

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

June 22, 2023

Members Present: Kent Cutler, John Taylor, and Lon Stroschein

Members Present Via Phone: Eric Ellefson

Staff Present: Dan Letellier, Richard King and Kristin Elgersma

Guests Present: Jake Braunagel – KLJ Engineers, Brad Greguson– SP Plus Parking, Elizabeth Hertz – Davenport Evans, and Eric Hanson – HDR Engineers

Guests Present Via Phone: Doug Hayek – Davenport Evans

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 12:02 pm.

1. **Minutes-** Kent Cutler moved and John Taylor seconded a motion to approve the minutes of May 25, 2023. Motion Carried.
2. **Bills for Approval-** Lon Stroschein moved and John Taylor seconded approval of the bills as presented. Motion carried.
3. **Consent Agenda-** Report on Consent Agenda items by the Executive Director. Kent Cutler moved and Lon Stroschein seconded approval of the Consent Agenda. Motion carried.
 - A. Change order #5 with Henry Carlson Construction for modifications to the Parking Garage Project – Deduct (\$132,869.00).
 - B. Change Order #4 with Soukup Construction for additions to the Economy Lot Expansion - \$10,935.83
 - C. Change Orders #7-10 with Sunkota Construction for modifications to the SRE Building Add - \$7,368.01.
4. **Old Business –**
 - A. Resolution #2023-01 Declaration of Official Intent to Reimburse. Last month the Board reviewed Resolution #2023-01 which clarifies the Authority's intent to use airport revenue to repay the loan secured to fund the parking garage construction. The Board had questions regarding the need for such a resolution and asked for additional clarification from attorney Doug Hajek. Mr. Hajek provided a written explanation prior as well as answered questions from the Board. The Board also asked Mr. Hayek if he could provide a timeline of additional steps that would be necessary before and after a loan was secured and he agreed. Also, Mr. Bruce Bonjour of the law firm Perkins Coie was introduced and Mr. Hayek recommended the Board consider retaining Mr. Bonjour for future guidance on loan/bond funding for airports. Lon Stroschein moved and John Taylor seconded a motion to accept resolution #2023-01 as presented by Mr. Hayek. Motion Carried.

5. Report by Executive Director-

- A. Passenger Traffic and Concession Revenue – May enplanements increased 7.5% setting another new monthly record with 57,710 passengers. Total traffic also improved 10.0% and year to date enplanements are up 10.2%. Surprisingly strong traffic numbers for May leading into a busy travel season. Available seats for the month were up 11.1% and load factor increased to 81.4%. Gift Shop and Food/Beverage saw an increase while the Car Rental, Parking Revenue, and Hotel all saw slight decreases.
- B. Construction Update –
- a. Parking Garage Work continues on the second level with lanes 2 and 3 poured in the past week. They are also planning to pour concrete for lanes 4 on Jun 26 and lane 5 on June 30th. Final lane for the 2nd level scheduled for July 7th. Columns for the third floor are also being constructed on a daily basis.
 - b. Economy Lot Expansion: The parking lot is completely paved with line painting scheduled in the next two weeks. Final grading of the retention ponds and dirt work are also wrapping up. Overhead lighting is still on back order and scheduled to arrive this fall.
 - c. SRE – A new used oil underground storage tank has been installed for the south addition. Footings and foundation are scheduled to be paved, followed by installation of new precast walls. The floor for the north addition is being poured with steel erection planned shortly after. The sand storage building material has arrived, and construction has begun with this building as well.
 - d. Replacement Water Lines – They were hoping to start at Gate 106 but located a Midco fiber line underground that was identified previously and coordination with Midco and contractor will be necessary to install the line. Work has been moved to the cargo area to keep the project moving.
- C. Additional costs expected for Parking Garage – Additional modifications to the Parking Garage project will be coming soon, including:
- a. Installation of underground BMP pond – Pricing for an underground BMP pond has been received which is necessary to deconflict the route of the new stormwater line and an underground City well water line. Two options include 1) Lowering the existing 60/yr old water line at a cost estimated at \$102,000-\$105,000 and incur a 12-week delay waiting for materials, or 2) Installation of the underground BMP material that will provide some additional run-off capacity and reduce the material delivery time down to 3-4 weeks. Estimate for this option is \$105,000-\$111,000. Director Letellier is recommending approval of the installation of the underground BMP material.

- b. Additional electrical work to install an additional 52 security cameras in the parking garage to improve coverage. - Thompson Electric has provided a proposal to add conduit and lines to increase the security camera coverage from 23 to 75 cameras. Price does not include cameras which will be provided by Convergent Technology. Board was supportive of the added cost to improve security coverage.

6. New Business –

- A. Purchase of security cameras from Convergent Tech. for economy lot and car wash cameras. – A quote was received from our primary security firm, Convergent Technology to provide six cameras to be installed on the south end of our economy lot as well as our car wash facility. We have had numerous incidents of vandalism to both public and rental car vehicles in the remote section of our parking lot that has limited passenger and vehicle traffic. The cost for the equipment totals \$27,812.74, electrical connections not included. Lon Stroschein moved and John Taylor seconded the motion to purchase security cameras from Convergent Technology for \$27,812.74.00 Motion Carried.
- B. Termination of lease agreements with the South Dakota Army National Guard – The land utilized by the SD Army National Guard on the northwest side of the airfield has been sub-leased through the primary agreement between the Authority and the U.S. Air Force/ SD Air National Guard. Several other agreements have been entered into between the Authority and Army Guard over the years including a Lease of Real Property in 1993 and a Memorandum of Agreement in 2007 which expanded the lease boundaries for vehicle parking as well as returned other parcels to the airport including the alert hangar area. The MOA also provided the guard preferential use of an additional 25 acres north of their facility for training purposes. Since 2012 we have been working with the Army Guard to clean-up property boundaries and to fold into one federal license under the Air Force/Air Guard agreement. That was accomplished in 2020 and the Army Guard would like to terminate the Lease Agreement and MOU as all property is now under one federal license. This agreement would also remove the preferential use option of the 25 acres. Kent Cutler moved and John Taylor seconded a motion to terminate the lease agreements with the South Dakota Army National Guard. Motion Carried

7. Open Segment

None

Lon Stroschein moved and John Taylor seconded a motion to adjourned the meeting at 12:59 pm.

Date

Secretary

Next Board Meeting: July 27, 2023 12:00 pm