building, otherwise it will have to be constructed with blast proof materials which increase the cost dramatically. He stated the skyway structure closest to the terminal building will be built with a panel that could be removed to accommodate a hallway to a parking ramp. He stated another change is to locate the mechanical equipment in the largest building and the heat will be a radiant heat above the walkway. He stated they are also looking at exterior finishes. He stated the skyway is being designed so it can be expanded to the south. Mr. Stroh stated they have a meeting later this week with Mr. Dobberstein and Mr. Anderson to discuss staging during construction in order to cause the least disruption to passengers.

Ms. Linn stated she feels the skyway gets people out of the elements and this design also plans for the possibility of a parking garage in the future. She stated the last thing we would want to do is build something and be out of compliance with the FAA's requirements.

In answer to a question regarding covered parking, Mr. Stroh stated covered parking is too difficult in our climate. He stated the freeze thaw cycles we get at times of the year cause too many problems. He stated covered parking works in warmer climates, but not ours.

Mr. Stroh stated as far as a timeline on the project, they are planning drawings to be completed for possibly a February 2019 bid scenario.

Ms. Linn stated she would like to see us have another public open house for the project.

Mr. Stroh stated we could do that.

Airport Construction and Security Update:

Mr. Terry Stroh, TL Stroh Architects, was recognized and stated Smithco is just finishing up the final work on the exterior metal panel replacement on the east side of the terminal building.

Other Business:

Mr. Dobberstein stated The Arts Partnership will be here this morning working on the first series they will be featuring in the terminal. He stated the theme is "cows". He stated there have been some adjustments because when they originally made their presentation they were not aware of the Heritage Homes display in the baggage claim area. He stated we are working with Flint Communications on media engagement.

Mr. Dobberstein stated he attended the annual conference of the National Association of Foreign Trade Zones in Atlanta. He stated there was a lot of discussion on tariffs and the impact on operators and grantees. He stated we are continuing to work with Digikey and their attorney on what they want to do here in Fargo and Thief River Falls.

Other Business: (Continued)

Mr. Dobberstein stated we have had some questions on our request for public parking proposals. He stated all questions and responses have been posted on our website. He stated the one change we have made since our last meeting is with the guaranteed revenue. He stated we are keeping the guaranteed minimum at \$2.4 million but the 85% rate will be applied to gross revenue in excess of \$2,000,001, which will help the successful operator with cost of equipment installation, etc.

Mr. Dobberstein stated the proposals are due October 1 and will be reviewed by all board members. The contract will be awarded at our meeting on Wednesday, October 24. He added that the engineering proposals are due October 4 and will also be reviewed by all members and awarded on October 24.

Gen. Alexander Macdonald (Ret.) was recognized and stated he would like to express his appreciation to the members of the Airport Authority and to the airport management working at this airport for the absolutely outstanding job they have done over the past few years. He stated they have brought in FedEx, UPS, and is home to one of the largest and best nationally recognized Fixed Base Operators in the nation (Fargo Jet Center), working with the NDANG on the MQ9 operating on the airport bringing more jobs to Fargo, and bringing Frontier Airlines back to Fargo. He stated all of these things have been done with no significant increase in user fees. He stated the airport is very user friendly and he hears nothing but admiration for Hector Airport. He thanked the board members for their dedication. He stated as a taxpayer it is a pleasure to see what the board has done.

Gen. Haugen moved that Chairman Clark select two board members to review the compensation for our Executive Director and bring forth a recommendation for a pay increase at our first meeting in November.

Second by Ms. Linn.

Gen. Haugen stated just as the list of successes mentioned by Gen. Macdonald, these are economic developments that bring a lot more money into the city than many of the other efforts we may see elsewhere throughout the city. He stated if you look at compensation rates for this position at other airports in our multi state region we are on the low end and we need to change that.

Ms. Linn stated she concurs. She stated she and Mr. Don Kilander spent months on this issue. She stated she has stacks of documentation to justify this.

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

After discussion, Chairman Clark appointed Gen. Haugen and Ms. Linn as the two members to bring forth the recommendation at the first meeting in November.

Mr. Dobberstein recognized Mr. Pat Sweeney, Chairman of the Board for both Weather Modification, Inc. and Fargo Jet Center. He stated Weather Modification has been in business since 1961 and asked Mr. Sweeney for some comments.

Mr. Pat Sweeney was recognized and stated he started his employment with Weather Modification while a sophomore at UND in 1975. He stated he later purchased the company and then in 1993 moved the operation to Fargo. He stated at that time they worked with the Airport Authority, the City of Fargo, and Fargo-Moorhead Economic Development Corporation to locate in

Other Business: (Continued)

and start development of the north general aviation park where they have now been for more than 20 years. He stated as Gen. Macdonald stated, the support these entities give each other make us all successful. He stated they are doing very well and are very proud of what their people have done. He stated he remembers coming to the Airport Authority in 1993 and saying he would create 24 new jobs in five years. He stated they created 60 jobs in that five years and now have about 160 employees in Fargo and another 20 employees at their plant in Kindred. Mr. Sweeney thanked the board for their support and told them to keep doing a good job. He added that Fargo Jet Center is a great gateway for people coming into Fargo on private jets.

The meeting of the Municipal Airport Authority was adjourned until the next Regular Meeting to be held Tuesday, October 9, 2018.

Time at adjournment was 8:32 a.m.

Regular Meeting

Tuesday

October 9, 2018

The Regular Meeting of the Municipal Airport Authority of the City of Fargo, ND was held Tuesday, October 9, 2018, at 8:00 a.m. in the Airport Boardroom.

The members present or absent were as follows:

Present: Linn, Blazek, Lind, Clark
Absent: Haugen
Others: Bossart

Chairman Clark presiding.

Approved the Minutes of the Regular Meeting Held September 25, 2018:

The minutes of the Regular Meeting of the Municipal Airport Authority held September 25, 2018 were approved without objection.

Approved the Airport Vouchers Totaling \$40,837.17:

Mr. Blazek moved to approve the airport vouchers totaling \$40,837.17.
Second by Ms. Linn.
On the call of the roll, members Linn, Blazek, Lind, Clark voted aye.
Absent and not voting: Haugen
The motion was declared carried.

Approved the Individual Voucher to Sixel LLC:

Ms. Linn moved to approve the individual voucher in the amount of \$3,674.00 to Sixel LLC for September passenger enplanement fees, Frontier Airlines.
Second by Mr. Blazek.
On the call of the roll, members Linn, Blazek, Lind, Clark voted aye.
Absent and not voting: Haugen
The motion was declared carried.

Approved the Individual Voucher to Sixel LLC:

Ms. Linn moved to approve the individual voucher in the amount of \$1,304.66 to Sixel LLC for consulting services in connection with the Delta Air Lines Headquarters Meeting, October 1-2, 2018, Atlanta, GA.

Second by Mr. Blazek.

