

**Sioux Falls Regional Airport Authority
Board Meeting Minutes**

January 27, 2022

Members Present: Eric Ellefson

Member Present via phone: Dave Nelson and Kent Cutler

Staff Present: Dan Letellier, Richard King and Kristin Elgersma

Guests Present: Eric Hanson – HDR Engineers and Brad Greguson – Standard Parking

Guests Present via phone: Jake Braunagel – KLJ Engineers, Elizabeth Hertz – Davenport Evans Law Firm, Brandon Taylor – Cossich, Sumich, Parsilola & Taylor, LLC, Tom Schauer – Mead and Hunt, T.J. Roling – Holmes Murphy

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

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

1. **Minutes-** Eric Ellefson moved and Kent Cutler seconded approval of the minutes of December 16, 2021. Motion carried.
2. **Bills for Approval-** Kent Cutler 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. Eric Ellefson moved and Kent Cutler seconded approval of the Consent Agenda. Motion carried.
 - A. Lease Agreement with Andrew Skattum for airport T- Hangar 3-6
 - B. Change Order #3 with Sunkota Construction for additional work associated with Concourse Remodel - \$4,572.39
4. **Report by Executive Director-**
 - A. Passenger Traffic and Concession Revenue – Passenger traffic jumped 90.7% for December compared to the year prior finishing 2021 up 71.8% Total enplanements for December hit 51,865 and for the entire year 506,211 or 1,011,470 total passengers. January is off to a good start and on pace for a record year of passenger traffic in 2022. Food Beverage, Gift Shop, Car Rental, Hotel concessions were all up while parking concessions saw a slight dip.
 - B. Report on the AAAE Aviation Issues Conference – A few weeks ago Director Letellier and Board Member Eric Ellefson attended the AAAE Aviation Issues Conference held in Hawaii. Director Letellier updated the board on some of the key topics including workforce/pilot supply issues, impacts of COVID19 on aviation, 5G integration around airports and development of advanced air mobility.

5. **Old Business –**

None

6. New Business –

- A. Presentation of future aviation options by Tom Schauer, Senior Aviation Advisor – Mead & Hunt. Over the past week Mead & Hunt has held focus group meetings with airport tenants and users for the airport’s long-range master plan. During these discussions it is apparent that the airport has far more needs from our users than available property will provide. Mr. Schauer presented the board a brief/high level discussion on options to include the development of a reliever general aviation airport within the Master Plan. Director Letellier will identify a future date to hold a Special Session to further discuss the potential steps the Authority might take to develop a reliever airport.

- B. Property Insurance Renewal – Renewal quotes for Property and Auto Insurance Coverage were recently received. T.J. Roling, with Holmes Murphy Insurance, provided the Board an update on the rate increases proposed for 2022. Replacement value for airport structures was increased 13% to \$87,657,971 resulting in a premium increase of 12%. Auto Insurance also increased 9% due to the replacement of an older pickup with new and full coverage. Total property and equipment rate increased 18%. Director Letellier recommended a savings of \$8,685 by reducing our basket coverage from \$500,000 to \$250,000. Kent Cutler moved to renew insurance coverage with Chubb and Acuity as outlined including the reduction of the basket coverage. Eric Ellefson seconded the motion. Motion carried.

- C. Selection of Vendor for new parking access control equipment. Over the last few months, Director Letellier has been working with SP Plus on securing proposals to replace our current parking lot access/revenue control equipment. The entrance and exit equipment are ten years old and the provider is unable to provide replacement parts and components for much of the equipment. Four proposals were received and narrowed down to two for interviews and more in-depth review of their product and service provided. The two finalists were Flash and Designa. Director Letellier recommended the purchase of the product provided by Flash Parking which is cloud based and provides a product that is more easily maintained. The total cost for equipment with Flash comes to \$414,764 and a total of \$484,456.00 including software support and seven-year warranty. Eric Ellefson moved to award the purchase to Flash product for the amount of \$414,764 plus support and warranty coverage. Kent Cutler seconded. Motion Carried.

7. Open Segment

None

Eric Ellefson moved and Kent Cutler seconded a motion to adjourned the meeting at 12:55pm.

Date

Secretary

Next Board Meeting: February 24,2021 12:00 pm