
Regular Meeting

Tuesday

August 9, 2016

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

The members present or absent were as follows:

Present: Clark, Kilander, Haugen, Blazek
Absent: Pawluk
Others: Gehrig, Bossart

Vice Chairman Blazek presiding.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority Held July 26, 2016:

The minutes of the Regular Meeting of the Municipal Airport Authority were approved without objection.

Approved the Airport Vouchers Totaling \$36,491.76:

Mr. Kilander moved to approve the airport vouchers totaling \$36,491.76.
Second by Dr. Clark.
On the call of the roll, members Clark, Kilander, Haugen, Blazek voted aye.
Absent and not voting: Pawluk
The motion was declared carried.

Approved the Individual Voucher to Fargo Electric Construction:

Mr. Kilander moved to approve the individual voucher in the amount of \$70.00 to Fargo Electric Construction for utility locates for the Taxiway A Reconstruction Project, AIP45.
Second by Gen. Haugen.
On the call of the roll, members Clark, Kilander, Haugen, Blazek voted aye.
Absent and not voting: Pawluk
The motion was declared carried.

Approved the Individual Voucher to Olaf Anderson, Inc.:

Mr. Kilander moved to approve the individual voucher in the amount of \$131,766.78 to Olaf Anderson, Inc. for Partial Payment Request #5 for construction of the Access Road, Apron Lighting and Sanitary Sewer Improvements.

Second by Gen. Haugen.

On the call of the roll, members Clark, Kilander, Haugen, Blazek voted aye.

Absent and not voting: Pawluk

The motion was declared carried.

Vice Chairman Blazek welcomed Mayor Mahoney.

Mayor Mahoney was recognized and thanked the members of the Airport Authority for serving the citizens of Fargo. He stated there may have been some communication issues in the past between the Airport Authority and the City Commission and he thinks it would be important to go over the role of the Airport Authority with the other city commissioners and give them a better idea of what goes on at the airport. He stated he would like to see a brown bag meeting in the near future getting members of both together for an informational session. He stated often times communication is the vein of the problem between the two organizations. He stated Gen. Macdonald did a great job on the Authority over the years and if, during the transition to a new member, he did not receive the appropriate show of appreciation he apologizes for that. He stated he sent Gen. Macdonald a letter of thanks for his service.

Mayor Mahoney stated today we will be continuing discussion on the matter of special assessments to the airport. He stated special assessments are always difficult but we just need to work this out to figure out the best way to handle this to serve the citizens of Fargo.

Received Update from Fargo City Engineer, April Walker, Regarding Proposed 25th Street North Project and Proposed Levee:

Ms. April Walker, Fargo City Engineer, was recognized and stated the last time they were before the board to discuss the proposed 25th Street North project and proposed levee, she was asked to go back and identify ways to lower the special assessment to the airport, due to the fact that the property owned by the airport cannot be developed. She distributed plans showing the original assessment amounts in red, which were based on engineer's estimates.

Ms. Walker stated they reviewed information provided to them by the airport's engineer (Mead & Hunt) regarding the internal pipe network constructed by the airport which currently exits through public right of way at 39 1/2 Avenue and ties into the drain. She stated they were asked to look at keeping the airport separate and not tying onto the lift station and those estimated assessments are shown in the blue numbers. She stated that would require an agreement between the Airport Authority and the City of Fargo.

She stated we had previously discussed the levee project which is a separate project. She stated while the airport would not be assessed for the levee project, as it is a flood control project, the alignment of the levee would affect the special assessments for the 25th Street project. She stated the current levee alignment they are proposing today does take into account the request from the FAA to keep their facilities on the dry side of the levee. She stated they assumed that the centerline of the levee was the cutoff. She stated the airport storm water cannot get to the lift station

Received Update from Fargo City Engineer, April Walker, Regarding Proposed 25th Street North Project and Proposed Levee: (Continued)

if it is on the wet side of the levee but the storm water on the dry side of the levee goes through the lift station. She stated for this first estimate, not knowing the exact design of the levee, they assumed a 300-foot swath and it may wind up being closer to 200' so that would lower the specials as well.

Ms. Walker again clarified that the property owners will not be assessed for the levee project as it is part of a flood control project and paid for with sales tax dollars. The special assessment is for storm sewer, sanitary sewer, street lights and paving along 25th Street.

