

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

August 24, 2023

Members Present: Eric Ellefson, Kent Cutler, Blake Curd, and Lon Stroschein

Staff Present: Dan Letellier, Richard King and Kristin Elgersma

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

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-** Lon Stroschein moved and Kent Cutler seconded a motion to approve the minutes of July 27, 2023. Motion Carried.
2. **Bills for Approval-** Blake Curd moved and Lon Stroschein 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. Award aircraft deicing fluid bids for the 2023-2024 winter season to Cryotech Tech.
 - B. Award runway deicing fluid bid for the 2023-2024 winter season to Nachurs Alpine Solutions.
 - C. Approve 1 year extension of the Airport Joint Use Agreement with the South Dakota Air National Guard.
 - D. Change orders 12-14 with Sunkota Const. for modifications to the SRE building Addition. - \$56,205.89.
 - E. Change order 1 with Asphalt Surfacing Company (ASCO) for modifications to the water line replacement project – (\$12,859.90).
 - F. Change Order #7 with Henry Carlson for modifications to the Parking Garage Project - \$50,911.00,
4. **Report by Executive Director-**
 - A. Passenger Traffic – July 2023 – July enplanements increased 3.9% setting a new monthly record with 58,817 passengers and the second highest month of all-time. Total traffic also improved by 3.5% and year to date enplanements are up 8.2%. Available seats increased slightly at 1.6% and load factor increased to 85.2% resulting in very full flights. Gift Shop and Food/Beverage saw an increase while the Car Rental, Hotel, and Parking Revenue all saw slight decreases.

B. Construction Update –

- a. Parking Garage The 2nd ramp to the 2nd level is being poured today and will then move on to the ramps leading from the 2nd to 3rd floor in the next two weeks. Final paving lane for the fourth level expected to be poured in the next week and columns to the 5th or roof level ongoing. Foundations and footings in front of the terminal for the addition are scheduled for the next week. Installation of steel structure to begin after Labor Day.
 - b. SRE – Sand building siding / roof materials were delivered today. North addition steel and roof trusses are up, and they are working on securing them to the existing building. South addition work continues inside and roofing expected in the next week.
 - c. Replacement Water Lines – The watermain from the Cargo building to the Terminal complete with work continuing along Aviation Ave. and Hangar St. Completion expected mid-September.
- C. Customer Service Results – The Authority has partnered with Epicosity again to conduct both in-person and on-line surveys to gauge our traveler experience. Epicosity had folks out for three days the week of July 24 and collected more than 200 survey results. An on-line campaign was also conducted at the same timeframe with 195 respondents. The in-person surveys were more complimentary with positive impressions of over 70% from all aspects of their journey throughout the airport. Questions were asked about parking, airline check-in, security screening, food/beverage offerings, baggage delivery and rental car options.

5. **Old Business** –

- A. No Items

6. **New Business-**

- A. Award Construction Bid for the rehab of taxiway Charlie 2 to Soukup Construction - \$131,488.34. – Bids were opened on Tuesday, Aug 15th for a project to remove the radius between C2 taxiway and Runway 15-33. This section of taxiway is very old and the concrete has failed with sections breaking loose. This particular section is seldom used with the SDNAG as the only user. We also included a small repair to the taxi-lane that enters the terminal ramp that also requires repair. Lon Stroschein moved and Kent Cutler second a motion to award the construction bid to Soukup for \$131,488.34. Motion Carried
- B. Approve Task Order with KLJ Engineers for const-admin and AGIS survey for the C2 rehab project. Task Order with KLJ Engineers to provide construction administration and AGIS survey assistance for the C2 rehab project in the amount of \$27,265.71. Kent Cutler moved and Blake Curd seconded the motion to approve the Task Order with KLJ Engineers. Motion Carried.

C. Update to the 2024-2028 Capital Improvements – An initial draft of the Capital Improvement Plan (CIP) for 2024-2028 was presented by Director Letellier. The major modification from the previous CIP are several airfield projects moved to 2026-2027 in order to prioritize funding for the concourse expansion project. Funding from Federal and State sources will determine what portions of the project are completed in the next three years. CIP will be up for review and approval at the September meeting.

D. Agreement with Decomm Aviation Consulting to develop new airline use and lease agreements – Twelve years ago, the airport worked with John DeCoster, former airline Properties Director, to update our airline use and lease agreements. Since then, we have continued to use this lease agreement for our annual updates and expense/revenue allocation to ensure our rates and charges match our operational expenses allocated toward the airlines. Our current agreements have not been updated for several years due to conflicts between major network carriers and the low-cost carriers over the use of per-flight turn fees vs. the traditional 80/20 lease formula. Director Letellier indicated to the board that he would like to work with Mr. DeCoster again to get our leases updated and a current formula that would bridge the gap between these two business models and ensure that our future gate space is funded appropriately. Kent Cutler moved, and Black Curd seconded a motion to approve the agreement with DeComm Aviation Consulting in the amount of \$34,400. Motion Carried.

7. Open Segment

None

Blake Curd moved and Kent Cutler seconded a motion to adjourned the meeting at 1:00 pm.

Date

Secretary

Next Board Meeting: September 6, 2023 12:00 pm Virtual
September 28, 2023 12:00 pm