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**MUNICIPAL AIRPORT AUTHORITY**

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Regular Meeting

Tuesday

February 9, 2016

The Regular Meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held Tuesday, February 9, 2016, at 8:00 a.m. in the Airport Boardroom.

The members present or absent were as follows:

Present: Clark, Blazek, Macdonald, Pawluk  
Absent: Kilander  
Others: None

Chairman Pawluk presiding.

Approved the Minutes of the Annual Meeting of the Municipal Airport Authority Held January 12, 2016:

The minutes of the Annual Meeting of the Municipal Airport Authority held January 12, 2016, were approved without objection.

Approved the Airport Vouchers Totaling \$52,648.29:

Mr. Blazek moved to approve the airport vouchers totaling \$52,648.29.  
Second by Dr. Clark.  
On the call of the roll, members Clark, Blazek, Macdonald, Pawluk voted aye.  
Absent and not voting: Kilander  
The motion was declared carried.

Approved the Individual Voucher to Mead & Hunt:

Gen. Macdonald moved to approve the individual voucher in the amount of \$1,055.60 to Mead & Hunt for partial payment request for engineering services in connection with the Taxiway A Reconstruction Project, AIP45.  
Second by Dr. Clark.  
On the call of the roll, members Clark, Blazek, Macdonald, Pawluk voted aye.  
Absent and not voting: Kilander  
The motion was declared carried.

Approved the Individual Voucher to Mead & Hunt:

Gen. Macdonald moved to approve the individual voucher in the amount of \$764.32 to Mead & Hunt for partial payment request for engineering services in connection with Access Road, Sewer Extension and Lighting Project.

Second by Dr. Clark.

On the call of the roll, members Clark, Blazek, Macdonald, Pawluk voted aye.

Absent and not voting: Kilander

The motion was declared carried.

Approved the Individual Voucher to Sixel Consulting Group:

Gen. Macdonald moved to approve the individual voucher in the amount of \$2,250.00 to Sixel Consulting Group for quarterly installment, annual data subscription, airport traffic.

Second by Dr. Clark.

On the call of the roll, members Clark, Blazek, Macdonald, Pawluk voted aye.

Absent and not voting: Kilander

The motion was declared carried.

Approved the Individual Voucher to Mead & Hunt:

Gen. Macdonald moved to approve the individual voucher in the amount of \$18,845.15 to Mead & Hunt for partial payment request for engineering services in connection with the Taxiway A and A1 Reconstruction Design, Project AIP47.

Second by Dr. Clark.

On the call of the roll, members Clark, Blazek, Macdonald, Pawluk voted aye.

Absent and not voting: Kilander

The motion was declared carried.

Approved the Individual Voucher to Gast Construction:

Gen. Macdonald moved to approve the individual voucher in the amount of \$87,336.00 to Gast Construction for Partial Payment Request #2 for construction of the Westside Terminal Restroom Expansion Project.

Second by Dr. Clark.

On the call of the roll, members Clark, Blazek, Macdonald, Pawluk voted aye.

Absent and not voting: Kilander

The motion was declared carried.

Approved the Individual Voucher to Northstar Aviation Insurance:

Gen. Macdonald moved to approve the individual voucher in the amount of \$36,067.00 to Northstar Aviation Insurance for 2016 Airport Liability Policy.

Second by Dr. Clark.

On the call of the roll, members Clark, Blazek, Macdonald, Pawluk voted aye.

Absent and not voting: Kilander

The motion was declared carried.

Approved the Individual Voucher to TL Stroh Architects:

Gen. Macdonald moved to approve the individual voucher in the amount of \$433.50 to TL Stroh Architects for partial payment request for architectural services in connection with the Westside Terminal Restroom Expansion Project.

Second by Dr. Clark.

On the call of the roll, members Clark, Blazek, Macdonald, Pawluk voted aye.

Absent and not voting: Kilander

The motion was declared carried.

Receive Proposed Contract from Mead & Hunt for Design and Bidding Services for the Terminal Taxiway and A-3:

Mr. Dobberstein stated as we discussed previously, the FAA wants us to move ahead with the reconstruction of the terminal taxiway and A-3 this year at the same time we are reconstructing Taxiway A so we don't have to close down Taxiway A again next year to construct. He stated Attorney Stewart has reviewed the agreement proposed by Mead & Hunt and Mr. Wes Schon has conducted the independent engineering fee review. He stated our goal is to bid the project in the April/May time frame.

Mr. Blazek stated it is his understanding that the design work has already been done under another contract and this is for just an update of the design. He stated he is just trying to find the \$35,000 of value.

Mr. Jeff Klein, Mead & Hunt, was recognized and stated this contract would include assembling the updated plans and specifications into a bid package and would estimate at least 200 hours to get the project ready for bid. He stated \$8,000 of the \$35,000 cost is to design a new upgradeable airfield lighting control system which is a touch screen in the control tower. He stated there have been issues with the control system breaking down and there are not any upgrades available so a new system will have to be designed. He stated we will have to put together a justification report to the FAA stating why the system which was installed in 2004 needs to be replaced.

Receive Proposed Contract from Mead & Hunt for Design and Bidding Services for the Terminal Taxiway and A-3: (Continued)

Gen. Macdonald moved to approve the proposed contract for engineering services with Mead & Hunt for the Terminal Taxiway and Taxiway A3 – Design and Bidding Services for a total cost of \$35,000.

Second by Dr. Clark.