Ms. Walker stated the third set of numbers in green shows what would happen if the all of the airport property is protected by the levee. She stated they are working with Moore Engineering on the design of the levee system and with Houston Engineering on the permitting side so they are running a model for us. She stated we are not sure if they can take all of the airport land out of the flood plain as if that would cause impact to someone else we will not be able to do that.

Mr. Dobberstein stated what Chairman Pawluk had asked is that rather than putting the levee along County 20 could it be put it along 52nd Avenue which was removed as part of the County 31 project. He stated Chairman Pawluk thought it would be less expensive than \$13 million.

Ms. Walker stated they are looking at how far out the alignment could be moved out without impacting someone else.

Mr. Dobberstein stated the airport has always said that we don't mind storing water on the farm land north of County 20. He stated Mr. Pawluk' s point was that if the 52nd Avenue alignment for the levee was less expensive than \$13 million the airport would not have a problem with that.

Ms. Walker stated that was good clarification. She asked if the airport was alright with the proposed alignment if a less expensive alignment is not possible.

Mr. Dobberstein indicated that is correct.

Ms. Walker stated along 39 1/2 Avenue North at some point in the future when the city receives an urbanization request they would have to remove the inlets that are in the top of the pipe that goes out to the drain. She stated upon urbanization they would be a source that could flood out the improvements. She stated the roads would be lowered and the ditches would be filled. She stated at that point the airport would struggle to take care of the drainage from the two improved sites as they are shedding to that ditch and going into those inlets.

Gen. Haugen asked if the levee will cause the airport to lose farm acreage for rent.

Ms. Walker stated the airport will be paid for the easement and that calculation will be done by appraisal.

Vice Chairman Blazek asked if the airport has the option of charging rent for the easement rather than selling the easement.

Ms. Walker stated no.

Vice Chairman Blazek asked if the city charges rent for easements at all?

Ms. Walker stated no, the city purchases easements.

Vice Chairman Blazek asked if the city rents out easement access to any of the developments in town?

Received Update from Fargo City Engineer, April Walker, Regarding Proposed 25th Street North Project and Proposed Levee: (Continued)

Ms. Walker stated typically if we paid for it with public dollars they have license agreements and they don't charge for those. She stated if the adjacent property owner agrees to maintain it and wants to enhance it in some way they can license it from the city at no cost as long as they agree to take over maintenance. She stated the city has storm sewer easements and they do not charge anything. She stated they secure the storm sewer easement at the time of platting or shortly after and they do not charge. She stated they are basically part of someone's yard but there are restrictions and you cannot build on them, but they do not charge.

Mr. Dobberstein stated the airport has never charged for utility easements.

Mr. Kilander referred to the blue line going north and south on the BN-16-C project showing the airport property that would be assessed for that project. He asked since the land between 25th street and that blue line can never be developed is there any reason the blue line cannot be moved closer to 25th Street?

Ms. Walker stated they were trying to approximate the centerline of the levee.

Mr. Kilander asked if the levee could be moved closer to the street?

Ms. Walker stated it is going to be less than this. She stated they assumed 100' of right of way on either side of the centerline of 25th Street and they assume a 300' width for the levee but right now they are hearing 180' for the levee.

Mr. Kilander asked if we are assessed specials on the land on which the levy is built?

Ms. Walker stated yes you would be since the airport will still own the land. She stated another option would be to sell the city the land. She stated the city does not have the right to eminent domain to own but they have the right to eminent domain for the needs they have, which is the levee. She stated they could look at the city purchasing the land from the airport.

Mr. Dobberstein stated the property was purchased with federal funds and that process is a nightmare. He stated it could be done but it would take a long time.

Vice Chairman asked if the city maintains the grass on the levee.

Ms. Walker stated the city will mow and weed control once or twice a year and sometimes more. She stated anything more is the property owner's responsibility.

Gen. Haugen stated encroachment is a big deal for an airport. He stated he has been to hundreds of them where encroachment has stopped everything at an airport. He stated he would rather see the levee where it is proposed and keep the farm land flooding to stop future development.

Mr. Kilander stated the property cannot be developed anyway.

