

Annual Meeting

Tuesday

January 22, 2019

The Annual Meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held Tuesday, January 22, 2019, at 8:00 a.m. in the Airport Boardroom.

The members present or absent were as follows:

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

Vice Chairman Haugen presiding.

Approved the Minutes of the Regular Meeting Held December 11, 2018:

The minutes of the Regular Meeting of the Municipal Airport Authority were approved as amended.

Approved the Airport Vouchers Totaling \$173,097.57:

Mr. Blazek moved to approve the airport vouchers totaling \$173,097.57.
Second by Mr. Lind.
On the call of the roll, members Blazek, Lind, Haugen voted aye.
Absent and not voting: Linn, Clark
The motion was declared carried.

Approved the Individual Voucher to Sixel Consulting Group:

Mr. Lind moved to approve the individual voucher in the amount of \$3,528.00 to Sixel Consulting Group for Frontier passenger enplanement fees - December 2018.
Second by Mr. Blazek.
On the call of the roll, members Blazek, Lind, Haugen voted aye.
Absent and not voting: Linn, Clark
The motion was declared carried.

Approved the Individual Voucher to TL Stroh Architects:

Mr. Lind moved to approve the individual voucher in the amount of \$87,200.00 to TL Stroh Architects for partial payment request for architectural and engineering services in connection with the Elevated Walkway.

Second by Mr. Blazek.

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

Absent and not voting: Linn, Clark

The motion was declared carried.

Received Communication from F-M CVB Regarding Information Center:

The communication dated January 3, 2019, from Charley Johnson, President/CEO of the FM Convention & Visitors Bureau, was received and filed without objection.

Mr. Dobberstein stated the CVB is requesting the Airport Authority participate in \$6,000 of the cost of the employees at the Airport Information Center. He stated we have done this in the past. He stated they have a great group of people working at the Information Center and they help take away many of the phone calls to our office.

Mr. Blazek moved to approve the payment of \$6,000 to the FM CVB to defray the cost of the employees at the Airport Information Center.

Second by Mr. Lind.

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

Received Proposed Encroachment Agreement with AutoBAHN for SE Cass Drain No. 10:

The communication dated December 21, 2018, from Sean Fredricks, Ohnstad Twichell Law Firm, was received and filed without objection.

Mr. Dobberstein stated Mr. Fredricks represents the SE Cass Water Resource District. He stated AutoBAHN is the local consortium of car rental agencies (Budget, Avis, Hertz, National) that was formed a number of years ago to build the service facility west of the terminal building. He stated AutoBAHN is looking at building an addition to the facility but before they can make the request to the Airport Authority, they would need to get approval from Southeast Cass, due to the proximity of the facility to County Drain 10 and the resulting encroachment.

Mr. Dobberstein stated Mr. Fredricks provided a draft Encroachment Agreement between Southeast Cass, AutoBAHN and the Municipal Airport Authority. He stated any issues that this addition would cause to the drain in the future would be covered in another agreement with AutoBAHN, because they will have to request an amendment to their lease with the MAA for additional square footage. He stated that lease amendment would contain a hold harmless agreement for the MAA. He stated this Encroachment Agreement would be the first step for AutoBAHN in the process for the building addition.

Attorney Stacey Bossart was recognized and stated the only thing that jumped out to her during her review of the agreement was the joint and severable liability language. She stated unless you are the lawyer incorporating that, lawyers don't like it. She stated that language means that if something goes wrong, both owner and tenant can be held responsible. She stated we do have the hold harmless language in our lease with AutoBAHN so the MAA would be covered.

Received Proposed Encroachment Agreement with AutoBAHN for SE Cass Drain No. 10: (Cont'd)

Mr. Blazek stated AutoBAHN appears to be a shell amongst all of the car rental agencies. He asked if there was another layer of protection should AutoBAHN go bankrupt and leave us with any problems. He stated he would like to see another layer of protection.

Vice Chairman Haugen asked if it is likely that the county is going to grant this request.

Attorney Bossart stated she believes they will.

Mr. Dobberstein indicated he supports this request.

Mr. Blazek moved to approve the proposed Encroachment Agreement with AutoBAHN and Southeast Cass Water Resource District.

Second by Mr. Lind.

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

Received Request from ND Aviation Council Regarding 2019 Upper Midwest Aviation Symposium Sponsorship:

Mr. Dobberstein stated the Upper Midwest Aviation Symposium will be held March 3-5, 2019, in Bismarck. He stated his recommendation is the Ground Control Sponsor for \$2,000.

Mr. Blazek moved to approve the \$2,000 Ground Control Sponsorship of the 2019 Upper Midwest Aviation Symposium.

Second by Mr. Lind.

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

Received Notice from US DOT Regarding Extension of Small Community Air Service Development Program Grant:

Mr. Dobberstein stated the US DOT has extended the Small Community Air Service Development Program Grant, which was issued to us September 15, 2017. The grant has been extended until January 11, 2020. He stated the purpose of this grant is to secure service to Seattle. He stated our partners in this grant are the Greater FM Economic Development Corporation and the FM Convention and Visitors Bureau.

Amendment No. 1 to the grant was received and filed without objection.

Authorized Attendance at the Jumpstart Air Service Conference, June 3-5, 2019, Nashville, TN:

Mr. Blazek moved to authorize attendance at the Jumpstart Air Service Conference, June 3-5, 2019, Nashville, TN.

Second by Mr. Lind.

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

Authorized Attendance at the AAAE Annual Conference, June 16-19, Boston, MA:

Mr. Blazek moved to authorize attendance at the AAAE Annual Conference, June 16-19, 2019, Boston, MA.

Second by Mr. Lind.

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

Airport Construction and Security Update:

Mr. Dobberstein stated the FAA is reviewing our application for a \$12 million grant for the expansion of our air cargo apron. He stated Senator Hoeven did provide a letter of support and hopefully our chances are good and we hope to hear something by the end of the month.

Mr. Dobberstein stated Strata Corporation has ordered all of the equipment for the lighting rehabilitation on Dakota Drive.

Received Update on Proposed Skyway:

Mr. Terry Stroh, TL Stroh Architects, was recognized and stated he is here today to update the board on the design for the skyway and to review the construction estimate. Mr. Stroh stated the biggest change since the last presentation is how we are going to terminate the skyway into the terminal itself. He stated they are now proposing to cantilever the truss and it will meet the building but not be physically supported by the terminal building structure. He stated this has simplified the structure and is a less expensive option.

Mr. Stroh stated there is a major 8" water line coming into the terminal building. He stated they have decided to use helical piers for less disturbance to the area. He stated the design as far as the number of columns has not changed since the last presentation. He stated they have added a column inside the terminal building, which will support the walkway entry within the building, which will match the existing columns in the building. He stated they do not anticipate this to cause any disruption to the flow of passengers.

Mr. Stroh stated they have been working with Mead & Hunt to come up with various options for staging during the construction.

Mr. Jeff Klein, Mead & Hunt, reviewed the three options for the temporary road configurations in front of the terminal during construction. After review of the advantages and disadvantages of each option, he indicated the least preferred option is #3

Mr. Stroh stated they anticipate the disruption in front of the terminal building to last 3-4 months. He stated they will work with Mr. Dobberstein and Mr. Anderson on what they feel would be the best option.

Mr. Stroh reviewed the construction estimate as follows:

General Construction	\$ 9,585,000
Mechanical Construction	789,223
Electrical Construction	944,625

Received Update on Proposed Skyway: (Continued)

Electrical System (outside Contract)	200,000
Civil Construction	901,919
Sub-Total Construction Costs	\$12,420,767
Contingency - 5%	621,038
TOTAL CONSTRUCTION COST ESTIMATE	\$13,041,805

Mr. Stroh stated this estimate does not include any emergency (generator backup) power.

Estimated Annual Operational Costs:

Elevator Maintenance Contracts	\$ 5,400
HVAC Annual Costs	\$ 105,740
Maintenance Cost/Cleaning	\$ 30,000

In answer to a question from Mr. Lind, Mr. Stroh indicated they anticipate construction time would be 14-15 months.

Vice Chairman Haugen stated the Airport Authority has been looking at this project for longer than he has been on the board. He stated we continue looking at what we plan to do for parking and how to fund the skyway and possibly a parking ramp, but we still don't know what the full impact Uber and Lyft will have on parking at the airport. He stated maybe we are better off taking the \$13 million and adding a new gate to the terminal building.

Mr. Stroh stated right now the project is ready to be bid at the end of February.

Mr. Piepkorn stated he apologized but had to leave for another meeting this morning.

Vice Chairman Haugen asked if he had any comments before he leaves.

Mr. Piepkorn indicated he did not.

Mr. Stroh stated they have met with Mr. Dave Anderson, FAA Airports District Office in Bismarck, presented them with the plans and estimate and are waiting for their response.

Mr. Dobberstein stated even though this project would be eligible for FAA AIP grant funding, he proposes we look at using PFC funding. He stated the optional items could be funded through the PFC program as well. He stated at the end of the day the cost to the airport would be zero. It would be funded by passengers through PFC charges. He stated the FAA is reviewing the project right now for eligibility. He stated there are things that we can do to get the security system and eFIDS included, which is all part of the passenger experience.

Vice Chairman Haugen stated he is trying to envision the timeline from when this project is paid off and when we find ourselves in a position where we need another gate. He asked how long it would be before we would have more funds available.

Mr. Dobberstein stated we always have the option to borrow or bond for additional funds. He stated we have a lot of options in the future to do that.

Mr. Blazek stated so much depends on the possible additional federal funding (Trump grants) and the ND Prairie Dog Program. He stated those funds would go a long way to pay for the cargo

Received Update on Proposed Skyway: (Continued)

ramp expansion and also terminal building expansion. He stated it is a matter of prioritizing our expenses over the next ten years and coming up with funding sources. He stated the nice thing is that we are debt-free right now and that is huge. He thanked Mr. Dobberstein for his foresight on that.

Mr. Blazek suggested that we have a special meeting at which the topic of the capital improvement plan for the next ten years is the only agenda item. He stated he feels we could really have some dialogue in that setting.

Vice Chairman Haugen agreed that is a good idea.

Mr. Lind stated he would like to see the project bids first.

Vice Chairman Haugen stated we will come up with a date that will work for all board members and then schedule a special meeting.

Mr. Dobberstein stated there will be only one regular meeting and that is February 26.

Resolution of Congratulations to the ND Air National Guard on Receiving their 20th Outstanding Unit Award:

Mr. Blazek offered the following resolution of congratulations and offered its adoption:

WHEREAS, The 119th Wing of the North Dakota Air National Guard, located on Hector International Airport, Fargo, ND, has just been presented the Air Force Outstanding Unit Award, and

WHEREAS, This is the 20th time the 119th Wing has been given the Air Force Outstanding Unit Award, which is unprecedented, and

WHEREAS, The Municipal Airport Authority is proud of its long and valued relationship with the 119th Wing and does appreciate their presence on the airport.

NOW, THEREFORE BE IT RESOLVED, That the Municipal Airport Authority extends its sincere congratulations to the men and women of the 119th Wing and are confident this award will not be the last.

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 the Commander of the 119th Wing.

Second by Mr. Lind.

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

Elected Chairman of the Municipal Airport Authority for Calendar Year 2019, as per Bylaws:

Mr. Blazek moved to elect Gen. Mike Haugen Chairman of the Municipal Airport Authority for calendar year 2019, as per bylaws.

Second by Mr. Lind

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

Elected Vice Chairman of the Municipal Airport Authority for Calendar Year 2019, as per Bylaws:

Mr. Blazek moved to elect Ms. Tammy Linn Vice Chairman of the Municipal Airport Authority for calendar year 2019, as per bylaws.

Second by Mr. Lind.

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

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

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

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

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

WHEREAS, Dr. Clark's dediCAR II and commitment to the Municipal Airport Authority, Hector International Airport, its passenger, tenants and other stakeholders of the airport, have been consistently displayed under her leadership.

NOW, THEREFORE BE IT RESOLVED, That the Municipal Airport Authority does hereby commend Dr. Virginia Clark for her effective efforts and thanks her for her dedicated 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 Dr. Virginia Clark Johnson.

Second by Mr. Blazek.

All members present voted aye and 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, February 26, 2019.

Time at adjournment was 8:54 a.m.

Note: Special Meeting has been scheduled for Monday, February 25, 2019 at 3:00 pm.

Special Meeting

Monday

February 25, 2019

A Special Meeting of the Municipal Airport Authority was held Monday, February 25, 2019, at 3:00 pm in the Airport Boardroom.

The members present or absent were as follows:

Present: Linn, Blazek, Lind, Clark (via telephone), Haugen
Absent: None
Others: Bossart

Chairman Haugen presiding.

Discussed Capital Improvement Plan and Reviewed Future Funding Sources:

Chairman Haugen stated at the last meeting the board members requested this special meeting at which we will discuss our Capital Improvement Plan and review the future funding sources for these projects.

Mr. Dobberstein stated the board members received the 2019 Capital Improvement Plan which was submitted to the FAA for potential projects through 2034. He stated Mr. Jeff Klein, Mead & Hunt, has prepared a power point presentation reviewing where the airport gets its funding for construction and improvements.

Mr. Klein reviewed the proposed projects for 2019:

- Elevated walkway
- Cargo Apron Expansion – Phase IV
- Snow Removal Equipment Replacement
- Runway 36 Special Authorization CAT II – Justification Study
- Snow Removal Equipment Building Expansion – Design

Mr. Klein stated the Elevated Walkway is eligible for FAA/AIP funding but the plan has been if the board moves forward with the walkway to fund the project with PFC funding, since there are so many other AIP eligible projects which would carry a higher priority with the FAA. He stated we have submitted an application for additional federal grant funds for the Cargo Apron Expansion – Phase IV. He stated estimated cost of the expansion is \$15 million and our grant application was for \$12 million.

Mr. Dobberstein stated the Snow Removal Equipment (SRE) replacement includes brooms, plows and trucks, etc. needed to maintain the airport.

Discussed Capital Improvement Plan and Reviewed Future Funding Sources: (continued)

Mr. Klein stated in order to move forward with the Runway 36 Special Authorization Cat II Project we would first need to complete the Justification Study, which is proposed for 2019. The final item on the 2019 list is the design for the expansion of the Snow Removal Equipment Building (Maintenance Shop). The expansion project is shown in the 2020 schedule on the CIP.

Mr. Dobberstein stated it would be helpful for the board members to take a quick tour of the shop to see how much an expansion project is needed.

Mr. Blazek stated we might consider fast tracking the expansion of the SRE Building and do a design/build so we could be in the building by spring of 2020.

Mr. Terry Stroh, TL Stroh Architects, stated construction of an expansion to the current building or a new building is the type of construction that would be able to be done fairly quickly. He stated usually any delay is with waiting for materials.

Mr. Klein briefly reviewed the remaining projects through 2034. He noted the projects that are not eligible for any federal funding (AIP or PFC), a parking garage, rental car lot rehabilitation and expansion, parking lot rehabilitation and expansion.

Mr. Dobberstein stated we could see projects that we are not aware of at this point added to the plan next year. He added this is a working document that is subject to change at any time. He stated construction and improvements at the airport are never done.

Chairman Haugen asked the board members to review all of the information received today and be ready to make decisions at the meeting in the morning.

The Special Meeting was adjourned until the next Regular Meeting to be held Tuesday, February 26, 2019 at 8:00 a.m.

Time at adjournment was 4:11 p.m.

Regular Meeting

Tuesday

February 26, 2019

The Regular Meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held Tuesday, February 26, 2019, at 8:00 a.m. in the Airport Boardroom.

The members present or absent were as follows:

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

Chairman Haugen presiding.

Chairman Haugen stated if there is no objection we will move Items 14 and 10 up in the agenda order. There was no objection.

Approved the Minutes of the Annual Meeting Held January 22, 2019:

The minutes of the Annual Meeting of the Municipal Airport Authority held January 22, 2019, were approved without objection.

Approved the Airport Vouchers Totaling \$154,151.72:

Mr. Blazek moved to approve the airport vouchers totaling \$154,151.72.
Second by Mr. Lind.
On the call of the roll, members Linn, Blazek, Lind, Clark, Haugen 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 reports.
Second by Ms. Linn.
On the call of the roll, members Linn, Blazek, Lind, Clark, Haugen 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 \$3,224.00 to Sixel, LLC for January passenger enplanement fees for Frontier Airlines.

Second by Ms. Linn.

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

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

Approved the Individual Voucher to EideBailly:

Mr. Blazek moved to approve the individual voucher in the amount of \$2,050.00 to EideBailly for accounting services for the CY2017 PFC audit.

Second by Ms. Linn.

On the call of the roll, members Linn, Blazek, Lind, Clark, Haugen 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 \$204,920.00 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, Clark, Haugen 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 \$10,447.89 to Mead & Hunt for partial payment request for engineering services in connection with the Dakota Drive Lighting Rehabilitation Project, AIP48.

Second by Ms. Linn.

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

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

Approved the Individual Voucher to Flint Group - \$15,024.19:

Mr. Blazek moved to approve the individual voucher in the amount of \$15,024.19 to Flint Group for partial payment request for 2019 Airport Marketing Program.

Second by Ms. Linn.

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

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

Continued Discussion Regarding CenturyLink Easement Request for South General Aviation Area (UPS):

Mr. Dobberstein stated this request from CenturyLink for an easement in the south general aviation area along the south side of 23rd Avenue North was tabled at a previous meeting. He stated since that meeting CenturyLink and UPS have worked out the details and UPS does want this fiber line installed. He stated there is not currently an easement in the south boulevard along 23rd Avenue North. He added that plans showing the actual location will be provided after the line is installed.

Mr. Blazek moved to approve the request from CenturyLink for an easement along the south boulevard of 23rd Avenue North.

Second by Dr. Clark.

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

Received Update on Proposed Skyway:

Chairman Haugen stated the Airport Authority met yesterday in a special meeting to discuss the Airport Capital Improvement Plan out to 2034 and had a power point presentation on the various funding sources for capital improvements. Chairman Haugen stated we were at the point of deciding whether or not to solicit bids for the skyway project. He stated the big question mark at this time is how much funding, if any, we will receive from the \$12 million application we submitted for the federal transportation grant program to expand the cargo apron to accommodate the UPS operation. He stated he would like us to wait with a decision to move forward on the skyway until we have a determination from the FAA on the funding for the cargo apron expansion. He stated he would like to delay the decision at least one month.

Mr. Dobberstein stated our snow removal equipment needs total about \$2.7 million. He stated that would include one chemical truck with a plow, one blower and two brooms.

Mr. Blazek stated he would agree with the Chairman's assessment, however, he is not as optimistic that we would be able to delay the skyway for only a month. He would estimate more like a year. He stated after yesterday's discussion he feels the Snow Renewal Equipment Building expansion is more important right now. He stated the design of the skyway was money well spent. He stated the TL Stroh team did a wonderful job on the design and we needed this information to move forward with any future parking structure.

Mr. Dobberstein stated we asked for \$12 million for the cargo ramp expansion in this supplemental federal grant program and our application is in round #2 of consideration. He stated we have committed our \$3 million in entitlement funds for the project so if we receive only \$9 million we will have to commit two years of entitlement funds or \$6 million. He stated that basically means that every project on our CIP plan gets moved down one year. He added in that case we would need to have adequate funds on hand to cover construction until we receive 2020 grant funds.

Mr. Lind stated he also agrees that we should shelve the skyway for a while. He stated it is a fantastic blueprint and it's not like we are throwing it away. He stated the time is not right. He stated he would give the cargo ramp expansion and the SRE building and equipment a higher priority.

Received Update on Proposed Skyway: (Continued)

Ms. Linn stated reviewing the CIP through 2034 was a real eye-opener for her to look at all of the long term plans. She stated she did not understand the depth of the planning and the process that is involved with the airport so she doesn't think the public really understands the depth. She stated when you look at the walkway and look at the other projects in the CIP, the walkway is really a want rather than a need. She stated there are some very important projects that need to be done in the next two to three years.

It was the consensus of the board to delay the skyway project.

Reviewed 2019 Airport Marketing Plan with Flint Communications:

Ms. Tara Olson, Flint Communications, was recognized and introduced other team members Kristen Rheault and Sadie Rudolph.

Ms. Olson reviewed the social media summary for 2018 and goals for 2019. She stated we saw an increase in the social media following of about 13.5% over 2017 and the goal for 2019 is to continue that growth. She stated they also plan to continue interacting with passengers, helping them with timely information and updates. She stated we are in Year #2 of the three-year creative campaign for which the theme is "Reasons to Fly FAR".

Ms. Kristen Rheault was recognized and reviewed the budget spreadsheet for television, radio, print and online media. She stated the largest portion of the advertising goes to television with radio second. She stated they are proposing to pull some of the advertising out of radio and moving it to social media. She stated radio consists of mainly the 60 second live interactives.

Mr. Lind stated he is looking for our advertising and he is not finding it. He stated he sees something once in a while on television but he does not think the word on the complimentary shuttle service from the parking lot was getting out. He stated he would like to see more radio advertising and less television. He stated he would like to focus on the amenities at the airport rather than low fares. He added he would like to see the television spots take a different direction. He stated he think everyone knows that you can get anywhere in the world from Hector International Airport. He stated he wants to get passengers to park their cars at the airport. He stated he is not discounting what Flint is doing, he just would like to see the message shift a little.

Ms. Olson stated the ads we have were low budget purposely so they can be changed easily.

Ms. Rheault stated she thinks that shifting some of the budget from radio is a better idea than shifting from television. She stated we get fantastic rates on television and they are prime spots.

Ms. Linn now absent.

Ms. Sadie Rudolph reviewed the PR objectives for 2019.

After further discussion, Ms. Olson asked if the board would like them to go back and take a look at the media portion of the budget and evaluate the various types of media and see what changes can be made while keeping the budget amount the same.

Mr. Lind stated he would like to visit with Flint a little more on reallocation of some of the advertising dollars.

Mr. Blazek moved to approve the proposed 2019 program as presented by Flint, leaving the campaign mix up to the discretion of the Executive Director.

Reviewed 2019 Airport Marketing Plan with Flint Communications: (Continued)

Second by Dr. Clark.

Mr. Blazek stated in the past we have had Flint make their presentation just once a year. He recommended they give us periodic updates at meetings. He commended the Flint staff on keeping up with the community happenings this past year.

Chairman Haugen called for a vote on the motion.

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

Received Request from Victor Gelking to Extend FBO Agreement with Vic's Aircraft Sales, LLC:

The communication dated February 5, 2019 from Victor Gelking was received and filed without objection.

Mr. Dobberstein stated Mr. Gelking's FBO Agreement with the Airport Authority expired October 31, 2018, and he is requesting a month-to-month extension as his hangar is for sale. He is requesting the extension until December 31, 2019 or until the hangar sells, whichever occurs first.

Mr. Blazek asked if the board has ever granted a month-to-month extension for an FBO agreement.

Mr. Dobberstein stated we have not but this is a unique situation as the business is for sale.

Mr. Blazek moved to approve the extension of the FBO Agreement with Vic's Aircraft Sales, LLC as requested.

Second by Dr. Clark.

Mr. Lind asked if the agreement terminates upon sale of the hangar.

Mr. Dobberstein stated the agreement would terminate upon sale of the hangar.

Chairman Haugen called for a vote on the motion.

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

Receive Amended Legal Descriptions for Vic's, ABHN, Fargo Air Museum:

Mr. Dobberstein stated when the Fargo Air Museum did their recent building expansion project it was discovered that the legal descriptions for the adjacent properties were not correct. He stated Mead & Hunt cleaned up those legal descriptions for us and the leases will be adjusted accordingly. He stated Mr. Gelking received authorization some years ago to install concrete in the area between his hangar and ABHN but at the time his lease was not adjusted so we will add that square footage to his lease. He stated the square footage for ABHN will remain the same but the location of the hangar was not correct, so that correction has been made.

Authorized Purchase of Replacement Equipment via Sourcewell Public Bid Consortium (Shulte Rotary Mower, John Deere Tractor, Toro Groundmaster Mower) and Authorize Sale of Equipment (John Deere Flail Mower, Ford Expedition, International Truck):

Mr. Dobberstein stated Sourcewell is a public bid consortium through which any government entity can purchase equipment. He stated we are replacing older mowing equipment and the older equipment will be sold at auction. He stated if we place our orders now we have a good chance of

Authorized Purchase of Replacement Equipment via Sourcewell Public Bid Consortium (Shulte Rotary Mower, John Deere Tractor, Toro Groundmaster Mower) and Authorize Sale of Equipment (John Deere Flail Mower, Ford Expedition, International Truck): (Continued)

taking delivery before mowing season. He provided bid specification documents for the three pieces of equipment to be purchased.

Shulte Rotary Mower - \$22,448.53

John Deere Tractor - \$140,398.08

Toro Groundmaster - \$85,076.26

Mr. Lind moved to approve the purchase of the three pieces of mowing equipment via Sourcewell and authorized the sale of the John Deere fail mower, 1998 Ford Expedition and International Truck.

Second by Dr. Clark.

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

Received CY2018 PFC Audit Report from EideBailly:

Mr. Dobberstein stated EideBailly conducted the audit on the PFC Program for CY2018. He stated their findings were 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, 2018.

The audit report was received and filed without objection.

Received Update from ND National Guard Regarding 2019 Building Project:

Col. Clark Johnson, ND National Guard, was recognized and stated he would like to update the Airport Authority on the Guard's Fargo Readiness Center which will be starting construction this spring. He stated they currently have 25 acres on the airport under lease and have an additional 15 acres reserved for future aviation facilities. He distributed copies of the site plan and architectural rendering of the 100,000 square foot facility as well as an unheated storage building to the west.

Col. Johnson stated he has been working with Mr. Dobberstein to finalize the lease agreement and provide a legal description. He stated the facility will eventually have its own perimeter fence and will be outside of the airport fence. He stated there will be a period of time where we will be working within the airport fence during construction. He stated the project has been delayed more than they had hoped but they plan to advertise for bids in late March or early April. The project is planned to be done early in the summer of 2021. He stated he will continue to keep Mr. Dobberstein updated.

Col. Johnson stated not related to this project, they have had some concerns about traffic on the south general aviation area since UPS moved next to their hangar facility. He stated he has been working with Mr. Dobberstein and his staff about addressing these concerns and so far they have made it work. He stated the relocation of their aviation facilities is a number of years away.

Received Preliminary CY2018 Airport Improvement Fund Statement:

The CY2018 Airport Improvement Fund Statement was received and filed without objection.

Received Preliminary CY2018 Statement of Operations:

The Preliminary CY2018 Statement of Operations was received and filed without objection. He stated this statement is preliminary and will be finalized after the City of Fargo has completed their annual audit.

Received Proposed Contract With Mead & Hunt for Runway 36 Special Authorization CAT II Approach Justification Study:

Mr. Dobberstein stated at our meeting yesterday we discussed the Runway 36 Special Authorization CAT II Approach project which is on our Capital Improvement Plan. He stated we will work with the airlines and the FAA to find a way to get FAA approval of this project. He stated the contract with Mead & Hunt for the study is for a lump sum not to exceed \$70,300. He stated the study would be eligible for state funding and would be eligible for reimbursement from the FAA should the project move forward.

Mr. Blazek moved to approve the proposed contract with Mead & Hunt for the Runway 36 Special Authorization CAT II Approach Justification Study for a fee not to exceed \$70,300.

Second by Mr. Lind.

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

Airport Construction and Security Update:

Mr. Dobberstein stated we continue to wait for word on our supplemental federal grant application to fund the cargo ramp expansion.

Mr. Dobberstein stated last week Fargo had a visit from Mr. Darby LaJoye, Assistant Administrator of the Office of Security Operations for the TSA, which is the No. 3 position in the organization. He stated he and Darren Anderson met with Mr. LaJoye and had about half an hour to discuss the TSA operations in Fargo.

Other Business:

Mr. Dobberstein stated January was a record month at the airport with 37,000 passengers. He stated it has been a challenging couple of months for travel with winter weather across the country resulting in delays and cancellations.

Other Business: (Continued)

Dr. Clark asked what Delta and United are doing about their staffing in Fargo.

Mr. Dobberstein stated DGS has had their regional manager here and they are in the process of hiring a new station manager for Fargo. He stated they have hired a number of new employees who are doing their training and have had some TDY staff from other airports assisting in Fargo. He stated it has been a work in progress and has been extremely frustrating. He stated the Regional Manager for Delta who oversees all of the Delta stations in this region, Becky Lawless, plans to be at our next meeting on March 12.

