**Sioux Falls Regional Airport Authority**

**Board Meeting Minutes**

**August 22, 2024**

Members Present: Kent Cutler, Blake Curd, John Taylor, Dan Statema, and Eric Ellefson

Staff Present: Dan Letellier, Richard King, and Kristin Elgersma

Guests Present: Jake Braunagel – KLJ Engineers, Brad Greguson and Tony Harms– SP Plus Parking, Eric Hanson – HDR Engineers, Mitchell Walker – Mead and Hunt, Joel McWilliams - Weitz, and Elizabeth Hertz – Davenport Evans

Ayes and nays were taken on all motions and all motions were passed unanimously unless otherwise noted.

Chairman Cutler called the meeting to order at 12:00 pm.

1. **Minutes**- Eric Ellefson moved and John Taylor seconded a motion to approve the minutes of July 25, 2024. Motion Carried.
2. **Bills for Approval**- John Taylor moved and Eric Ellefson seconded approval of the bills as presented. Motion carried.
3. **Consent Agenda**- Report on Consent Agenda items by the Executive Director. Blake Curd moved, and Eric Ellefson seconded approval of the Consent Agenda. Motion carried.

1. Change Order #17 with Henry Carlson Const. for modifications to the Parking Garage Project. - $0
2. Agreement with Sioux Falls Transit LLC, to provide City bus service to the airport.
3. FAA Airport Improvement Grant Agreement #3-46-0050-064-2024 to reimburse design costs associated with the expansion of the cargo apron. - $414,000.00.
4. State of South Dakota DOT agreement to provide the State match for grant #3-46-0050-064-2024 – cargo apron expansion project, design - $23,000.00.
5. Approval to request the use of our State Fuel Tax balance from the SD DOT in the amount of $518,856 to fund the purchase of a new snowplow/broom unit.
6. Lease agreement with Paul Hoffman for airport T-Hangar 2-15.
7. **Report by Executive Director**-
8. Passenger Traffic – July 2024– July enplaned passengers were up 6.9% from 2023 totaling 62,851 passengers. July enplanements set an all-time record for any month. Total passengers also increased 6.7% to 125,185, also a monthly record. Year-to-date traffic increased 4.7% which is still on pace for a new record. Available seats increased 7.9% assisting with the increase in passenger count. Parking revenue continues a strong rebound with revenue increasing 20.7% and total car count up 9.3%. All other revenue concessions reflected increased for the month as well.
9. Construction Update –
	1. Parking Garage: Crews are working on a few remaining items prior to completion mid-Sept. Work on the skyway/terminal addition isn’t expected to be complete until early October. A ribbon cutting event is scheduled for September 30th with the Chamber.
	2. Concourse Expansion – Design/development has been completed and our CMAR group is reviewing those plans and developing a construction estimate for the various phases.
10. Video Wall Discussion – Director Letellier led a discussion on how the Board viewed the use of the two large video walls on the new parking garage. Airport updates, public information and limited advertising opportunities were proposed by the Director. Current airport marketing firm, Epicosity has submitted a proposal to assist with digital content and updating the walls for a proposed fee. Letellier has also received proposals from two firms interested in soliciting advertising for the video walls for a revenue share. Several Commissioners commented that while they would like to see some revenue from the video walls, it wasn’t a priority and content promoting the airport and public information should have a majority of the available time. In the next month the board will come up with some ideas on how to generate additional revenue from the boards with the retainer we currently have with Epicosity. Blake Curd moved and Eric Ellefson seconded the motion to work with Epicosity to develop content for the video walls and continue discussion on potential revenue for the Video Walls. Motion Carried.
11. **Old Business –**
12. Final Review and Recommendation for Approval or our revised Minimum Standards for Aeronautical Services– A final version of the Minimum Standards for Aeronautical Services was provided for review and approval to the Board. Deputy Director Richard King held two Open Houses and met with our Fixed Base Operators and other service providers to include. Eric Ellefson moved, and Dan Statema seconded a motion to approve the new Minimum Standards as presented. Motion Carried.