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

Absent and not voting: Haugen

The motion was declared carried.

Approved the Individual Voucher to Smithco:

Ms. Linn moved to approve the individual voucher in the amount of \$46,880.00 to Smithco for Partial Payment Request #3 (Final) for the Westside Terminal Exterior Metal Panel Replacement Project.

Second by Mr. Blazek.

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

Absent and not voting: Haugen

The motion was declared carried.

Approved the Individual Voucher to TL Stroh Architects:

Ms. Linn moved to approve the individual voucher in the amount of \$95.00 to TL Stroh Architects for partial payment request for architectural services in connection with the Westside Terminal Exterior Metal Panel Replacement.

Second by Mr. Blazek.

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

Absent and not voting: Haugen

The motion was declared carried.

Approved the Individual Voucher to TL Stroh Architects:

Ms. Linn moved to approve the individual voucher in the amount of \$23,980.00 to TL Stroh Architects for partial payment request for architectural and engineering services for the Elevated Walkway.

Second by Mr. Blazek.

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

Absent and not voting: Haugen

The motion was declared carried.

Approved the Individual Voucher to Flint Group:

Ms. Linn moved to approve the individual voucher in the amount of \$65,812.17 to Flint Group for partial payment request for 2018 Airport Marketing Program.

Second by Mr. Blazek.

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

Absent and not voting: Haugen

The motion was declared carried.

Received Proposals for Airport Parking Concession:

Mr. Dobberstein stated proposals for the Airport Parking Concession were due October 1 at 2:00 pm. He stated we received proposals from the following three firms:

SP Plus
Republic Parking
Interflight

Mr. Dobberstein stated we would like to make a decision at the next meeting, October 24.

The airport parking concession proposals were received and filed and provided to each board member for their review.

Received Responses to Engineering Services Request for Qualifications:

Mr. Dobberstein stated we advertised a Request for Qualifications for engineering firms interested in providing engineering and planning services for a five-year period starting January 1, 2019. He stated although we received inquiries from two firms, we received only one proposal and that was from our current engineering firm, Mead & Hunt. He stated it was our original plan to review the proposals and make an award at our October 24 meeting, but given the fact that we received only one submission the board could make the award today if they wish. He added that Mead & Hunt has done a great job for us the past five years.

Mr. Dobberstein clarified that even though we received only one proposal we have met all of the FAA's criteria.

Mr. Blazek moved to select Mead & Hunt as our engineering firm for federally assisted projects for a five-year term effective January 1, 2019.

Second by Ms. Linn.

Ms. Linn stated that she felt the Mead & Hunt proposal was very well done, professional and over the top.

Mr. Dobberstein clarified that for each federally assisted project we do enter into a separate contract with Mead & Hunt for the engineering services.

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

Absent and not voting: Haugen

The motion was declared carried.

Received Updated Capital Improvement Plan:

Mr. Dobberstein distributed the Capital Improvement Plan, which was updated by Mead & Hunt. He stated the top priorities for 2019 are the Elevated Walkway and the Cargo Apron Expansion Phase IV. He stated as long as a project is shown on the Capital Improvement Plan we can adjust their priority status as we see fit.

Mr. Dobberstein stated the cargo apron expansion became a higher priority once UPS announced their plans to operate in Fargo. He stated he has been working with UPS on their site plan for the cargo area so that we can make an informed decision on how to direct our engineers to begin designing the cargo apron expansion. He stated UPS has a goal of being in their new facility by 2020.

Mr. Dobberstein stated the federal government has provided an additional \$1 billion spending for airports and we will be working with our congressional delegation to try to get some of that funding for the cargo apron. He stated some members of the ND legislature are proposing \$50 million in state funding in the next biennium for airports. He stated the cargo apron should certainly have justification for funding since both FedEx and UPS serve the entire state from Fargo.

Mr. Dobberstein stated if there are any adjustments in the CIP we will bring it before the board again before it is submitted to the FAA in December.

Airport Construction and Security Update:

Mr. Dobberstein stated Northern Improvement is working on a project to repair the radius due to pavement that buckled. He stated it is nothing critical that impacts airport operations. He stated he had an update from Mr. Andy Skatvold, who is building a hangar in the North General Aviation Area. He stated the foundation is in but he has experienced a delay with his contractor. He stated he hopes to have the structure up in the next 30 days. He stated the siding project on the east side of the building is complete and we are doing some repair and painting on the pillars in front of the building.

Mr. Darren Anderson stated we ordered additional departure lounge seating and that is arriving today.

Other Business:

Mr. Dobberstein stated he and Mr. Mark Sixel, Sixel LLC, met with Delta network planning officials. He stated we do not see any major changes coming. He stated Delta is very satisfied with the Fargo market. He stated we might see some larger aircraft.

The meeting of the Municipal Airport Authority was adjourned until the next Regular Meeting to be held Wednesday, October 24, 2018 at 8:00 a.m.

Time at adjournment was 8:20 a.m.

Regular Meeting

Wednesday

October 24, 2018

The Regular Meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held Wednesday, October 24, 2018, at 8:00 a.m. in the Airport Boardroom.

The members present or absent were as follows:

Present: Linn, Blazek, Lind, Haugen

Absent: Clark

Others: Bossart, Piepkorn

Vice Chairman Haugen presiding.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held October 9, 2018:

The minutes of the Regular Meeting of the Municipal Airport Authority held October 9, 2018, were approved without objection.

Approved the Airport Vouchers Totaling \$77,633.15:

Mr. Blazek moved to approve the airport vouchers totaling \$77,633.15.

Second by Ms. Linn.

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

Absent and not voting: Clark

The motion was declared carried.

Approved the Individual Voucher to Foreign-Trade Zone Corporation:

Mr. Blazek moved to approve the individual voucher in the amount of \$81.25 to Foreign-Trade Corporation for payment request for review of Federal Register notice.

Second by Ms. Linn.

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

Absent and not voting: Clark

The motion was declared carried.

Approved the Individual Voucher to Sixel LLC:

Mr. Blazek moved to approve the individual voucher in the amount of \$2,500.00 to Sixel LLC for the airline data subscription, second quarter 2018.

Second by Ms. Linn.

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

Absent and not voting: Clark

The motion was declared carried.

Authorized Purchase of International Truck and Accessories Per State Bid/Contract, Nelson International/Bert's Truck Equipment (Replaces 1988 International Truck/Plow/Sander):

Mr. Dobberstein stated we need to replace a 1988 International truck with a plow and sander with a new unit. He stated the 1988 has a cracked frame and the NDDOT will no longer certify the unit. He stated we are looking at purchasing a 2019 International Truck under the ND State Bid, as well as a front end plow, side wing plow and sander. He stated the bids for the truck and the accessories total \$225,834 and then with radio equipment we are looking at about \$228,000. He stated delivery time will be late winter or early spring.