Mr. Lind stated if Ms. Lawless is not able to be here we should make certain another Delta representative will attend.

Chairman Haugen stated the unfortunate thing is that DGS handles the operations for Delta, United and Frontier, so their lack of staff and poor management affects multiple airlines. He stated it is a bad situation when the public gets bad information and the airport gets blamed for deficiencies in functions that are airlines responsibilities such as baggage handling, de-icing, etc.

Mr. Dobberstein stated he will do his best to have a representative at our next meeting. He stated we cannot force them to attend but he will extend the invitation.

The meeting of the Municipal Airport Authority was adjourned until the next regular meeting to be held Tuesday, March 12, 2019, at 8:00 a.m.

Time at adjournment was 9:18 a.m.

Regular Meeting

Tuesday

March 12, 2019

The Regular Meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held Tuesday, March 12, 2019, at 8:00 a.m. in the Airport Boardroom.

The members present or absent were as follows:

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

Chairman Haugen presiding.

Approved the Airport Vouchers Totaling \$68,014.65:

Mr. Blazek moved to approve the airport vouchers totaling \$68,014.65.
Second by Dr. Clark.
On the call of the roll, members Linn, Blazek, Lind, Clark, Haugen voted aye.
No member being absent and none voting nay the motion was declared carried.

Approved the Individual Voucher to Sixel LLC:

Dr. Clark moved to approve the individual voucher in the amount of \$2,780.00 to Sixel LLC for February passenger enplanement fees for Frontier Airlines.

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

Approved the Individual Voucher to EideBailly:

Dr. Clark moved to approve the individual voucher in the amount of \$2,150.00 to EideBailly for accounting services for the 2018 PFC audit procedures.

Second by Ms. Linn.
On the call of the roll, members Linn, Blazek, Lind, Clark, Haugen 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 \$47,276.00 to Flint Communications for partial payment request for 2019 Airport Marketing Program.

Second by Ms. Linn.

On the call of the roll, members Linn, Blazek, Lind, Clark, Haugen 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 \$1,406.00 to Mead & Hunt for partial payment request for engineering services for the CAT-II Feasibility Study.

Second by Ms. Linn.

On the call of the roll, members Linn, Blazek, Lind, Clark, Haugen 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 \$111,180.00 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, Clark, Haugen voted aye.

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

Approved Amended Airline Operating Agreement with UPS:

Mr. Dobberstein stated when we entered into an Airline Operating Agreement with UPS last year it was our intent to have the agreement exactly the same as our agreement with FedEx. He stated we recently discovered that UPS had inadvertently omitted two paragraphs under Article IV – Fees to be Paid by Airlines, pertaining to ARFF charges and reimbursement for the cost of security ID badges. He stated he has contacted the UPS properties person and Attorney Bossart will draft an amended agreement and we will forward it to UPS for their signature.

Mr. Blazek moved to approve the Amended Airline Operating Agreement with UPS.

Second by Mr. Lind.

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

Authorized Purchase of Snow Removal Equipment:

Mr. Dobberstein stated as we have discussed recently, we are in need of another snow blower and two high speed brooms. He stated we have received a price of \$735,395.00 for an Oshkosh snow blower and a price of \$1,237,317.00 for two Oshkosh brooms. He stated these would be purchased through the HGACBuy (Houston-Galveston Area Council), which is a procurement service available to government entities nationwide. He stated this equipment is needed for the next winter season.

Authorized Purchase of Snow Removal Equipment: (Continued)

Mr. Dobberstein stated we are also in need of a spray truck but MB does not currently have their trucks available through Sourcewell or HGACBuy. He stated another option we may have, and we are having Attorney Bossart look into this for us, is to piggyback off the bid that the Sioux Falls Airport just completed. He stated we will get the Sioux Falls bid documents and review them and see if that is possible. He stated the cost of that truck was just under \$800,000.00. He stated this is a large truck that would handle all of the liquid chemicals needed on the airfield. He stated this larger truck would significantly reduce the amount of time it takes to treat the airfield.

Ms. Linn asked Mr. Dobberstein to again share the reason that we have this need for this additional snow removal equipment.

Mr. Dobberstein stated the amount of time that our crew is on the airfield has been significantly increased due to the number of operations with the cargo operations of FedEx and UPS. He stated this new equipment will help us to clear the airfield in significantly less time than our current equipment. He stated that all of the costs for these pieces of equipment are recoverable through PFC funds.

Mr. Blazek moved to approve the purchase of the snow removal equipment as proposed.

Second by Ms. Linn.

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

Discussed Airlines Operational Performance:

Mr. Dobberstein stated he would like to give some background information on why we are discussing airline operational performance. He stated there are a lot of people in attendance today to discuss this issue and he thanked them for being here.

Mr. Dobberstein stated since late December to the present we have seen significant operational issues with some of the airline performance. He stated that there are three ground service companies operating in Fargo that handle ticket counter and ramp operations for the airlines. Worldwide Flight Services (WFS) handles the operations for Allegiant Air and Sun Country charters, Envoy handles the operations for American Airlines, and Delta Global Services (DGS) handles the operations for Delta, United and Frontier. He added that the Airport Authority is not party to any of the agreements between airlines and ground service companies.

Mr. Dobberstein stated we have seen long waits to get airplanes to gates once they have landed, excessive amounts of time to get luggage, waiting to de-ice, and waiting at ticket counters for up to an hour. He stated we have seen a complete lack of staff, lack of trained staff and unreliable ground service equipment. He stated the airlines have six de-icing trucks on the airport and at times most of them are not working. He stated FedEx and UPS have their own de-icing trucks, as well as Fargo Jet Center. He stated hopefully things have improved in the last few weeks as attention has been drawn to the problem.

Mr. Dobberstein stated we have observed numerous times when there has been poor communication among staff and lack of communication and cooperation with other airlines resulting in problems with access to gates, pushback tractors, etc.

Discussed Airlines Operational Performance: (Continued)

Mr. Dobberstein stated the airport has been obliterated on social media by passengers who have been impacted by these things that are completely out of our control. He stated we try to respond to those as timely as we can. He stated a lot of it starts with misinformation that passengers are given. He stated often flight crews will advise passengers that it's the airport this or the airport that when it has nothing to do with us. He stated we are not alone in this and it is not unique to Fargo. He stated another airport director he knows was on board a flight and the pilot blamed the airport for whatever problem they were having with a de-icing truck. He stated he talked to the crew following the flight and they had no clue that the airport was not responsible for those functions but rather the airline. He continued that conversation with as many flight crews coming into his airport for the next few days and encountered the same reaction. The crew was not aware of the airline responsibilities vs. airport responsibilities.

Mr. Dobberstein stated there is a team of airline representatives that are here today:

Jeff Neikirk, Delta Global Services
Jason Ashley, United Airlines
Eric Shockley, Delta Global Services
Jeff Weaver – United Airlines

Mr. Dobberstein stated up until about 5:15 pm last night we thought someone from Delta Air Lines was going to be here but Delta has chosen to put all communications and any questions through their Corporate Communications (Mr. Michael Thomas). He stated Delta has been working with Dave Olson from The Forum. He stated they are trying to come out and get ahead of this in a public setting and take some public ownership of this. He stated he is not sure where United is on that.

Mr. Dobberstein stated both airlines have assured us that the impacted passengers have been contacted. He stated for us it is also about prospective passengers that have read the horrible experiences on social media. He stated the airport's reputation is at stake and has been damaged significantly by what has happened over the past few months. He stated we believe that it started with the change in ownership in Delta Global Services which occurred on or about January 1. He stated Argenbright took over majority control of DGS and Delta Air Lines now owns only 49% of it. He stated he believes there were changes in employee flight benefits and there was a mass exodus of employees from the Fargo station. He stated we saw this coming about Thanksgiving and they lost a lot of good people in the last few months. He stated we have people here trying to right the ship but unfortunately it took a while to bring TDY employees from other stations.

Mr. Dobberstein recognized Mr. Joe Raso, Greater Fargo-Moorhead Economic Development Corporation, and Charley Johnson, FM Convention and Visitors Bureau.

Mr. Dobberstein stated we have been preaching to the airline companies that the wages they are paying are too low and they will not be able to find and keep employees. He stated he put Mr. Raso in touch with Mr. Jeff Neikirk and they exchanged information to do a wage study which Mr. Neikirk can take back to Delta, United and Frontier to renegotiate their contract to increase wages.

Mr. Dobberstein stated these issues impact not only the airport but the businesses in the area and the complaints never seem to end. He stated we need to get the reputation of the airport restored.

Discussed Airlines Operational Performance: (Continued)

Chairman Haugen stated he is a retired airline captain and over the years he has seen what management has done to airlines. He stated there is good management and there is crappy management. He stated he has seen some really big name airlines come and go. He stated it starts with deteriorating customer service and that is what they have going on right now. He stated we saw it coming months ago and nothing was done. He stated the Airport Authority members are being personally blamed for the failure of the airlines. He stated he is tired of having people look at us as the culprits. He stated maybe we need the names of the airline representatives in this room to post their names and phone numbers on a sign in the baggage claim area telling passenger to call them if their luggage is late or lost.

Chairman Haugen stated he knows Fargo is not a big hub but in January we had 37,000 passengers using these airlines. He stated he would like to see us send a letter to the chief pilot of every airline involved and explain to them the negative aspects of crews stating a problem is the airport's fault when it is not. He stated flight attendants should be included in this.

Chairman Haugen stated he is glad these representatives are here and asked any other board members to make comments.

Mr. Lind stated he would like to hear from the guests first.

Mr. Joe Raso, President and CEO of the Greater FM Economic Development Corporation. He stated he has spent 25 years working with various airports in Iowa and Colorado. He stated he has been in Fargo about eight months now. He shared two personal flight experiences of family members that have been unlike anything they have experienced before. He stated he thought maybe it was just him but he kept on hearing comments from business leaders and others in the community. He stated he contacted Shawn and he graciously shared some information with him. He stated he then asked Shawn how the EDC could help. He stated they conducted an air service survey just in the last two and a half days and he provided the results of that survey among primary sector companies. He stated they received a 29% response rate, which is very high. He stated Delta and United are the airlines used most by the business traveler. He stated this community has a lot of pride in this airport and being a new resident to the region he gets good comments all the time. He stated recently the comments have been "what happened to our airport?"

Mr. Raso stated they work with site location consultants and businesses looking for cities in which to locate and they don't have to locate their businesses in this region. He reviewed the results of the survey they conducted. He also reviewed the wage information on airline positions.

Mr. Raso stated as the Economic Development Corporation they are here to partner with the Airport Authority and the airlines to resolve this problem. He stated what passengers have been experiencing in the last three to four months is not representative of the history of customer service at this airport.

Mr. Piepkorn was recognized and asked if there are any airports that handle de-icing and other operations and then bill the airlines for the service.

Mr. Dobberstein stated there are a few in the country but in areas where they do not deal with de-icing much. He stated they struggle with finding enough employees also.

Mr. Raso stated most business people don't know all of the operations of an airport and who is responsible for what, but after 25 years in economic development, the response they get from business people regarding this and various other problems in a community is, "I don't care, just get it fixed." Mr. Raso stated he and his team are committed to doing whatever they can to help.

Discussed Airlines Operational Performance: (Continued)

Mr. Charley Johnson, FM CVB, was recognized and stated he does not have the detailed data Mr. Raso provided, but he did share some experiences from his staff and all of the stories are very similar. He stated if people visiting Fargo have a bad experience they are not going to want to come back and no one moves here or starts a business here unless they visit first. He stated if their first impression is that the airport cannot get them in and out of the community in a timely and pleasant fashion that is going to have a negative impact on their decision.

Mr. Johnson stated he appreciates Mr. Dobberstein setting up this meeting today and the opportunity to voice concerns and implored the authority to do something about fixing this problem. He stated he hates to sound so negative but it is important that we get this fixed for everyone concerned. He added that he personally has heard flight crews on flights making fun of this airport.

Mr. Chris Wilson, Chief of Staff, North Dakota State University, was recognized and stated he is here today on behalf of President Bresciani. He stated President Bresciani wanted him to express the frustration he has been hearing about and also has experienced personally with air travel in Fargo. He stated our research, trade and agriculture is not only important on a local, regional and national level but also on an international level. He stated when we bring visitors to Fargo the first and last thing they see is the airport. He stated as far as recruiting students to the school and people to Fargo we already have the issue to overcome that people think we are too far north, too cold and too remote. He stated we all have to work together to get this resolved.

Mr. Jeff Neikirk, Regional Manager for Delta Global Services, was recognized and stated it has been painful to hear the comments this morning. He stated it has been a tough winter and it has taken its toll on our staff and leadership. He stated the majority of the pressures and challenges they have seen have been in the last 60 days. He stated even though the timing coincides with the new ownership and leadership of DGS he does not know that has any bearing on the situation. He stated as far as flight privileges for employees, there have been no changes in flight privileges for incumbents. He stated it has changed for their recruiting. He stated as far as the wages, they do feel the pressure is there to make changes and they are looking into that. He stated he did appreciate being put in touch with Mr. Raso.

Mr. Neikirk stated they have already made some significant changes in their leadership structure, from frontline to corporate leadership. He stated that has been a recent change and Mr. Eric Shockley is the new District Manager for DGS and he will be here on a daily basis for the entire month of March and beyond. He stated we have brought in TDY employees from other stations and also a number of resources in terms of training, mentoring, etc. He stated DGS is in almost 200 locations and overwhelmingly we do it well and we do it right. He stated we do have locations where we have our challenges but we address them. He stated he is committed to changing things. He stated we are here to be a partner. He stated he thinks we are headed in the right direction and we should see improvements soon.

Mr. Dobberstein stated what we have asked for from both Delta and United is public ownership of this problem by the airlines. He stated we are going to insist on the airlines taking public ownership of this problem (newspaper, press release, social media) so that we can begin to restore the public's confidence in this airport.

Discussed Airlines Operational Performance: (Continued)

Mr. Neikirk stated the airline industry is a great industry and as a person who started out de-icing and cleaning aircraft he would ask the community to encourage people, specifically young, driven people, to consider getting into the airline industry.

Mr. Blazek asked Mr. Neikirk if he is actually asking us to recommend people to come to work for DGS for \$8.50 an hour when they can work at a fast food restaurant for \$11.00 and more per hour.

Mr. Neikirk stated there are a lot of upsides to working in the airline industry. He stated there is a lot of room for growth and they are going to review the wages.

Mr. Dobberstein stated the cold weather was definitely a challenge all across the northern tier of the country and it took its toll on equipment.

Mr. Lind stated this was not a weather issue, it is a toxic management issue that drove experienced, hardworking people away from DGS. He stated DGS had toxic management here and they didn't do anything about it. He stated it takes weeks to get a new employee trained and even after that it takes a couple of months to leave an employee to perform on their own. He stated it takes a lot of adult mentorship for someone to be supervised and be able to perform the job. He stated DGS lost everyone who knew what they were doing and they are starting from zero so it could still be several months before getting back on track. He asked if they are going to maintain the TDY staff until the new staff is ready.

Mr. Neikirk stated mentoring is for the duration, whatever that takes. He stated some positions take longer for training than others.

Mr. Lind asked if DGS is going to try to hire back some of the employees that left because of the toxic management.

Mr. Neikirk stated if that was the reason and the employee left on good terms they would hire them back. He stated we don't know the specifics.

Mr. Lind stated DGS needs to know. He stated he thinks it is shameful that DGS is trying to blame this on the weather because none of this was weather related. He stated weather may have been a contributing factor but he personally knows some people who left because they felt it was an awful place to work and that is something DGS can fix.

Ms. Linn thanked the airline representatives for being here because she knows this is an uncomfortable situation. She asked Mr. Neikirk the timeline of when they think the wage problem will be changed. She stated when the unemployment rate is as low as it is in Fargo it is a problem for employers. She asked if DGS does exit interviews with employees. She stated there is a reason that the windshield is many times bigger than the rear view mirror. She stated yes, things have happened, and we need to reflect on those but we need to look forward and see what we can do to solve the problems and make sure they don't happen again.

Mr. Neikirk stated as far as wages it usually takes a few weeks to make that change but we have already started the process so we are a couple of weeks into it. He stated he could not give an exact time. He stated we don't do exit interviews with frontline employees but that is a good idea. He stated if anyone knows a former employee interested in returning to DGS please refer them to him.

Mr. Neikirk stated the three main areas of change are going to be wages, recruiting strategy and leadership.

Discussed Airlines Operational Performance: (Continued)

Mr. Neikirk stated he believes the wage change will be a little easier because of the pressures we have felt here. He stated they have already made the changes in leadership. He stated their recruiting strategy in the past has been the flight privileges they had to offer. He stated there are still flight privileges but they do have a low priority.

Mr. Dobberstein stated the new station manager in Fargo is Wayne Lougheed, a retired Air Wisconsin pilot. He stated that station manager has three airlines to operate – Delta, United and Frontier.

Ms. Linn stated she feels we really need to connect with the passengers. She stated the airlines need to make sure they are doing even those little things for passengers after an unfortunate incident, even if it is having pizza waiting for them. She stated we need to get back the reputation of the airport and the airlines. She stated the passengers are the reason we are all here. She stated we need to be more proactive to address those negative situations.

Mr. Neikirk stated Chairman Haugen recommended putting a sign with the airline representatives' names and numbers by baggage claim. He stated he feels we should have a staff member dedicated to baggage issues. He stated there are baggage service offices at some airports but the baggage issues here are handled at the ticket counter and they need to do a better job. He stated they do stress to their agents that passengers have a first impression and a last impression.

Chairman Haugen stated the Airport Authority does a lot of advertising which benefits all of the airlines serving Fargo. He stated right now he does not see the reputation of this airport coming back for at least six months to a year because of the damage that has been done by the airlines.

Dr. Clark asked if DGS is recruiting now without knowing the increased wage?

Mr. Neikirk stated they are recruiting at the current rate right now and are receiving candidates. He stated he does not make any promises when they hire but the expectation is that the wage will be increased for everyone.

Mr. Jim Sweeney, Fargo Jet Center, was recognized and stated they fuel every airline operating on the field. He stated he will not go into dozens of stories as an airline passenger who has the highest flying status on one of the airlines. He stated he feels if the airport had one employee from each airline (the company who has their name on the billboard) here full time that would make a huge difference. He stated his frustration is with airlines having multi billion-dollar record profits and we can't have one person from each airline here in Fargo. He stated the airline industry has changed so much in FJC's brief twenty plus years in business on the airport and their relationships with the airlines.

Mr. Sweeney stated his first suggestion would be to have that one employee (mainline) from each airline stationed at this airport. He stated the second has to do with on-time departures and he knows while this is a federal issue there should be some common sense added to the process. He stated if the airline knows there is going to be a 90-minute delay for de-icing or a delay in Minneapolis, or whatever the situation may be, the industry has us boarding that aircraft and pushing away from the gate. He stated there is no logic to it other than to maintain a rating for on-time departures. He stated he knows he is not going to change the airline industry but he feels it is a valid point.

Discussed Airlines Operational Performance: (Continued)

Mr. Sweeney stated he is a direct competitor for employees and Fargo Jet Center has 35 plus employees that do a lot of the same job functions the airlines employees do. He stated their starting wage is \$14.00 per hour and his line manager is constantly pushing him to bump that up.

Mr. Sweeney stated he has one final suggestion for the airlines. He stated we do get cold weather here and the machines and equipment used in airline operations are adversely affected in sub-zero temperatures. He stated FJC is pleased to be the on-call maintenance service provider for every airline that operates in Fargo and they have attained the federal standard that allows them to hire us to do that service. He stated when it is 10 degrees or lower, call us the night before and have us here at 4:00 or 5:00 am, and even if you have to pay us a couple of hundred dollars to sit and drink coffee you will be much better off than calling us and waiting for us to respond. He stated even if they are responding from their shop it is a minimum 30 or 45-minute dispatch. He stated this would be an easy solution and it would save a lot of time.

Mr. Piepkorn asked if Fargo Jet Center does de-icing.

Mr. Sweeney stated they have a de-icing truck. He suggested the airlines have FJC on backup call. He stated they do not do a lot of de-icing on the aircraft hangered in their facilities.

Mr. Dobberstein stated we called FJC to assist when the airlines were down to only one de-icing truck but the problem was different aircraft require different types of de-icing fluid.

Mr. Sweeney stated the Airport Authority should never have had to have been involved this airline function. He stated this airport does a fabulous job with its airport operations. He stated this airport never closes because of the excellent work by the airport staff. He stated he can't stand it when he hears someone report the airport in Fargo is closed when it never closes. He stated if he has to add three more de-icing trucks to his fleet for the next winter season that is no problem.

Mr. Sweeney stated the federal regulations for airline de-icing are ridiculous and do not use common sense. He stated aside from that, the airlines operating in Fargo need to have agreements in place for providing back-up for de-icing and other functions in place by August 1.

Mr. Lind stated he feels we are getting a little off-topic as the weather and mechanical issues are compounded only by the staffing issue, which is the majority of the problem. He stated this is a staffing issue! The problem is there are not enough people to properly handle the work load.

Mr. Jason Ashley, Senior Regional Manager, United Airlines, was recognized and stated he is the closest thing to United having an employee at the airport. He stated in terms of parking aircraft, he has given DGS the clear direction that parking the aircraft is absolutely paramount, even if it means taking a departure delay. He stated Mr. Jeff Weaver, general manager in Colorado Springs, has been here TDY since last week. He has been given direct oversight over the Fargo station and will continue until someone else is assigned.

Mr. Weaver was recognized and stated he has been working with Erik Olsen, who has been the acting station manager, and since March 1 they have reduced the on-in times to practically nothing. He stated he has been checking the data every night. He stated they have also been improving bag times and their goal is 20 minutes for the first bag. He stated he apologizes for everything that has gone on and they are trying to recover.

Discussed Airlines Operational Performance: (Continued)

Mr. Dobberstein asked Mr. Ashley what has been done by United to take public ownership of this situation and acknowledge responsibility.

Mr. Ashley stated he has had conversations with United corporate communications and no decision has been made yet. He stated another avenue they are using is to contact those businesses in the area with United corporate accounts and proactively reach out to those passengers and their travel managers and have those discussions.

Chairman Haugen stated we will stand by to see the improvements.

Mr. Blazek stated he would like to see a 30-day follow-up from the representatives here today and get specific data on improvements.

Construction and Security Update:

Mr. Dobberstein stated Mr. Jeff Klein, Mead & Hunt, was able to meet with FAA representatives at the recent Upper Midwest Aviation Symposium in Bismarck. He stated we have not yet received a response from them on the status of our application for the supplemental grant for the cargo apron expansion.

Mr. Klein stated he did not get a firm response from the FAA. He stated they advised we may not receive supplemental funding but there is a possibility we may get AIP discretionary funding. He stated their reasoning for that is that under the rules of the supplemental funding the grants cannot be amended where they can be with discretionary funding.

Mr. Dobberstein stated the problem with that is we will have to commit two years of entitlement funds or \$6 million, whereas the supplemental funding would require only one year of entitlements. He stated he has been in touch with a member of Senator Hoeven's staff to re-engage the Senator's efforts in promoting Fargo's getting a grant.

Mr. Klein stated the frustration is that the message from the FAA is not getting to the airport on the plans for funding. He stated the airport needs to know so it can plan accordingly. He stated Mr. Dobberstein was not able to be in Bismarck so he is trying to set up a meeting with the FAA in person or via conference call.

Mr. Dobberstein stated he has an update on our TSA pre-check. He stated right now our pre-check line is not open at all times but they are looking at using a different procedure, which is used at some other airports, allowing the pre-check line to be operational at all times. He stated we have been told that a third lane is probably not in our future because they are about five years away from using biometrics which will speed up their screening process.

The meeting of the Municipal Airport Authority was adjourned until the next Regular Meeting to be held Tuesday, March 26, 2019, at 8:00 a.m.

Time at adjournment was 9:18 a.m.

Regular Meeting

Tuesday

March 26, 2019

The Regular Meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held Tuesday, March 26, 2019 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

Chairman Haugen presiding.

Approved the Minutes of the Special Meeting of the Municipal Airport Authority Held February 25, 2019, the Regular Meeting Held February 26, 2019, and the Regular Meeting Held March 11, 2019:

The minutes of the Special Meeting held February 25, 2019, the Regular Meeting held February 26, 2019 and the Regular Meeting held March 11, 2019, were approved without objection.

Approved the Airport Vouchers Totaling \$24,353.94:

Mr. Blazek moved to approve the airport vouchers totaling \$24,353.94.

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 FTZ Corporation:

Mr. Lind moved to approve the individual voucher in the amount of \$162.50 to FTZ Corporation for payment request for the annual report review, Foreign Trade Zone #267.

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 Replacement Mower and Sale of Current Unit:

Mr. Dobberstein stated we currently have a Toro mower with a broom attachment for snow removal and the unit needs to be replaced. He stated our staff got three bids, two from John Deere and one from MTI.

RDO Equipment (Sourcewell quote)	\$43,768.81
RDO Equipment (government program discount)	\$40,450.00
MTI Distributing (Sourcewell quote)	\$46,767.45

Mr. Dobberstein stated we are recommending going with the RDO low bid of \$40,450.00. He stated approval of the purchase would include approval of the sale of the current unit at auction.

Ms. Linn moved to approve the purchase of the John Deere 1575 Terrain Cut per the bid of \$40,450.00 from RDO Equipment (government program discount) and authorize the sale of the current unit at auction.

Second by Mr. Lind.

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

Authorized Purchase of Replacement Motor Grader and Sale of Current Unit:

Mr. Dobberstein stated we currently have a 1990 Champion motor grader with over 5,000 hours on it. He stated getting parts on a timely basis is very difficult as Champion was purchased by Volvo in 1997.

Mr. Dobberstein stated we have received two bids, both via Soucewell:

Butler Machinery - \$330,000.00 (Caterpillar Model 140M3)
RDO Equipment - \$295,970.08 (John Deere 772G)

Mr. Dobberstein stated the current unit will be sold at auction. He stated the recommendation from staff is to purchase the Caterpillar as it has approximately twice the warranty and the resale value is much higher.

Mr. Blazek moved to approve the purchase of the Caterpillar 140M3 motor grader from Butler Machinery via the Sourcewell bid of \$330,000.00, with the current unit to be sold at auction.

Second by Ms. Linn.

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

Mr. Dobberstein stated at our next meeting we will have on our agenda an item to authorize purchase of a chemical truck. He stated Darren Anderson, Henry Swedberg and Troy Smedshammer are in Sioux Falls today to look at the truck they purchased recently. He stated Attorney Bossart has reviewed the bidding documents and we will start the process to piggyback off the recent bid by the Sioux Falls airport to purchase a similar truck.

Received Request for Gas Main Easement (36th Avenue North):

The communications dated March 22, 2019, from Apex Engineering Group were received and filed without objection.

Mr. Dobberstein stated Mr. Kyle Koterba, Apex, called last week on behalf of the City of Fargo with an urgent request that we allow Xcel Energy to install a gas main along the south edge of 36th Avenue North at the request of piggybacking the existing water main easement that we have with the City of Fargo. He stated they want to start this work immediately to get the gas main installed. He stated he does not have any issue with them putting the main within the existing easement. He stated they provided a map of the area. He stated they have already moved the snow off the field to get the locates done. He stated they are trying to expedite this in the event a flood dike has to be installed around the waste water plant.

Ms. Linn moved to approve the request from Apex Engineering on behalf of the City of Fargo to grant a modification to the existing easement for the purpose of installing a new natural gas service pipe for the City of Fargo Wastewater Treatment Facility expansion.

Second by Mr. Lind.

Mr. Dobberstein stated Attorney Bossart will work with the City of Fargo to amend the easement.

Chairman Haugen called for a vote on the motion.

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

Received Notice of Sidewalk Construction (16th Street North):

The Notice of Sidewalk Construction dated March 8, 2019 from the City of Fargo Engineering Department was received and filed without objection.

Mr. Dobberstein stated the City of Fargo is requiring sidewalk be installed adjacent to 16th Street North from 19th Avenue to 21st Avenue North. He stated this notice is for the airport's portion of property which is not leased to someone. He stated the Fargo Air Museum received the notice and Mr. Jeff Johnson will receive one as well.