Gen. Haugen stated he understands that, but at some time in the future pressure could be there.

Mr. Kilander asked how this levee project fits into the diversion project. He asked once the diversion is built is that all moot?

Ms. Walker stated this is what will be required to provide 500-year level protection for the airport along with the diversion. She stated with the diversion we would see a 35' level through town in a 100-year event, but in a 500-year event with the diversion we see 41' or greater through town.

Received Update from Fargo City Engineer, April Walker, Regarding Proposed 25th Street North Project and Proposed Levee: (Continued)

She stated we are required to over build. She stated this is the plan to obtain 500-year certifiable level of protection for the airport where we don't have to lift a finger on a 500-year event to keep the airport dry. She added that the flood of 2009 showed us how important the airport is during a flood event.

Vice Chairman Blazek stated as they discussed in the meeting yesterday, the Airport Authority's challenge is to present to the FAA the benefit the airport would be receiving from a special assessment project. He stated unfortunately the FAA representatives we rely on for this information are not available this week so there is some delay in getting answers from them. He stated we will continue to keep the communication with the City of Fargo open and thanked those representatives from the city for attending the meeting today.

Mr. Dobberstein stated the Airport Authority is in a unique situation here where the FAA prohibits development on the airport property that the city is proposing to assess for special assessments, even though the airport does not benefit from the improvements, other than the storm sewer improvements.

Vice Chairman Blazek stated the last thing the airport wants is street lighting in line with Alpha Taxiway.

Mr. Dobberstein stated we have the opportunity to file a protest until September 5. He stated hopefully we will have more information from the FAA by our next meeting. He stated if we go ahead and pay these special assessments and the FAA comes back and says we are paying for something that is not benefitting the airport they will consider that revenue diversion and our FAA entitlement funding will be in jeopardy.

Mr. Gehrig asked if the airport has talked to the property owners to the northwest of the airport.

Mr. Dobberstein indicated we have not.

Mr. Gehrig stated it is his understanding that those property owners do not want to be urbanized and they don't want those improvements.

Mr. Dobberstein asked if those property owners have registered protests.

Mr. Dobberstein stated the airport wants to be a good neighbor but in this situation the FAA is holding the cards for us.

Gen. Haugen asked if we have to wait for a decision from the FAA before we file a protest.

Mr. Dobberstein stated if 75% of the affected property owners protest the assessment prior to the bids being awarded, the project would probably be dead.

Attorney Bossart stated there are a lot of layers to this. She stated to protect the issue we need to file the protest. She stated the airport land is probably close to the 75% and if there are other land owners interested in the protest we would reach the 75%. She stated once we file the protest it goes to the Special Assessment Commission to review the protest and make a decision. She stated even if that commission denies the protest and decides to go forward with the project we still have the state statute that indicates that if there is no benefit to the landowner, which there would not be with the sanitary sewer, paving and street lighting, they cannot be assessed. She stated there is also the FAR Part 77 which states the land cannot be developed. She stated it is multi-layered but to secure ourselves procedurally we start with the protest.

Received Update from Fargo City Engineer, April Walker, Regarding Proposed 25th Street North Project and Proposed Levee: (Continued)

Mr. Kilander stated that makes sense to him. He stated for justification what we would say is we must file the protest now as we do not yet have an answer from the federal government.

Mr. Dobberstein stated if we do not file the protest the FAA would look back and say you had the opportunity to protest the assessment and you did not exhaust all efforts. He stated we need to put it on the public record that the Airport Authority does not need these improvements for property that we cannot develop.

Vice Chairman Blazek stated the board could take action today to file the protest.

Gen. Haugen stated having Commissioner Gehrig involved in this conversation he can attest to the fact that the airport is not trying to be difficult and we are not trying to stop communication. He stated the airport is caught between a rock and a hard place between the city and the FAA.

Vice Chairman Blazek stated the airport certainly wants to be a good neighbor and pay for any benefit we receive but there is no benefit here.

Commissioner Gehrig recommended a letter of explanation from the Airport Authority accompany the protest.

Gen. Haugen stated we should also have some dialogue with the neighbors to the north.

Gen. Haugen moved the Airport Authority file a formal protest with the City of Fargo to their proposed project BN-16-C along with a letter of explanation outlining the Airport Authority's obligations to the regulations of the Federal Aviation Administration.