Mr. Dobberstein stated in the meantime the current unit can be used. He stated we may have to lease a truck in the interim if necessary.

Mr. Blazek moved to approve the capital expenditure for the 2019 International truck with plow and sander through the ND state bid, and that the Executive Director be authorized to lease any equipment needed to fulfill the requirements of this truck should it not be functional.

Second by Mr. Lind.

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

Received Communication from Mr. Rick Berg Regarding Hangar 19 Tenant:

The communication dated October 22, 2018, from Mr. Rick Berg, Hangar 19, was received and filed without objection.

Mr. Dobberstein stated as required in our lease with Hangar 19, any subleases must be approved by the board. He stated Mr. Berg is requesting approval of a sublease to a portion of their building as office space to Blazing Wings Properties. He stated they are also planning to be an aircraft partner.

Mr. Lind moved to approve the request from Hangar 19 for a sublease to Blazing Wings Properties.

Second by Ms. Linn.

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

Authorized Attendance at the International Council of Airshows Convention, December 2-6, 2018, Las Vegas, NV:

Mr. Dobberstein stated the Thunderbirds will be in Fargo in July 2019. He stated he will be attending the ICAS Conference along with Mr. Blazek. He stated Gen. Haugen will be attending on behalf of the Fargo Airsho Committee.

Ms. Linn moved to authorize attendance at the International Council of Airshows Convention, December 2-6, 2018, Las Vegas, NV.

Second by Mr. Lind.

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

Mr. Blazek abstained.

Reviewed Parking Concession Proposals and Awarded Contract:

Mr. Dobberstein stated the parking concession proposals were received at the last meeting and each board member was given a set of proposals along with an evaluation sheet. He stated Chairman Clark is not here today but submitted her evaluation sheet. He stated the three firms submitting proposals were SP Plus, Republic Parking, and Interflight.

Vice Chairman Haugen stated Chairman Clark ranked the three firms as follows:

- #1 SP Plus
- #2 Republic Parking
- #3 Interflight

Ms. Linn, Mr. Lind and Mr. Blazek indicated their rankings were the same.

Ms. Linn stated there were several things that really stood out in the SP Plus proposal. She stated one thing is the shuttle service they will be providing and that will be an exceptional benefit to our passengers. She stated she liked their "secret shopper" program, the parking website, the service oriented training to employees, the surveys they will continue to do, etc. She stated she felt the SP Plus proposal was above and beyond what the others provided. She stated the audit information provided was also extremely thorough. She stated it was hard to compare the financial soundness of all three organizations since one did not provide audit information due to the fact that it was newly acquired by another organization.

Mr. Blazek stated all three proposals were well written and all three met the needs spelled out in the request, but SP Plus, with the increased guarantee amount and the shuttle service (which we did not ask for) made them stand out. He stated the Airport Authority looked into operating a shuttle service so we know the expense involved so that would be a very significant benefit to our passengers.

Mr. Dobberstein stated SP Plus is the only proposal that guarantees \$2.7 million annually. He stated SP Plus is also offering other amenities that the others did not. He stated SP Plus is going to spend \$100,000 to set up a frequent parking loyalty program. He added that he estimates the shuttle service they are going to provide would cost at least \$50,000 per year. He stated they are going to continue the passenger surveys twice a year, which cost at least \$15,000 per study.

Ms. Linn moved to award the public parking concession to SP Plus.

Reviewed Parking Concession Proposals and Awarded Contract: (Continued)

Second by Mr. Lind.

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

Absent and not voting: Clark

The motion was declared carried.

It was noted that the proposals received are a matter of public record and the documents are available for review.

Discussed Compensation Review and Recommendation for the Executive Director:

Vice Chairman Haugen stated he and Ms. Linn had been assigned to review the compensation for our Executive Director and bring forth a recommendation for a pay increase. He stated that review has been completed and asked Ms. Linn to present their findings.

Ms. Linn stated about a year and a half ago she and board member Mr. Don Kilander started extensive research evaluating other airports in the country with enplanement numbers similar to Fargo. She stated they reviewed the studies done by ADK Consulting & Executive Search. She stated part of this evaluation process was to have interviews with stakeholders in the community and we have the results and comments from those interviews. She stated they reviewed the ND State Statute regarding airport authorities, which clearly states the Municipal Airport Authority is an independent and autonomous entity.

Ms. Linn stated after the deregulation of the airline industry, airports have gone to more of a business model for compensation of employees, since it is such a competitive environment. She stated the compensation studies based compensation packages on passenger enplanement data only. She stated the studies did not take into consideration other activity on an airport, such as cargo. She stated they feel we need to factor in the explosive growth of cargo activity on this airport and the increase in airport revenues from that activity.

Ms. Linn stated one of the previous evaluations done on Mr. Dobberstein stated was more of a review intended for a city employee position. She stated that evaluation did not review Mr. Dobberstein on his actual responsibilities. She stated she and Mr. Kilander developed an evaluation for the Executive Director in October 2017 and copies of that were distributed. She stated in comparing job descriptions they reviewed for Executive Directors at other airports, they came to the conclusion that Mr. Dobberstein's responsibilities would be handled by three positions at other airports. She stated we have a valuable Executive Director and as a board we want to make certain he is compensated fairly and according to industry standards. She stated comparing current compensation to industry standards, we are not even in the ballpark.

Ms. Linn provided a summary of the current compensation package and also the recommendation she and Gen. Haugen are proposing to the board.

Mr. Blazek stated it is important to note that the compensation study was conducted by an independent third party, ADK Consulting & Executive Search.

Vice Chairman Haugen stated this airport is a complex operation and the Executive Director position is not just a terminal building manager and that is what enplanements measure. He stated this airport has two large military organizations, a large civilian aviation sector and now cargo activity is exploding and nowhere is that measured. He stated the growth of cargo at the airport is an enormous benefit to the city.

Discussed Compensation Review and Recommendation for the Executive Director: (Continued)

Ms. Linn added that cargo growth at the airport has created about 220 jobs and that is in great part to Mr. Dobberstein's work over the years to expand cargo operations at the airport.

Mr. Lind stated in his opinion we have to pay on performance and these figures do not reflect successes such as cargo operations, Frontier Airlines returning service to Fargo as well as the potential of another airline starting service. He stated he feels the proposed figures are even low in his estimation. He stated Mr. Dobberstein is doing a fantastic job and it is about time he is paid for it.

Mr. Blazek stated we are currently paying to use the City of Fargo's administration for Human Resources and they have established pay grades. He asked if we have to use the City's pay grades or do we have to look at using another human resources provider in order to have the flexibility to make these changes.

Vice Chairman Haugen stated we have run into that problem in the past. He suggested the board take action on a compensation amount today and then work with City Administrator Bruce Grubb to see how to proceed. He stated he agrees with Mr. Lind that we have to pay on performance and the complexity of the operation at this airport.