Chairman Haugen asked who would be responsible for clearing snow from this sidewalk.

Mr. Dobberstein stated the airport will be responsible for its portion and the other tenants with adjacent property will be responsible for their portion.

Mr. Blazek stated he thinks we are too sidewalk happy in this city and he does not know why we would put a sidewalk in that location.

Mr. Dobberstein agreed there is no need for a sidewalk in that area.

Authorized Attendance at the ND National Guard Event, Washington, DC, May 14, 2019:

Mr. Blazek moved to authorize attendance at the ND National Guard Event, Washington, DC, May 14, 2019.

Second by Ms. Linn.

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

Authorized Solicitation of Bids to Invest Airport Reserve Funds:

Mr. Dobberstein stated it has been a few years since we have gone through this process. He stated about five years ago we established the Parking Lot Construction and Maintenance Fund with a starting balance of \$5 million in a CD, for which we solicited bids from local banks. He stated First International Bank was the successful bidder. He stated we have added to that fund a couple of consecutive years. He stated when the CD came due the last time we chose to put the funds into a money market savings account so we could draw down funds down from that account to pay for the employee parking lot reconstruction and expansion project and the design fees for the skyway.

Mr. Dobberstein stated the funds he is talking about today are reserves that we have in our Operations and Maintenance Fund. He stated he would like the board to consider taking up to \$10 million out onto the market in some type of ladder of CDs. He stated this is the format the Fargo Park District uses. He stated former Park District employee Mr. Jim Larson was the person that handled this for the Fargo Park District. He stated Mr. Larson is now with the City of West Fargo and he is going through the same process there. He stated Mr. Larson sent him the bid forms West Fargo will be using to solicit bids. He stated if the board authorized this today, he can begin the process. He stated we are still awaiting word on our application for the \$12 million supplemental federal grant and we are also making some major snow removal equipment purchases we will have to cover. He stated later in the meeting we are going to discuss expediting the expansion of our Maintenance Shop.

Mr. Dobberstein stated the money we currently have in the Wells Fargo sweep account does not earn much interest. He stated we would like to go out to the local market. He stated the local bankers love that we give them the opportunity to invest our funds. He stated we will follow the state statute when investing the funds.

Ms. Linn stated she feels keeping the money locally is important.

Mr. Dobberstein stated the City of Fargo has some opportunities though PFM and we have looked at those, but the City of Fargo's Home Rule Charter allows them to have an investment policy that is riskier that we can use, as Home Rule Charter does not apply to the Airport Authority.

Ms. Linn moved to authorize the Executive Director to begin the process for investing airport reserve funds and solicit bids from local financial institutions.

Second by Mr. Lind.

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

Airport Construction and Security Update:

Mr. Jeff Klein, Mead & Hunt, was recognized and stated he does not have a lot to report. He stated we have pre-construction meetings scheduled for our Dakota Drive lighting and pavement rehabilitation projects.

Mr. Klein stated we are scheduled to meet with a representative from the FAA Regional Office in Chicago in the next couple of weeks here in Fargo.

Chairman Haugen stated the ND Legislature passed the Prairie Dog Fund and asked if we could see any of that money.

Airport Construction and Security Update: (Continued)

Mr. Klein stated the hope is that we will receive some of that funding for the Runway 36 Special Authorization CAT II Project. He stated the board has authorized Mead & Hunt to proceed with the feasibility study and they are working on that now. He stated the FAA has indicated they would not fund that project.

Mr. Dobberstein stated there will be a lot of competition for those funds before they get to the airports in the state. He stated the earliest the funding would be available is 2020.

Mr. Klein stated this project is one that will benefit the entire state as both FedEx and UPS run all of the cargo for the entire state through Fargo.

Other Business:

Mr. Dobberstein introduced Mr. Wayne Lougheed, the new station manager for Delta Global Services.

Mr. Lougheed was recognized and stated he feels there has been a vast improvement from even two weeks ago. He stated they are continuing to get additional TDY support. He stated they have also done a lot of hiring in the last couple of weeks and the TDY support will continue for at least another month and a half.

Mr. Lind stated he toured the SRE Maintenance Building yesterday. He stated they are definitely out of room and we have more equipment on the way. He stated he is proposing that we move ahead with selection of an architect and get this project moving forward.

Mr. Dobberstein stated since the project is eligible for federal funding we would have to solicit RFQs from architects and we can get that process started now. He stated if we get the \$12 million supplemental grant for the cargo apron expansion we will have to commit one year of FAA AIP entitlement funds to the project. He stated if we do not get the supplemental grant but we do get discretionary funding for the cargo ramp expansion, we will have to commit two years of FAA AIP entitlement funds. He stated if we move ahead with the SRE Building expansion and follow all of the FAA guidelines, we will fund the project ourselves upfront and then once we get into our 2021 or 2022 entitlement year we would use those funds to reimburse ourselves. He stated there are some areas of the building the FAA may not fund. He invited any of the board members to tour the facility.

Mr. Lind recommended that each board member tour the building.

Mr. Lind moved to advertise a Request for Qualifications for architectural services for the Snow Removal Equipment Maintenance Facility Project.

Second by Ms. Linn.

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

Adopted Resolution of Appreciation to Mr. Steve Blazek:

Chairman Haugen stated this is Mr. Blazek's last meeting as a member of the Municipal Airport Authority and stated he would like to thank Mr. Blazek for his many years of service on the board.

Mr. Dobberstein stated not only has Mr. Blazek served as a member of the board for many years, but also what was unique and special about Mr. Blazek's service is that he attended board meetings for many years before he was appointed as a member.

Mr. Blazek stated he has seen a lot of growth and changes over the years and he is looking forward to seeing where the board takes the airport in the years to come. He added he is going to miss all of the perks.

Ms. Linn offered the following resolution of appreciation to outgoing member Mr. Steve Blazek and moved its adoption:

WHEREAS, Mr. Steve Blazek has served as a member of the Municipal Airport Authority for more than 10 years, since January 2009, after attending meetings on a regular basis for many years prior to his appointment, and

WHEREAS, Mr. Blazek 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

WHEREAS, Mr. Blazek has been especially helpful in mentoring newer members of the board in various aspects of the airport, especially his expertise in finance, and

WHEREAS, it is the desire of the members of the Municipal Airport Authority and its staff that Mr. Blazek 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 distinguished service from Mr. Steve Blazek and wish him the best in his future endeavors of community involvement and 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. Steve Blazek.

Second by Mr. Lind.

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

The meeting of the Municipal Airport Authority was adjourned until the next Regular Meeting to be held Tuesday, April 9, 2019

Time at adjournment was 8:45 a.m.

Regular Meeting

Tuesday

April 9, 2019

The Regular Meeting of the Municipal of the Airport Authority of the City of Fargo, North Dakota, was held Tuesday, April 9, 2019.

The members present or absent were as follows:

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

Chairman Haugen presiding.

Chairman Haugen welcomed new Airport Authority member Richard (Rick) Engen.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held March 26, 2019:

The minutes of the Regular Meeting of the Municipal Airport Authority held March 26, 2019 were approved without objection.

Approved the Airport Vouchers Totaling \$69,294.94:

Dr. Clark moved to approve the airport vouchers totaling \$69,294.94.
Second by Mr. Engen.
On the call of the roll, members Engen, Clark, Haugen voted aye.
Absent and not voting: Linn, Lind
The motion was declared carried.

Approved the Individual Voucher to Nelson International:

Mr. Engen moved to approve the individual voucher in the amount of \$114,774.00 to Nelson International for the purchase of a 2020 International Truck Chassis.
Second by Dr. Clark.
On the call of the roll, members Engen, Clark, Haugen voted aye.
Absent and not voting: Linn, Lind
The motion was declared carried.

Approved the Individual Voucher to Flint Communications:

Mr. Engen moved to approve the individual voucher in the amount of \$54,647.87 to Flint Communications for partial payment request for 2019 Airport Marketing Program.

Second by Dr. Clark.

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

Absent and not voting: Linn, Lind

The motion was declared carried.

Approved the Individual Voucher to Sixel LLC:

Mr. Engen moved to approve the individual voucher in the amount of \$3,514.00 to Sixel LLC for March passenger enplanement fees, Frontier Airlines.

Second by Dr. Clark.

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

Absent and not voting: Linn, Lind

The motion was declared carried.

Approved the Individual Voucher to Sixel LLC:

Mr. Engen moved to approve the individual voucher in the amount of \$2,500.00 to Sixel LLC for the quarterly airline report.

Second by Dr. Clark.

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

Absent and not voting: Linn, Lind

The motion was declared carried.

Approved the Individual Voucher to FTZ Corporation:

Mr. Engen moved to approve the individual voucher in the amount of \$162.50 to FTZ Corporation for professional service to review CNH Annual Report and completed Grantee Report.

Second by Dr. Clark.

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

Absent and not voting: Linn, Lind

The motion was declared carried.

Approved the Individual Voucher to TL Stroh Architects:

Mr. Engen moved to approve the individual voucher in the amount of \$49,050.00 to TL Stroh Architects for partial payment request for architectural and engineering services in connection with the Elevated Walkway.

Second by Dr. Clark.

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

Absent and not voting: Linn, Lind

The motion was declared carried.

Authorized Purchase of an MB 6x4 De-icing/Plow Truck:

Mr. Dobberstein stated that Darren Anderson, Henry Swedberg and Troy Smedshammer made a trip to Sioux Falls to review an M-B de-icing/plow truck recently purchased by the Sioux Falls Airport.

Mr. Darren Anderson was recognized and stated we have been communicating with the Sioux Falls airport about a spray/plow truck they received bids for based on specifications they drafted. He stated they received bids from Oshkosh and M-B Companies and M-B was awarded the bid. He stated M-B has agreed to honor the bid they gave Sioux Falls about a year ago and sell us the same type of unit at that price. He stated this is a cab forward truck with many capabilities.

Mr. Dobberstein stated right now the spraying process on the airfield takes about 35-40 minutes. He stated this unit would take about 15 minutes, which will greatly expedite the de-icing process. He stated Attorney Bossart has reviewed the Sioux Falls bid and we are able to piggyback off that bid.

Attorney Bossart stated there is nothing requiring us to put this purchase out for bids.

Mr. Dobberstein stated if we order the unit today we should have it in December. He stated he recommends the board approve this purchase.

Mr. Engen moved to approve the purchase of an M-B 6x4 De-Icing/Plow Truck per the bid from M-B Companies in the amount of \$518,501.00.

Second by Dr. Clark.

Chairman Haugen stated he would like to point out that this is not a piece of equipment we would be able to purchase from a local dealer.

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

Absent and not voting: Linn, Lind

The motion was declared carried.

Airport Master Plan Update:

Mr. Dobberstein stated we finally have bound printed copies of the Airport Master Plan. He stated it is also available in electronic form on our website. He stated we will be providing printed copies to the Fargo Public Library, Fargo Planning and Cass County Planning.

Mr. Dobberstein stated this update took a significant amount of time for the FAA to approve the terminal area forecasts. He stated it was stalled for nine months to a year. He stated this update contains information from before FedEx and UPS started operations on the airport. He stated there is not a lot of information on cargo or the Guard's MQ9 operations.

Airport Construction and Security Update:

Mr. Dobberstein stated we have no update on our federal \$12.5 million supplemental grant request for the cargo ramp expansion. He stated it is in the second round of the process we are still awaiting word from the FAA. He stated at the next meeting we plan to have a contract with Mead & Hunt before us for approval to move forward with the design of the cargo apron so we could have a chance to get started on the project this fall.

Airport Construction and Security Update: (Continued)

Mr. Dobberstein stated as far as security, the TSA is still working on implementing the new process we have been talking about for the past couple of months. He stated this process would allow both lanes at the checkpoint to remain in non-pre-check mode. He stated this process uses a device to identify the bins belonging to pre-check passengers and expedites the process. He stated right now the TSA is able to process about 225 passengers per hour and this should increase that number. He stated it is still a pilot program.

Other Business:

Attorney Bossart stated she had a conversation with City of Fargo Attorney Erik Johnson recently. She stated the purpose of the conversation was to let the Airport Authority know that the City is not dragging its feet on the matters of compensation and the Memorandum of Understanding. She stated that he indicated we should receive the City's responses by the end of April.

Mr. Dobberstein stated we are working with Mead & Hunt and the FAA on a Request for Qualifications from architects for the Snow Removal Equipment Building expansion project. He stated we plan to have that advertised within a month.

Mr. Dobberstein stated for a number of years our budget has included funds for one additional full time building employee and one full time airfield employee. He stated we may look at moving ahead with that process as we will have additional equipment for airfield operations. He added that we currently have one full time seasonal equipment operator for the winter months but we may look at increasing that to two full time seasonal positions.

The meeting of the Municipal Airport Authority was adjourned until the next Regular Meeting to be held Tuesday, April 23, 2019 at 8:00 a.m.

Time at adjournment was 8:18 a.m.

Regular Meeting

Tuesday

April 23, 2019

The Regular Meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held Tuesday, April 23, 2019, at 8:00 a.m. in the Airport Boardroom.

The members present or absent were as follows:

Present: Linn, Engen, Lind, Clark, Haugen
Absent: None
Others: None

Chairman Haugen presiding.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held April 9, 2019:

The minutes of the Regular Meeting of the Municipal Airport Authority held April 9, 2019, were approved without objection.

Approved the Airport Vouchers Totaling \$45,959.87:

Ms. Linn moved to approve the airport vouchers totaling \$45,959.87.
Second by Dr. Clark.
On the call of the roll, members Linn, Engen, Lind, Clark, Haugen 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 \$3,515.00 to Mead & Hunt for partial payment request for engineering services in connection with the Cat II Feasibility Study.

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

Approved the Individual Voucher to MTI Distributing:

Dr. Clark moved to approve the individual voucher in the amount of \$85,076.26 to MTI Distributing for the purchase of a 2019 Toro Groundsmaster Mower.

Second by Mr. Engen.

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

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

Approved the Individual Voucher to Schulte, Inc.:

Dr. Clark moved to approve the individual voucher in the amount of \$22,448.53 to Schulte, Inc., for the purchase of a 2019 Shulte FX-218 Rotary Mower.

Second by Mr. Engen.

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

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

Approved the Individual Voucher to Mead & Hunt:

Dr. Clark moved to approve the individual voucher in the amount of \$2,963.74 to Mead & Hunt for partial payment request for engineering services in connection with the Dakota Drive Pavement Rehabilitation Project, AIP48.

Second by Mr. Engen.

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

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

Received Proposed Contract from Mead & Hunt for Design of the Cargo Apron Expansion – Phase IV:

The communication dated April 18, 2019, from Mead & Hunt, and the proposed contract for design services for the Cargo Apron Expansion – Phase IV, were received and filed without objection.

Mr. Dobberstein distributed a map of the areas included in the scope of this cargo apron expansion project. He stated in addition to apron expansion, the project includes some water and sewer trunk lines that will be extended along the avenue on the north side of the access road, security fencing, access gates, etc. He stated Mead & Hunt has proposed a lump sum contract of \$836,000. He stated with the board's approval today the contract is subject to an independent fee review by Mr. Wesley Schon, PE, who had been conducting our independent engineering fee reviews. He stated the FAA reviews the scope of work and Attorney Bossart has reviewed the general terms and conditions of the contract.

Mr. Engen moved to approve the proposed contract with Mead & Hunt for the Cargo Apron Expansion – Phase IV, as proposed, subject to the independent engineering fee review.

Second by Dr. Clark.

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

Received Request from Big Blue Hangar Association to Extend South General Aviation Area Hangar Ground Lease:

The communication from Mr. Bernie Ness, Big Blue Hangar Association, dated April 17, 2019, was received and filed without objection.

Mr. Dobberstein stated the Big Blue Hangar Association is requesting a five-year extension of their hangar land lease, which expires June 30, 2019.

Ms. Linn moved to approve the five-year ground lease extension requested by the Big Blue Hangar Association effective July 1, 2019.

Second by Dr. Clark.

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

Received Request from NW Leasing to Extend South General Aviation Area Hangar Ground Lease:

The communication from Mr. Bernie Ness, NW Leasing, dated April 18, 2019, was received and filed without objection.

Mr. Dobberstein stated Mr. Ness is requesting a five-year extension of his hangar ground lease, which expires June 30, 2019.

Ms. Linn moved to approve the five-year ground lease extension requested by NW Leasing effective July 1, 2019.

Second by Dr. Clark.

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

Received Request from West Winds Hangar Association to Extend South General Aviation Area Hangar Ground Lease:

The communication from Mr. Ron Saeger, West Winds Hangar Association, dated April 17, 2019, was received and filed without objection.

Mr. Dobberstein stated the West Winds Hangar Association is requesting a five-year extension of their hangar ground lease, which expires June 30, 2019.

Ms. Linn moved to approve the five-year extension to the hangar ground lease requested by the West Winds Hangar Association effective July 1, 2019.

Second by Dr. Clark.

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

Received Communication from AAAE Regarding UAS NPRM:

The communication from Mr. Justin T. Barkowski, Staff Vice President, Regulatory Affairs, AAAE to Mr. Ben Walsh, Flight Technologies & Procedures Division, FAA, dated April 15, 2019, was received and filed without objection.

Mr. Dobberstein stated this letter is the AAAE's response to the FAA's request for a Notice of Proposed Rulemaking for the safe and secure operations of small unmanned aircraft systems. He stated the AAAE has asked airports around the country to put this communication on the public

Received Communication from AAAE Regarding UAS NPRM: (Continued)

record at their board meetings. In response to the growing problem of small unmanned aircraft systems incidents and the impact to airport operations, the AAAE, in close consultation with its airport members, has developed 13 recommendations for the FAA to consider implementing in order to mitigate UAS risks in the airport environment. He stated we will also be forwarding this communication to the City of Fargo Planning Department. He stated how the City of Fargo will address this in the future as far as planning remains to be seen.

Mr. Dobberstein stated we will be hearing a lot more about this topic as communities are faced with accommodating this technology.

Ms. Linn stated she thinks it is important for the general public to know the restrictions regarding small unmanned aircraft systems. She stated information regarding regulations have not been widely publicized.

Mr. Dobberstein stated he thought this would be good information for the board and the general public to look at to see some of the concerns. He stated granted this is just a notice of proposed rulemaking so the suggestions could change, but it is the start of the process.

Airport Construction and Security Update:

Mr. Dobberstein stated we had a preconstruction meeting for the pavement rehabilitation portion of the Dakota Drive improvement project and the contractor, Interstate Improvement, plans to start work on May 6. He stated the project includes patching in some areas and total reconstruction in other areas.

Mr. Jeff Klein, Mead & Hunt, was recognized and stated the lighting portion of the Dakota Drive Rehabilitation Project is almost complete.

Mr. Dobberstein stated we will start publishing the Request for Qualifications for architects on April 29 for the SRE Building and responses will be due by 4:00 pm on Tuesday, May 21, with a goal to make a selection by the board at our meeting on May 28. He stated the FAA did approve the project late last week.

Mr. David Negrón, Assistant Federal Security Director, TSA, was recognized and stated we are participating in a TSA screening pilot program called the blended pre-check. He stated this gives the TSA the ability to send other passengers through the pre-check lane during peak periods. He stated so far it seems to be helpful and we are collecting data on the process. He stated they are also anticipating the "known crew member" process to be approved for Fargo. He stated there is going to be a site survey sometime in May to determine what equipment and training will be needed and hopefully they can start that program soon. He stated there are a number of crewmembers coming through the checkpoint, especially in the morning, and this should expedite the process and improve service to crewmembers.

Chairman Haugen asked what percentage of passengers use pre-check.

Mr. Negrón stated he would estimate about 40% of the passengers in Fargo have pre-check.

Mr. Dobberstein stated the TSA will have a pre-check enrollment event at the airport the week of June 3-7. He stated we will be working to get the word out on this event.

Other Business:

Mr. Wayne Lougheed, Station Manager for DGS, was recognized and stated they are still getting TDY employee support. He stated they have also had another station manager here helping him with access to the various systems he needs to use. He stated the wage issue has not yet been solved. He stated their performance has been improving but there is still room for improvement. He stated they are still short staffed but continue to get applicants at the current wage.

The meeting of the Municipal Airport Authority was adjourned until the next Regular Meeting to be held Tuesday, May 28, 2019 at 8:00 a.m. in the Airport Boardroom.
Time at adjournment was 8:28 a.m.

Regular Meeting

Tuesday

May 28, 2019

The Regular Meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held Tuesday, May 28, 2019, at 8:00 a.m. in the Airport Boardroom.

The members present or absent were as follows:

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

Chairman Haugen presiding.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held April 23, 2019:

Mr. Engen moved to approve the minutes of the Regular Meeting of the Municipal Airport Authority held April 23, 2019.

Second by Mr. Lind.

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

Approved the Airport Vouchers Totaling \$80,356.94:

Ms. Linn moved to approve the airport vouchers totaling \$80,356.94.

Second by Dr. Clark.

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

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

Approved the Individual Voucher to Sixel, LLC:

Dr. Clark moved to approve the individual voucher in the amount of \$2,924.00 to Sixel LLC for passenger enplanement fees, Frontier Airlines, April 2019.

Second by Mr. Lind.

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

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

Approved the Individual Voucher to Mead & Hunt:

Dr. Clark moved to approve the individual voucher in the amount of \$2,109.00 to Mead & Hunt for partial payment request for engineering services in connection with the CAT II Feasibility Study.

Second by Mr. Lind.

On the call of the roll, members Linn, Engen, Lind, Clark, Haugen 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 \$18,439.45 to Flint Communications for partial payment request for 2019 Airport Marketing Program.

Second by Mr. Lind.

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

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

Approved the Individual Voucher to Mead & Hunt:

Dr. Clark moved to approve the individual voucher in the amount of \$8,847.09 to Mead & Hunt for partial payment request for engineering services in connection with the Dakota Drive Pavement Rehabilitation, AIP48.

Second by Mr. Lind.

On the call of the roll, members Linn, Engen, Lind, Clark, Haugen 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 \$13,815.58 to Mead & Hunt for partial payment request for engineering services in connection with the Dakota Drive Lighting Improvements, AIP48.

Second by Mr. Lind.

On the call of the roll, members Linn, Engen, Lind, Clark, Haugen 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 \$209,000.00 for partial payment request for engineering services in connection with the Cargo Apron Expansion, Phase IV, AIP49.

Second by Mr. Lind.

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

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

Approved the Individual Voucher to The Forum:

Dr. Clark moved to approve the individual voucher in the amount of \$150.88 to The Forum for legal advertisement for Request for Qualifications from Architectural firms for the SRE Building.

Second by Mr. Lind.

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

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

Approved the Individual Voucher to Strata Corporation:

Dr. Clark moved to approve the individual voucher in the amount of \$154,664.75 to Strata Corporation for Partial Payment Request No. 1 for the Dakota Drive Lighting Rehabilitation Project, AIP 48.

Second by Mr. Lind.

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

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

Received Communication from Mr. Victor Gelking Regarding South General Aviation Area Hangar:

The communication dated May 14, 2019, from Sylvia and Victor Gelking, was received and filed without objection.

Mr. Dobberstein stated we received notice from Mr. Victor Gelking that they plan to sell the assets of their business to Fargo Jet Center and they anticipate the closing to be on or before June 5, 2019. He stated he has had the hangar for sale for some time but they have now come to terms for the sale of the hangar.

Mr. Dobberstein stated this item is related to the next item on the agenda.

Received Communication from Mr. James Sweeney, JP Development LLP Regarding South General Aviation Area Hangar:

The communication from Mr. James Sweeney, JP Development LLP, dated May 23, 2019, was received and filed without objection.

Mr. Dobberstein stated Mr. Sweeney is requesting a 15 year ground lease with (2) five-year options. He stated there was a fire in the hangar and JP Development plans to put a considerable amount of money into it to repair the damage.

Chairman Haugen stated he would like to hear from Mr. Sweeney about their plans for the hangar.

Mr. Sweeney was recognized and stated they do not have any immediate plans other than to fix up the hangar and use it for aircraft storage. He stated he would like to get approval from the board on the lease before the purchase is finalized.

Mr. Engen moved to approve the request for a 15-year ground lease with (2) five-year options as requested by JP Development LLP for the hangar at 1631 19th Avenue North being purchased from Vic's Aircraft Sales, subject to the successful sale closing.

Second by Ms. Linn.

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

Received Communication from Mr. Gerald Eid Regarding South General Aviation Area Hangar Lease Extension:

The communication from Mr. Gerald Eid, dated May 9, 2019, was received and filed without objection.

Mr. Dobberstein stated Mr. Eid is requesting a five-year extension of the ground lease for his hangar in the south general aviation area. He stated Mr. Eid is aware of some minor exterior repairs needed on the ramp side of his hangar.

Ms. Linn moved to approve the request from Mr. Gerald Eid for a five-year extension to his hangar ground lease.

Second by Dr. Clark.

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

Receive Communication from CityScapes Development to Renew Listing Agreement for Eastside Terminal Building:

The proposed Listing Agreement with CityScapes Development, LLC for the Eastside Terminal Building was received and filed without objection.

Mr. Dobberstein stated we have had a listing agreement for the Eastside Terminal Building with CityScapes Development, LLC for a number of years and Mr. Rick Flacksbarth has done a good job in keeping the Eastside Terminal Building full of tenants. He stated he recommends renewing the listing agreement.

Dr. Clark moved to approve the renewal of the Listing Agreement with CityScapes Development LLC through June 1, 2020 for the Eastside Terminal Building.

Second by Mr. Lind.

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

Received Communication from Mr. Dell Arneson Regarding North General Aviation Area Hangar:

The communication dated May 17, 2019, from Virginia Stockburger, CFO, Dell Arneson, Inc., was received and filed without objection.

Mr. Dobberstein stated we have been advised that Mr. Dell Arneson is selling his unit in the 380 North Condo Association in the north general aviation area. He stated it has been sold to Wheelberg Partners, LLP. The communication indicates that Jerry Kern and Jim O'Day will be heading up the association. He stated Mr. Arneson is one of the primary signatories on the lease documents for 380 North so Attorney Bossart will draft an amendment when we receive further details.

Receive Purchase Amendment from Bert's Truck Equipment for Additional Plow Attachment - \$32,059.00 (State Bid Price):

Mr. Dobberstein stated back in October we ordered a large truck with a wing plow to replace a current unit with a cracked frame. He stated this is the same type of truck the Highway Department uses and it was purchased under the state bid. He stated the proposal we received was for \$111,060.00 and it was approved by the Airport Authority on October 24, 2018.

Mr. Dobberstein stated it was recently brought to our attention by Bert's that they had printed the wrong proposal for us back in October. He stated the paperwork we received was actually for a truck ordered by the City of Moorhead, not the truck we were ordering. He stated our truck had some additional accessories.

Mr. Dobberstein stated Bert's has now provided us with the correct paperwork and the total cost for our truck is \$142,123.00 (state bid price). He stated everything we wanted is on the truck but the original documentation was wrong.

Mr. Lind moved to approve the purchase amendment for the truck from Bert's Truck Equipment for the new total of \$142,123.00.

Second by Mr. Engen.

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

Received RFQ Responses for the SRE Building and Selected an Architectural Firm for the Project:

Mr. Dobberstein stated we advertised a Request for Qualifications for architectural firms interested in the SRE Building Project and submissions were due by May 21 at 4:00 pm. He stated we received submissions from the following eight firms:

Michael J. Burns Architects Ltd.
Foss Architecture and Interiors
Image Group Architecture & Interiors
JLG Architects
RHRA Architects
TL Stroh Architects & Interiors
UBL Design Group
YHR Partners

Mr. Dobberstein stated the proposals were provided to the board members to be reviewed and scored. He stated the score sheet comes directly from the FAA Advisory Circular. He stated the legal ad stated how the firms would be evaluated and all of the questions are point blank out of the Advisory Circular. He stated if a firm did not respond to a particular question that was their prerogative. He added that we are very fortunate to have so many qualified firms in the area.

Board members handed in their score sheets and they were compiled by Darren Anderson as the meeting continued.

Received RFQ Responses for the SRE Building and Selected an Architectural Firm for the Project:
(Continued)

Later in the meeting, the tabulation of the scoring sheets was complete. Mr. Dobberstein stated the top three scores were TL Stroh Architects, JLG Architects and RHRA Architects.

Ms. Linn moved to select TL Stroh Architects as the architect for the SRE Building Project, based on their high score.

Second by Mr. Engen.

