

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

**July 27, 2023**

Members Present: Eric Ellefson and John Taylor

Members Present Via Phone: Kent Cutler, Blake Curd and Lon Stroschein

Staff Present: Dan Letellier, Richard King and Kristin Elgersma

Guests Present: Aaron Storm – KLJ Engineers, Brad Greguson and Mike Mulroney– SP Plus Parking, Jared Nesje – TSP, Craig Ellerbroek – Ace Media and Eric Hanson – HDR Engineers

Guests Present Via Phone: Doug Hayek – Davenport Evans, Bruce Bonjour – Perkins/Coie

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

Chairman Ellefson called the meeting to order at 12:01 pm.

1. **Minutes-** John Taylor moved and Kent Cutler seconded a motion to approve the minutes of June22, 2023. Motion Carried.
2. **Bills for Approval-** John Taylor moved and Kent Cutler seconded approval of the bills as presented. Motion carried.
3. **Consent Agenda-** Report on Consent Agenda items by the Executive Director. John Taylor moved and Kent Cutler seconded approval of the Consent Agenda. Motion carried.
  - A. Change order #6 with Henry Carlson Construction for additions to the Parking Garage Project – \$49,935.00
  - B. Purchase of replacement vehicle (Honda Pilot) for Truck #1 from Vern Eide Auto - \$29,436.00.
  - C. Hangar Lease with Charles Schneider for airport T-Hangar 2-16.
  - D. Hangar Lease with Oakly Haines for airport T-Hangar3-9.
  - E. Amendment to Reimbursable Agreement #AJW-FN-CSA-23-GL-005593 with the FAA to provide oversight of cable replacement associated with Cargo Apron Expansion. - \$224,227.73. (AIP Reimbursable)
  - F. Project to repair and modify roof of QTA building with Hoogendoorn Const.- \$72,309.00

**4. Old Business –**

- A. Loan Assistance update provided by Davenport/Evans and Mr. Bruce Bonjour with Perkins/Coie Firm. Bruce Bonjour with Perkins/Coie Law Firm provided an update on securing a construction loan for the parking garage project. State Law does require

a formal solicitation for proposals and an ad has been produced for publication. Mr. Bonjour then reviewed the following steps to secure the loan after a financial institution is confirmed.

## 5. New Business –

- A. Selection of design team to develop plans for future concourse expansion. – Design proposals have been received and reviewed by the selection committee. Two firms, Mead and Hunt as well as TSP/KLJ were selected for an in-person interview on July 18<sup>th</sup>. The selection committee recommended to the full board the selection of Mead and Hunt Engineers to continue negotiations on a fee agreement. If an agreement is reached the Board will approve at the August meeting. John Taylor moved and Kent Cutler seconded a motion to award Mead & Hunt as the design team for the concourse expansion and have authorized Director Letellier to negotiate fees. Motion Carried.
- B. Purchase additional cameras from Convergent Technology for the parking garage - \$181,115.98 –. Director Letellier informed the Board that the base bid for the parking garage project included cabling for 23 security cameras, but not the actual cameras or installation. A review of camera coverage in the new garage was conducted which reflected the need for 55 additional cameras or a total of 78. A proposal has been received from Convergent Technology to provide the cameras and installation at a cost of \$181,115.98. John Taylor moved and Lon Stroschein seconded a motion to purchase the security cameras and installation with Convergent Tech. for the cost of \$181,115.98. Motion Carried.
- C. Pilot project to test outlet advertising program with Vidergy, LLC. Director Letellier advised the Board of a potential advertising revenue opportunity using a new program that will direct travelers to a 15 second ad when plugging into one of the power outlets at our counter charging stations. This 10-day pilot project will identify the number of opportunities per day/week in which ad revenue could be generated. Vidergy installs a device on each outlet that directs customers who plug in to charge their device to a QR code they have to click on to access power. The QR code leads them to a 15 second ad and then the power activates. After much discussion the Board decided to defer a decision on this program until more experience is obtained from other airports in the program.

## 6. Report by Executive Director-

- A. Passenger Traffic – June 2023 – June enplanements increased 3.2% setting a new monthly record with 55,957 passengers. Total traffic also improved by 2.9% and year to date enplanements are up 8.9%. Available seats increased slightly 1.9% and load factor increased to 84.2%. Gift Shop, Hotel, and Food/Beverage saw an increase while the Car Rental and Parking Revenue all saw slight decreases.
- B. Construction Update –

- a. Parking Garage Progress continues with completion of paving the 2<sup>nd</sup> floor and next week the 3<sup>rd</sup> floor. Columns going up for the fourth floor. Structure work on the terminal side impacting the ticket area and restrooms is complete. Footings and foundation to follow in the next two weeks.
  - b. Economy Lot Expansion: The final grading and seeding is completed, and they are still waiting on the overhead lights which we hope to have installed in mid to late September.
  - c. SRE – Structural steel is complete for the sand storage building with roofing and siding planned for week of August 7<sup>th</sup>. Structural steel going up for the north and south addition.
  - d. Replacement Water Lines – New water line installed from cargo building to Hangar St. Work transitioned to terminal area and will work north to tie into new line.
- C. Air Far Comparison with other neighboring airports – Director Letellier did a fare comparison between FSD, Fargo, Omaha, Omaha – Southwest and Minneapolis. The informal survey compared the lowest available round-trip fares purchased in mid-September to the top 28 destinations out of FSD. Sioux Falls is competitive with average fares \$50 less per ticket vs. Fargo, and \$15 more expensive than Omaha. Fares on Southwest Airlines out of Oamah to these top 28 destinations were very similar, however Minneapolis comes in about \$90 cheaper due to competition from Spirit, Frontier, Alaska, and Southwest.

**7. Open Segment**

None

John Taylor moved and Lon Stroschein seconded a motion to adjourned the meeting at 12:46 pm.

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Date

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Secretary

Next Board Meeting: August 24, 2023 12:00 pm