Mr. Blazek stated he tells people that we are the biggest little airport in the country. He stated it is fun to serve on this board because it is such a high performing airport.

Ms. Linn stated if any of the board members want to offer other recommendations we can hear those because the money is in the budget. She stated we also felt the three year scaled method would be best.

Mr. Lind stated he has no other recommendation and stated he felt this presentation and study were well put together. He stated he feels the numbers are still low but has no problem with the recommendation.

Vice Chairman Haugen stated he would entertain a motion and after the board votes we can then consult with the City Administrator on implementing the change.

Mr. Lind moved to accept and approve the recommendation for compensation of the Executive Director using the three steps for Year 1, Year 2 and Year 3, as presented.

Second by Ms. Linn.

Mr. Blazek asked for clarification that Year 1 is retroactive to January 1, 2018.

Ms. Linn stated that is correct and that was the consensus of the board members.

Ms. Linn stated having served as a council member in city government in Arizona and also working in state government for the governor of Arizona, she stated making this discussion public, even though these are not tax dollars, is a difficult thing but it is a wise thing as it is very transparent.

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

Absent and not voting: Clark

The motion was declared carried.

It was noted that the compensation research documents are a matter of public record and available for review.

Airport Construction and Security Update:

Mr. Terry Stroh, TL Stroh Architects, was recognized and stated we will be getting started on the ceiling project at the security checkpoint. He stated we had planned to start the project in September but the delay was due to a delay in arrival of materials.

Other Business:

Mr. Dobberstein stated we recently had our annual FAA Part 139 Certification Inspection, which takes about three days, and we received a perfect report with no discrepancies. He stated credit for this goes to Darren Anderson, Henry Swedberg, Chief Bush and Jordan Dahl for what they do each day. He stated the inspector was extremely impressed with what Chief Bush and the staff have done at the ARFF station and wants to use that as a model for the region.

Mr. Blazek stated while attending a past AAAE Annual Conference he stated one of the hot topics among other airport board members throughout the country was how we could pass a Part 139 inspection with no exceptions. He stated it is very rare for an airport our size and our diverse operations to have a Part 139 inspection with no exceptions.

Mr. Dobberstein stated the inspector did have some recommendations and one was to install stop signs at points along the perimeter road. He stated we will also remove all of the markings on the primary runway, as well as rubber removal, and repaint the markings. He stated that will be in our cargo apron expansion project next year.

Mr. Dobberstein stated he and Mr. Jeff Klein, Mead & Hunt, met with regional FAA officials at the AAAE conference in Chicago, and we have until October 31 to submit an application for the additional \$1 billion in supplemental federal funding for airports. He stated Bismarck was the first airport in the state to receive funding and they were awarded \$9.7 million for their runway project. He stated we will submit our \$10 million cargo expansion project. He stated we will include an economic impact analysis for the project, which is a determining factor on this funding. He stated we also considered including runway centerline lighting and approach upgrades but the FAA recommends putting those in a separate project as that is a significant undertaking. He stated they had also advised us to look at what we can do with our existing ILS if we install centerline lighting to get us to a modified approach. He stated we will continue to work with the local and regional FAA representatives.

Mr. Dobberstein stated UPS will be having a ribbon cutting event on November 5 at 10:30 am at their hangar in the south general aviation area. He stated they are working with Flint Communications on that announcement.

Mr. Dobberstein stated he, Darren Anderson and Jeff Klein, Mead & Hunt, met with City of Fargo Engineering to discuss the upcoming North University Drive project. He stated North University will be reconstructed from 32nd Avenue North to 40th Avenue North (County 20) in 2020. He stated as the plans develop they will have the City of Fargo Engineering make a presentation at one of our meetings.

The meeting of the Municipal Airport Authority was adjourned until the next Regular Meeting to be held Tuesday, November 13, 2018 at 8:00 a.m.

Time at adjournment was 8:49 a.m.

Regular Meeting

Tuesday

November 27, 2018

The Regular Meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held Tuesday, November 27, 2018 at 8:00 a.m. in the Airport Boardroom.

The members present or absent were as follows:

Present: Linn, Blazek, Lind, Haugen

Absent: Clark

Others: Bossart

Vice Chairman Haugen presiding.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held October 24, 2018:

The minutes of the Regular Meeting of the Municipal Airport Authority held October 24, 2018, were approved as amended.

Approve the Airport Vouchers Totaling \$122,920.03:

Ms. Linn moved to approve the airport vouchers totaling \$122,920.03.

Second by Mr. Lind.

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

Absent and not voting: Clark

The motion was declared carried.

Approved the Individual Voucher to Sixel Consulting Group:

Mr. Blazek moved to approve the individual voucher in the amount of \$3,978.00 to Sixel Consulting Group for Frontier Airlines passenger enplanement fees for October 2018.

Second by Ms. Linn.

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

Absent and not voting: Clark

The motion was declared carried.

Approved the Individual Voucher to TL Stroh Architects:

Mr. Blazek moved to approve the individual voucher in the amount of \$70,850.00 to TL Stroh Architects for partial payment request for architectural/engineering services in connection with the Elevated Walkway.

Second by Ms. Linn.

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

Absent and not voting: Clark

The motion was declared carried.

Approved the Individual Voucher to Mead & Hunt:

Mr. Blazek moved to approve the individual voucher in the amount of \$9,459.12 to Mead & Hunt for partial payment request (Final) for engineering services in connection with the Taxiway A and A1 Reconstruction Project, AIP47.

Second by Ms. Linn.

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

Absent and not voting: Clark

The motion was declared carried.

Approved the Individual Voucher to Mead & Hunt:

Mr. Blazek moved to approve the individual voucher in the amount of \$2,720.00 to Mead & Hunt for partial payment request for engineering services in connection with the PFC Application No. 8.

Second by Ms. Linn.

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

Absent and not voting: Clark

The motion was declared carried.

Approved the Individual Voucher to Flament Ulman:

Mr. Blazek moved to approve the individual voucher in the amount of \$84,793.00 to Flament Ulman for payment request (full and final) for the ceiling panel replacement at the checkpoint.

Second by Ms. Linn.

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

Absent and not voting: Clark

The motion was declared carried.

Received Notice of Proposed Reconstruction of North University Drive (32nd Avenue to 40th Avenue):

The communication dated November 5, 2018, from Apex Engineering Group was received and filed without objection.

Mr. Dobberstein stated the City of Fargo has selected Apex Engineering Group as the project engineer for the reconstruction of North University Drive from 32nd Avenue North to 40th Avenue North. He stated he and Mr. Jeff Klein, Mead & Hunt, met with representatives of Apex and the City of Fargo to go over some of the details that will be involved with the FAA requirements for working near the airport. He stated it is his understanding that Apex will be engaging the FAA to be involved in the process during design of the project. He stated Apex and the City of Fargo will be held to whatever FAA standards are required for environmental, runway protection zone clearances, and any other requirements. He stated we will continue to give updates to the board as the project progresses.