All members present voted aye the motion was declared carried.

Received Communication from The Arts Partnership:

The communication from Dayna Del Val, The Arts Partnership, dated April 24, 2019, was received and filed without objection.

Ms. Del Val was recognized and stated she came before the Airport Authority about a year ago to propose artwork displays in the terminal building and the board agreed to enter into an agreement with The Arts Partnership. She stated we have already had two displays in the terminal and the third display will be installed next week. She stated the Airport Authority's investment for the first year was \$1,500.

Ms. Del Val stated she visited with Mr. Dobberstein recently about enhancing the arts presentation at the airport. She stated they have been very pleased with both the traditional media and the social media reach of the project at the airport. She stated they are proposing to continue the art displays and to add some live music performances in the terminal building. She stated they could probably offer 12 performances throughout the year. She stated they have in mind using various performers but limiting the size of any group to four. She stated the location for the performers would be on the public side of the terminal. She stated they love what they have been doing at the airport and would like to add this to it. She stated they would work with Mr. Dobberstein on scheduling of events.

Ms. Del Val stated they are requesting \$5,000 to continue the visual art program shows and to launch the performance series as well. She added that assuming both parties feel this was successful at the end of the next year, this would be the going price for the next two years (through 2021).

Mr. Dobberstein stated the project has worked out well.

Ms. Linn moved to approve the request from The Arts Partnership for \$5,000 (per year) to continue the visual art program and add the performance series for two years.

Second by Dr. Clark.

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

Received Communication from the FM-CVB Regarding Airport Information Center Coordination and Support:

The communication from the FM-CVB with data on the Airport Information Center was received and filed without objection.

Mr. Dobberstein gave a brief history of the Airport Information Center. He stated it was started in 1989 through a joint effort of the Fargo Chamber of Commerce and the FM-CVB. He stated the Airport Authority paid for the construction of the booth. He stated RSVP was involved in the process of staffing and volunteers staffed the center for many years until recently. He stated without our knowledge, the CVB began paying the volunteers. He stated the last couple of years, the CVB requested an annual amount of \$6,000 from the Airport Authority to help offset those costs.

Mr. Dobberstein stated he met with Charley Johnson recently and he advised that effective September 1, 2019, they are no longer going to pay the volunteers. He stated if the Airport Authority chooses to continue paying the volunteers the CVB would be willing to contribute a portion. He stated we have until September to decide.

Mr. Dobberstein stated we could engage the RSVP Program to see if we can get back to a true volunteer center. He stated he does not know that it is in the airport's best interest to continue to pay for that service. He stated the volunteers answer a lot of phone calls and assist people in the terminal so they provide a valuable service. He stated we did not ask the CVB to begin paying them, they just did, so they created their own problem.

Mr. Dobberstein stated Mr. Johnson has talked about putting in an automated kiosk with a touch screen for information on hotels, etc. He stated we currently have a touchscreen kiosk in the baggage claim area as part of our Clear Channel advertising program but he does not know that it is used very much.

Ms. Linn stated the information provided by the CVB on walk-ups and phone calls go back three years to 2016 and we have seen a lot of changes since then.

Mr. Dobberstein stated Mr. Johnson has also talked about moving the information center to the baggage claim area to greet visitors. He stated he does not think that would make any difference.

Mr. Piepkorn stated he is disappointed to hear this. He stated the CVB probably encounters more people at the airport than any other place. He stated he feels it means a lot to have a person on site to answer questions.

Mr. Dobberstein stated a lot of airports around the country have airport ambassadors that are strictly volunteers. He stated we have never had a problem staffing with volunteers as there are a lot of people, especially retired people, who like to get out and volunteer at the airport.

Chairman Haugen stated he would like to see us have another meeting with the CVB and see what can be worked out with RSVP.

Mr. Engen stated when you walk into the airport and see the information center attended with a person it gives the perception that the place is operating properly.

Chairman Haugen stated he agrees. He stated when you see a kiosk it says "find your own way."

Authorized Attendance at the AAAE Summer Legislative Conference, July 24-25, 2019, Washington, DC:

Mr. Lind moved to authorize attendance at the AAAE Summer Legislative Conference, July 24-25, 2019, Washington, DC.

Second by Ms. Linn.

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

Adopted Resolution of Appreciation for Retiring Airport Fire Captain:

Mr. Dobberstein stated Airport Fire Captain Bruce Bauske retired May 17, after 32 years of service on this airport.

Dr. Clark offered the following resolution of appreciation and moved its adoption:

WHEREAS, Airport Fire Captain Bruce Bauske complete his last shift as an airport firefighter at Hector International Airport on May 17, 2019 and

WHEREAS, Bruce Bauske has served as a firefighter at Hector Airport for 32 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, Bruce Bauske 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. Bruce Bauske for his many years of service and extends its best wishes in his retirement and his future endeavors.

Second by Mr. Lind.

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

Airport Construction and Security Update:

Mr. Jeff Klein, Mead & Hunt, was recognized and stated the Dakota Drive pavement rehabilitation is going well. He stated he was nervous about the project causing a lot of traffic problems but it has been going great. He stated the contractor has an anticipated completion date of June 5, with the exception of the replacement of the road by the Maintenance Shop. He added that all of the stakeholders have been very cooperative.

Mr. Klein stated they are proposing a change in the project involving the entrance to the car rental lot. He stated they are recommending it be removed and replaced rather than just rehabilitated. He stated he talked with the contractor about extending the bid prices for the concrete and adding some new sidewalk, curb and gutter and some landscaping. He stated we did not have any prices from Interstate in this project for removal and replacement of sidewalk and dirt work so they provided a cost of \$120 per square yard. He stated he went back to some other sidewalk bids which averaged \$20 per square yard for removal and \$70 for replacement. He stated he is in the process of trying to find out why Interstate is so high and see if we can negotiate a lower price.

Airport Construction and Security Update: (Continued)

Mr. Klein stated next Thursday we have a conference call with the FAA on the cargo apron expansion project. He stated the airport is receiving \$10 million in supplemental federal funding and the total project cost is estimated to be \$15 million. He stated we will have a more detailed update at the next meeting.

Mr. Dobberstein stated June 3-7 the TSA will be conducting a pre-check event in the terminal building.

Other Business:

Mr. Dobberstein stated on April 25 the Mead & Hunt staff came to the airport and did a clean up of litter on the airport grounds. He stated they did a nice job and their efforts were appreciated. He stated this is the third year they have done this for us.

Attorney Bossart stated she is continuing to work with the City of Fargo on deferral of special assessment projects effecting airport property that will never be developed so the FAA will not approve the payment of special assessments with airport funds. She stated this was not on the agenda because the deferral agreement was just arrived at on Friday of last week. She stated she will have more to report at a later date.

Mr. Dobberstein stated DGS still has a number of TDY employees here helping. He stated they are waiting for approval from the airlines to increase the wage to \$13.00 or \$13.50 per hour. He stated DGS is dealing with this in 20 airports across the country.

The meeting of the Municipal Airport Authority was adjourned until the next Regular Meeting held June 11, 2019.

Time at adjournment was 8:56 a.m.

Regular Meeting

Tuesday

June 11, 2019

The Regular Meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held Tuesday, June 11, 2019, at 8:00 a.m. in the Airport Boardroom.

The members present or absent were as follows:

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

Chairman Haugen presiding.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held May 28, 2019:

The minutes of the Regular Meeting of the Municipal Airport Authority held May 28, 2019, were approved without objection.

Approved the Airport Vouchers Totaling \$54,514.00:

Dr. Clark moved to approve the airport vouchers totaling \$54,514.00.
Second by Mr. Engen.
On the call of the roll, members Linn, Engen, Lind, Clark, Haugen voted aye.
No member being absent and none voting nay the motion was declared carried.

Approved the Individual Voucher to Dakota Underground:

Ms. Linn moved to approve the individual voucher in the amount of \$25,424.00 to Dakota Underground for concrete pavement improvements in the south general aviation area.
Second by Dr. Clark.
On the call of the roll, members Linn, Engen, Lind, Clark, Haugen 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 \$4,376.00 to Sixel LLC for May passenger enplanement fees, Frontier Airlines.

Second by Dr. Clark.

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

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

Approved the Individual Voucher to RDO Equipment Co.:

Ms. Linn moved to approve the individual voucher in the amount of \$40,450.00 to RDO Equipment Co. for the purchase of a 2019 John Deere 1575 Terrain Cut mower and broom.

Second by Dr. Clark.

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

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

Approved the Individual Voucher to Flint Group:

Ms. Linn moved to approve the individual voucher in the amount of \$14,045.63 to Flint Group for partial payment request for the 2019 Airport Marketing Program.

Second by Dr. Clark.

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

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

Received Communication from ND American Legion Auxiliary to Extend Eastside Terminal Office Lease:

The communication from the ND American Legion Auxiliary dated June 6, 2019, was received and filed without objection.

Mr. Dobberstein stated the ND American Legion Auxiliary has been a good tenant for a number of years and they are requesting a two-year lease extension for their space in the Eastside Terminal.

Dr. Clark moved to approve the request from the ND American Legion Auxiliary for a two-year extension to their lease in the Eastside Terminal.

Second by Ms. Linn.

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

Received Communication from American Legion Post #2 to Extend Eastside Terminal Office Lease:

The communication from Larry Lein, Commander of the Fargo American Legion Post #2 dated June 5, 2019, was received and filed without objection.

Mr. Dobberstein stated the American Legion Post #2 is requesting a one-year extension to their lease in the Eastside Terminal.

Received Communication from American Legion Post #2 to Extend Eastside Terminal Office Lease:
(Continued)

Mr. Lind moved to approve the request from the American Legion Post #2 for a one-year extension to their office lease in the Eastside Terminal.

Second by Mr. Engen.

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

Received Communication from ND Aeronautics Commission Regarding 2019 State Grant Awards:

The summary of the Commercial Service Airport Grant Awards 2019 from the North Dakota Aeronautics Commission was received and filed without objection.

Mr. Dobberstein stated we requested \$4,305,638.00 in state grant funds for 2019 and were awarded \$275,769.00. He stated the Aeronautics Commission had \$1,675,061.00 to distribute to the commercial service airports in the state.

Received Proposal from IER Inc. for Charger/Power Poles to be Installed in the Gate Areas:

Mr. Dobberstein stated this proposal from IER Inc. is for the installation of power poles or charging stations, which you see in most airports now. He stated we went out into the industry and got a bid for these charging stations. He stated we are going to start with 12 poles at a cost of \$24,996.00 from IER Inc. He stated we are going to work with Clear Channel on options for advertising on the poles to offset some of the cost.

Mr. Darren Anderson stated these are stand-alone units and are not hardwired so they are moveable. He stated airports all over the country have charging stations and he stated he saw this particular one at the airport in Sioux Falls.

Ms. Linn moved to authorize the purchase and installation of (12) charging stations as per the bid from IER Inc.

Second by Dr. Clark.

Mr. Lind stated he does not think 12 is enough but it is a good start.

Chairman Haugen called for a vote on the motion.

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

Received Update from Delta Global Services:

Mr. Dobberstein stated that Mr. Jeff Neikirk, Delta Global Services, Mr. Jason Ashley, United Airlines, Mr. Wayne Loughheed, DGS Station Manager, and Mr. Andrew Jepson, DGS Performance Manager, are here today to update us on the progress made with customer service issues with DGS since their last visit in March.

Mr. Jeff Neikirk was recognized and stated they have seen significant improvements in the last three months. He stated staffing has stabilized and they are still working to get to target. He stated when they were here in March they had 46 employees but now have 58 of the target 70 employees. He stated there are still about five to six TDY employees per week. He stated the on-time performance has improved greatly over the first quarter and they are still working on their goal

Received Update from Delta Global Services: (Continued)

to have baggage on the carousel in 20 minutes. He stated they do have over an 80% compliance rating on baggage. He stated they are in the final stages of the wage increase they have requested so they expect that very soon.

Mr. Dobberstein stated the problems we have been experiencing are not just happening in Fargo, these problems are happening system wide.

Mr. Jim Sweeney, Fargo Jet Center, was recognized and stated he is a Delta customer and in the last six weeks he has flown out of Fargo five times. He thanked Mr. Neikirk for being here again and asked what we here at this meeting today can do to expedite the pay issue. He stated this message needs to get to the top level at Delta today, not tomorrow. He stated this has gone on way too long. He gave an example of one flight on which he arrived and the jetway was moving back and forth to the aircraft for about ten minutes. He stated after finally getting off the aircraft he asked the two individuals operating the jetway what the delay was and they replied they were "training". Mr. Sweeney stated only a tiny fraction of the issues are being passed on to the airline.

Mr. Neikirk stated they are going through some growing pains while they are training a mostly new staff but he thinks it is better for them to be able to do this in the summer months rather than winter.

Mr. Joe Raso, Greater FM Economic Development Corporation, was recognized and stated he also sees a need for better training for issues that are not that frequent. He stated his family has encountered issues with an unaccompanied minor flying and the agent handling the matter was not at all experienced.

Mr. Neikirk stated that is an area that requires mentoring. He stated the agent should have called the help desk or consulted with one of the TDY or senior agents.

Mr. Jason Ashley, United Airlines, was recognized and stated he and Andrew Jepson communicate almost daily to discuss performance. He added that the hourly rate increase is sitting at the top level at United for approval.

Mr. Lind stated it has to be more expensive to bring in TDY employees from other cities than it would be to increase the hourly wage.

Mr. Neikirk stated it has not been a quick process to increase the hourly wage.

Chairman Haugen stated DGS, Delta and United have dug themselves a big hole and it is going to take a while to dig themselves out. He stated the salary for the employees of DGS has to be increased and the airlines are going to have to spend some of their profits to make that happen.

Mr. Joe Raso stated a couple of weeks ago they announced the "Fueling Our Future" regional initiative in partnership with The Chamber. He stated this initiative addresses five issues and one of them is how the business community can better partner with the airport on things happening in the airline industry. He stated it goes without saying how important this institution is to our connection to the world. He stated the workforce issue is a regional challenge but it is something we can all solve together. He stated the leadership representing some of the top companies in the region, as well as the public sector, have to make this issue a priority and walk through this together. He stated in the past there has been an Air Service Task Force that was focused on business travel. He stated wages are an issue for a lot of our companies here and when you look at occupations and our ability

Received Update from Delta Global Services: (Continued)

to be competitive on a national scale for retaining people we know that is an issue. He stated the suggestion they have made to Delta Global Services is to look at the market wage data and figure out the right compensation to get people with the skill sets needed. He stated most people in this room have a certain level of expectation for airline travel and it will take sitting down at the table with airline representatives to address the issues in a meaningful way.

Mr. Dobberstein stated the outlook on workforce challenges only get worse. He stated the high school graduation rate is expected to drop significantly nationwide in 2026. He stated he would like to invite Mr. Craig Whitney (The Chamber) and Mr. Joe Raso to come to one of our meetings in the near future and explain the "Fueling Our Future" initiative. He stated he thinks this initiative will greatly benefit the community. He stated the Air Service Task Force to which Mr. Raso referred was formed in 1998 after the Northwest Airlines pilot strike when the business community woke up and saw the need to get involved to improve air service. He stated the group met through about 2006 and then disbanded.

Mr. Dobberstein stated as we continue to get comments from the passengers we will pass them on to airline representatives. He stated we are fortunate to have Mr. Lougheed and Mr. Jepson who are dedicated to improving the station.

Mr. Raso stated he would like to say that he has had comments and negative stories from passengers and he has passed those on to Mr. Dobberstein. He stated Mr. Dobberstein has often gone to the effort to fact check and clarify the story and often the complaint was not accurate.

Mr. Dobberstein stated his goal is to have these airline representatives at one of our meetings every couple of months for updates. He thanked the airline representatives for being here today and stated we realize they are working with a lot of other airports as well and this situation is not unique to Fargo.

Received Update on Proposed SRE Building Project:

Mr. Terry Stroh, TL Stroh Architects, was recognized and stated they have had a couple of meetings with airport staff so far and toured the current facility. He stated there have been a lot of changes in equipment since the facility was built, such as size, which causes issues with the existing door openings. He stated they are looking at different options such as whether it will be a separate building and if so in which location. He stated they are looking into issues with the drainage ditch adjacent to the existing facility and what will be required for that. He stated they are hoping to have two or three concepts to present to the board at the next meeting.

Mr. Dobberstein stated the goal is to make everything eligible for FAA funding.

Construction and Security Update:

Mr. Jeff Klein, Mead & Hunt, was recognized and stated the goal is to have the Dakota Drive Rehabilitation Project done by the end of the week, weather permitting, except for the painting. He stated we met with the FAA last week regarding the cargo apron expansion project. He stated the

Construction and Security Update: (Continued)

airport received the \$10 million supplemental federal grant and the airport needs to commit its 2019 entitlement funds of approximately \$3 million for a total of \$13 million. He stated the preliminary estimate for the project right now is \$16 million. He stated we are also working on a de-icing containment system, which will impact the cost of the project.

Mr. David Negron, TSA, was recognized and stated it has been a busy spring and they are expecting a busy summer. He stated he is pleased to advise the board that there is some new technology coming to the checkpoint at Fargo. He stated we are scheduled to receive the new CT X-ray technology whenever the contract issues with the vendors are worked out. He stated we are also anticipating a more automated ticket checking process within the next year. He stated they have done some initial training on the Known Crew Member process and still waiting to hear more from headquarters. He stated hopefully we should see that "go live" date in the next month.

Other Business:

Mr. Dobberstein stated the ND National Guard 119th Wing's Happy Hooligans were recently recognized as the best civil engineers in Air National Guard. He stated they were awarded the Colonel William L. Deneke Outstanding Civil Engineer Unit Award for excellence.

Chairman Haugen stated the members of the Municipal Airport Authority and Attorney Bossart met yesterday with the mayor and staff members of the City of Fargo along with City Attorney Erik Johnson. He stated he apologized for the lack of protocol followed at the meeting because after being told it was an Airport Authority meeting the mayor clearly thought it was his meeting and had a very long program. He stated he would also like to apologize to Mr. Jim Sweeney for the way he was cut off by the mayor. He stated the board would very much like to hear any input from Mr. Sweeney.

Mr. Sweeney was recognized and stated he needs to leave shortly for an appointment but he stated that the critical thing is that this is a personal issue for the mayor and he does not have the support of a majority of the City Commission. He stated the mayor did not have the support of the rest of the commission to bring forward the proposal he presented yesterday.

Chairman Haugen thanked Mr. Sweeney for being at the meeting yesterday and being here today. He stated as he told the mayor yesterday, the board will digest the proposed MOU. He stated the proposed MOU seems to be all about the City of Fargo and all about what is good for the City. He stated there is not anything about the airport, the travelling public, the airport employees, the airport tenants and users of this airport. He stated his impression is that the City wants the money and they want to be in control. He stated we have a commitment to look at the proposal. He asked board members if we should split up the proposal and assign different parts to members for their review.

Mr. Lind stated the proposal is very lengthy but he would prefer that each member review the proposal in its entirety.

Other Business: (Continued)

Chairman Haugen stated he was also disappointed in the comments and implication made at the meeting that the airport was not audited enough and that there is not enough oversight of the finances of the airport. He stated he feels we have more oversight than the City of Fargo experiences.

Mr. Lind stated there was the implication of impropriety and that we are doing something that is negligent or nefarious and he did not appreciate that. He stated that is certainly not the case.

Ms. Linn stated she agrees with Mr. Lind's comments. She stated she thinks it is important that when we meet with the City again to discuss this at a public meeting that state statute for airport authorities is followed, even though some things may need to be done differently than they are now. She stated we might want to look at things from a fresh perspective and just because something has always been done one way does not mean that it is right.

Mr. Lind stated he feels each of the board members needs to know what the MOU says in its entirety, form our own opinions, then get together, and discuss it.

Ms. Linn stated she would like to see a comparison of figures we have received on employee benefits, etc. and the projected numbers that were presented yesterday.

Mr. Lind stated this board does not have to do anything and nothing changes. He stated the mayor has proposed these changes and we have not yet accepted them.

Mr. Dobberstein stated the 1969 agreement between the Municipal Airport Authority and the City of Fargo has not expired. He stated the agreement was amended in 1970 to have no expiration date.

Chairman Haugen stated he has found several errors in the proposed MOU so far and that is one of them. He stated we have been given a deadline of August 1, but we need to remind them that they have sat on this for about a year and a half.

Ms. Linn stated when we first received the original proposal from the City a year ago in February, she knows that she personally spent a lot of time reviewing the document.

Dr. Clark stated the proposal we received yesterday is very much what they gave us before. She stated she would need to compare them side to side but she does not see much difference so far.

Mr. Engen stated as far as the surveys the City used for salary information in their presentation yesterday, he did not think the comparison was accurate as this airport is growing at a rapid rate in both passengers and freight operations. He stated he also noted that the airports they used for comparisons were based on the smallest airports in the country and those that do not have a military mission attached to it or affiliated with it. He stated he thinks we should request that be changed.

The other board members agreed.

Other Business: (Continued)

Chairman Haugen stated the Official Aviation Guide has just named Hector International Airport the 2019 Busiest Small Airport. Official Aviation Guide (OAG) is the world's largest network of air travel data and insight. The commemorative plaque was received by the board.

Mr. Dobberstein stated he attended the Jumpstart Conference in Nashville, TN, June 3-5. He stated he had meetings with a number of airlines. He stated we are not anticipating many changes in air service coming forward. He stated the pilot shortage is still a real challenge. He stated the message was, be happy with the service you have now.

Mr. Dobberstein stated he, Darren Anderson and representatives from Mead & Hunt met with the FAA here on June 6. He stated the FAA representatives present or via telephone were Simon Schmitz and Andy Peek (Minneapolis), and Dave Anderson, Brian Schuck. He stated we talked about the North University Drive project. He stated the FAA is still engaged with the engineering firm designing the project for the City of Fargo. He stated if the city stays within the 66' right of way, they can do what they want, but if they want to move the sidewalk/bike trail closer to our fence then there are a lot of different things that are going to have to be taken into consideration with easements, how to compensate the airport for the property, etc.

Mr. Dobberstein stated we discussed the cost allocation plan submitted by the City of Fargo for the airport's payment to the City's general fund for services rendered to the airport. He stated back in July 2016 the Airport Authority did agree to increasing the \$50,000 annual payment to something greater than \$90,000, subject to approval by the FAA. He stated the FAA is still reviewing the cost allocation plan. He stated he thinks the FAA will buy into the cost allocation plan the City has proposed, however, he does not think they will allow the increase to be retroactive back to CY2016. He stated when the Airport Authority approved the increase in 2016 that was to be effective the 2017 calendar year budget.

Mr. Dobberstein stated we also discussed the proposed flood protection project north of the airport and the FAA just received the cursory review as we have. He stated the City had proposed to put a dike along County 20 from University Drive to 25th Street and then north along 25th to the lagoons. He stated they have now shifted that plan further north to where 52nd Ave N used to be along the Stockman Addition. He stated we have a meeting scheduled Wednesday with Roger Kluck and others from the City Engineer's Office to discuss the project. He stated ironically the new proposed location is exactly where former board member Ken Pawluk said it should be placed.

The meeting of the Municipal Airport Authority was adjourned until the next Regular Meeting to be held Tuesday, June 25, 2019.

Time at adjournment was 9:08 a.m.

Regular Meeting

Tuesday

June 25, 2019

The Regular Meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held Tuesday, June 25, 2019, at 8:00 a.m. in the Airport Boardroom.

The members present or absent were as follows:

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

Chairman Haugen presiding.

Approved the Airport Vouchers Totaling \$50,247.91:

Mr. Lind moved to approve the airport vouchers totaling \$50,247.91.
Second by Ms. Linn.
On the call of the roll, members Linn, Lind, Clark, Haugen voted aye.
Absent and not voting: Engen
The motion was declared carried.

Approved the Individual Voucher to Interstate Improvement:

Dr. Clark moved to approve the individual voucher in the amount of \$921,154.36 to Interstate Improvement for Partial Payment Request #1 for construction of the Dakota Drive Pavement Rehabilitation, AIP48.
Second by Ms. Linn.
On the call of the roll, members Linn, Lind, Clark, Haugen voted aye.
Absent and not voting: Engen
The motion was declared carried.

Approved the Individual Voucher to Interstate Improvement:

Dr. Clark moved to approve the individual voucher in the amount of \$29,945.90 to Interstate Improvement for Partial Payment Request #1 for construction of the non-AIP eligible portion of the Dakota Drive Pavement Rehabilitation.
Second by Ms. Linn.
On the call of the roll, members Linn, Lind, Clark, Haugen voted aye.
Absent and not voting: Engen
The motion was declared carried.

Approved the Individual Voucher to Strata Corporation:

Dr. Clark moved to approve the individual voucher in the amount of \$8,890.25 to Strata Corporation for Partial Payment Request #2 (Final) for construction of the Dakota Drive Lighting Rehabilitation Project, AIP48.

Second by Ms. Linn.

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

Absent and not voting: Engen

The motion was declared carried.

Approved the Individual Voucher to Mead & Hunt:

Dr. Clark moved to approve the individual voucher in the amount of \$83,600.00 to Mead & Hunt for partial payment request for engineering services in connection with the Cargo Apron Expansion, Phase IV, AIP49.

Second by Ms. Linn.

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

Absent and not voting: Engen

The motion was declared carried.

Approved the Individual Voucher to Mead & Hunt:

Dr. Clark moved to approve the individual voucher in the amount of \$3,515.00 to Mead & Hunt for partial payment request for engineering services in connection with the CAT-II Runway 26 Approach Study.

Second by Ms. Linn.

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

Absent and not voting: Engen

The motion was declared carried.

Approved the Individual Voucher to Mead & Hunt:

Dr. Clark moved to approve the individual voucher in the amount of \$41,600.98 to Mead & Hunt for partial payment request for engineering services in connection with the Dakota Drive Pavement Rehabilitation Project, AIP48.

Second by Ms. Linn.

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

Absent and not voting: Engen

The motion was declared carried.

Approved the Individual Voucher to Mead & Hunt:

Dr. Clark moved to approve the individual voucher in the amount of \$3,923.75 to Mead & Hunt for partial payment request (Final) for engineering services in connection with the Dakota Drive Lighting Upgrade Project, AIP48.

Second by Ms. Linn.

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

Absent and not voting: Engen

The motion was declared carried.

Approved the Individual Voucher to Bert's Truck Equipment:

Dr. Clark moved to approve the individual voucher in the amount of \$142,123.00 to Bert's Truck Equipment for accessories (truck box, plow, sprayer, etc.) for the 2019 International Truck (state bid price).

Second by Ms. Linn.

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

Absent and not voting: Engen

The motion was declared carried.

Approved the Individual Voucher to IER, Inc.:

Dr. Clark moved to approve the individual voucher in the amount of \$24,996.00 to IER, Inc. for (12) Series 300 Charging Station Power Poles for the Departure Lounge gate areas (MAA approved 6/11/19).

Second by Ms. Linn.

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

Absent and not voting: Engen

The motion was declared carried.

Approved the Individual Voucher to Deere & Company:

Dr. Clark moved to approve the individual voucher in the amount of \$140,398.08 to Deere & Company for a 2019 John Deere 6155 M Cab Tractor (MAA approved 2/26/29 – Sourcewell Public Bid Consortium).

Second by Ms. Linn.

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

Absent and not voting: Engen

The motion was declared carried.

Approved the Individual Voucher to Moorhead Electric:

Dr. Clark moved to approve the individual voucher in the amount of \$85.00 to Moorhead Electric for utility locates for the Dakota Drive Pavement Rehabilitation Project, AIP48.

Second by Ms. Linn.

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

Absent and not voting: Engen

The motion was declared carried.

Received Communication from Sheryll Clapp Regarding Lease Extension:

The communication from Sheryll Clapp dated June 13, 2019, was received and filed without objection.

Kevin and Sheryll Clapp were recognized. Ms. Clapp stated they have had the lease for the gift shop for the last 20 years and the lease is up for renewal October 1, 2019. She stated the operation started as a little shop and then when the terminal building was expanded they also expanded their gift shop space and then when there were no other services in the departure lounge they added vending machines, and then later the kiosk in the departure lounge with an expansion to that later. Ms. Clapp stated they try to keep on top of things and carry regional products along with a wide variety of other items. She stated they are on pace for record sales this year. She stated they are putting some of their profits back into improvements in the shop and also into human resources. She stated the job market is challenging and they are trying to be competitive with pay and benefits. She stated one of their goals is to expand as the terminal building expands. She stated they do have a website and they are also looking to expand and improve that.

