

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

November 16, 2023

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

Staff Present: Dan Letellier, Richard King and Kristin Elgersma

Guests Present: Jake Braunagel – KLJ Engineers, Brad Greguson– SP Plus Parking, Craig Ellerbroek – Ace Media, and Tom Hurlbert – Co-Op Architecture

Guests Present Via Phone – Mitchell Walker – Mead & Hunt

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 12:05 pm.

1. **Minutes-** Blake Curd moved and John Taylor seconded a motion to approve the minutes of October 26, 2023. Motion Carried.
2. **Bills for Approval-** Blake Curd 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. Blake Curd moved, and John Taylor seconded approval of the Consent Agenda. Motion carried.
 - A. Amendment #1 to Task Order to coordinate PFC Application. \$3,430.93.
 - B. Change Order #10 with Henry Carlson for modifications to the Parking Garage Project - \$0.00
 - C. Amendment to Rental Car Concessions Agreement for Hertz, National, Enterprise, and Avis.
4. **Report by Executive Director-**
 - A. Passenger Traffic – October 2023 – October enplanements edged up 0.2% but still set another monthly record with 56,024 passengers. Total Traffic also improved 1.4% and year to date enplanements are up 8.0%. Available seats increased 5.9% and load factor increased to 84.2%. Gift Shop, Food/Beverage, and Parking saw increases while Hotel and Car Rental saw a slight decrease.
 - B. Construction Update –
 - a. Parking Garage: All of the structural concrete has been poured on the garage with the last beam being poured for the video wall. The forms have all been removed and they have 3 out of the 4 lanes paved on the lower level. Contractor hopes to finish up before the Thanksgiving Holiday. Structural steel and concrete for the lobby area has begun and

they are hoping to get the escalators installed and enclosed by mid-December. The south section of the long-term lot has been opened and we gained around 170 parking spaces back.

- b. Snow Removal Equipment Building – They are slowly making progress with the South Side punch list items. The North Addition roof is being installed along with the insulated exterior metal panels. Completion date is still set for late December.

- C. Preliminary Design – Concourse Expansion – Mead and Hunt has been expediting the design for a new concourse in order to position ourselves for federal funding before those programs expire. Director Letellier and Deputy Director Richard King reviewed three potential concourse layouts and identified one to move forward with. The concept selected will be broken into multiple phases and constructed as funding is available. We are targeting a base bid of approximately \$30m which would provide a simple concourse with three gates (2 net increase) and restrooms.

12:19 pm Kent Cutler joined the meeting.

5. Old Business –

- A. Final Review of 2024 Operating Budget: Final opportunity to review the 2024 operating budget as presented by Director Letellier prior to approval. Changes made from the version presented last month are:

Revenue-

- Rental car revenue projections adjusted slightly for each brand based on the latest reporting. Overall reduction of \$86,298.
- Concession revenue for hotels, food/beverage and gift shop increased a total of \$85,000.

Expense-

- Health Insurance increased \$35,531 based on renewal proposal.
- Property Insurance increased \$8,365 based on insurance agent comments of much higher premiums this year.

Kent Cutler moved, and Blake Curd seconded a motion to approve the 2024 operation budget as presented by Director Letellier. Motion Carried.

- B. Design Agreement with Mead & Hunt for the Concourse Expansion Project. The final agreement for the design of a new concourse with Mead and Hunt has been reached. Comments from our legal counsel and the FAA have been incorporated in the final document. The fee proposal has also been approved based on an independent fee review that was performed to validate the cost. The final fee for the design comes to \$8,721,053. A grant with the FAA will fund up to \$8 million of the design fees using BIL-Airport Improvement Grant (AIG) funds. Blake Curd moved, and Kent Cutler seconded a motion to approve the Design Agreement with Mead & Hunt. Motion Carried.

C.

6. New Business-

- A. Selection of lobbyist to assist with airport funding with the SD Legislature. Since the October Board meeting, Director Letellier has had discussions with numerous individuals to determine if they would be interested in working with the Airport Authority to secure airport funding from the State Legislature this year. After reviewing several proposals, Letellier recommended to the Board to work with Katie Sieverding with Lancaster Management Group. He is also working on an agreement with Matt McCaulley of Redstone Law Firm to assist as well. The board approved the decision to work with Ms. Sieverding but also to meet with Mr. McCaulley as both would be a great asset. Blake Curd moved to approve the agreement with Katie Sieverding to help secure airport funding. John Taylor seconded the motion. Motion Carried.

- B. Review of Health Insurance Plans – We have received health insurance premiums from our current provider, the Health Pool of South Dakota along with quotes provided from Holmes Murphy for a Wellmark and Health Partners plan. The Health Pool premiums have increased 8.5% based on health care cost increases for the entire pool over the past year. The increase in rate would impact our coverage by an increase of \$44,139.00 vs. current year rates and coverage allocation of our workforce. Similar plans (but not at the same level of co-insurance/out of pocket/co-pays) that were compared include one from Health Partners which would provide a savings of \$8,806 and another plan again with less coverage from Wellmark that would provide a savings of \$23,508. Blake Curd moved and John Taylor seconded a motion to renew with the Health Pool of South Dakota for 2024. The Board also directed management to conduct a poll among our staff as to gauge interest in a high deductible HSA or provider specific plan for Avera/Sanford. Motion Carried.

7. Open Segment

None

Blake Curd moved, and Kent Cutler seconded a motion to adjourn the meeting at 1:08 pm.

Date

Secretary

Next Board Meeting: December 21, 2023 12:00 pm