Vice Chairman Haugen stated we want to make certain that this road does not have issues like 19th Avenue being built too low.

Mr. Lind asked if the project is going to cause any problems for the approach end to Runway 27.

Mr. Dobberstein stated we do not believe so. He stated a lot of that will come down to height. He stated the FAA will hold the ultimate design of North University to what the ultimate design will be for the east/west runway, per the Airport Master Plan.

Vice Chairman Haugen stated we need to keep them apprised of the fact that 9/27 has the potential of being a longer runway, an instrument runway, and that the number of aircraft that are using it will increase. He stated we need to have the discussion that it might be time to have a bump-out of that road like there is on County 20 on the north side of the airport. He stated now would be the time to look at that.

Mr. Klein stated his understanding is that a lot of those issues will be flushed out in the Runway Protection Zone Analysis.

Mr. Lind stated the only other issue is that almost all of the property adjacent to this section of North University is owned by the airport. He asked if the airport was going to be assessed the majority of the cost.

Mr. Dobberstein stated the FAA's policy on special assessments would apply. He stated since the property cannot be developed, a major road improvement such as is being proposed may not be an immediate benefit to the airport. He stated there is a benefit to the airport for having the road but the additional improvements such as bike trails might not meet FAA guidelines.

Received Communication from First International Bank Regarding Tenant Letter of Understanding:

The communication from First International Bank & Trust dated November 26, 2018, was received and filed without objection.

Mr. Dobberstein stated our tenant, Fargo Jet Center is a customer of First International Bank and the bank is requesting a Letter of Understanding between the Airport Authority and First International that in the event of a default by Fargo Jet Center the Airport Authority would work with the bank to place a new entity in the fixed base operation. He stated this is a fairly standard request

Received Communication from First International Bank Regarding Tenant Letter of Understanding:

from a financial institution and he does not have a problem with it. He stated Attorney Bossart has reviewed the letter. He added that the Airport Authority would have final say in who would be operating the FBO.

Ms. Linn moved to approve the Letter of Understanding with First International Bank & Trust as it relates to airport tenant Fargo Jet Center.

Second by Mr. Lind.

On the call of the roll, members Linn, Lind, Haugen voted aye

Blazek abstained.

Absent and not voting: Clark

The motion was declared carried.

Authorized Attendance at the AAAE Great Lakes Chapter Winter Board Meeting, March 1-3, 2019, Evansville, IN:

Mr. Blazek moved to authorize attendance at the AAAE Great Lakes Chapter Winter Board Meeting, March 1-3, 2019, Evansville, IN.

Second by Ms. Linn.

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

Authorized Attendance at the AAAE/ACI Legislative Conference, March 5-8, 2019, Washington, DC:

Mr. Blazek moved to authorize attendance at the AAAE/ACI Legislative Conference, March 5-8, 2019, Washington, DC.

Second by Mr. Lind.

Mr. Dobberstein stated this conference usually always coincides with annual chapter meetings from across the country so the meetings at the AAAE National Conference will be held following the meetings on the 19th and 20th.

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

Absent and not voting: Clark

The motion was declared carried.

Airport Construction and Security Update:

Mr. David Negron, TSA, was recognized and stated the busy travel season has begun and they have gotten through the Thanksgiving holiday and also a number of cancellations due to weather in Chicago at the end of the weekend. He stated even with those cancellations the TSA processed 2.5 million passengers in one day. He stated they completed an infrastructure survey for potential future technology such as automated screening lanes, identification authentication technology. He stated sometime in 2019 they hope to receive the credential authentication technology. He stated this has proven to be highly effective in terms of identifying fraudulent identification.

Airport Construction and Security Update: (Continued)

Mr. Jeff Klein, Mead & Hunt, was recognized and stated we submitted a request to the FAA for a supplemental grant in the amount of \$12.5 million for cargo apron expansion.

Mr. Dobberstein stated the ceiling panel replacement project at the checkpoint was completed. He stated we did the project on a time and material basis and the final amount came in under their estimate.

Mr. Terry Stroh, TL Stroh Architects, was recognized and stated they are about 90% complete with a detailed estimate for the skyway. He stated they hope to have it available to present at the next meeting. They are continuing to work on a plan for moving traffic during construction.

Other Business:

Vice Chairman Haugen stated he would like to update the board on the recent City Commission meeting, which he, Erik Lind and Tammy Linn attended. He stated the commission had discussion on whether the employees at the airport are employees of the Municipal Airport Authority or employees of the City of Fargo. He stated one of the documents referenced was the agreement between the City of Fargo and the Municipal Airport Authority from 1969, which established the Airport Authority. He stated airport authorities came into being when the ND Legislature passed a law which allowed political subdivisions to establish airport authorities. He stated in North Dakota, almost all airports are governed by airport authorities. He stated all of the laws that govern the state statute list the responsibilities and duties that can and should be done by an airport authority. He stated there have been updates to the law in both 2015 and 2018, and the members of this board follow the ND law and even sign an oath to follow the constitution of the United States.

Vice Chairman Haugen stated the real question was with regard to the original agreement establishing the Municipal Airport Authority and the fact that the agreement stated it was for a ten year period, expiring in 1979. Vice Chairman Haugen stated Mr. Dobberstein brought to our attention an amendment (No. 1) to the original agreement between the City of Fargo and the Municipal Airport Authority, signed in 1970 that rescinds and repeals the expiration date of the original agreement, so the original agreement is still in effect and has no expiration. Vice Chairman Haugen stated that is not to say that we should not review and update the document.

Vice Chairman Haugen stated another comment made by a member of the City Commission was that the Airport Authority is not accountable to anyone. He stated Mr. Dobberstein has a list of agencies/entities to which the Airport Authority is accountable and have some form of oversight over operations, spending, and funding at the airport and that list exceeds 25 organizations. He stated the airport probably has more oversight than most government entities so that comment missed the mark.

Vice Chairman Haugen stated he thinks it is good that we talked about updating the agreement. He asked Mr. Dobberstein the status of the request from the City of Fargo to increase the annual fee from \$50,000 to \$90,000 for administrative services performed by the City of Fargo for the Airport Authority.

Other Business: (Continued)

Mr. Dobberstein stated he is not aware that the City has engaged the FAA office in Bismarck to review the rationale for the increase from \$50,000 to \$90,000. He stated the Airport Authority approved the increased amount in July 2016, subject to the review and concurrence of the FAA.

Ms. Linn stated then it is the City's responsibility to justify the increase to the FAA and asked if the City is aware of that.

Mr. Dobberstein stated that is correct and they have been made aware of that multiple times in the past. He stated in 1986 when the Airport Authority agreed to increase the annual fee from \$30,000 to \$50,000 there should have been an Amendment No. 2 to the agreement but it was just increased with board action and the action is reflected in the minutes.