Mr. Clapp stated the website is helpful for those customers who do not have a lot of time to shop while they are in the terminal.

Mr. Dobberstein stated the Clapps always have access to our social media to promote the gift shop. He stated he feels the Clapps have done a phenomenal job. He stated we hear compliments all of the time, even from locals who find things at the airport they cannot find elsewhere in town.

Ms. Linn asked if there was anything the board could do to help the giftshop.

Mr. Clapp stated he could not think of anything for right now. He stated he thinks their growth is going to be on the kiosk side. He stated the space is limited and the sales are quite different but the kiosk sales are probably about 45% of their sales.

Mr. Dobberstein stated the next terminal expansion to the east should provide significantly more space for restaurant and giftshop operations.

Mr. Lind moved to approve the request from Kevin and Sheryll Clapp for a five-year extension to the airport giftshop lease.

Second by Ms. Linn.

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

Received Proposal from Johnson Controls to Upgrade Security Camera System (Sourcewell Contract Price):

The communication from Johnson Controls dated June 21, 2019, was received and filed without objection.

Received Proposal from Johnson Controls to Upgrade Security Camera System (Sourcewell contract price): (Continued)

Mr. Darren Anderson was recognized and stated this proposal replaces the server for our security camera system in the terminal building. He stated the server is 11 years old and needs to be replaced. He stated this does not include any cameras; all of those are still fine. He stated the new server would allow us to add cameras or upgrade the system with high definition cameras. He added the pricing is using a Sourcewell contract.

Ms. Linn moved to approve the proposal from Johnson Controls to upgrade the server for the security camera system in the Westside Terminal.

Second by Dr. Clark.

Mr. Dobberstein stated we will be able to recover these costs in a PFC application.

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

SRE Building Project Update:

Mr. Terry Stroh, TL Stroh Architects, was recognized and presented options for the SRE building project. He stated after meetings with airport staff to discuss their needs they have come up with three options:

Option 1 – Add on to the existing maintenance shop.

Option 2 – Construct a new building for the largest pieces of equipment

Option 3 – Construct a new building on a new site on the airfield

Mr. Stroh stated one of the main issues with the existing building is the size of the doors. He stated adding on to the existing building would require great effort and you would be spending money on changing the doors but you do not really gain any space for that money spent. He stated a new building would not disturb the existing pavement as it would be located south of the existing facility which is now green space. He stated in the meetings with airport staff they indicated the need for an additional service bay, more office space and lounge space. He stated the existing sand room is inadequate in size. Mr. Stroh stated they discussed the new building housing the eight largest pieces of equipment with eight overhead doors with a drive through concept for the equipment. He added that technology on overhead doors today has made them extremely energy efficient so we could install eight doors and the building would be as energy efficient as if it had only two overhead doors.

Mr. Stroh stated going with a new building, rather than adding on to the existing building, would cause no issues for the staff and their operation. He stated that is probably the best option economically. He added that he is amazed at how the airport staff has been able to get everything they have in the existing building. He stated Option 3 would probably cost twice as much as Option

SRE Building Project Update: (Continued)

#2. Mr. Stroh stated they are going to begin the process with the FAA to review the eligibility of each component of the building after the board has given them the direction to take based on these three options presented today.

Mr. Dobberstein suggested the additional service bay added to the existing building could be an alternate to the project.

Mr. Stroh stated the existing building was well built and is in good shape. He stated they would suggest a generator in the new building to power both buildings.

After further discussion, it was the consensus of the board to direct TL Stroh Architects to proceed with Option #2.

Receive Preliminary CY2020 Budget:

Mr. Dobberstein presented the proposed CY2020 budgets for operations and maintenance and the improvement fund. He stated he does not anticipate any significant changes but if there are any he will bring those back to the board.

The proposed CY2020 Budget was received and filed without objection.

Certified Mill Levy to the Board of City Commissioners for 2020 Improvements, As Per Section 2-06-14 of the North Dakota Century Code:

Dr. Clark moved to certify to the Board of City Commissioners a mill levy amount of \$1.25 million, not to exceed 2.0 mills, as per Section 2-06-14 of the North Dakota Century Code, for 2020 improvements.

Second by Ms. Linn.

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

Airport Construction and Security Update:

Mr. Dobberstein stated the Dakota Drive improvement project is complete except for the striping. He stated Interstate Improvements did a great job on the project, along with Northern Improvement with whom they subcontracted for the pavement replacement areas. Mead & Hunt will be putting together final payment requests.

Mr. Darren Anderson was recognized and stated we did receive confirmation that we will be getting new x-ray machines at the checkpoint, but we do not have any more specifics at this time.

Mr. Dobberstein stated at the AAAE Annual Conference there was discussion on the upcoming "Real ID" requirement effective October 2020. He stated many airports are putting notices at the checkpoint to make passengers aware of the requirement for a Read ID if you do not have a passport.

Airport Construction and Security Update: (Continued)

Mr. Dobberstein stated Mead & Hunt is putting together a proposal to reconstruction the car rental ready lot east of the terminal building. He stated he has been discussing with Chairman Haugen the possibility of implementing a Concessionaire Recovery Fee for capital improvements we have made for the car rental operations. He stated if we work with the car rental agencies we may be able to add this recovery fee of up to \$3.00 on every car rental contract. He stated the agencies at the airport have about 60,000 to 70,000 contracts per year. He stated we might be able to include the expenditures the agencies have made in their service facility. He stated he will work with the owners over the next few months on this. He stated this is a very common fee for car rental contracts at most airports.

Adopted Resolution of Appreciation to Victor Gelking:

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

WHEREAS, the Municipal Airport Authority would like to recognize its long standing relationship with Mr. Victor Gelking, Vic's Aircraft Sales, and

WHEREAS, Mr. Gelking has owned and operated his business on Hector Airport for many years has now sold his hangar, and

WHEREAS, the Municipal Airport Authority and the entire aviation community has appreciated the efforts of Mr. Gelking to further the development of aviation through pilot training and aircraft sales, and

WHEREAS, the Municipal Airport Authority has appreciated the dedication of Mr. Gelking and his love for flying and his desire to pass that love on to countless others over the years.

NOW, THEREFORE, BE IT RESOLVED, That the Municipal Airport Authority does hereby thank Mr. Gelking for his contributions to aviation and wishes him the best in his future endeavors.

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

Second by Ms. Linn.

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

The meeting of the Municipal Airport Authority was adjourned until the next Regular Meeting to be held July 23, 2019.

Time at adjournment was 9:13 a.m.

Regular Meeting

Tuesday

July 23, 2019

The Regular Meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held Tuesday, July 23, 2019 at 8:00 a.m. in the Airport Boardroom.

The members present or absent were as follows:

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

Chairman Haugen presiding.

Approved the Minutes from the Regular Meetings of the Municipal Airport Authority Held June 11 and June 25, 2019:

The minutes of the Regular Meetings of the Municipal Airport Authority held June 11 and June 25, 2019, were approved without objection.

Approved the Airport Vouchers Totaling \$81,940.04:

Mr. Lind moved to approve the airport vouchers totaling \$81,940.04.
Second by Dr. Clark.
On the call of the roll, members Linn, Engen, Lind, Clark, Haugen voted aye.
No member being absent and none voting nay the motion was declared carried.

Approved the Individual Voucher to Sixel LLC:

Mr. Lind moved to approve the individual voucher in the amount of \$3,888.00 to Sixel LLC for June passenger enplanement fees, Frontier Airlines.
Second by Mr. Engen.
On the call of the roll, members Linn, Engen, Lind, Clark, Haugen voted aye.
No member being absent and none voting nay the motion was declared carried.

Approved the Individual Voucher to Sixel LLC:

Mr. Lind moved to approve the individual voucher in the amount of \$2,500.00 to Sixel LLC for the quarterly airline report.

Second by Mr. Engen.

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

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

Approved the Individual Voucher to Mead & Hunt:

Mr. Lind moved to approve the individual voucher in the amount of \$2,354.19 to Mead & Hunt for partial payment request for engineering services in connection with the Dakota Drive Lighting Rehabilitation Project, AIP48.

Second by Mr. Engen.

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

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

Approved the Individual Voucher to Mead & Hunt:

Mr. Lind moved to approve the individual voucher in the amount of \$2,109.00 to Mead & Hunt for partial payment request for engineering services in connection with the Cat II Feasibility Study.

Second by Mr. Engen.

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

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

Approved the Individual Voucher to Mead & Hunt:

Mr. Lind moved to approve the individual voucher in the amount of \$83,600.00 to Mead & Hunt for partial payment request for engineering services in connection with the Cargo Apron Expansion – Phase IV, AIP49.

Second by Mr. Engen.

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

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

Approved the Individual Voucher to Mead & Hunt:

Mr. Lind moved to approve the individual voucher in the amount of \$75,240.00 to Mead & Hunt for partial payment request for engineering services in connection with the Cargo Apron Expansion – Phase IV, AIP49.

Second by Mr. Engen.

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

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

Approved the Individual Voucher to Mead & Hunt:

Mr. Lind moved to approve the individual voucher in the amount of \$41,600.98 to Mead & Hunt for partial payment request for engineering services in connection with the Dakota Drive Pavement Rehabilitation Project, AIP48.

Second by Mr. Engen.

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

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

Approved the Individual Voucher to Mead & Hunt:

Mr. Lind moved to approve the individual voucher in the amount of \$28,788.300 to Mead & Hunt for partial payment request for engineering services in connection with the Dakota Drive Pavement Rehabilitation project, AIP48.

Second by Mr. Engen.

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

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

Approved the Individual Voucher to Northern Turf Management:

Mr. Lind moved to approve the individual voucher in the amount of \$2,675.00 to Northern Turf Management for repairs to the lawn irrigation system, Dakota Drive Pavement Rehabilitation Project, AIP48.

Second by Mr. Engen.

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

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

Approved the Individual Voucher to Flint Group:

Mr. Lind moved to approve the individual voucher in the amount of \$13,124.00 to Flint Group for partial payment request for 2019 Airport Marketing Program.

Second by Mr. Engen.

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

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

Approved the Individual Voucher to Interstate Improvement:

Mr. Lind moved to approve the individual voucher in the amount of \$647,266.24 to Interstate Improvement for Partial Payment Request #2 for construction of the Dakota Drive Pavement Rehabilitation Project, AIP48.

Second by Mr. Engen.

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

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

Approved the Individual Voucher to Interstate Improvements:

Mr. Lind moved to approve the individual voucher in the amount of \$119,402.10 to Interstate Improvement for Partial Payment Request #2 for construction of the non-AIP eligible portion of the Dakota Drive Pavement Rehabilitation Project.

Second by Mr. Engen.

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

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

Received Change Order #1 from Interstate Improvements for a Deduct of \$10,784.90 for the Dakota Drive Pavement Rehabilitation Project:

Mr. Dobberstein stated Change Order #1 to the Dakota Drive Pavement Rehabilitation Project is for a deduct of \$10,784.90 due to a change in field quantities.

Dr. Clark moved to approve Change Order #1 to Interstate Improvements for a deduct of \$10,784.90 as a result of a change in field quantities.

Second by Ms. Linn.

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

Authorized Attendance at the 30th Annual ARFF Conference and Training System Symposium, September 8-11, 2019, Grand Rapids, MI:

Mr. Engen moved to authorize attendance at the 30th Annual ARF Conference and Training System Symposium, September 8-11, 2019, Grand Rapids, MI.

Second by Ms. Linn.

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

Authorized Attendance at the NAFTZ Annual Conference, September 8-11, 2019, Chicago, IL:

Mr. Engen moved to authorize attendance at the NAFTZ Annual Conference, September 8-11, 2019, Chicago, IL.

Second by Ms. Linn.

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

Authorized Attendance at the Allegiant Annual Conference, October 1-3, 2019, Las Vegas, NV:

Mr. Engen moved to authorize attendance at the Allegiant Annual Conference, October 1-3, 2019, Las Vegas, NV.

Second by Ms. Linn.

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

Authorized Attendance at the AAAE National Airports Conference, October 6-8, 2019, San Antonio, TX:

Mr. Engen moved to authorize attendance at the AAAE National Airports Conference, October 6-8, 2019, San Antonio, TX.

Second by Ms. Linn.

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

Authorized Attendance at the UAS Summit and Expo, August 27-28, 2019, Grand Forks, ND:

Chairman Haugen stated he would like to add the UAS Summit and Expo, August 27-28, 2019, Grand Forks, ND to the agenda for attendance authorization. He stated unmanned aircraft have a big presence on this airport and this conference is in our backyard. He stated he has attended in the past and would encourage other board members to attend as well.

Mr. Engen moved to authorize attendance at the UAS Summit and Expo, August 27-28, 2019, Grand Forks, ND.

Second by Ms. Linn.

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

Received Proposed Storm Inlet Easement with the City of Fargo, SW ¼ of SE ¼ Sec.25:

Mr. Dobberstein stated we were recently notified by the City of Fargo that they were going to be installing sidewalk along the west side of 16th Street North between 19th Avenue and 21st Avenue, adjacent to property owned by the Airport Authority including parcels leased to the Fargo Air Museum and Jeff Johnson. He stated the sidewalk project has been completed and required the relocation of a storm sewer inlet. He stated Attorney Bossart has worked with Asst. City Attorney Nancy Morris on a Permanent Easement for that inlet.

Ms. Linn moved to approve the Permanent Easement to the City of Fargo for the storm inlet on 16th Street North.

Second by Dr. Clark.

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

SRE Building Update:

Mr. Terry Stroh, TL Stroh Architects, was recognized and stated they are in the process of refining plans for the SRE Building Project. He stated they have been working with a Mead & Hunt architect on evaluating AIP eligibility of every aspect of the project so that as much of the project is eligible as possible. He stated they are continuing to meet with airport staff on refining on the new building as well as the alternate for the service bay addition to the existing building and also an alternate for new LED fixtures throughout the existing building. He stated the lighting will make the building brighter and will also save a lot on energy costs. He added that the goal is to get into the ground this fall.

Authorized Purchase of John Deere 1600 Turbo Series III, 11' Mower (Sourcewell State Contract, RDO Equipment, \$55,747.23):

Mr. Dobberstein stated we are in need of an additional mower so that our Seasonal Groundskeeper can upgrade to a larger mower. He stated RDO can deliver in 7-10 days a John Deere 1600 Turbo Series III, 11' mower, through the Sourcewell State Contract, for a cost of \$55,747.23. He stated this unit would greatly increase the mowing efficiency. He added that when dealing with wet conditions it takes the crew a long time to catch up on mowing.

Mr. Lind moved to authorize the purchase of a John Deere 1600 Turbo Series III at a cost of \$55,747.23.

Second by Ms. Linn.

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

Airport Construction and Security Update:

Mr. Dobberstein stated the Dakota Drive Pavement Rehabilitation and Dakota Drive Lighting Rehabilitation projects have been completed and Mead & Hunt will begin the project closeout process with the FAA.

Mr. Jon Scaper, Mead & Hunt, was recognized and stated the main design of the Cargo Apron Expansion – Phase IV, is well underway. He stated they are currently working on the details for the glycol recovery system.

Mr. Dobberstein stated the majority of the markings on the airfield have to be replaced. He stated normally we would hire a contractor to repaint them but this past winter season was very hard on the markings and they are going to have to be removed and replaced. He stated Henry Swedberg and Darren Anderson have been working with Jeff Klein, Mead & Hunt, to put together a bid document that will be advertised with bids due August 12 and awarded August 13. He stated it is estimated the project could be about \$500,000. He stated the goal is to have the project complete by September 20 and prior to our FAA Certification Inspection. He stated there are not that many contractors in the region that can handle a project like this. He added that painting over the markings is no longer a solution.

Chairman Haugen stated the Guard will be holding a ground breaking ceremony on August 14 for their new Army National Guard Readiness Facility on the north end of the airport. He stated the board members will be receiving invitations from Adjutant General Dohrmann.

Other Business:

Mr. Dobberstein introduced the new FAA Air Traffic Control Manager, Chad Beauchene and Acting FAA Tech Ops Station Manager, Randy Couveau.

Mr. Dobberstein stated two members of congress have moved forward a bill in the House of Representatives to eliminate the \$4.50 federal cap on the Passenger Facility Charge.

Mr. Dobberstein stated on July 16, Frontier Airlines announced seasonal service (three flights per week, Tuesday, Thursday, Sunday) to Phoenix Sky Harbor. He stated this flight will operate while the Denver service is suspended.

Mr. Dobberstein stated at 11:00 today American Airlines will announce it will be adding a seasonal Phoenix flight from Fargo starting December 18 through early April. He stated the aircraft will be an American mainline A319. He stated the process to get this service started back in September 2017 with a visit from Mr. Dale Morris, American Airlines Government Affairs, meeting with GFMEDC, The Chamber and CVB. He stated from that meeting there was a big effort from the business community with letters of support for this service. He stated there are so many connections beyond Phoenix, which is a big hub for American.

Chairman Haugen stated that Fargo Airsho '19 impacted almost everyone on the airport and he wanted to extend thanks to the tenants for their patience and cooperation required. He stated the airport airfield crew put in a lot of work and the weather did not cooperate at first. He stated we hoped for a bigger turnout but it was a great shown.

Mr. Dobberstein stated Chief Bush and the ARFF crew for all of the coordination with local emergency responders on schedules, etc. He stated all of the performers were very impressed with the setup as they pay a lot of attention to performer safety.

Chairman Haugen stated Attorney Bossart has prepared a letter to the mayor advising that the Airport Authority will need more time than the August 1 deadline to discuss the proposed MOU.

The meeting of the Municipal Airport Authority was adjourned until the next Regular Meeting to be held August 13, 2019.

Time at adjournment was 8:22 a.m.

Regular Meeting

Tuesday

August 13, 2019

The Regular Meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held Tuesday, August 13, 2019, at 8:00 a.m. in the Airport Boardroom.

The members present or absent were as follows:

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

Chairman Haugen presiding.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held July 23, 2019:

The minutes of the Regular Meeting of the Municipal Airport Authority held July 23, 2019, were approved without objection.

Approved the Airport Vouchers Totaling \$59,430.76:

Dr. Clark moved to approve the airport vouchers totaling \$59,430.76.
Second by Mr. Engen.
On the call of the roll, members Linn, Engen, Clark, Haugen voted aye.
Absent and not voting: Lind
The motion was declared carried.

Approved the Individual Voucher to Sixel LLC:

Mr. Engen moved to approve the individual voucher in the amount of \$4,600.00 to Sixel LLC for July passenger enplanement fees for Frontier Airlines.
Second by Dr. Clark.
On the call of the roll, members Linn, Engen, Clark, Haugen voted aye.
Absent and not voting: Lind
The motion was declared carried.

Approved the Individual Voucher to The Forum:

Mr. Engen moved to approve the individual voucher in the amount of \$308.55 to The Forum for legal advertisement for the Airfield Pavement Marking Project.

Second by Dr. Clark.

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

Absent and not voting: Lind

The motion was declared carried.

Approved the Individual Voucher to Flint Group:

Mr. Engen moved to approve the individual voucher in the amount of \$10,813.90 to Flint Group for partial payment request for the 2019 Airport Marketing Program.

Second by Dr. Clark.

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

Absent and not voting: Lind

The motion was declared carried.

Received Request From the Fargo Air Museum for Annual Event Sponsorship:

The communication from Mr. Jim Sweeney, Chairman of the Fargo Air Museum, dated August 8, 2019, was received and filed without objection.

Mr. Dobberstein stated the Fargo Air Museum's annual fund raising event is September 14 and they are requesting a sponsorship from the Airport Authority. He stated in the past the board has approved a silver level sponsorship for \$2,500.00.

Ms. Linn moved to approve a silver sponsorship of \$2,500.00 for the Fargo Air Museum's 2019 Celebrity Dinner and Auction.

Second by Dr. Clark.

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

Discussed Annual GFMEDC Membership Contribution:

Mr. Dobberstein stated Mr. Joe Raso, Executive Director of the Greater Fargo-Moorhead Economic Development Corporation, came out last week to give an annual investor update. He stated the Airport Authority started a number of years ago investing \$1,500 annually with the GFMEDC, increasing that the last few years to \$1,650. Mr. Dobberstein stated he is going to suggest that we increase our annual pledge amount to \$5,000 per year for the next three years. He stated they will be setting up an Air Service Task Force, which will be a joint effort with the GFMEDC and The Chamber. He stated Mr. Raso was very involved in our conversations with DGS during their customer service problems and staffing issues. He stated they provided wage information to DGS that was instrumental in getting DGS to increase their employee wages recently.

Mr. Engen moved to approve an annual pledge of \$5,000 for the next three years to the Greater Fargo-Moorhead Economic Development Corporation.

Second by Ms. Linn.

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

Authorized Attendance at the Great Lakes Chapter Airports Conference and Environmental Workshop, October 27-29, 2019, Chicago, IL:

Mr. Dobberstein stated this is the largest conference the Great Lakes Chapter AAAE has each year. He stated this conference has a lot of focus on airfield operations. He stated as the chapter President he will be attending the conference, but we will also select a couple of employees from our airfield staff to attend.

Mr. Engen moved to authorize attendance by multiple staff members at the Great lakes Chapter Airports Conference and Environmental Workshop, October 27-29, 2019, Chicago, IL.

Second by Dr. Clark.

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

Received Bids and Recommendation of Award for Airfield Pavement Markings Project:

Mr. Dobberstein stated we advertised a request for bids for airfield pavement markings with the bid opening to be yesterday at 2:00 p.m. He stated there were no bids received.

Mr. Jeff Klein, Mead & Hunt, was recognized and stated the project was to remark all of the paint markings on the main runway and the surface pavement hold signs on the airfield. He stated there were three plan holders but no one provided a bid. He did talk to the local contractor, Northstar, and they did not submit a bid because they were unable to get a quote on water blasting. He stated we specified water blasting rather than sand blasting because of the mess and clean-up with sand blasting. He stated another factor might have been that it is night work, which is not that appealing. He stated he recommends rebidding the project in the spring.

Mr. Dobberstein stated we do have our FAA Part 139 certification inspection in the fall so we will be doing some painting before that inspection.

Mr. Henry Swedberg, Airfield Supervisor, was recognized and stated painting over the existing markings is not ideal but they will be painting over the critical areas as a temporary fix, even though it will not last.

Mr. Dobberstein stated we could look at having Northstar come out and help us with what they can before the FAA inspection.

Received Update on Runway 36 Special Authorization CAT II Approach:

Mr. Jeff Klein, Mead & Hunt, was recognized and stated they have been working on the Special Authorization Cat-II Feasibility Study. He stated today he has some weather data to present, as well as the results of a survey sent to airport tenants.

Mr. Klein stated the weather data they gathered from the FAA's data base and pulled IFR operations for non-hub airports similar to Fargo that do have CAT-II approaches or special authorization CAT-II approaches. He stated from a weather standpoint there seems to be justification for the special authorization.

Mr. Klein stated we have a draft technical memo we are working on finalizing to submit to the FAA for review.

Mr. Klein stated they sent surveys to the air carriers, cargo carriers, Fargo Jet Center, and some of the general aviation tenants with larger aircraft. He reviewed some of the survey results that stood out to him.

Received Update on Runway 36 Special Authorization CAT II Approach: (Continued)

Chairman Haugen stated he felt the survey questions were geared to what have you done and what are you doing now, rather than emphasis on the future. He asked Mr. Jim Sweeney, Fargo Jet Center, how many corporate aircraft based on the airport are equipped to make CAT-II approaches and how many pilots have that training.

Mr. Sweeney was recognized and stated a few. He stated only if it is a brand new aircraft, unless it was retrofitted.

Mr. Klein stated they will be getting this tech memo off to the FAA for their review soon.

Received Update on Proposed SRE Building Project, Receive Architect's Project Scope and Fee Proposal:

Mr. Terry Stroh, TL Stroh Architects, was recognized and presented the Project Scope for the SRE Building, along with a Fee Proposal for the project. He stated the FAA requires an independent review of the fees and they were able to find an architectural firm in Grand Canyon, AZ, that will conduct the review.

Mr. Stroh stated they continue to have their weekly meetings with the airfield maintenance staff. He stated next week they will be talking with the staff about some specifics with regards to electrical and mechanical aspects of the operation. He stated the goal is still to get in the ground this fall.

Mr. Stroh stated there is a fair amount of concrete around the existing facility that is in need of replacement. He stated it was originally thought that would be a different project but in discussions with Mead & Hunt we might have that as an alternate in this project, as some of the pavement will be replaced because of the relocation of the existing fuel tanks. He stated the project will have three alternates: 1) service bay addition to the existing building, 2) upgrade lighting in the existing building, 3) pavement replacement.

Mr. Dobberstein stated the action needed today is to approve the proposed project scope and fee proposal, subject to the independent fee review, which he will forward to Mas Airport Services in Grand Canyon, AZ. He stated the proposed fee is \$509,809 for the SRE Building project estimated to cost \$5,872,000 for the new building and \$1,000,000 for the service bay addition and lighting upgrade to the existing facility.

Mr. Engen moved to approve the Project Scope for the SRE Building and the Proposed Fee of \$509,809 submitted by TL Stroh Architects, subject to a favorable independent fee review.

Second by Dr. Clark.

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

Received Update on Airport Services Discussion:

Mr. Dobberstein stated we have exchanged some letters with city hall in terms of our path forward for the services the City is currently providing under our 1969 agreement. He stated he did put together a Request for Proposals for Professional Employer Organization Services (PEO services) for a company to come in and provide all human resources, payroll administration, benefits administration, workers compensation, risk management and human resource information systems. He stated the advertisement is basically ready to go and it would run for a couple of weeks with a submission deadline of Monday, September 16, 2019. He stated that is one step forward in terms of the decision to continue with the City or doing everything on our own.

Mr. Dobberstein stated the other areas we would need to evaluate are IT, finance, and pension. He stated Darren Anderson has had some preliminary discussions with current IT providers. He stated as far as finance, we could look at the possibility of having a separate module of the current H.T.E. accounting system the city uses, and if not we would split off and find a system/program of our own. He stated Attorney Bossart has been reviewing the pension system and the agreement with the City of Fargo from 1969 that airport employees be allowed to be part of that pension system. He stated that does not change, regardless of the rhetoric. He stated she has done a lot of review on the city ordinance being silent on the inclusion of the airport employees as there is a separate agreement saying we are part of that pension plan. He added that the Fargo Park District is part of the City of Fargo pension plan and they not mentioned in the city ordinance.

Mr. Dobberstein stated there are many things that will need to be discovered and accomplished in a short period of time. He stated whoever the PEO would be would handle all of the human resources functions. He stated they would go out into the market with a broker to solicit health insurance, as well as other insurance coverages, 457 deferred compensation, etc.

Chairman Haugen stated there are a lot of moving parts in negotiating this agreement with the City of Fargo and we are going to need more time and information to make a good value judgment and decision.

Mr. Dobberstein stated there is no doubt the health insurance costs will go up but part of that will be looking at different plan options, such as a Health Savings Account. He stated some of the other airports in the Airport Association of North Dakota (Grand Forks, Dickinson, Devils Lake and others) are looking to get together to form an employee group to purchase health insurance. He stated there is a company in South Dakota that handles health insurance plans for associations.

Mr. Dobberstein stated per the board's direction today we can start down that path.

Mr. Dobberstein stated the agreement proposed by the City of Fargo totally ignores state statute. He stated if we were to sign that agreement as presented we would be in violation of North Dakota Century Code 2-06 and there is no way we could even think of signing something like that.

Mr. Engen stated regardless of the outcome of this, it is a good practice to go through every few years anyway to understand advances in technology, changes in prices and understand that there is an opportunity and decide whether we take it or stay where we are.

Mr. Dobberstein stated there are going to be upfront costs that we do not know yet. He stated there will certainly be political pushback and we will be prepared for that, but it is time to be an actual airport authority.

Receive Update on Airport Services Discussion: (Continued)

Dr. Clark moved to approve the advertisement of the Request for Proposals for Professional Employer Organization Services with proposals to be received by September 16, 2019.

Second by Ms. Linn.

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

Airport Construction and Security Update:

Chairman Haugen stated the ND National Guard is having the groundbreaking ceremony for their new readiness center on the north end of the airport tomorrow at 1:00 pm.