Second by Mr. Kilander.

Mr. Kilander stated he agrees with Commissioner Gehrig that a letter of explanation is important so that the City of Fargo has all of the information as to the airport's responsibility to follow the regulations of the FAA.

Vice Chairman Blazek called for a vote on the motion.

On the call of the roll, members Clark, Kilander, Haugen, Blazek voted aye.

Absent and not voting: Pawluk

The motion was declared carried.

Received Update on Airport Property Deed Restriction:

Attorney Bossart stated this relates to the city's 25th Street project. She stated she has been working with Assistant City Attorney Nancy Morris on the deed restrictions for airport property. She stated she is continuing to do some research on the matter as well as getting abstracts together for the deed restrictions.

Mr. Dobberstein stated we will probably be adding a deed restriction to the airport property east of University Drive between County 20 and Riviera Heights. He stated the city is proposing a bike path on our property and the airport's assessment would be \$268,000.

Continued Discussion Regarding Airport Parking Improvement Operations:

Mr. Kilander stated the parking subcommittee consisting of he and Mr. Blazek met for discussion on August 2 with about 12 people in attendance at the meeting. He stated they had a very good discussion and the direction the discussion took was the responsibilities that we have to the travelling public. He stated that is that we need to provide as updated and efficient an operation as we can. He stated right now we are seeing fewer airline seats available on our schedule and also some leakage to other nearby airports. He stated we are in an extremely competitive market and need to do everything we can do make it as convenient as possible for the travelling public. He stated in the warmer months we find the passenger split is 70% business and 30% leisure. He stated during the winter months we see more of a 50/50 split. He stated when we deal with the leisure side of travel the convenience factor becomes greater because of some latitude in timing.

Mr. Kilander stated the committee's recommendation to the board is that the Airport Authority retain the services of a firm that could present us with realistic avenues and direction to construct an elevated walkway. He stated they feel an elevated walkway would provide the greatest amount of protection to the greatest number of people at the lowest possible cost. He stated in looking at a parking ramp the travelling public would use it only during inclement weather and during nice weather it would sit empty as travelers would not be willing to pay the premium rate that would be required. He stated the walkway would be able to accommodate the greatest number of travelers.

Mr. Kilander stated the committee recommends moving forward and develop a request for qualifications from firms to provide plans for an enclosed elevated walkway with direct access to the terminal.

Mr. Kilander moved the Airport Authority develop a request for qualifications for an enclosed elevated walkway that will provide an efficient and economical opportunity to protect the greatest number of customers from inclement weather and have direct access to the terminal.

Second by Dr. Clark.

Mr. Dobberstein stated we will need to follow FAA guidelines for this request for qualifications as federal funds could likely be used for this project. He stated we can limit the size of the proposals to three to five pages. He stated the board could also appoint a subcommittee to review the proposals and submit a recommendation to the board.

Mr. Kilander stated he feels the current subcommittee would be appropriate.

Vice Chairman Blazek called for a vote on the motion.

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

Approved Preliminary Capital Improvement Plan:

Mr. Dobberstein reviewed the proposed preliminary Capital Improvement Plan for 2017, which is an annual requirement of the FAA.

Mr. Kilander moved to approve the preliminary Capital Improvement Plan for 2017.

Second by Dr. Clark.

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

Adopted Resolution of Sympathy for the Family of Garylle B. Stewart:

Dr. Clark offered the following resolution of sympathy to the family of Garylle B. Stewart and moved its adoption:

WHEREAS, It is with deep sorrow that the Municipal Airport Authority has learned of the death of its longtime and very trusted attorney, Garylle B. Stewart, and

WHEREAS, Mr. Stewart worked with the Municipal Airport Authority providing legal counsel dating back to its inception in 1969 and during those years gave generously and unsparingly of his time and expertise in representing the Airport Authority, and

WHEREAS, The absence Mr. Stewart's legal genius as well as his unmatched humor will leave a void that will be felt for years to come.

NOW, THEREFORE, BE IT RESOLVED, That the Municipal Airport Authority does hereby express its heartfelt and deepest sympathy to the family of Garylle B. Stewart but that they take comfort in the legacy left by their father.