Ms. Linn stated she thinks right now it is not so much the intent but the paper trail that is so important. She asked if we could make certain, in writing, that the City of Fargo knows that it is the responsibility of the City of Fargo Finance Department to provide this justification for the increase to the FAA office in Bismarck.

Mr. Dobberstein stated it has been in writing and in discussions at city hall so it is not a secret but he can remind them. He stated there is plenty of oversight and accountability of this board. He stated there always has been and that will continue. He stated we go through multiple audits each year, plus an FAA audit, tenant audits, the airlines review our minutes, expenses, etc. He stated any of the entities on that list could confirm the oversight and accountability.

Vice Chairman Haugen stated he was around in 1969 when the Airport Authority was formed and he remembers the goal around the state was to have board members with a variety of backgrounds in the community. He stated not all needed to have an aviation background but some with a business background and various other backgrounds. He stated if you look at the make-up of this board, now and in the past, it has had members with various areas of experience and expertise.

Vice Chairman Haugen stated we will be meeting with city officials to update the agreement.

Mr. Dobberstein stated we did get a final list of tenants from the City of Fargo that will be receiving a monthly invoice for a storm water fee starting January 2019.

Vice Chairman Haugen brought attention to the news article on the 2018 Airsho and the funds the Airsho Committee were able to donate to charitable organizations. He stated the airshows are a lot of work and thanked everyone involved.

The meeting of the Municipal Airport Authority was adjourned until the next Regular Meeting to be held Tuesday, December 11, 2018.

Time at adjournment was 8:35 a.m.

Regular Meeting

Tuesday

December 11, 2018

The Regular Meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held Tuesday, December 11, 2018, at 8:00 a.m. in the Airport Boardroom.

The members present or absent were as follows:

Present: Linn, Blazek, Lind, Haugen

Absent: Clark

Others: Bossart

Vice Chairman Haugen presiding.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held November 27, 2018:

The minutes of the Regular Meeting of the Municipal Airport Authority held November 27, 2018, were approved without objection.

Approved the Airport Vouchers Totaling \$82,676.58:

Mr. Lind moved to approve the airport vouchers totaling \$82,676.58.

Second by Ms. Linn.

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

Absent and not voting: Clark

The motion was declared carried.

Approved the Individual Voucher to Sixel Consulting Group:

Ms. Linn moved to approve the individual voucher in the amount of \$3,514.00 to Sixel Consulting Group for November passenger enplanement fees for Frontier Airlines.

Second by Mr. Lind.

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

Absent and not voting: Clark

The motion was declared carried.

Approved the Individual Voucher to Cass County Treasurer:

Ms. Linn moved to approve the individual voucher in the amount of \$56,841.86 to the Cass County Treasurer for 2018 property taxes and drain taxes.

Second by Mr. Lind.

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

Absent and not voting: Clark

The motion was declared carried.

Approved the Individual Voucher to the City of Fargo

Ms. Linn moved to approve the individual voucher in the amount of \$37,179.65 to the City of Fargo for special assessments (paid in full) for PR-17-H, asphalt mill and overlay.

Second by Mr. Lind.

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

Absent and not voting: Clark

The motion was declared carried.

Approved the Individual Voucher to Flint Communications:

Ms. Linn moved to approve the individual voucher in the amount of \$30,653.90 to Flint Communications for partial payment request for the 2018 Airport Marketing Program.

Second by Mr. Lind.

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

Absent and not voting: Clark

The motion was declared carried.

Approved the Individual Voucher to Fargo Jet Center:

Ms. Linn moved to approve the individual voucher in the amount of \$32,638.08 to Fargo Jet Center for 2018 co-op marketing.

Second by Mr. Lind.

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

Absent and not voting: Clark

The motion was declared carried.

Approved the Individual Voucher to TL Stroh Architects:

Ms. Linn moved to approve the individual voucher to TL Stroh Architects for partial payment request for architectural and engineering services in connection with the Elevated Walkway.

Second by Mr. Lind.

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

Absent and not voting: Clark

The motion was declared carried.

Approved the Individual Voucher to Northern Improvement Company:

Ms. Linn moved to approve the individual voucher to Northern Improvement Company for Partial Payment Request No. 8 (Final) for construction of the Taxiway A and A1 Reconstruction Project, AIP47.

Second by Mr. Lind.

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

Absent and not voting: Clark

The motion was declared carried.

Received Communication from COGI, Inc. Requesting Eastside Terminal Lease Extension:

The communication dated November 27, 2018, from Mr. Mark Cromack, Cogi, Inc. was received and filed without objection.

Mr. Dobberstein stated Cogi, Inc. is requesting a one-year extension of their lease effective December 1, 2018.

Ms. Linn moved to approve the request for a one-year extension to the lease with Cogi, Inc.

Second by Mr. Lind.

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

Approved Eastside Terminal Lease Extension for Altig, Inc., Subject to Review:

Mr. Dobberstein stated we have had initial conversations with Mr. Brian McTernan of Altig, Inc. regarding an extension of their lease in the Eastside Terminal. He stated we do not yet have a written request but it sound as if they will be requesting a one-year extension.

Mr. Blazek moved to approve a one-year lease extension for Altig, Inc., subject to legal review.

Second by Ms. Linn.

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

Received Communication from Spectrum Aeromed:

The communication from Spectrum Aeromed dated December 5, 2018, was received and filed without objection.

Mr. Dobberstein stated the current owners of Spectrum Aeromed (Snaky Creek Enterprises, LLC) are negotiating the sale of the business to Heartland Equity Partners II, LLC and the name of the business will remain Spectrum Aeromed, LLC. He stated Mr. Thomas Ahonen is here representing Heartland.

Mr. Dobberstein stated Heartland is proposing to assume the current Spectrum leases with some minor revisions. He stated Attorney Bossart has reviewed the proposal and has been working with their legal counsel. He stated the current leases with Spectrum had different expiration dates for the office space in the Eastside Terminal and the lease for Hangar #9 but those will be changed so they are the same. He stated the buyers are proposing the same lease rate for the office space with the standard 3% escalator, but they are asking for consideration that the renewal rate increases for

Received Communication from Spectrum Aeromed: (Continued)

the hangar be changed from the 3% to CPI. He stated the Airport Authority currently owns three hangars that are leased to tenants. Hangar #9 to Spectrum and Hangars #3 and #4 to Fargo Jet Center. He stated none of those leases use CPI as the basis for annual increases. He stated making a change on this lease would set a precedent.

Vice Chairman Haugen stated the variance between 3% and CPI is not much.

Mr. Blazek stated CPI is 2% or less and shrinking.

Mr. Thomas Ahonen was recognized and stated first that Heartland Equity Partners is delighted to be investing in this business in Fargo. He stated with regard to CPI, that is common in all of the leases they do and they feel it is a fair escalator for a lease. He stated CPI has been lower in the last couple of years but no one knows what it will do in the future.