Mr. Dobberstein stated Mead & Hunt is working on the closeout for Project AIP48.

Other Business:

Mr. Dobberstein stated he had a conversation yesterday with Nancy Olson from Lutheran Social Services, who now manages the RSVP (Retired Senior Volunteer Program). He stated RSVP had administered the airport information center from its inception in 1989 up until a few years ago when the CVB, without our knowledge, started to pay the volunteers. He stated we received notice from the CVB that effective September 1 they are going to stop paying those employees at the Airport Information Center.

Mr. Dobberstein stated the RSVP program has been moved around a bit locally, but it is a federal program and there is a stipulation in the program that they cannot provide volunteers to fill positions that have been paid positions. He stated the Airport Authority has never paid a salary for these positions so we will work with Ms. Olson on those details. He stated he does not know how many of the current volunteers will be interested in staying if it is not a paid position. He stated this is still a work in progress and he will have more information later.

Chairman Haugen congratulated Mr. Shawn Dobberstein on recently being named the 2019 Great Lakes Chapter AAAE Airport Professional of the Year. Mr. Dobberstein was also recently elected President of the chapter.

The meeting of the Municipal Airport Authority was adjourned until the next Regular Meeting to be held August 27, 2019.

Time at adjournment was 8:53 a.m.

Regular Meeting

Tuesday

August 27, 2019

The Regular Meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held Tuesday, August 27, 2019, at 8:00 a.m. in the Airport Boardroom.

The members present or absent were as follows:

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

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held August 13, 2019:

The minutes of the Regular Meeting of the Municipal Airport Authority held August 13, 2019, were approved without objection.

Approved the Airport Vouchers Totaling \$65,548.35:

Dr. Clark moved to approve the airport vouchers totaling \$65,548.35.
Second by Mr. Lind.
On the call of the roll, members Engen, Lind, Clark, Haugen voted aye.
Absent and not voting: Linn
The motion was declared carried.

Approved the Individual Voucher to Mead & Hunt:

Mr. Engen moved to approve the individual voucher in the amount of \$4,921.00 to Mead & Hunt for partial payment request for engineering services in connection with the Runway 36 CAT-II Feasibility Study.
Second by Dr. Clark.
On the call of the roll, members Engen, Lind, Clark, Haugen voted aye.
Absent and not voting: Linn
The motion was declared carried.

Approved the Individual Voucher to Mead & Hunt:

Mr. Engen moved to approve the individual voucher in the amount of \$58,520.00 to Mead & Hunt for partial payment request for engineering services in connection with the Cargo Apron Expansion – Phase IV, AIP49.

Second by Dr. Clark.

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

Absent and not voting: Linn

The motion was declared carried.

Approved the Individual Voucher to Mas Airport Services:

Mr. Engen moved to approve the individual voucher in the amount of \$1,500.00 to Mas Airport Services for the independent fee review for SRE Building Project architectural services contract.

Second by Dr. Clark.

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

Absent and not voting: Linn

The motion was declared carried.

Received Communication from EideBailly Regarding SP Plus Financial Review:

The communication from EideBailly dated August 12, 2019, was received and filed without objection.

Mr. Dobberstein stated we retained the services of EideBailly to conduct a financial review of SP Plus. He stated the review was for the fiscal year ended June 30, 2019, which covered months in the previous contract and some in the new contract effective January 1, 2019. He stated they tested multiple transactions from July 1, 2018 through June 30, 2019. The report shows that no exceptions were found as a result of this procedure.

Received Bids and Recommendation of Award for the South General Aviation Area Ramp Lighting Improvements:

Mr. Dobberstein stated Mead & Hunt solicited bids for us from some local contractors to do some lighting improvements in the south general aviation area. He stated the existing fixtures on the poles are old incandescent so they will be modified and replaced with LED fixtures.

He stated we received bids from two contractors as follows:

Sun Electric	\$49,000.00
Moorhead Electric	\$58,850.00

Mr. Lind stated he would like to see some lighting improvements to the area between the West Winds t-hangar building and the Cass County Law Enforcement Center. He stated the ramp in that area is very narrow and when it is dark it is difficult for pilots to see when taxiing aircraft.

Mr. Dobberstein stated we can take a look at that.

Received Bids and Recommendation of Award for the South General Aviation Area Ramp Lighting Improvements: (Continued)

Mr. Lind moved to receive the bids and award the south general aviation area ramp lighting improvement project to the low bidder, Sun Electric, based on their bid of \$49,000.00.

Second by Mr. Engen.

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

Received Update on SRE Building Project:

Mr. Terry Stroh, TL Stroh Architects, was recognized and stated he would like to clarify the timeline on the SRE Building Project. He stated there may have been some misunderstanding about getting the project started this fall for use this winter. He stated the plan was to bid the project this fall but he would like to see us slow that down a bit so we don't rush the engineering work that needs to be done prior to bidding. He stated if we bid the project in December with a spring 2020 start we will probably see more interest from contractors. He stated right now contractors are busy getting projects buttoned up for winter so they would not be as interested as they would be in December. He stated with a spring start the contractors can get materials ordered over the winter and will be able to get started right away in the spring. He stated we are trying to get every inch possible qualified for FAA/AIP funding and that will give us ample time to work on that.

Mr. Dobberstein stated the roof on the existing shop building is at the end of its useful life and asked if we can add that as an alternate to this project, even though it is not eligible for any federal funding.

Mr. Stroh stated it would be a good idea to have both roofs done in the same project. He added they will continue to have meetings with airfield staff and work on the plans for the building.

Receive Update on Cargo Apron Expansion Project:

Mr. Jeff Klein, Mead & Hunt, was recognized and reported on the Cargo Apron Expansion Project. He stated right now they are working through the capture and treatment of the de-icing fluid that the cargo operators use. He stated that has to be dealt with so the airport can stay compliant with the storm water permit. He stated we originally thought we could take the runoff from the ramp with the glycol and discharge it into the sanitary sewer system. He stated the wastewater treatment plant is not in support of that idea so we are looking at some alternative options. He stated the preferred alternative is to take all of the runoff and get it up to the lagoons. He stated to do that we would need a lift station and a force main, which would require easements to cross Drain 10, etc. He stated until we have an agreed-upon solution we cannot complete the design for the apron. He stated it is our hope to have the project bid just after the first of the year with a spring 2020 start of construction. He stated we could get into a situation where we have to have the storm water capture portion of the project bid separately so we do not delay construction of the apron.

Receive Update on Cargo Apron Expansion Project: (Continued)

Mr. Dobberstein stated in 2021 or 2022 the City of Fargo should have new digesters at the wastewater treatment plant and if the concentration of the runoff is at a certain level he thinks they would be agreeable to allow us to dump it right into the digesters, which actually helps their process. He stated that still has to be determined. He stated the more pure the glycol is upon capture the more likely they would take it in their digesters.

Mr. Klein stated there would still be the problem of getting it there, either by force main or trucking it there.

Mr. Dobberstein stated we will continue to work on this issue.

Mr. Dobberstein stated UPS is in the process right now of putting out a RFQ for architects and engineers for building projects in three cities, Fargo, Cedar Rapids and Tampa. He stated they may hire one firm to do all three or they may split it up. He stated their goal is to have plans and specs finished by February so they can get bids to start the projects in the spring.

Received Update on Airport Information Center Staff:

Mr. Dobberstein stated Nancy Olson, Lutheran Social Services, provided him with a worksheet to complete for a possible MOU with the RSVP (Retired Senior Volunteer Program), which is a federal program. He stated he did clarify with Ms. Olson that these volunteer positions have never been positions that have been paid for by the Municipal Airport Authority so they should qualify for the RSVP program. He stated if they get a negative response from their federal contacts we will have to come up with a different plan. He stated he will complete the forms and submit them and report at the next meeting.

Airport Construction and Security Update:

Mr. Dobberstein stated there is nothing to report on security.

Mr. Dobberstein stated we received the results of the independent fee review conducted by Mas Airport Services for the proposed contract for architectural services from TL Stroh Architects for the SRE Building Project. He stated that review came back favorable and the TL Stroh fee was well in line so the contract was signed and returned to TL Stroh.

Mr. Dobberstein stated at the last meeting we discussed the fact that we did not receive any bids for the airfield pavement marking project but decided to move forward with restriping at least the critical areas before the FAA certification inspection this fall. He stated we found only one contractor that would take the project, NorthStar Safety, Inc., and their proposal was \$183,000.00. He stated they should be able to get started in the next week or so.

Mr. Henry Swedberg, Airfield Supervisor, stated we are working with the airlines on some runway closures during daylight hours so the project can be completed in less time.

Other Business:

Mr. Dobberstein stated we will be having just one meeting in September, September 24, as he will be attending the National Foreign Trade Zone Conference on September 10.

Mr. Dobberstein stated we did publish an RFP for Professional Employment Services and those are due September 16.

The meeting of the Municipal Airport Authority was adjourned until the next Regular Meeting to be held Tuesday, September 24, 2019, at 8:00 a.m.
Time at adjournment was 8:32 a.m.

Regular Meeting

Tuesday

September 24, 2019

The Regular Meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held Tuesday, September 24, 2019, at 8:00 a.m. in the Airport Boardroom.

The members present or absent were as follows:

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

Chairman Haugen presiding.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held August 27, 2019:

The minutes of the Regular Meeting of the Municipal Airport Authority held August 27, 2019, were approved without objection.

Approved the Airport Vouchers Totaling \$106,049.24:

Mr. Engen moved to approve the airport vouchers totaling \$106,049.24.
Second by Ms. Linn.
On the call of the roll, members Linn, Engen, Lind, Haugen voted aye,
Absent and not voting: Clark
The motion was declared carried.

Approved the Individual Voucher to Butler Machinery:

Mr. Lind moved to approve the individual voucher in the amount of \$325,000.00 to Butler Machinery for purchase of a 2019 Caterpillar motor grader (MAA approved 3/26/19).
Second by Mr. Engen.
On the call of the roll, members Linn, Engen, Lind, Haugen voted aye.
Absent and not voting: Clark
The motion was declared carried.

Approved the Individual Voucher to TL Stroh Architects:

Mr. Lind moved to approve the individual voucher in the amount of \$101,961.80 to TL Stroh Architects for partial payment request for architectural services in connection with the SRE Building Project.

Second by Mr. Engen.

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

Absent and not voting: Clark

The motion was declared carried.

Approved the Individual Voucher to Sixel LLC:

Mr. Lind moved to approve the individual voucher in the amount of \$4,430.00 to Sixel LLC for August passenger enplanement fees, Frontier Airlines.

Second by Mr. Engen.

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

Absent and not voting: Clark

The motion was declared carried.

Approved the Individual Voucher to Flint Communications:

Mr. Lind moved to approve the individual voucher in the amount of \$12,521.00 to Flint Communications for partial payment request for the 2019 Airport Marketing Program.

Second by Mr. Engen.

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

Absent and not voting: Clark

The motion was declared carried.

Approved the Individual Voucher to Mead & Hunt:

Mr. Lind moved to approve the individual voucher in the amount of \$3,515.00 to Mead & Hunt for partial payment request for engineering services in connection with the Runway 36 CAT-II Feasibility Study.

Second by Mr. Engen.

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

Absent and not voting: Clark

The motion was declared carried.

Received Report Regarding the Scheduled Seats Available November 2019-April 2020:

The report from Sixel LLC regarding scheduled seats available November 2019-April 2020 was received and filed without objection.

Mr. Dobberstein stated this snapshot shows us the number of seats that will be available starting in November so we will be very busy. He stated this information is actually already out of date because just last week Frontier announced they would be extending their Denver service through the first part of January. He stated we will have a record number of seats so parking will be at a premium and we are working with SP Plus and our other concessionaires to be ready for the increase in traffic. He stated we are going to start looking at terminal expansion and will be having a preliminary planning meeting with Mead & Hunt on Thursday at 10:30 a.m. in the Boardroom. Mr. Dobberstein stated anyone is welcome to attend but after discussion it was determined that a quorum of board members would not be able to attend.

Received Special Assessment Notice from the City of Fargo for BN-18-G (Cass County 20):

The Special Assessment Notice dated 8/21/2019 from the City of Fargo was received and filed without objection.

Mr. Dobberstein stated we had a pre-notice of this assessment some months ago before this improvement was done (BN-18-G, storm sewer, PC concrete paving and incidentals). The area of this improvement was 40th Avenue and 33rd Street North, plus the intersection due to the new Guard Readiness Center being constructed. He stated the ND National Guard will receive a separate special assessment notice. He stated we will pay the full amount of the assessment, \$75,256.85, to avoid paying interest.

Receive Passenger Survey from SP Plus:

The Summer 2019 Passenger Survey from SP Plus was received and filed without objection.

Mr. Dobberstein stated SP Plus conducted another parking and transportation study July 10-11, 2019, surveying passengers departing those two days. He stated they were here from 3:00 am to 8:30 pm and were able to get participation and responses from about 50% of the total of 3,026 departing passengers those two days. He stated the information has not changed a lot over the Summer 2018 survey but this is good data to have.

Mr. Dobberstein stated the report shows results of the last four surveys as well. He stated SP Plus has found these surveys to be quite successful so they are using them in some of their other airports as well.

Received Lease Extension from Passur for Equipment Located at the Eastside Terminal:

Mr. Dobberstein stated Passur leases space on the roof of the Eastside Terminal Building on which they have antenna equipment located. He stated the lease expires September 30, 2019, and they have requested a five-year extension. He stated there will be the standard 3% per year escalator clause.

Attorney Bossart stated she reviewed the proposed lease extension and found some differences in provisions from the current lease so she is waiting to hear from Passur on those items.

Received Lease Extension from Passur for Equipment Located at the Eastside Terminal:
(Continued)

Ms. Linn moved to approve a five-year lease extension as requested by Passur, subject to final review by Attorney Bossart.

Second by Mr. Lind.

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

Received Request from Meadowlark Logistics for Lease Extension in the Eastside Terminal:

The communication from Dave Lawson, Meadowlark Logistics, dated September 20, 2019, was received and filed without objection.

Mr. Dobberstein stated Meadowlark Logistics has been a tenant in the Eastside Terminal for a number of years and is requesting a two-year lease extension. He stated they are also interested in leasing the space currently occupied by UPS when they move to their new facility.

Ms. Linn moved to approve the request from Meadowlark Logistics for a two-year lease extension.

Second by Mr. Lind.

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

Receive Update on Flooring Replacement Project for a Portion of the Café Area:

Mr. Dobberstein stated the carpeted portion of the flooring in the restaurant on the pre-security side is in bad shape and in need of replacement. He stated CBM had initially requested new carpet but after discussion with Mr. Terry Northern, CBM, it was decided that a hard surface would be easier to maintain. He stated we agreed to split the cost of the replacement. He stated we contacted Fargo Linoleum and they recommended vinyl flooring tiles for the area. He stated the proposal is \$12,134.37, plus some other additional charges for freight. He stated they should be able to do the project sometime in October.

Received Responses to Professional Employer Organization (PEO) Services Request for Proposals:

Mr. Dobberstein stated we ran a legal advertisement with a request for proposals for Professional Employer Organization services. He stated proposals were due September 16 and we received one proposal and that was from Pro Resources. He stated Kriss Burns, Business Consultant with Pro Resources, is at our meeting today. He stated Kriss and her team made a presentation to the board last year.

Mr. Dobberstein explained that pricing for their services is based on a payroll factor which is 12.84% for ARFF employees and 11.97% for all other airport employees. He stated we are currently paying for workers' compensation insurance, FICA (Social Security/Medicare) and these percentages include those costs so the bottom line is that the fee would be 2.69% of gross payroll. He stated we are not currently paying a percentage of gross payroll for Federal Unemployment because the City of Fargo has an agreement with ND Job Service and we pay actual cost of a claim rather than a percentage. He stated we may be able to have the same arrangement with the state should we move forward with a change.

Received Responses to Professional Employer Organization (PEO) Services Request for Proposals:
(Continued)

Mr. Dobberstein stated if we were to spend our entire 2020 payroll budget, overtime included, the cost would be approximately \$56,465.49. He stated our budget does include some unfilled positions as well as overtime that may not all be used so the actual cost would probably be less than that. He stated using the figure of \$56,465, \$18,910 would be associated with ARFF staff, which is billed to the air carriers, and approximately \$37,555 for the remainder of the employees.

Mr. Dobberstein stated we did get assistance from Middaugh Associates regarding health insurance costs. He stated they provided estimated premiums from Blue Cross/Blue Shield, Medica and Sanford. He reviewed the premiums and annual cost comparison. He stated we have not yet received any information on health savings accounts. He stated information we have received from Pro Resources is that they would be able to find dental and vision coverage that would have lower costs and better coverage than the current plans. He stated we are waiting for the Airport Association of North Dakota to give an update on their plans to form a group of airports to purchase health insurance. He stated Mr. Dave Middaugh has even offered to assist them in this process.

Mr. Dobberstein stated this is an open and transparent process and all of the information he has received is available to anyone who wants to review it in greater detail.

Consider Four Resolutions for NDPERS:

Mr. Dobberstein stated he had a lengthy conversation with MaryJo Anderson, Retirement Plans Manager for NDPERS. He stated the City of Fargo sends a check each month to NDPERS and that is split out and deposited into each employees own PERS account. He stated she was surprised that since the Airport Authority is a separate political subdivision we should have always had our own separate PERS account. He stated she was going to look into that with their legal counsel and staff.

Mr. Dobberstein stated they do have some requirements for enrollments dates for the Defined Benefit Main Plan, Public Safety Defined Benefit Retirement Plan, Deferred Compensation plan and the Life Insurance Plan.

Mr. Dobberstein stated that she brought to our attention that five of our firefighters currently enrolled in PERS are eligible for the NDPERS Public Safety Defined Benefit Retirement Plan right now, regardless of any changes the Airport Authority may make. He stated apparently this is something new that became available after the last legislative session but this is the first we have heard of it. He stated this is something the firefighters are eligible for, regardless of any other changes that may or may not be made. He stated Ms. Anderson stated someone from NDPERS would be happy to come out and meet with those employees or give an explanation and answer questions on a conference call.

Ms. Linn asked if that is something that would have been offered to the employee by the City of Fargo.

Mr. Dobberstein stated he thinks it can be offered by the city but they have not yet communicated that it is available. He stated she went through all of the names of our firefighters and she identified five employees that were not eligible before but they are eligible now.

Consider Four Resolutions for NDPERS: (Continued)

Mr. Dobberstein stated the Airport Authority would need to pass four resolutions in order to set the stage should we decide to set up our separate account. He stated nothing would change for the employee, they would just be in the Airport Authority's account rather than the City of Fargo's account.

Mr. Dobberstein stated if we would want benefits to start January 1, 2020, they would have to have the contract by October 13 and all documents completed and returned to PERS by November 15. He stated the State has date deadlines based on effective dates.

Mr. Dobberstein stated NDPERS would require a resolution for each of the four plans. He stated we can pass the resolutions today but not take any further action until we know what we are going to do.

Mr. Engen stated if any benefit is available now to an airport employee, whether city involvement or not, we immediately enact that benefit. Mr. Engen stated it would concern him if this benefit (NDPERS Public Safety Defined Benefit Plan) has been available to the firefighters over the past six to twelve months but they were not made aware of it. He stated if it was available by the City of Fargo and it was not afforded to them, he is concerned about that.

Mr. Dobberstein stated he does not recall getting any communication from the city regarding that. He stated he is not a member of NDPERS so he is not certain how members are advised of changes. He stated he thinks once an employee is signed up they have an account and provide information to receive notices.

Mr. Engen stated it is in our best interest for those employees to make sure they are educated immediately.

Chairman Haugen stated one of the major differences for safety employees is retirement age. He stated just because we are voting on these resolutions today does not mean we are taking any action. He stated we just need to have them in place due to timing requirements.

Adopted Resolution Joining NDPERS Defined Benefit Retirement Plan:

A motion was made by Mr. Engen for the Municipal Airport Authority of the City of Fargo to affirm to North Dakota Public Employees Retirement System that the Municipal Airport Authority is formed pursuant to N.D.C.C. § 2-06 and is neither a non-profit corporation nor a for-profit corporation, to join the NDPERS Defined Benefit Retirement Plan and offer the plan to all eligible employees of the Municipal Airport Authority.

The motion was seconded by Ms. Linn.

The Board approved joining the NDPERS Defined Benefit Retirement Plan Effective (date to be determined).

Adopted Resolution Joining NDPERS Deferred Compensation Plan:

A motion was made by Mr. Lind for the Municipal Airport Authority of the City of Fargo to affirm to North Dakota Public Employees Retirement System that the Municipal Airport Authority is formed pursuant to N.D.C.C. § 2-06 and is neither a non-profit corporation nor a for-profit corporation, to join the NDPERS Deferred Compensation Plan and offer the plan to all eligible employees of the Municipal Airport Authority.

The motion was seconded by Mr. Engen.

The Board approved joining the NDPERS Deferred Compensation Plan effective (date to be determined).

Adopted Resolution Joining NDPERS Life Insurance Plan:

A motion was made by Mr. Lind for the Municipal Airport Authority of the City of Fargo to affirm to North Dakota Public Employees Retirement System that the Municipal Airport Authority is formed pursuant to N.D.C.C. § 2-06 and is neither a non-profit corporation nor a for-profit corporation, to join the NDPERS Life Insurance Plan and offer the plan to all eligible employees of the Municipal Airport Authority.

The motion was seconded by Ms. Linn.

The Board approved joining the NDPERS Life Insurance Plan effective (date to be determined).

Adopted Resolution Joining NDPERS Public Safety Defined Benefit Retirement Plan:

A motion was made by Ms. Linn for the Municipal Airport Authority of the City of Fargo to affirm to North Dakota Public Employees Retirement System that the Municipal Airport Authority is formed pursuant to N.D.C.C. § 2-06 and is neither a non-profit corporation nor a for-profit corporation, to join the NDPERS Public Safety Defined Benefit Retirement Plan and offer the plan to all eligible employees of the Municipal Airport Authority.

The motion was seconded by Mr. Engen.

The Board approved joining the NDPERS Public Safety Defined Benefit Retirement Plan effective (date to be determined).

SRE Building Update:

Mr. Terry Stroh, TL Stroh Architects, was recognized and stated they are continuing to meet with airport staff and moving ahead with SRE Building plans. He stated pending working out all of the funding details with the FAA, we hope to be ready to bid the project in December. He stated we are digging into details for the addition of a service bay to the existing building. He stated new FEMA rules for construction in Fargo require building based on elevations on the flood plain maps. He stated he has one project where a business is building an addition on to a facility that has never

SRE Building Update: (Continued)

flooded, yet the addition has to be 10.5 inches higher than the existing structure. He stated fortunately the airport property is high enough that it should not require that the service bay addition be built higher than the existing structure.

Mr. Jeff Klein, Mead & Hunt, was recognized and stated that in order to make the building project eligible for FAA funding through the AIP program we need to go through an eligibility exercise. He stated this exercise is to determine what is eligible for federal funding, based on the size and number of pieces of equipment the airport currently has on hand and the number of pieces the airport could be eligible to purchase. He stated we feel right now around 90% of the planned building is eligible for federal funding. He stated the areas that are not eligible are breakrooms and offices.

Mr. Klein stated another part of the eligibility process for FAA funding is to do an Environment Assessment, which includes an archaeological survey and a wetland delineation. He stated we will also be researching any fuel spills due to the close proximity of the fuel farm. He stated there are some areas of dead grass in the area of the fuel farm that are a concern to FAA. He stated he has been working with Fargo Jet Center as far as any recorded fuel spills and there have not been any spills. He stated the FAA could conduct a record search.

Mr. Dobberstein stated we believe the dead grass is a result of glycol or possibly herbicide runoff which was used in the rock area to eliminate vegetation, as required.

Mr. Klein stated it is his hope that the FAA will accept any documentation from the Fargo Jet Center rather than having to do go through a record search. He stated even if that is the case it should not delay the bidding process.

Airport Construction and Security Update:

Mr. David Negron, Assistant Federal Security Director, TSA, was recognized and stated Fargo will be getting a significant upgrade to the Explosive Detection System (EDS) machines for baggage screening. He stated the project is starting today and should be finished next week. He stated this gives us some additional capability for objects that are able to be screened. He stated the TSA is expecting an update in their credential authentication technology yet this year. He stated long term, possibly next summer, we should be receiving the CT x-ray technology for the checkpoint, which is a massive upgrade in technology. He stated Fargo will be the first airport in the state to receive that technology.

Chairman Haugen stated there is a meeting on Thursday regarding terminal expansion. He asked Mr. Klein to explain how we are going to reconstruct the north ramp and still function during that process.

Mr. Jeff Klein, Mead & Hunt, was recognized and stated the terminal ramp pavement is in tough shape. He stated the pavement reports that came back from the ND Aeronautics Commission had a score of around 50%. He stated it is one of the most highly used pieces of pavement on the airfield. He stated the plan to reconstruct that is multi-faceted. He stated one of the things Mead &

Airport Construction and Security Update: (Continued)

Hunt is working with the Airport Authority on is an initial meeting to kick off a Terminal Planning Study. He stated that would be a plan to expand the terminal ramp. He stated the reasons for that is to expand the ramp to handle improvements to the terminal and extra gates added to the terminal to the east. He stated once that is done then the plan would be to reconstruct the apron in a series of phases. He stated the challenge of all of this is multi-phase, multi-year, and the cost. He stated the terminal ramp itself is at least \$10 million and he cannot estimate the cost of the terminal expansion but it would be at least \$5 to \$10 million. He stated it will be the building, boarding bridges, and the replacement of existing boarding bridges. He added that terminal buildings and ramps have a low priority with the FAA for discretionary funding.

Ms. Linn asked if there is any state funding available.

Mr. Klein stated the Prairie Dog funding becomes available starting in 2021.

Mr. Dobberstein stated the entire fund is only twenty some million dollars annually.

Discussed October Meeting Dates:

Mr. Dobberstein stated our next regular meeting date is October 8 but he will be at the AAEE National Airports Conference. He stated the next scheduled meeting is October 22.

After discussion it was agreed that the next meeting, October 22, would be the only Regular Meeting in October.

Other Business:

Mr. Dobberstein stated we are advertising a request for proposals for banking services in the legals and proposals are due here on October 9 at 2:30 pm.

Mr. Dobberstein stated we are still working with the Retired Senior Volunteer Program (RSVP) on resuming oversight of our Airport Information Center.

Mr. Dobberstein stated we received an e-mail (copies provided to board members) from a resident north of the airport regarding the airport land being posted for "No Trespassing". He stated some of the airport land north of County 20 is in the city limits so no hunting would be allowed. He stated there was concern expressed by some other residents about hunting so close to homes. He stated people have probably hunted there for years but the reason we have now posted the land is for liability reasons. He stated having people harvest the geese and other wildlife is to our favor, but you still hear the stories of airports in other cities and issues with liability as a result of people hunting on their property. He stated if the board does not concur with posting the land we will remove the signs.

Ms. Linn stated people should be aware of this.

Other Business: (Continued)

Mr. Dobberstein stated this person is aware of that and apparently has hunted there for years. He stated there is no doubt there are deer in the shelterbelts on airport property. He stated he will follow up with this individual.

Chairman Haugen asked if we could allow people to hunt if they signed a waiver or hold harmless agreement.

Attorney Bossart stated generally speaking waivers are about as good as the piece of paper on which they are written.

Chairman Haugen stated he knows state regulations do not allow shooting within 440 yards of occupied buildings, but he would not be concerned with bow hunting, as an arrow does not typically travel more than 40 yards. He stated they allow bow hunting in the city limits in the parks. He stated he would not like to blanket eliminate all hunting.

The meeting of the Municipal Airport Authority was adjourned until the next Regular Meeting to be held Tuesday, October 22, 2019.

Time at adjournment was 8:57 a.m.

Special Meeting

Thursday

October 17, 2019

A Special Meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held Thursday, October 17, 2019, at 5:00 pm in the Airport Boardroom.

The members present or absent were as follows:

Present: Linn, Engen, Lind, Clark (via phone), Haugen
Absent: None
Others: Bossart, Piepkorn

Chairman Haugen presiding.

Received Amended Easement from CenturyLink for Easement in the South General Aviation Area and Authorized its Signature:

Attorney Bossart was recognized and stated this is an easement with CenturyLink that had been approved and when it was returned to us after their signature her office staff found errors with the notarization of their signatures and also an issue with the Exhibit A. She stated these things have been corrected and the document can now be recorded.