BE IT FURTHER RESOLVED, That this resolution be inscribed upon the permanent records of the proceedings of the Municipal Airport Authority and that a certified copy be sent to the family of our dear friend, Garylle B. Stewart.

Second by Mr. Kilander.

All members present voted aye and the resolution was declared to have been duly passed and adopted.

Airport Construction and Security Update:

Mr. Jeff Klein, Mead & Hunt, was recognized and stated starting next week we will begin the periods of Runway 18/36 closures when Northern Improvement will be working 24 hours straight on the Taxiway A Reconstruction Project. He stated during those closures all airline operations will be on Runway 9/27.

Mr. Klein stated the cargo area improvement project is going well and they continue to be ahead of schedule.

Mr. Dobberstein stated he and Darren Anderson will be meeting with Chief Todd and Sheriff Laney this week to discuss our armed guards and the TSA. He stated we are working with the other airports in the state on getting legislation in the state changed as far as arrest authority for private armed security guards at airports.

Mr. Kilander stated it would be prudent to get two or three legislators involved right away so they are well aware of the issue. He suggested the leadership on the Transportation Committee in both the house and senate.

Mr. Dobberstein stated the Airport Association of North Dakota will be active on the matter.

Other Business:

Mr. Jim Sweeney, Fargo Jet Center, was recognized and stated they are having a roundtable discussion on aviation issues at the Fargo Jet Center at 2:30 pm on Wednesday. He stated Senator Hoeven will be present as well representatives of the ND Aeronautics Commission.

Adopted Resolution of Congratulations to the ND Air National Guard 119th Wing "Happy Hooligans", Recipient of the 2015 Air Force Outstanding Unit Award:

Dr. Clark offered the following resolution of congratulations to the ND Air National Guard 119th Wing "Happy Hooligans" and moved its adoption:

WHEREAS, the 119th Wing of the North Dakota Air National Guard "Happy Hooligans" based at Hector International Airport, Fargo, North Dakota, are the recipients of the 2015 Air Force Outstanding Unit Award (AFOUA), and

WHEREAS, this is the second year in a row the unit has received this award and the 18th time they have received this award, which is more often than any other Air National Guard Unit or Air Force Unit, and

WHEREAS, the competition for this award is extremely keen and winners are selected from an outstanding group of nominees, and

WHEREAS, the 119th Wing's dedication and commitment of its members enable the Air National guard to fulfill its commitment to the missions of peacekeeping, humanitarian relief, domestic improvement, and most important of all the defense of America.

NOW, THEREFORE, BE IT RESOLVED, that the Municipal Airport Authority congratulates the 119th Wing on this much deserved recognition and looks forward to continuing its long and successful relationship with the 119th Wing of the North Dakota Air National Guard.

BE IT FURTHER RESOLVED, that this resolution be inscribed upon the permanent records of the proceedings of the Municipal Airport Authority and that a certified copy be sent to the Commander of the 119th Wing, Col. Kent Olson.

Second by Mr. Kilander.

All members present voted aye and the resolution was declared to have been duly passed and adopted.

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

Time at adjournment was 9:07 a.m.

Regular Meeting

Tuesday

August 23, 2016

The Regular Meeting of the Municipal Airport Authority of the City of Fargo, North Dakota, was held Tuesday, August 23, 2016 at 8:00 a.m. in the Airport Boardroom.

The members present or absent were as follows:

Present: Clark, Blazek, Kilander, Haugen (via phone), Pawluk

Absent: None

Others: Bossart

Chairman Pawluk presiding.

Approved the Minutes of the Regular Meeting of the Municipal Airport Authority

The minutes of the Regular Meeting of the Municipal Airport Authority held August 9, 2016, were approved without objection.

Approved the Airport Vouchers Totaling \$24,904.99:

Mr. Blazek moved to approve the airport vouchers totaling \$24,904.99.

Second by Dr. Clark.

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

No member being absent and none voting nay the motion was declared carried.

Approved the Individual Voucher to Mead & Hunt:

Mr. Kilander moved to approve the individual voucher in the amount of \$2,288.83 to Mead & Hunt for partial payment request for engineering services in connection with the PFC Application #8, APFC08.

Second by Mr. Blazek.

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

No member being absent and none voting nay the motion was declared carried.