Mr. Dobberstein stated the lease agreement is five years, with some options, and the target date for the assumption of the lease is December 31, 2018.

Mr. Lind asked if they will be running aircraft out of the hangar.

Mr. Ahonen stated no. They will be continuing the business as it is being operated now.

Mr. Blazek stated he is inclined to retain the 3% escalator. He stated he does not want to set precedence as we will have other tenants asking for the same, and then if the CPI goes above 3% we will get requests to lower increases to a percentage.

Mr. Lind stated he agrees.

Mr. Blazek moved to approve the assignment of lease from Snaky Creek Enterprises, LLC dba Spectrum Aeromed to Heartland Equity Partners II, LLC, dba Spectrum Aeromed, LLC, leaving the 3% annual escalator in place on both the office space and the hangar.

Second by Mr. Lind.

Mr. Dobberstein stated it is probably in our best interest to leave the 3% escalator in place, but as with any of our leases, we can review the terms at the end of the current term.

Mr. Rick Flacksbarth, Cityscapes Development, was recognized and stated basing a lease rate on CPI is a lot like an adjustable rate mortgage. Sometimes the tenant will come out ahead and sometimes the property owner will come out ahead. He stated if you are looking for continuity, you set it at a percentage and leave it at that. He stated locally we are finding a trend away from using CPI.

Mr. Jim Sweeney, Fargo Jet Center, was recognized and stated they would love to see a CPI, but the board may want to do some research on what other airports are using.

Mr. Lind stated his opinion is that Spectrum is not running aircraft out of the hangar so they are not using it as an aircraft base hangar so if they are getting charged another percent or so and are not happy about it they are able to find suitable space elsewhere.

Vice Chairman called for the vote on the motion.

Linn, Blazek, Lind voted aye.

Haugen voted no.

The motion was declared carried.

Mr. Dobberstein stated there is one other item related to this, a Landlord's Consent for the leases, which has been reviewed by Attorney Bossart. He stated Choice Financial Group has been granted security interest in the assets described for Spectrum Aeromed, LLC. He stated this document is similar to many we have approved for other tenants.

Received Communication from Spectrum Aeromed: (Continued)

Mr. Blazek moved to approve the Landlord's Consent agreement requested by Choice Financial Group in case of default by Spectrum Aeromed, LLC.

Second by Ms. Linn.

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

Received Request from CenturyLink for Easement (South General Aviation/Eastside Terminal Area):

The communication from Matt Potter, CenturyLink, dated December 3, 2018, was received and filed without objection.

Mr. Dobberstein stated CenturyLink is requesting an easement along the south side of 23rd Avenue North about 1000' from the gate on 23rd Avenue toward the west. He stated this is for a request they received for facilities in the Eastside Terminal Building. A diagram of the proposed easement was included.

Mr. Blazek stated he recalls an existing easement in that area and recommended the item be tabled until we can get some further information as far as available space in the existing easement.

The item was tabled.

Received and Approved Parking Concession Contract with SP Plus:

Mr. Dobberstein stated the board recently selected SP Plus for a five-year contract for the public parking facilities. He stated he and Attorney Bossart have been working with Jason Finch, SP Plus, on the contract document and everything is in order. He stated SP Plus plans to start the shuttle service in the next week and they will also be spending another \$100,000 on other improvements, such as a corporate parking program.

Ms. Linn moved to approve the five-year parking concession contract with SP Plus.

Second by Mr. Blazek.

Mr. Lind stated he would like to see us add the new parking lot services to our airport marketing program so the public is aware of the added service.

Ms. Linn suggested adding a crawler on the bottom of the current commercials announcing those services, which would be a less expensive option than changing the commercials as they have probably already been produced. She recommended also incorporating that information on printed advertisements.

Mr. Dobberstein stated we plan to work with Flint and the SP Plus communications people to announce the additional services once the dates are firm.

Vice Chairman Haugen called for a vote on the motion.

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

Received Update on the Renewal of the Airport Liability Insurance Policy:

Mr. Dobberstein stated our Airport Liability Policy is up for renewal on January 1 and AIG is not yet ready to give Northstar Aviation Insurance a firm price . He stated the premium in 2018 was just over \$37,000. He stated for the new term, if we elect to have a \$5,000 per occurrence deductible the premium will probably be in the range of \$43,000-\$45,000. He stated if we elect not to have a deductible the premium would be \$49,000-\$51,000. He stated he hopes to have more information this week.

Mr. Blazek moved to approve the renewal of the Airport Liability Policy with a \$5,000 per occurrence deductible, subject to final review.

Second by Mr. Lind.

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

Adopted Resolution of Appreciation for Retiring Airport Assistant Fire Chief, Barry Reitan:

Mr. Dobberstein stated Assistant Fire Chief, Barry Reitan, will retire on December 14, after 29 years of service on this airport.

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

WHEREAS, Airport Assistant Fire Chief, Barry Reitan, will complete his last shift as an airport firefighter at Hector International Airport on December 14, 2018, and

WHEREAS, Barry Reitan has served as a firefighter at Hector Airport for 29 years, first serving with the ND Air National Guard Fire Department and then with the Airport Fire Department, providing valuable experience during the transition in 2014, and

WHEREAS, Barry Reitan has been a dedicated and valued employee on the airport, being an important asset to the fire department and his service has been greatly appreciated and will be missed.

NOW THEREFORE, BE IT RESOLVED, That the Municipal Airport Authority thanks Mr. Barry Reitan for his many years of service and extends its best wishes in his retirement and his future endeavors.

Second by Ms. Linn.

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

Received Updated on Proposed MOU and Compensation Study:

Attorney Stacey Bossart was recognized and stated she and Chairman Virginia Clark met with Mayor Mahoney and City Attorney Erik Johnson in the mayor's office for about an hour and a half last Thursday. She stated the two subjects were the very antiquated and outdated Memorandum of Understanding, which was drafted in 1969, as well as the amendment, which removed the expiration date of the original agreement, essentially meaning the original agreement is in place. Attorney Bossart stated the MOU provided that the MAA would pay the City of Fargo \$30,000 annually for services provided and that amount was increased to \$50,000 by board action in 1986.

Received Updated on Proposed MOU and Compensation Study: (Continued)

Attorney Bossart stated the discussion was basically; can we arrive at some sort of understanding where the MAA continues its relationship with the City of Fargo or do we part ways and hire independent entities to perform those functions? She stated the biggest rub seems to be that the City of Fargo deems the airport employees as City of Fargo employees. She stated both the mayor and Mr. Johnson absolutely acknowledge the state statute (2-06) and the autonomy and powers of the Airport Authority.

Attorney Bossart stated the issue of the compensation study came up and she stated the position of the Airport Authority remains the same. She stated the information requested by the City was provided to the City and they did not find it acceptable. She stated the mayor is now requesting another compensation study be done, with the involvement of the Human Resources Office.