Received Amended Lease Extension Request from Passur for Equipment Located at the Eastside Terminal:

Attorney Bossart stated the board approved a five-year extension of this lease at the September 24 meeting, subject to final legal review. She stated after reviewing Passur's proposed extension there were a number of items that differed from the previous lease. She stated Passur has now requested just a one year extension and she has drafted the lease extension, which includes a 3% rate escalator.

Approved the Individual Voucher to Mead & Hunt:

Ms. Linn moved to approve the individual voucher in the amount of \$33,440.00 to Mead & Hunt for partial payment request for engineering services in connection with the Cargo Apron Expansion Project, AIP49.

Second by Mr. Engen.

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

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

Approved the Individual Voucher to Mead & Hunt:

Ms. Linn moved to approve the individual voucher in the amount of \$3,515.00 to Mead & Hunt for partial payment request for engineering services in connection with the Runway 36 CAE-II Study.

Second by Mr. Engen.

On the call of the roll, members Linn, Engen, Lind, Clark, Haugen 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 \$4,022.00 to Sixel LLC for passenger enplanement fees, September 2019, Frontier Airlines.

Second by Mr. Engen.

On the call of the roll, members Linn, Engen, Lind, Clark, Haugen 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 \$2,750.00 to Sixel LLC for quarterly airline reports.

Second by Mr. Engen.

On the call of the roll, members Linn, Engen, Lind, Clark, Haugen 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 \$1,170.36 to Sixel LLC for consulting services, meeting and reports, Allegiant Annual Conference.

Second by Mr. Engen.

On the call of the roll, members Linn, Engen, Lind, Clark, Haugen 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 \$76,471.35 to TL Stroh Architects for partial payment request for architectural services in connection with the SRE Building Project.

Second by Mr. Engen.

On the call of the roll, members Linn, Engen, Lind, Clark, Haugen 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 \$32,142.08 to Flint Communications for partial payment request for 2019 Airport Marketing Program.

Second by Mr. Engen.

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

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

Chairman Haugen stated the Municipal Airport Authority of the City of Fargo, North Dakota will meet in Executive Session to review ongoing discussions with the City Commission of the City of Fargo, North Dakota as it relates to the relationship between the Airport Authority and the City of Fargo for certain services provided to and paid for the Airport.

The Executive Session will provide for discussions related to negotiation strategy relative to the parties' positions as to a Memorandum of Understanding proposed by the City Commission and responded to by the Airport Authority.

This Session will further provide negotiating instructions to the Chairman of the MAA and/or its attorney. With respect to said negotiations and a potential agreement between the City and the Fargo Municipal Airport Authority, or a decision by the Airport Authority to seek out and retain vendors outside the City of Fargo, these have financial implications and an open meeting discussion of the negotiations, strategy and direction to the Chairman and/or MAA's attorney, would create an adverse fiscal effect on the bargaining position of the MAA.

This Executive Session has been authorized pursuant to ND Century Code § 44-04-19.1(9).

Mr. Engen moved to convene to Executive Session.

Second by Mr. Lind.

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

The Special Meeting was convened at 5:04 pm for executive session.

The Executive Session opened at 5:05 pm.

Ms. Linn moved to close the Executive Session.

Second by Lind.

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

Executive Session was closed at 6:18 pm

The Special Meeting was reconvened at 6:20 pm.

Chairman Haugen stated the executive session resulted in no action taken. He stated the executive session contained discussion only. The discussion relative to a Memorandum of Understanding proposed by the City Commission will be continued at the Regular Meeting on October 22, 2019, at which time a vote can be expected.

The Special Meeting was adjourned until the next Regular Meeting to be held Tuesday, October 22, 2019 at 8:00 a.m.

Time at adjournment was 6:22 pm.

Regular Meeting

Tuesday

October 22, 2019

The Regular Meeting of the Municipal Airport Authority of the City of Fargo was held Tuesday, October 22, 2019, at 8:00 a.m. in the Airport Boardroom.

The members present or absent were as follows:

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

Chairman Haugen presiding.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held September 24, 2019 and the Special Meeting Held October 17, 2019:

Ms. Linn moved to approve the minutes of the Regular Meeting of the Municipal Airport Authority held September 24, 2019 and the Special meeting held October 17, 2019.

Second by Mr. Lind.

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

Approved the Airport Vouchers Totaling \$95,958.58:

Mr. Engen moved to approve the airport vouchers totaling \$95,958.58.

Second by Dr. Clark.

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

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

Received Proposed Contract from Mead & Hunt for Proposed Car Rental Ready Lot Reconstruction:

Mr. Jeff Klein, Mead & Hunt, was recognized and stated they were asked to put together a proposal to reconstruct the car rental ready lot on the west side of the terminal building. He stated the pavement has not been touched since the 1980's or early 1990's. He stated we worked with Interstate Improvements, the contractor who did the access road rehabilitation project this summer, just to patch some of the worst areas in the lot. He stated at the same time we will look at the overflow rental lot further north just to do some routine pavement maintenance. He stated the proposed engineering fee for the project is \$21,100, but will probably be less since the scope of the project included some work in the SP Plus parking lots, but any work in those lots would be the responsibility of SP Plus.

Receive Proposed Contract from Mead & Hunt for Proposed Car Rental Ready Lot Reconstruction:
(Continued)

Ms. Linn moved to approve the proposed contract with Mead & Hunt for design services for the car rental ready lot reconstruction and rehabilitation for a fee not to exceed \$21,100.00.

Second by Mr. Lind.

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

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

Received Change Order #1 from Sun Electric for South GA Apron Lighting Project, and Increase of \$2,900.00:

Mr. Jeff Klein, Mead & Hunt, was recognized and stated at the August 27 meeting the board awarded the South GA Apron Lighting Project to Sun Electric, based on their low bid of \$49,000. He stated the other bidder was Moorhead Electric at \$58,850.00. He stated after getting into the project Sun Electric discovered that the new fixtures they are installing will not fit on the existing bullhorns. He stated the fixtures are installed on bullhorns in order to be able to rotate the lights to provide the proper illumination. He stated they are requesting an additional \$2,900.00, bringing the total contract to \$51,900.00, which is still lower than the other bid.

Mr. Engen moved to approve Change Order #1 from Sun Electric for an increase of \$2,900.00 for the South GA Apron Lighting Project.

Second by Dr. Clark.

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

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

Received 2020-2022 Airport Concession Disadvantaged Business Enterprise (ACDBE) Goal Per 49 CFR Part 23:

Mr. Dobberstein stated the FAA requires us to set Disadvantaged Business Enterprise goals for concessionaires (car rentals, restaurant, giftshop, parking lot, advertising, vending, etc.). He stated we submitted our goal of 1% for 2020-2022 and the goal has been approved. He stated we work with our concessionaires each year to help identify disadvantaged businesses from which they can purchase goods and services. He stated we do get some good cooperation from the car rental agencies. He stated a lot of businesses that would qualify as DBEs do not want to go through the certification process with the ND DOT. He stated we document all of that and continue to work with them to meet our goal. He stated we will also publish a public advertisement in the newspaper to announce our goal. He added that the FAA has a completely separate DBE goal for construction contracts.

He stated this is for the board's information and requires no action.

Received Update on Proposed SRE Building:

Chairman Haugen stated Mr. Terry Stroh, TL Stroh Architects, is not able to be here today so we will postpone this item until the next meeting.

Received Update on Air Cargo Apron Expansion:

Mr. Jeff Klein, Mead & Hunt, was recognized and stated they are continuing to work on the design of the Air Cargo Apron Expansion Project. He stated right now they are in the final stages of putting together the Technical Memo which addresses the capture and disposal of de-icing fluid and different method alternatives for doing that. He stated the next step would be to bring that report to the Airport Authority and then to the Waste Water Treatment Plant as the glycol fluid would be discharged to the sewage lagoon. He stated we will also engage both UPS and FedEx because the capture of that fluid directly impacts their operations. He stated after we get through that process we will finish up the plans and specifications and bid the project for construction to start in the spring of 2020.

Recognition of the Induction of Pat Sweeney and Jim Sweeney Into the UND Aerospace Hall of Fame:

Chairman Haugen stated the Municipal Airport Authority would like to recognize the induction of Mr. Pat Sweeney and Mr. Jim Sweeney (Fargo Jet Center and Weather Modification) into the UND Aerospace Hall of Fame. He stated we would like to congratulate them on this great honor both for them and for the Airport Authority, as they are the owners of two very successful businesses on the airport. He stated they were not able to be here today as they are at a conference, representing those businesses as well as Hector International Airport.

Airport Construction and Security Update:

Mr. Dobberstein stated we have already received the construction update from Mr. Klein. He stated the TSA did complete the EDS update project. He stated they will now be better able to handle large items such as golf bags.

Discussed Proposed Memorandum of Understanding from the City of Fargo:

Chairman Haugen stated we have a power point presentation outlining the history of the Municipal Airport Authority, North Dakota Century Code regarding Airport Authorities, and the relationship between the MAA and the City of Fargo. He asked that all questions be held until after the presentation.

Chairman Haugen reviewed the original Agreement Regarding Hector Airport Property entered into in September 1969 stating the Authority shall:

“Assume full responsibility and authority for operating, maintaining, repairing, leasing, insuring and collecting revenues from the properties hereinbefore described and shall operate said properties according to the provisions of Chapter 2-06 of the North Dakota Century Code and any other laws that may be applicable to the construction, maintenance and operation of said property.”

Chairman Haugen stated the original agreement expired after 10 years but was amended in 1970 to remove the language involving the expiration date.

Discussed Proposed Memorandum of Understanding from the City of Fargo: (Continued)

Chairman Haugen stated of the 89 public airports in the state, 84 of those have Airport Authorities. He reviewed the ND Century Code governing Airport Authorities.

Chairman Haugen stated the City of Fargo did not retain any powers unto itself when it established the Municipal Airport Authority.

Chairman Haugen pointed out that the Century Code states "An authority may employ an executive director, secretary, technical experts, and other officers, agents, and employees, permanent and temporary, as it may require, and SHALL determine their qualifications, duties and compensation." He stated he emphasized the word shall because in legal terms it means MUST. He stated this seems to be at the heart of the dispute with the City of Fargo.

Chairman Haugen stated for 50 years the Municipal Airport Authority has operated with by-enlarge a very good relationship with the City of Fargo. He stated the current five members of the MAA have all been appointed or reappointed by the current mayor and approved by the members of the City Commission. Chairman Haugen presented the Oath of Office taken by each MAA member in which they swear to perform the duties of said office according to the law.

Chairman Haugen reviewed the deregulation of the airline industry in 1978 and the effect it had on airports and how they were changed from a government business model to an entrepreneurial model.

Chairman Haugen presented the various reviews and opinions by the ND Attorney General regarding airport authorities and the confirmation of their autonomy.

Chairman Haugen reviewed the FAR Part 139 Airport Operating Certificate issued by the Federal Aviation Administration and read from the Federal Register the FAA Policy on Disputed Changes to Airport Sponsorship or Operations. The policy states that "While parties should seek technical assistance from the FAA as early as practicable, parties are encouraged to wait until a dispute has been resolved before submitting an application to the FAA seeking the agency's approval of a change in sponsorship of, and/or operational responsibility for, and airport. In matters in which a proposed change is contested by a current sponsor or operator, the FAA will not act on a Part 139 application or a change of airport sponsorship and/or operating authority until the dispute is definitively resolved to the satisfaction of the FAA." Chairman Haugen stated that means if the City Commission suddenly decides to dissolve the Municipal Airport Authority and it ceases to exist, the Airport Operating Certificate becomes invalid and commercial air service would cease until a proper sponsor is identified and approved and a new Operating Certificate is issued, as the Certificate is not transferrable.

Chairman Haugen presented the letter dated September 27, 2019, that he hand delivered to the FAA/ADO office in Bismarck advising them that the Municipal Airport Authority is in a dispute with the City of Fargo over management, oversight, collection and expenditure of funds, as well as compliance with the ND Century Code 2-06.

Chairman Haugen stated he thinks one of the main reasons we are in this dispute with the city is that in 1969 when the MAA was created, there was a contract with the City of Fargo to provide services such as accounting, payroll, human resources, banking and IT support. He stated the initial rate was \$30,000 per year the MAA paid to the City as a vendor for those services. He stated the annual amount was later increased \$50,000 and now the City of Fargo is requesting \$107,000 per

Discussed Proposed Memorandum of Understanding from the City of Fargo: (Continued)

year. He stated the MAA was asked by the City of Fargo to seek proposals from private sector vendors to see how much the services would cost, which we have done.

Chairman Haugen again stated that the relationship between the MAA and the City over the 50 years has by and large been a great relationship, with the exception of the disagreement over final approval of hiring, firing and employee compensation.

Chairman Haugen stated we have to ask the question - is the airport not being run well or is there some other issue that has come up of which the MAA is not aware. He reviewed a list of positive indicators of a well-managed airport, including the growth, the awards the airport and the Executive Director have received, as well as tenant businesses and military tenants on the airport.

Chairman Haugen stated after we received the proposed MOU from the City of Fargo, the MAA decided to seek proposals from private sector vendors who could provide HR services, banking services, accounting services and IT services, which are currently received from the City of Fargo as a vendor of those services, so that we could make a value based decision. He stated if the MAA were to decide to go with other vendors, there is the matter of time deadlines that would need to be met as it would take a while for a vendor to start processes for those services.

Chairman Haugen stated even if the MAA decides to use different vendors for services, we will still have a relationship with the City of Fargo according to NDCC 2-06 for the mill levy and bonding relationship. He reviewed the fact that any mill levy the MAA receives is used for infrastructure improvements only, not for the daily operation and maintenance of the airport. He stated state statute allows the MAA to levy up to four mills but historically the MAA asks for only two.

Chairman Haugen presented a letter dated October 11 from the mayor. In his letter he states that "the employees of the MAA are city employees, a non-negotiable fact that is not in dispute. Given this fact, the City of Fargo will not provide a la carte services to the Airport Authority." He stated this tells us that if the MAA chooses other vendors for services, the employees of the MAA can no longer participate in the City of Fargo Pension Plan, even though the Fargo Park District employees, while not City of Fargo employees, are allowed to remain in that pension plan.

Chairman Haugen stated he has been disappointed in the negotiations as the definition of negotiation is "a process between individuals that is intended to reach compromise agreement to the satisfaction of both parties...The point of negotiating is to reach agreement rather than to achieve victory." He added that the definition of an employer is "a person or entity who hires another to perform service under an express or implied agreement and has control, or the right to control, over the manner and means of performing the services. An Employer has the right to control an employee."

Chairman Haugen stated the members of the MAA need to choose the most prudent strategy to move forward with meeting the needs of the airport users, citizens of the surrounding area, the employees, the vendors and other stakeholders, all governing entities (FAA, TSA, CBP, Dept. of Homeland Security, Dept. of Commerce, Dept. of Defense/ND Air and Army National Guard, etc.), while following ND Century Code laws/statutes, and regulations.

Chairman Haugen invited comments from the board members.

Mr. Erik Lind stated the law states very clearly that the MAA is the employer of the employees at the airport. He stated the mayor's letter of October 11 states that "the employees of the MAA are city employees, a non-negotiable fact that is not in dispute." He stated that is clearly not the case

Discussed Proposed Memorandum of Understanding from the City of Fargo: (Continued)

because ND Century Code states that the airport employees are employees of the Municipal Airport Authority and we use the City of Fargo as a vendor to write their paychecks, participate in the health insurance plan and pension plan, etc. He stated the mayor indicated that if we choose another vendor other than the city for those services that he would not allow the airport employees to participate in the retirement system and the health insurance benefits. He stated that seems like a hostile action to force our hand into getting what he wants to get.

Ms. Linn stated she feels the most important issue to the end user of the airport is how this impacts the average citizen using the airport. She stated if the City Commission suddenly decides to take action at a meeting to dissolve the MAA, the FAA will cease commercial flights without an Airport Operating Certificate.

Mr. Piepkorn stated that is false. The FAA would not halt service. He stated that is a false statement and he would appreciate it if that statement were retracted.

Chairman Haugen stated he will not retract that statement because that is what he has been told by the FAA. He stated if a new applicant seeks airport sponsorship from the FAA and the matter is in dispute by the current sponsor, the FAA will not act on a change until the dispute is definitively resolved to the satisfaction of the FAA. He stated we are in a dispute.

Mr. Erik Johnson, City of Fargo Attorney, was recognized and stated it is correct to say that if a dissolution were to occur overnight that would create problems. He stated that is not how it would happen. He stated if, if, the City Commission were to make a determination about dissolution it would require payment of all of the debts and transfer of all of the airport land back to the City. He stated it would be a process that would take some time and dissolution would not occur until there was an orderly process for that occurring and the FAA would be fully involved in that. He stated the Operating Certificate is a key component to that. He stated if the parties are not able to come to some kind of coordinated effort between the MAA and the City then we would have to resort to the courts to assist in that process, but we hope that would not be necessary. He stated this is just an "if" and is hypothetical.

Chairman Haugen stated the process just explained by Mr. Johnson is different than the scenario we have been threatened with in which the City Commission could take immediate action to dissolve the MAA without a certificate in place. He stated that is the threat that has been made.

Ms. Linn stated the members of this board have been told by members of the City Commission in public settings that "we can fire all of you." She stated everything that has been said to this point gave her the impression that it was going to be an immediate action by the City Commission and that has been the perception.

Chairman Haugen asked for any further comments. With no further comment he stated he would entertain a motion to accept or reject the proposed MOU from the City of Fargo.

Dr. Clark moved to reject the two proposed Memorandums of Understanding (June 10 and September 19) proposed by the City of Fargo.

Second by Ms. Linn.

Mr. Lind stated the Airport Authority was presented with the City's proposed Memorandum of Understanding and it stated this is what you shall do, do, do, listing everything the airport would have to do. He stated the board reviewed it and indicated what we did not agree with and all of our

Discussed Proposed Memorandum of Understanding from the City of Fargo: (Continued)

disputes were negated or ignored and it came back to us almost identical to the first draft. He stated we did that more than once and it always came back with the message that there was no negotiation going on at all, and we have spent two years on this. He stated the mayor now says in his letter that "this is a complete package and not an a la carte option menu." He stated it is a "take it or leave it", this is what I am giving you and if you don't take it I am not going to let your employees be in the pension plan and I am going to take away their health insurance. He stated there are big ramifications for our employees. He stated this feels very hostile and for that reason there is no way that this has been a negotiation. It has been....you will take what I want and I will take whatever I want. He stated that is it. He stated he does not find any way that we can agree at this point with the "negotiation" that has gone on for the past two years. He stated there is a precedent as the Fargo Park District employees are still allowed to participate in the City of Fargo Pension Plan. He stated even with that precedent the mayor says "no, we are going to remove them." He stated this has been a very hostile process and we have very few options. He stated he does believe that if we go with other vendors for services we will be spreading that business around to local businesses. He stated the City of Fargo does not need any more business. He stated if we end our relationship for those vendor services we actually improve the private sector businesses and keep the money local, where it belongs.

Chairman Haugen called for a roll call vote.

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

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

Chairman Haugen stated before we move on, he would like to ask Commissioner Piepkorn if he would like to explain to the Airport Authority what it is about the airport that the City is trying to "fix"?

Mr. Piepkorn stated, "Nope, I'm done."

Mr. Piepkorn left the meeting.

Mr. Engen asked Chairman Haugen if Mr. Piepkorn's statement that he was done means he was resigning as the City's liaison to the Airport Authority or that he was done with this meeting.

Chairman Haugen stated he would have to clarify that with Mr. Piepkorn.

Consider Appropriate Responses to Service Providers Submitting Proposals for IT, Banking and PEO Services:

Ms. Linn stated it is interesting to note that according to the FAA, we are supposed to have a "separate" bank account and right now our airport funds are in with the City's money and we have a separate line item.

Mr. Dobberstein stated our funds are co-mingled with City of Fargo funds but are accounted for separately.

Ms. Linn stated she feels having our own separate bank account would help us move toward being clearer and following every detail of the law.

Consider Appropriate Responses to Service Providers Submitting Proposals for IT, Banking and PEO Services: (Continued)

Chairman Haugen stated we do have some issues with timing as far as selecting vendors. He stated we received only one bid for professional employment services and that was from PRO Resources. He stated they have indicated they would need at least six weeks to get everything in order for a January 1, 2020 effective date.

Ms. Linn stated the proposal from PRO Resources was excellent and very thorough and that the services they could provide would be above and beyond what we could get with our current provider.

Mr. Lind and Dr. Clark indicated they both agreed.

Ms. Linn moved to award the contract for human resources and payroll services to PRO Resources.

Second by Mr. Engen.

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

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

Chairman Haugen stated we received proposals for banking services from four banks but he stated he is not ready to make a decision on that yet. He stated he would like to see us make that decision at our next meeting.

Mr. Engen asked Chairman Haugen to state which banks submitted proposals.

Mr. Dobberstein stated we received proposals from US Bank, First International Bank, Bremer Bank and Bell Bank.

Mr. Engen stated the City of Fargo's current bank is Wells Fargo and he asked if we know why they did not submit a proposal.

Mr. Dobberstein stated Wells Fargo did submit a proposal days after the deadline. He stated their representative indicated they missed the legal advertisement.

Chairman Haugen stated we have had discussions with Mr. Dave Middaugh, Middaugh Associates, regarding health insurance plans available. Chairman Haugen added that the ND Insurance Reserve Fund, of which we are a member, is currently looking at starting a health insurance plan for employees. He stated there are many schools and municipalities that have insurance coverage with NDIRF. He stated their board is looking at expanding coverage to include health insurance. He stated this could be up to 3,000 employees that would qualify for this plan, plus their family members. He stated it would be a very large pool of members. He stated their board decided just a couple of weeks ago to move forward with this and would like to have it in place by July 1, 2020.

Mr. Middaugh was recognized and stated NDIRF is looking at an association for health insurance. He stated while it is not a done deal, it is likely that it might happen. He stated if the MAA needs to secure health insurance for its employees prior to an NDIRF plan being established, since there are fewer than 50 employees involved, you would have to purchase one of the metallic plans and since everyone is accepted there is no underwriting and the premiums are based solely on age of the individual. He stated January 1 would be the best effective date for employees

Consider Appropriate Responses to Service Providers Submitting Proposals for IT, Banking and PEO Services: (Continued)

because of deductibles and co-pays. He added that other airport authorities have contacted him regarding organizing an association to purchase health insurance.

Mr. Dobberstein stated purchasing health insurance for our employees will cost more than what we are paying now but that should change if and when the NDIRF health plan would be established. He stated Mr. Middaugh did compare the current plan with the City of Fargo and the BCBS Platinum Plan has better coverage than the City's plan. He added that we will also look into health savings accounts for employees.

Mr. Dobberstein stated Darren Anderson has done a lot of work on looking into what we would need as far as IT equipment and services and we still have some things to sort out there. He stated we have been looking at what some other airports use for accounting systems and a system designed for a small business should work well.

The meeting of the Municipal Airport Authority was adjourned until the next Regular Meeting to be held Tuesday, November 12, 2019.

Time at adjournment was 9:07 a.m.

Regular Meeting

Tuesday

November 12, 2019

The Regular Meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held Tuesday, November 12, 2019, at 8:00 a.m. in the Airport Boardroom.

The members present or absent were as follows:

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

Chairman Haugen presiding.

Executive Session to follow the Regular Meeting.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held October 22, 2019:

Ms. Linn moved to approve the minutes of the Regular Meeting of the Municipal Airport Authority held October 22, 2019.

Second by Lind.

Mr. Engen stated at the last meeting he inquired as to whether Mr. Piepkorn's statement of "I'm done", as he walked out during the meeting, meant he was done as the City Commission's liaison to the Airport Authority or if he was just done with that meeting.

Chairman Haugen stated he has not heard anything.

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

Approved the Airport Vouchers Totaling \$96,728.24:

Mr. Engen moved to approve the airport vouchers totaling \$96,728.24.

Second by Dr. Clark.

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

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

Approved the Individual Voucher to Sixel LLC:

Dr. Clark moved to approve the individual voucher in the amount of \$3,510.00 to Sixel LLC for Frontier passenger enplanement fees for October.

Second by Ms. Linn.

On the call of the roll, members Linn, Engen, Lind, Clark, Haugen 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 \$234,512.14 to TL Stroh Architects for partial payment request for architectural services in connection with the SRE Building Project.

Second by Ms. Linn.

On the call of the roll, members Linn, Engen, Lind, Clark, Haugen 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 \$38,644.23 to Flint Communications for partial payment request for 2019 Airport Marketing Program.

Second by Ms. Linn.

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

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

Authorized Attendance at the AAAE Aviation Issues Conference, Maui, Hawaii, January 5-9, 2020 (Registration only):

Mr. Dobberstein stated the AAAE Aviation Issues Conference is always held in Hawaii and as President of the Great Lakes Chapter of the AAAE, they will be paying for his airfare and hotel to attend this conference, as do the other chapters for their presidents. He stated he is required to pay the registration fee only.

Mr. Engen moved to authorize attendance at the AAAE Aviation Issues Conference, January 5-9, 2020, Maui, Hawaii.

Second by Ms. Linn.

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

Received Update on SRE Building Project:

Mr. Terry Stroh, TL Stroh Architects, was recognized and presented the 95% complete set of drawings for the SRE Building Project. He stated this is the set of plans that will be submitted to the FAA. He stated he hired TF Powers to do a cost estimate for the new SRE Building and an addition to the existing SRE Building so we can get a more accurate estimate.

Received Update on SRE Building Project: (Continued)

Mr. Stroh showed the location of the new building and all of the area that would be paved. He stated the pavement is a big chunk of the estimate due to the strength of the concrete needed to accommodate the large machinery. He stated electrical engineer, Joel Kath, recommended putting the generator for the new building next to the transformer for the existing building and bore under the concrete to connect to the new building. He stated it will not be a real large generator because the building does not require much electrical load.

Construction cost estimates for the new building will be as follows:

General	\$2,995,500
Mechanical	\$ 756,000
Electrical	\$ 446,268
Civil	\$1,240,000
Replacement tanks	\$ 75,000
TOTAL	\$5,512,768

Addition to the existing SRE Building (Alternates) totaling \$1,172,480 were reviewed and Alternate C-1 for repaving estimated at \$1,700,000. Mr. Stroh stated re-roofing the existing building is estimated to cost \$182,000, which would not be eligible for FAA funding as it is a maintenance item.

Mr. Jeff Klein, Mead & Hunt, was recognized and stated last summer when we did pavement repair and replacement on Dakota Drive, we had some quantity built into the project to address the pavement around the SRE Building, but then the board decided to move ahead with the new SRE Building Project. He stated the logical thing to do was to take that work out of that project until we knew the plan for the SRE Building Project. He stated the \$1.7 million estimate is based on a complete reconstruction of the pavement around the existing building which is high. He stated right now they are working on evaluating the pavement in that area and determining if there are some sections that are salvageable and not in need of complete replacement. He stated if we just have to replace certain sections that number will come down and the funds can be used for other needs on the airport. He stated the pavement is not going to fall apart tomorrow but it needs to be addressed.

Mr. Stroh reviewed the other soft costs listed totaling \$750,816.

Mr. Stroh stated the relighting alternate for the existing building is extensive and would include the whole building. The lighting replacements would be LED and would be a big improvement of the entire lighting system.

Mr. Stroh stated it is our plan to bid the project January or February which is an ideal time to bid a project.

Mr. Dobberstein stated during the last terminal expansion project we bought Builder's Risk Insurance on the project.

Mr. Stroh stated it is actually cheaper for the owner to take out that coverage rather than the contractor.

Received Contract Amendment from TL Stroh Architects for SRE Building Roof Replacement (Non-AIP Eligible):

Mr. Dobberstein stated since the roof replacement on the existing SRE Building is not eligible for FAA funding, Mr. Stroh drafted an amendment to his contract which has already been approved by the MAA, for the architectural fees of \$7,000.00 in connection with that item.

Ms. Linn moved to approve the contract amendment from TL Stroh Architects for the SRE Building Roof Replacement for an additional fee of \$7,000.00.

Second by Dr. Clark.