1. **New Business**-
2. Agreement with Weitz/Journey Group to provide Construction Manager at Risk Services for the construction of a new concourse- The Authority has received an agreement with the joint venture of Weitz/Journey Group to provide Construction Manager at Risk Services for the construction of a new concourse. The agreement is currently with our legal counsel for review and comment. The agreement outlines the pre-construction design review services for the project and a not to exceed value of $530,000. The agreement also provides the framework to continue with the construction of the concourse, one phase at a time as approved by the Board. The construction phase will not receive approval until funding for that phase is secured. John Taylor moved and Eric Ellefson seconded a motion to approve the agreement with Weitz/Journey Group subject to the review of our legal counsel at Davenport/Evans. Motion carried.
3. Award Construction bid to BX Civil & Construction for the expansion of our cargo apron - $9,801,044.00. – Construction bids were opened on August 14th for a project to expand our cargo apron. The bid only generated one firm – BX Civil and Contracting. The bid includes a base bid and alternate. The Authority will utilize available FAA-AIP grant funding for approximately $7 million to assist with funding.

 Base Bid Alternate #1 Total

 BX Civil $8,967,172.70 $833,871.30 $9,801,044.00

 John Taylor moved and Blake Curd seconded a motion to award the bid to BX Civil Construction for $9,801,044. Motion Carried.

1. Award bid for the purchase of a new snowplow/broom unit from Boschung American - $941,000.00 – Bids were opened on July 25th for the procurement of a new snowplow/runway broom combo unit. Bids were received from 3 vendors, with the lowest bid coming from Boschung America in the amount of $941,000.00. The low bid was a bit higher than we had hoped, but not unexpected. Blake Curd moved and John Taylor seconded a motion to the award the bid to Boschung American. Motion Carried.
2. Approve Change Order with Boschung America for a credit of $141,000.00 for purchase of a snowplow / broom unit. – After the bids were opened, airport management had a conversation with Boschung representatives, and they made available a demo unit (2023 model) which is a single unit for $800,000.00. The truck also has the capability of applying runway deicer fluid. Director Letellier recommended approving a change order for the demo unit which would provide a $141,000 savings off of the bid price for a new unit. A 2-year warranty would also be provided vs. a normal 1-year warranty. Blake Curd moved and Eric Ellefson seconded a motion to approve the change order with Boschung American for $141,000 and purchase the demo unit. Motion Carried.
3. Review of draft 2025-2030 Capital Improvement Plan. – Director Letellier reviewed the draft Capital Improvement Plan for the years 2025-2030. The budget is dominated in the years 2025-2027 with the construction of a new concourse and adjoining terminal apron. We will be receiving updated construction estimates by phase in the next two weeks which will allow us to better sharpen our funding plan. Federal funding is still uncertain and won’t be known until later this year.
4. **Executive Session** – Eric Ellefson moved and John Taylor seconded a motion to go into Executive Session at 1:42pm to discuss legal issues. Dan Statema moved and John Taylor seconded a motion to come out of Executive Session at 1:56pm. Motion Carried.
5. **New Business (cont**.)

F. Recommendation of firm to provide the airport advertising concession. The Authority has received proposals from two firms for our advertising concession. One from our existing provider, Ace Airport Media as well as Lamar Advertising. Ace Media has presented a slightly more favorable financial share vs. the proposal from Lamar Advertising, but Lamar is a much larger firm and has concessions in over 30 airports across the country. No Motion was made for the new advertising concession, and it has been deferred to the next meeting.

1. **Open Segment**

 None

Eric Ellefson moved and Blake Curd seconded a motion to adjourn the meeting at 1:58 pm.

 Date Secretary

Next Board Meeting: September 26, 2024 – 12:00 pm