Attorney Bossart stated it seems as though what the MAA proposed as far as the MOU is not on the table, however, discussions were not shut down. She stated they discussed the matter of the increased fee and the fact that it is up to the City of Fargo Finance Office to present justification to the FAA for the increase. She stated she offered to work as a liaison between Kent Costin and Dave Anderson with the FAA. She stressed to them that the Airport Authority is absolutely willing to pay the proper amount for the services.

Ms. Linn stated she would like to note that it was one year ago this January that we sat in this office with Mr. Don Kilander and redlined a proposed MOU and now more than ten months later they are wanting to go backwards.

Attorney Bossart stated she does not feel it would be going all the way back, but it seems to be in limbo. She stated the two options are to work out an agreement or part ways.

Vice Chairman Haugen stated it seems to be a great way to stall any decision on a compensation package. He stated we will have another study done and that will not be acceptable. He stated he is also concerned that we are being asked to increase our payment to the City from \$50,000 to over \$90,000, yet nothing has changed and we are not getting anything more. He stated the FAA may see that as just a transfer of airport funds and if they do not approve the increase what happens then?

Mr. Blazek stated we have a vendor (City of Fargo) providing human resources/payroll services for a fee and they are not meeting our expectations. He stated we actually had an airport employee that brought some issues to the Human Resources Office and those correspondences were never even brought to Mr. Dobberstein's attention. He stated that is a big red flag to him that we should have terminated the services at that time. He stated he agrees with Vice Chairman Haugen.

Mr. Lind stated we have a good quote from ProResources for the human resources and payroll functions, but we do not have a quote for the accounting or IT services. He stated he would like to see us get an idea of the cost for those services.

Mr. Blazek asked if we could still use the City for those services but contract with someone else for our payroll and human resources functions.

Attorney Bossart stated Attorney Johnson did not have the answer for that, whether it would have to be a total or partial carve out.

Received Updated on Proposed MOU and Compensation Study: (Continued)

Vice Chairman Haugen stated this discussion on who owns the airport, the City of Fargo or the Municipal Airport Authority, spurred him to go to the Cass County Auditor's Office and reviewed all of our tax statements and they all show the property owner as the Municipal Airport Authority. He stated he then took the tax statements to the Registrar's Office and all of the plat books show the parcels at Hector International Airport as being owned by the Municipal Airport Authority, even the land deeded to the Airport Authority by the City of Fargo. He stated there is fact and then there is assumption. He stated the confusion that is raised here needs to be resolved. He stated to maintain ties with the City for payroll and the rest of the services just adds to the confusion. He stated he agrees we need to find out the least expensive and best ways for our employees, but we have a responsibility to do it in a manner that is best for the Municipal Airport Authority and the traveling public. He stated he would be willing to see if we could carve out something, but this confusion/animosity that continues to exist about whether or not the employees at the airport are city employees or not needs to be resolved.

Ms. Linn now absent.

Attorney Bossart stated she got the feeling in the discussion that there is an acknowledgement that the MAA is clearly a separate and distinct municipal entity and the autonomous power of the Authority. She stated there is also the part of the statute where the mayor, with the vote of the commission, can dissolve the board and appoint themselves as the authority, which was spoken of very briefly. She stated she had proposed that if there were to be a new MOU, including an absolute recognition of the independence and autonomy of this board, and then only for purposes of the services the City would provide, airport employees would be deemed city employees for that purpose only. She stated she did not get a yea or nay there, nor does she have one here. She stated the relationship between the City of Fargo and the Municipal Airport Authority started out as a very symbiotic relationship and for whatever reasons over the years it has eroded.

Vice Chairman Haugen stated he would like to further consider contracting with a firm to handle our human resources and payroll service. He stated if it is possible to continue to contract with the City for the other services we can look into whether that is possible.

Mr. Blazek stated he agrees the City has met our expectations with the services provided for accounting and IT, but they have not met our expectations as far as human resources and payroll.

Mr. Dobberstein stated we did receive the proposal from ProResources for human resources and payroll services. He stated the pension plan for employees would not change. He stated precedence for that has already been set. He stated Fargo Park District employees are also on the City of Fargo Pension Plan. He stated if we were to move ahead with that we would have to put out a request for proposals, but he is not aware of any other company in the area that provides the services that ProResources provides. He stated there are many companies that do just payroll but not the full line of human resources services.

Mr. Dobberstein stated we still have an agreement with the City in place, nothing has changed. He stated the FAA needs to receive the City's rationale for the increase from \$50,000 to \$90,000+ and once they do receive it he does not know how long it will take for them to review it.

Attorney Bossart stated she explained to them that the airport has budgeted for the increase and is able to pay it, as soon as it is approved by the FAA, but not until then.

Mr. Lind stated that has been more than explicitly explained to them a number of times. He stated the question seems to be more when will the City Finance Office finalize their justification.

Received Updated on Proposed MOU and Compensation Study: (Continued)

Vice Chairman Haugen stated he would like to look at the IT piece separately from payroll and the other services.

Mr. Blazek stated he has not heard of any issues with the IT or accounting services.

Mr. Dobberstein stated he feels our relationship with IT has been good. He stated we pay for our portion of the bandwidth, etc. He stated we also have a good relationship with Kent Costin and the Finance Department. He stated we do not have any issues in either of those two areas. He stated we could certainly look into some IT alternates.

Mr. Lind stated he would like to see a quote just to know what we would be getting into.

Vice Chairman Haugen stated we will continue to work with the City of Fargo on an MOU.

Attorney Bossart stated she will go back to Attorney Erik Johnson and continue discussions and see if we can carve out portions of the services and value them.

Airport Construction and Security Update:

Mr. Dobberstein stated the grant closeout for Project AIP47 (Taxiway A and A1 Reconstruction) has been submitted to the FAA. The grant was \$5.8 million and we will be turning back the \$41,000 we did not use.

Mr. Dobberstein stated Mr. Terry Stroh, TL Stroh Architects, will have an update on the skyway project at our next meeting in January.

Mr. Dobberstein stated our PFC #9 Application is pending with the FAA office in Bismarck.

Authorized Attendance at the AirCargo Conference, February 10-12, 2019, Las Vegas, NV:

Mr. Dobberstein stated he distributed information to the board members about the AirCargo Conference in February. He stated he was asked to attend but is not certain the scheduling will work. He stated the representatives we work with from FedEx and UPS will be attending.

Mr. Blazek moved to authorize attendance at the AirCargo Conference, February 10-12, 2019, Las Vegas, NV, by any board member or staff, at the discretion of the Executive Director.

Second by Mr. Lind.

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

The meeting of the Municipal Airport Authority was adjourned until the Annual Meeting to be held Tuesday, January 22, 2019, at 8:00 a.m.

Time at adjournment was 8:53 a.m.