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

Received Update on Air Cargo Apron Expansion Project:

Mr. Jeff Klein, Mead & Hunt, was recognized and stated they have been working on the glycol capture and disposal portion of the Air Cargo Apron Expansion Project. He stated we sent a proposal to the Fargo Waste Water Treatment Plant laying out the preferred option to get their official approval on it and determine a rate structure for the treatment of the glycol fluid, which will ultimately go up to the sewage lagoons. He stated at this point we have not yet received a response from them. He stated once we receive approval from them we can finish the design of the project and bid the project in the February-March time frame for a spring construction start.

Mr. Klein stated ultimately we will need to have a glycol force main from the cargo site up to the lagoons. He stated Mr. Dobberstein brought it to our attention that the City of Fargo is constructing its own force main between the waste water treatment plant and the lagoons. He stated we will look into some type of partnership capability to utilize that existing infrastructure and have it be a win win for both sides.

Mr. Klein stated part of the treatment plan is to be able to capture large flows into a 200,000 gallon storage tank until it can be pumped to the lagoons. He stated that is not part of the original scope of work so they will have an amendment to the engineering contract in the near future.

Received Update on Proposed Terminal Expansion Study:

Mr. Jeff Klein, Mead & Hunt, was recognized and stated about a month ago he, Mr. Dobberstein and Mr. Darren Anderson met with some architects from their Minneapolis office to go over a Terminal Area Study. He stated that is basically a study to look at expansion of the existing terminal building to address the growing enplanements. He stated the FAA requires this study to lay out the groundwork for ultimately a design project. He stated they discussed the deficiencies in the existing building and the primary focus will be expanding gates to the east. He stated we will also be looking at expanded post security services. He stated another component of this is both the FAA and ND State Aeronautics Commission representatives would like to see a financial analysis of the plan and proposed funding as we are looking at a project that will cost probably \$35 million for the building expansion and \$15 million for expansion of the ramp. He stated projects of this type have a low ranking on the FAA priority scale for funding. He stated we are still waiting for clarification on this, but terminal projects for small hub airports are not eligible for discretionary funding. He stated non-hub airports would be eligible for discretionary funding and right now this airport is in between

Received Update on Proposed Terminal Expansion Study: (Continued)

the non-hub and small hub classification so timing is crucial and we will need to work diligently over the next year on this process. He added that there is a definite need for expansion.

Discussed Proposals for Depository and Banking Services:

Chairman Haugen stated we received proposals from four banks for depository and banking services.

Ms. Linn stated she reviewed the proposals and looked at what we currently have in our accounts. She stated technically the FAA requires that airport funds be separate and not be co-mingled with any City of Fargo funds, which is currently the case. She stated of the four proposals, two of them rose to the top immediately because of the interest rates. She stated one of those proposals was inclusive of a lot of the fees and the other was not. She stated after that review one of those rose to the top. She stated all of the proposals were very thorough and very well done.

Mr. Lind stated representatives from First International Bank are here and asked if they would like to speak.

Mr. Steve Blazek, First International Bank, was recognized and stated they are just here to help and serve in any way they can. He stated they would look forward to providing additional service to the Airport Authority. He stated they have had a wonderful relationship with the Airport Authority for a number of years and would look forward to expanding that.

Ms. Linn stated she was in the banking industry for a number of years and she stated she would like to see us keep the money local. She stated that would be a real positive. She stated possibly three but at least two of the proposals would keep the money local.

Chairman Haugen stated in his discussions with the FAA there have been comments about how we are currently handling the airport money through the City of Fargo. He stated the FAA would like to see a little more delineation of the airport funds.

Dr. Clark asked when we need to make a decision on the banking services.

Mr. Dobberstein stated it should be done today.

Chairman Haugen stated we could certainly make that decision today if everyone is comfortable with that.

Mr. Lind indicated he was not ready to make that decision today but would be ready at the next meeting.

Chairman Haugen stated the next meeting is in two weeks, November 26, and the board members should be ready to make a decision at that meeting.

Discussed Proposals for IT and Communication Services:

Mr. Darren Anderson, Assistant Director, was recognized and stated we received proposals from four IT firms. He stated they were all very similar. He stated right now we are in the process of clarifying security backup issues. He stated we have roughly 10-12 PC's. He stated nothing is complex. He stated we are looking at putting a file server on airport property and then all of our files will back up to that. He stated we are also looking at a cloud backup. He stated as far as telephones we would use our existing phones and run that off our new file server. He stated we have only eight phone lines coming into the airport that we monitor. He stated all of the tenants have their own phone systems. He stated again it is not a complex system and we are looking at probably about \$8,000 to set up a file server on the airport and about \$7,000-\$8,000 to get everything configured as it is now onto that new server.

Mr. Dobberstein stated we are getting a statement about cyber security from each of the companies. He stated contrary to comments made on local talk radio shows we don't have anything to do with the computer systems for the airlines so social security numbers and ticket information are not at risk because we have nothing to do with that and there is no tie whatsoever. He stated that false accusation can be alleviated.

Chairman Haugen stated there is a lot of misinformation flying around.

Ms. Linn stated she was glad to see that it is very cost effective. She stated as a business we want to make sure we cross the T's and dot the I's but also make it cost effective.

Mr. Engen asked if these were all local vendors.

Mr. Dobberstein stated these companies are all well-know and well-respected, especially locally, and some do business all over the country.

Mr. Anderson stated the four companies are Corporate Technologies, S&L, Network Center and Highpoint.

Mr. Lind stated he would be hesitant to enter into another contract with any outside services until our mediation session with the City is completed.

Chairman Haugen stated we don't necessarily need to enter into contracts but could make the selections without signing contracts. He stated neither IT nor banking services should need a long lead time.

Received Update on Pro Resources Transition:

Mr. Dobberstein stated Chairman Haugen did sign the contract with Pro Resources following our last meeting. He stated there are some things they need completed to set up the ND Workforce Safety and Attorney Bossart has been working on those. He stated the process has been great so far.

Chairman Haugen stated there are a great deal more services we will get from them than we are receiving currently.

Airport Construction and Security Update:

Mr. Dobberstein stated Sun Electric has been working on the lighting upgrade on the south general aviation area and should be done soon. He stated it has made a huge difference already.

Mr. Dobberstein stated we are still anticipating technology changes at the TSA checkpoint in 2020.

Discussed December Meeting Dates:

After discussion, it was the consensus that the board will meeting Tuesday, November 26, Tuesday, December 3 and Tuesday, December 17.

Other Business:

Chairman Haugen thanked the tenants and stakeholders who attended the City Commission meeting on November 4th, and also thanked those who spoke on behalf of the Airport Authority. He stated the board appreciates their support.

Chairman Haugen stated the Municipal Airport Authority of the City of Fargo, North Dakota will meet in Executive Session following the Regular Meeting of the Authority. In Executive Session, the Authority will review a Motion made at the last meeting of the City Commission of the City of Fargo regarding a proposed mediation by and between the Airport Authority and the City as it relates to the current vendor agreement between the Airport Authority and the City of Fargo for certain services provided by the City to the Airport for which the Airport pays the City.

This session will provide negotiating instruction in preparation for possible mediation with the City. With respect to said negotiations, these have financial implications and an open meeting discussion of the negotiations, strategy and direction to Authority members designated to attend the proposed mediation, would create an adverse fiscal effect on the bargaining position of the MAA.

This Executive Session has been authorized pursuant to ND Century Code § 44-04-19.1(9).

It was the consensus of the board to have a recess of the Regular Meeting in order to go into Executive Session.

The Regular Meeting was recessed at 8:44 a.m.

The Executive Session was convened at 8:52 a.m. and adjourned at 10:17 a.m.

The Regular Meeting reconvened at 10:18 a.m.

Chairman Haugen stated the discussion in the Executive Session was relative to the negotiation with the City of Fargo and their motion made at the City Commission meeting on November 4, 2019.

The motion made by Commissioner Strand was:

I move that the city enter into mediated negotiations with the Fargo Municipal Airport Authority with the intent of mutually agreeing to an updated Memorandum of Understanding that essentially mirrors the spirit and terms of the original 1969 MOU as later amended, and that if not mutually agreed to in a period not to exceed 45 days, the Fargo City Commission will immediately move forward with an orderly dissolution of the Municipal Airport Authority as allowed per state law and in compliance with the FAA, said mediation to occur by selection of a single individual to serve as a non-binding mediator to assist such negotiations, said selection to occur by agreement of each party's negotiate or negotiators; Additionally, under the mediation process, the negotiators are tasked with bringing up to date and contemporizing the terms and agreements established by our forefathers five decades ago, and delivering a 2020 memorandum of Understanding that also predetermines future timeless so as to assure continued future operation of the airport under terms reflective of our shared city and community leaders' vision when they established the Municipal Airport Authority and, in their combined wisdom, defined a working relationship intended to go forwards well into the future.

Dr. Clark moved the Municipal Airport Authority agree to mediation with the City of Fargo on December 16, at a neutral location with the designated mediator, but that the Municipal Airport Authority objects to the portion of the motion stating the Commission will immediately move forward with an orderly dissolution of the Municipal Airport Authority if mediation fails, as we do not support dissolution. Two members of the Municipal Airport Authority will attend the mediation along with MAA legal counsel.

Second by Mr. Lind.

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

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

The meeting of the Municipal Airport Authority was adjourned until the Regular Meeting to be held Tuesday, November 26, 2019.

Time at adjournment was 10:19 a.m.

Regular Meeting

Tuesday

November 26, 2019

The Regular Meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held Tuesday, November 26, 2019 at 8:00 a.m. in the Airport Boardroom.

The members present or absent were as follows:

Present: Linn (via phone), Engen, Lind, Clark, Haugen
Absent: None
Others: Bossart

Chairman Haugen presiding.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held November 12, 2019:

Mr. Engen asked if we have yet heard whether or not Mr. Piepkorn is stepping off as the City Commission's liaison to the Airport Authority.

Chairman Haugen stated we have not heard anything.

Ms. Linn stated she thinks we should reach out and get some clarification.

Chairman Haugen stated he will make a phone call to the mayor's office.

Mr. Engen moved to approve the minutes of the Regular Meeting of the Municipal Airport Authority held November 12, 2019.

Second by Mr. Lind.

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

Approved the Airport Vouchers Totaling \$47,863.30:

Dr. Clark moved to approve the airport vouchers totaling \$47,863.30.

Second by Mr. Engen.

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

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

Approved the Individual Voucher to Mead & Hunt:

Ms. Linn moved to approve the individual voucher in the amount of \$4,218.00 to Mead & Hunt for partial payment request for engineering services in connection with the Runway 26 CAT II Study.

Second by Dr. Clark.

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

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

Approved the Individual Voucher to Mead & Hunt:

Ms. Linn moved to approve the individual voucher in the amount of \$41,800.00 to Mead & Hunt for partial payment request for engineering services in connection with the Cargo Apron Expansion Project.

Second by Dr. Clark.

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

No member being absent and none voting nay 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 \$33,462.54 to Fargo Jet Center for the 2019 Co-op Marketing Program.

Second by Dr. Clark.

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

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

Mr. Darren Hall, Global Marketing Director for Fargo Jet Center, was recognized and stated the Airport Authority has partnered with Fargo Jet Center for a number of years now on their marketing program. He stated they are very grateful for this partnership with the airport. He stated when the program started it was to help Fargo Jet Center reach out further to promote Fargo. He stated the partnership enables them to go to more conferences all over the world and get the message about Fargo and the services offered at the airport. He stated they find they have more success when they meet those potential customers face to face. He stated at the shows they share exhibits with their fuel provider, AvJet, which gives them prime booth space. He stated we have identified at least 15 airports with which we are competing for the flights returning to the United States and needing to clear US Customs.

Chairman Haugen stated yesterday he attended a Global Leadership Coalition event at the Fargo Air Museum. He stated there were business people from all around the state in attendance. He stated the Coalition is a bipartisan group headquartered in Washington, DC but are focused on the world and business. He stated he was able to visit with the President and CEO and was able to provide him with information on Hector International Airport and all of the activity and growth at the airport. He stated the staff that attended was impressed as they had never considered Fargo as a stop for Customs when returning from Europe before flying on to Los Angeles.

Approved the Individual Voucher to Sun Electric:

Ms. Linn moved to approve the individual voucher in the amount of \$15,900.00 to Sun Electric for Partial Payment Request #2 (Final) for South General Aviation Lighting Improvement Project.

Second by Dr. Clark.

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

Approved the Individual Voucher to Sun Electric: (Continued)

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

Mr. Dobberstein stated this lighting upgrade has made a huge improvement on the south general aviation area. He stated UPS will probably not have to use their portable light generators. He added that we have already received a request from Fargo Jet Center to do the same upgrade on the North General Aviation Ramp.

Continued Discussion Regarding Banking and Depository Services:

Chairman Haugen stated we received proposals for banking and depository services in October from four banks (Bell Bank, Bremer Bank, First International Bank, US Bank) and the board members have had a chance to review all of the proposals and a selection should be made today.

Ms. Linn stated she did a thorough analysis of the four proposals and she felt First International Bank not only had higher interest rates for deposits but the package they put together was very easy to follow and included some services the others did not include.

Mr. Lind stated he would agree with Ms. Linn. He reviewed them again last night before this meeting to make certain he didn't miss anything.

Mr. Lind moved to select First International Bank for our banking and depository services.

Second by Ms. Linn.

Dr. Clark stated she agrees. She stated after her reviews of all proposals she came to the same conclusion.

Chairman Haugen called for a vote on the motion.

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

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

Chairman Haugen stated the only caveat being that we are still waiting for mediation with the City of Fargo.

Ms. Linn stated that we need to keep in mind, whatever the results of mediation, that we do need separate bank accounts. She stated the airport funds cannot be co-mingled with City funds.

Chairman Haugen stated the Federal Aviation Administration has made that very clear and they are adamant about the separation of airport funds.

Continued Discussion Regarding IT/Communication Services:

Mr. Darren Anderson, Assistant Director, was recognized and stated we have received more information since the last meeting and presented a summary of the IT providers. He stated all four companies providing proposals are great companies and are pretty much in the ball park. He stated some do offer more services than others. He stated he has received verification of the security features from all of them so that should not be a concern. He stated they are aware of the timeline in which we are working. He stated there is not a big hurry on their part to get something done. He stated we will have to work with the City of Fargo IT Department during the transition.

Mr. Dobberstein stated after his initial review Corporate Technologies rose to the top. He stated it will be a 60-90 day transition to make certain everything is transferred. He stated in the scope of things it is a very small system and will be very manageable.

Chairman Haugen stated he would like to see us defer this decision for now.

Airport Construction and Security Update:

Mr. Dobberstein stated last week we had FAA staff from Minneapolis and Bismarck, staff from the ND Aeronautics Commission, as well as Mead & Hunt here for a meeting. He stated the FAA has started to have monthly updates with a number of airports as far as programming for funding, which has been very beneficial. He stated we focus a lot on the Capital Improvement Plan and at the December 17 meeting we will have an updated CIP now that we have more information on the SRE Building Project. He stated we have a better idea on how the FAA wants to help us in programming a possible terminal expansion that we hopefully will undertake in 2021 or 2022. He stated the important part for us is that we are currently a non-hub airport and we are on the threshold of being designated a small hub airport. He stated if you are designated small hub, the amount of federal funding for terminal expansion is really non-existent. He stated if you are a non-hub you are eligible for up to \$20 million in discretionary funding, but we still need clarification on whether or not the expansion we did in 2008 would count toward that \$20 million. He stated we are still waiting for that answer. He stated in working with the state and with the FAA we will try to get some funds programmed for 2021, assuming that the Terminal Expansion Study that will be proposed by Mead & Hunt is in order. He stated that study is a nine to ten month process. He stated the estimate for the expansion of the building is \$30-\$35 million for the building and more for the expanded apron. He stated the FAA is willing to work with us to try and program some discretionary dollars in 2021. He stated if you receive discretionary funding for a terminal expansion while you are a non-hub, that locks in that funding for you for the duration of the project, even if you change to a small hub during the construction process.

Mr. Jeff Klein, Mead & Hunt, was recognized and stated the plans for the SRE Building Project will be submitted to the FAA tomorrow for the eligibility review. He stated that report should come back in January.

Mr. Dobberstein stated in 2020 we will be putting that project out for bid along with the Cargo Ramp Expansion Project.

Mr. Dobberstein stated we have received some answers from the City of Fargo Waste Water on what they would charge to dispose of the glycol from the cargo ramp. He stated the material will be trucked for the interim but the long term plan is to pipe it to the lagoons. He added that if testing of the captured material shows to be below certain levels we can also just let it flow, as we have done in the past.

Mr. Dobberstein stated UPS has selected a Fargo architect for their building projects in Fargo and Cedar Rapids. He stated that Bemidji Aviation is also looking at building a hangar in the cargo area.

The meeting of the Municipal Airport Authority was adjourned until the next Regular Meeting to be held Tuesday, December 17, 2019 at 8:00 a.m.

Time at adjournment was 8:29 a.m.

Regular Meeting

Tuesday

December 17, 2019

The Regular Meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held Tuesday, December 17, 2019, at 8:00 a.m.

The members present or absent were as follows:

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

Chairman Haugen presiding.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held November 26, 2019:

Ms. Linn moved to approve the minutes of the Regular Meeting of the Municipal Airport Authority held November 26, 2019.

Second by Mr. Lind.

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

Mr. Engen asked if we have yet received a written response from the city on whether or not Mr. Piepkorn is still the city's liaison to the Airport Authority.

Attorney Bossart stated she made a verbal inquiry but has not yet received a response.

Approved the Airport Vouchers Totaling \$72,523.84:

Mr. Lind moved to approve the airport vouchers totaling \$72,523.84.

Second by Dr. Clark.

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

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

Approved the Individual Voucher to Sixel LLC:

Mr. Engen moved to approve the individual voucher in the amount of \$4,886.00 to Sixel LLC for November passenger enplanement fees – Frontier Airlines.

Second by Dr. Clark.

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

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

Approved the Individual Voucher to Cass County Finance:

Mr. Engen moved to approve the individual voucher in the amount of \$21,743.76 to Cass County Finance for 2019 property taxes/drain assessments/special assessments.

Second by Dr. Clark.

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

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

Received Communication from Dr. Tom Nagle to Extend South GA Hangar Ground Lease:

The communication from Dr. Tom Nagle dated November 27, 2019, was received and filed without objection.

Mr. Dobberstein stated Dr. Nagle is requesting a five year extension of his hangar ground lease in the south general aviation area. He stated Dr. Nagle has done some major improvements on the exterior siding of his hangar and he would recommend approving the extension.

Ms. Linn moved to approve the five-year extension requested by Dr. Tom Nagle.

Second by Dr. Clark.

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

Received Communication from Riviera Nexus (formerly Cogi) to Extend Eastside Terminal Office Lease:

The communication dated December 3, 2019, from Riviera Nexus was received and filed without objection.

Mr. Dobberstein stated Riviera Nexus (formerly Cogi, Inc.) is a current tenant in the Eastside Terminal and they would like a one-year extension.

Mr. Lind moved to approve a one-year extension for Riviera Nexus.

Second by Mr. Engen.

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

Received Communication from Northstar Insurance Regarding Renewal of Airport Liability Policy for 2020:

The communication from Northstar Aviation Insurance, Inc. dated December 12, 2019, was received and filed without objection.

Mr. Dobberstein stated Mr. Marc Lepage, Northstar Insurance, is our broker for our airport liability insurance coverage. He stated they are recommending remaining with the current carrier, AIG Aerospace. He stated the two options are a policy with no deductible for \$63,509 or a \$5,000 deductible per bodily injury/property damage occurrence with a \$25,000 aggregate for \$57,762. He added that there is an increase in premium over last year due to the enplanement activity and the harder market aviation entered over the last year. He stated he is recommending the option with the deductible.

Mr. Engen moved to approve the renewal of the airport liability insurance with AIG Aerospace for a premium of \$57,762.

Second by Mr. Lind.

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

Ms. Linn stated for the record she would like it noted that this is the premium the Airport Authority pays for its liability insurance.

Mr. Dobberstein stated that is correct. He stated the City of Fargo has absolutely no liability at the airport.

Presentation from the City of Fargo Engineering Department Regarding Proposed Flood Levy Project:

Mr. Roger Kluck, City of Fargo Engineering, was recognized and stated he is here today along with City Engineer Brenda Derrig, and Jody Bertrand, Engineering. He stated the reason they are here today is to present and get input from the Airport Authority on a flood control project north of County 20. He stated in 2016-2017 they worked with the FAA on environmental clearances for this project. He stated about that time the FM Diversion plan ran into some legal difficulties and was put on hold. He stated earlier this year the Diversion Authority was given the go ahead to move forward with their project. He stated they have had a number of visits with Mr. Dobberstein and the FAA on a proposed route for this project. He reviewed the proposed route starting from the west at the lagoons. He stated they tried to minimize the effects on the airport land rented to tenant farmers.

Mr. Kluck stated today they are looking for approval from the Airport Authority of the route and also to start discussions regarding the cost of the right of way on airport land, whether that be donated, a flat payment or purchase of land. He stated this would allow us to continue the process. He stated the goal is to get construction started in 2020. He stated they have had regular meetings via phone with the FAA and Corps of Engineers regarding this project. He stated they would also like the Airport Authority to request from the FAA a Section 163 Waiver, which is basically an environment waiver which would cut down on paper work for them, if the Authority approves the route.

Mr. Dobberstein stated the total acreage is 31.53 acres for the temporary easement during construction and the average cash rent per acre is \$150.00 so the impact to cash rent during the first year would be approximately \$4,700. He stated after construction the acreage for the permanent easement would be reduced to 18.23 acres so that impact would be \$2,700 to \$3,000 per year at the current average per acre.

Mr. Dobberstein stated the three options are: donate land for permanent flood protection, request appraisal to determine land value, or negotiate a value per acre for compensation for temporary construction and permanent flood control easement.

Mr. Engen moved to authorize the Executive Director to act on behalf of the Airport Authority in the best interest of the Airport Authority, the City of Fargo and the property owners, to move forward and work with the City Engineering Department to accommodate this project and to bring back to the board a recommendation for final approval.

Second by Ms. Linn.

Mr. Dobberstein stated he thinks it might be better for the board to understand the value of the property before making a decision. He added that we will have to work closely with the tenant farmers as they have to certify their acreage to the Farm Services Agency.

Mr. Lind stated he favors getting an appraisal on the land and not a donation situation.

Chairman Haugen called for a vote on the motion.

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

Airport Construction and Security Update:

Mr. Jeff Klein, Mead & Hunt, was recognized and stated the plans and specifications for the SRE Building were submitted to the FAA a few weeks ago. He stated the eligibility analysis for federal funding was also submitted.

Mr. Klein stated there is not a lot of anything new to report on the Cargo Expansion Project. He stated they are continuing to work with the Fargo Wastewater Treatment Plant on an agreement for the glycol disposal.

Mr. Klein stated they are still awaiting feedback from FedEx on the Cat II Feasibility Study.

Airport Construction and Security Update: (Continued)

Mr. Dobberstein stated the TSA is expecting an update to their equipment at the checkpoint and we have submitted a request that when the new machine arrives, the current equipment stays in place and that we expand the checkpoint from two lanes to three lanes. He stated the checkpoint was designed so that the walls are moveable and the checkpoint area can be expanded. He stated we would have to get approval from the TSA.

Other Business:

Mr. Dobberstein stated American's seasonal non-stop service to Phoenix starts this week. He stated at times it will be extremely busy with those flights in addition to the Frontier and Allegiant flights within about a two hour window.

Mr. Dobberstein introduced Daren Byrum who is the interim Airfield Supervisor while Henry Swedberg is out on a medical leave. He stated our airfield crew has put in a lot of hours and have done a great job. He added that during snow events we are also fortunate to get help from some of our firefighters.

Mr. Dobberstein stated we took delivery on the new MB plow and spray truck, and are expecting our three pieces of Oshkosh equipment by the end of the year.

Chairman Haugen stated before we go into Executive Session he gave an update on negotiations with the City. He stated we are still in mediation. He stated we met yesterday and will have another mediation session later today.

Ms. Linn stated she wants to make certain the public knows that all of the negotiations are confidential.

Chairman Haugen read the following statement:

The Municipal Airport Authority of the City of Fargo, North Dakota will meet in Executive Session following the conclusion of the regular agenda to receive a status update as to the Mediation by and between the MAA and the City of Fargo scheduled to begin Monday, December 16, 2019 as it relates to the relationship between the Airport Authority and the City of Fargo for certain services provided to and paid for the Airport. Discussions will further occur as to whether or not the parties will require a further day of Mediation scheduled for Wednesday, December 18, 2019.

The Executive Session will provide for discussions related to negotiation strategy relative to the parties' position in Mediation. These discussions have financial implications and an open meeting of these discussions, strategy and direction to the Chairman and/or MAA's attorney, would create an adverse fiscal effect on the bargaining position of the MAA.

This Executive Session has been authorized pursuant to ND Century Code §44-04-19(9).

Ms. Linn moved to go into Executive Session.

Second by Mr. Engen.

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

The Regular Meeting was recessed at 8:28 a.m.

The Executive Session was called to order at 8:31 am.
Ms. Linn moved to adjourn the Executive Session at 10:00 a.m.
Second by Mr. Lind.
All members present voted aye and the motion was declared carried.

The Regular Meeting was reconvened at 10:02 am.
Mr. Engen moved to adjourn the Regular Meeting of the Municipal Airport Authority.
Second by Dr. Clark.
Time at adjournment was 10:03 a.m.

Special Meeting

Tuesday

December 18, 2019

A Special Meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held Wednesday, December 18, 2019, at 5:15 p.m.

The members present or absent were as follows:

Present: Engen, Lind, Clark (via phone), Haugen
Absent: Linn
Others: Bossart

Chairman Haugen presiding.

Chairman Haugen stated the Municipal Airport Authority of the City of Fargo, North Dakota will meet in Executive Session to receive a status update as to the Mediation by and between the MAA and the City of Fargo as it relates to the relationship between the Airport Authority and the City of Fargo for certain services provided to and paid for the Airport. The Executive Session will provide for discussions related to negotiation strategy relative to the parties' position in Mediation. These discussions have financial implications and an open meeting of these discussions, strategy and direction to the Chairman and/or MAA's attorney, would create an adverse fiscal effect on the bargaining position of the MAA. This Executive Session has been authorized pursuant to ND Century Code §44-04-19(9).

Mr. Engen moved the Airport Authority go into Executive Session.

Second by Mr. Lind.

The board recessed at 5:32 p.m. and moved into Executive Session at 5:34 p.m.

The Executive Session ended at 6:58 p.m.

The Municipal Airport Authority reconvened at 6:59 p.m. and the meeting was adjourned.

Special Meeting

Tuesday

December 18, 2019

A Special Meeting of the Municipal Airport Authority of the City of Fargo, North Dakota was held Monday, December 30, 2019 at 2:00 p.m.

The members present or absent were as follows:

Present:

Absent:

Others:

Chairman Haugen stated the Municipal Airport Authority of the City of Fargo, North Dakota will meet in Executive Session to receive a status update as to the Mediation by and between the MAA and the City of Fargo as it relates to the relationship between the Airport Authority and the City of Fargo for certain services provided to and paid for the Airport. The Executive Session will review the status of what the parties have discussed and the proposed draft Memorandum of Understanding. These discussions have financial implications and an open meeting of these discussions, strategy and direction to the Chairman and/or MAA's attorney, would create an adverse fiscal effect on the bargaining position of the MAA. This Executive Session has been authorized pursuant to ND Century Code §44-04-19(9).

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Special Meeting

Tuesday

December 30, 2019

The Special Meeting of the Municipal Airport Authority of the City of Fargo, North Dakota was held Monday, December 30, 2019 at 2:09 p.m.

The members present or absent were as follows:

Present: Linn (via phone), Engen, Lind, Haugen
Absent: Clark
Others: Bossart

Chairman Haugen stated the Municipal Airport Authority of the City of Fargo, North Dakota will meet in Executive Session to receive a status update as to the Mediation by and between the MAA and the City of Fargo as it relates to the relationship between the Airport Authority and the City of Fargo for certain services provided to and paid for the Airport. The Executive Session will review the status of what the parties have discussed and the proposed draft Memorandum of Understanding. These discussions have financial implications and an open meeting of these discussions, strategy and direction to the Chairman and/or MAA's attorney, would create an adverse

fiscal effect on the bargaining position of the MAA. This Executive Session has been authorized pursuant to ND Century Code §44-04-19(9).