On the call of the roll, members Clark, Blazek, Macdonald, Pawluk voted aye.

Absent and not voting: Kilander

The motion was declared carried.

Received Notice of Lease Extension from Troy Fischer for Eastside Terminal Office:

The communication from Troy Fischer dated January 13, 2016, was received and filed without objection.

Mr. Dobberstein stated Mr. Fischer's lease, which was an assignment from Shaw Investments, expired on January 31, 2016. He stated Mr. Fischer is requesting a one year extension to his lease.

Mr. Blazek moved to approve the request from Mr. Troy Fischer for a one year extension to his lease in the Eastside Terminal.

Second by Gen. Macdonald.

All members present voted aye and the motion was declared carried.

Received Request from Jim Shaw to Extend Eastside Terminal Lease Agreement:

The communication from Mr. Jim Shaw, Shaw Investments LLC, dated February 5, 2016, was received and filed without objection.

Mr. Dobberstein stated Mr. Shaw is requesting to renew his lease for another year and is requesting that the lease automatically renew each year thereafter until such time he would give notice to vacate the space.

Gen. Macdonald moved to approve the request from Mr. Shaw for renewal of his lease for one year with automatic renewal each year thereafter.

Second by Dr. Clark.

All members present voted aye and the motion was declared carried.

Received Communication from Gallagher & Kennedy Regarding Assignment of Lease from Hansen Lease and Rental (Hertz) to Overland West, Inc.:

The communication from Gallagher & Kennedy dated January 19, 2016 was received and filed without objection.

Mr. Dobberstein introduced Mr. Daren Leier representing Hansen Lease & Rental. He stated Mr. Steve Hansen has started the process of selling his rental companies and assigning leases to Overland West, Inc. He stated Attorney Stewart has reviewed the information they are requesting us to sign which basically acknowledges, agrees, and grants the consent. He stated Attorney Stewart

Received Communication from Gallagher & Kennedy Regarding Assignment of Lease from Hansen Lease and Rental (Hertz) to Overland West, Inc.: (Continued)

has also drafted the assignment modification of lease for the transaction to take place on or about March 1, 2016.

Mr. Daren Leier was recognized and stated right now the matter is at the Hertz corporate level so we are working at their speed right now but they are looking at the March 1 date.

Mr. Dobberstein stated he has advised the attorneys for both Hansen and Overland West that we are in the process of a financial review of the car rental agencies and that we assume that any discrepancy as a result of that review would be the responsibility of Mr. Hansen.

Mr. Leier stated Overland West is a large operation has about 22 locations in North Dakota, South Dakota, Idaho, Washington and Wyoming.

Mr. Blazek moved to approve the assignment of lease from Hansen Lease and Rental to Overland West, Inc.

Second by Gen. Macdonald.

All members present voted aye and the motion was declared carried.

Received Communication from EideBailly Regarding 2016 PFC Program Audit:

Mr. Dobberstein stated we have received the Independent Auditor's Report on Compliance for the Passenger Facility Charge Program; Report on Internal Control Over Compliance; and Report on Schedule of Passenger Facility Charges for the year ended December 31, 2015, conducted by EideBailly. He stated in their opinion, the airport complied, in all material respects, with the compliance requirements referred to that could have a direct and material effect on the PFC Program for the year ended December 31, 2015.

The communication from EideBailly was received and filed without objection.

Authorized Attendance at the Allegiant Annual Conference, April 19-22, 2016, Tampa, FL:

Gen. Macdonald moved to authorize attendance at the Allegiant Annual Conference, April 19-22, 2016, Tampa, FL.

Second by Dr. Clark.

All members present voted aye and the motion was declared carried.

Airport Construction and Security Update:

Mr. Dobberstein stated as part of our Airport Master Plan Update we will need to make a decision on whether or not to keep Runway 18L/36R on our airport layout plan as part of the airport master plan. He stated 32<sup>nd</sup> Avenue goes right through the runway protection zone on the south and County 20 goes through the runway protection zone to the north. He stated we could request a waiver to allow those roads to be within the runway protection zones but it is doubtful the FAA would grant that. He stated without the waiver we would need to do a whole new set of engineering studies and reviews in order to keep it on the master plan. He stated those studies would not be included in the current master plan process.

Airport Construction and Security Update: (Continued)

Mr. Jeff Klein, Mead & Hunt, was recognized and stated the board does not need to make a decision today. He stated he just wanted to bring this to the board's attention. He stated we can have a detailed discussion at the next Advisory Committee Meeting for the master plan update which will be on March 22 following the Airport Authority meeting. He stated Mead & Hunt has resorted to the fact that we are going to keep it on the master plan and they will do what it takes to keep it on there. He stated there are some issues with the runway protection zones

Chairman Pawluk stated he thinks it makes more sense to keep it on rather than encounter more hurdles later when trying to get it back on the ALP.

Mr. Dobberstein stated he would rather protect the airspace in the event the runway is built someday.

Mr. Klein stated we will discuss this matter in greater detail at the March 22 Advisory Board Meeting.

Mr. Dobberstein stated the restroom expansion project in the departure lounge is now finished and Gast Construction completed it in 38 days. He stated CBM has not started on their expansion project yet as they are waiting for materials.

The meeting of the Municipal Airport Authority was adjourned until the next regular meeting to be held Tuesday, February 23, 2016 at 8:00 a.m. in the Airport Boardroom.

Time at adjournment was 8:45 a.m.