

International Falls-Koochiching County Airport Commission
July 27, 2016 at 8:00am
Koochiching County Boardroom

Call to order -

The regular monthly meeting of the International Falls-Koochiching County Airport Commission was called to order at 8:07 a.m. by Chairman Robert Anderson.

Members present: Bob Anderson, Paul Nevanen and Brian Briggs.

Members absent: Wade Pavleck and Brian McBride

Others present: Kyra Briggs, Thor Einarson, Mark Meester, Matt Ridlon (Kraus-Anderson), Dan McCarthy, Representative from KCC-TV, and Bob Cohrs and Benita Crow via phone.

Public Comment – Matt Ridlon of Kraus-Anderson gave a brief update on the project status and what is expected to happen this week. B. Briggs questioned the start of the temporary structure for baggage claim. Ridlon responded the materials are ordered and hope to start next week. Nevanen questioned how communication has been and if everyone has been easy to work with. Ridlon commented everyone has been great to work with so far. Ridlon furthered his update on the contractors on-site so far and wetland permitting. Bob Cohrs was conferenced into the meeting via telephone. Cohrs added all the wetland permitting is good to go and gave a brief update on bids expiring on August 3rd and explained what would happen if the bids expired. Cohrs explained the Federal Program has been extended through September 2017.

Approve regular meeting minutes of June 22, 2016 – B. Briggs moved and Nevanen seconded to approve the meeting minutes of June 22, 2016. Motion carried unanimously.

Financial statement for July 27, 2016 - The commission reviewed the list of payable claims and account summary documents as prepared by K. Briggs. Anderson explained there is a total accounts payable amount of \$99,413.53 and \$6,681.66 paid prior to the meeting. K. Briggs explained she has separated out the bills for the Terminal Project and has them listed separately, noting one bill for \$3,000. **Nevanen moved and B. Briggs seconded to approve the financial reports and claims as listed in the amounts of \$99,413.53, \$6,681.66 and \$3,000 for the Terminal. Motion carried unanimously.**

Engineers' report

Pavement Rehabilitation Project Update – Benita Crow reported she is waiting to get the grant back for the Pavement Rehab Project and is hoping to have by early August, noting all the paperwork is into FAA and will keep the Commission posted.

Old Business

None

New Business

2015 Audit Review – Anderson referenced the 2015 Airport Audit conducted by Schlenner Wenner & Co. Nevanen referred to the “Report to the Members of Governance” under Exhibit B, Management Letter; Commending the Commission on organizing records of grant tracking, lease agreements and financial reporting. Anderson stated the Commission can’t take a lot of the credit and commended Kyra Briggs for all the record organizing and getting reimbursements in from grants, etc. Nevanen referenced the Cash Balance Trend Analysis showing the last four years. Short discussion on the cash balance. Nevanen stated he believes it is a positive reflection of the hard work that is being done. **B. Briggs moved and Nevanen**

seconded to accept the 2015 Audited Financial Statements prepared by Schlenner Wenner & Co. Motion carried unanimously.

2017 Draft Budget – Anderson explained he would like to go through each category line by line, noting K. Briggs looked at the 2016 budget and what has been expended to date to come up with figures proposed for the 2017 budget. Anderson read through the budget detail making note of the changes for each increase or decrease. The commission requested a slight increase from \$45,000 to \$46,000 on the Power & Light #3810. On #2210 Maint & Repairs of Equipment, the Commission requested an increase budget amount of \$70,000 to \$75,000 due to aging equipment. Anderson questioned Einarson on the Management contract amount. Einarson stated he would like to ask for a 2% increase. K. Briggs explained an increase hasn't taken place since 2012 and the contract does not represent the correct current amounts from that increase. The Commission agreed a budget increase for #4020 Maint & Repair Other Contract should take place from \$260,000 to \$265,000. **Nevanen moved and B. Briggs seconded to approve a 2% increase on rate amounts for ARFF Standby and Management Activities of \$14.43/\$8.42/\$24.68/\$19.67 to \$14.72/\$8.59/\$25.17/\$20.06 effective July 27, 2016. Motion carried unanimously.** Anderson asked K. Briggs to send the draft budget with changes to the City and County.

Administrative Contract with KEDA – Anderson referred to the Administrative Contract with KEDA to take a look at the rate and adding language in the contract to conduct annual performance reviews. Short discussion on the rate and the Commission determined a 2% increase is appropriate. Anderson questioned the rental fee amount from the KEDA office and if an increase is expected. Nevanen responded he does not anticipate an increase. **B. Briggs moved and Anderson seconded to approve a 2% rate increase from \$28.10 to \$28.66 and adding language pertaining to an annual performance review into the contract effective January 1, 2017. Nevanen abstained. Motion carried.**

Manager's report

Einarson reported things have been busy with the Terminal project, noting everyone has been great to work with adding the pre-construction meeting went very well and there was very little push back. Einarson stated the summer has been going well and has been an average season, adding he thought the 5pm flight change from 12pm would hurt, but noted the planes have been full. Anderson questioned if a drop will be seen at the end of the summer season. Einarson noted the schedule will continue this way through October, adding their staffing at Einarson Flying Service has increased due to the later flight. Nevanen mentioned the possibility of talking with SkyWest after the first of the year to see if they are seeing the same results they were hoping for with the flight change. Discussion on enplanements and continuing to monitor the enplanements. B. Briggs noted it was brought to his attention that there is a hangar owner who is leaving their 2-3 planes in Orr and driving to International Falls due to the cost difference in airplane fuel of over one dollar a gallon. Einarson stated the Orr airport is not a profit airport and is owned by the City, so they are able to charge less for their fuel.

Secretary's report

K. Briggs referenced the enplanements record in the packets and referred to the grant tracking list, noting \$15,592 was received on Monday for the State grant and is awaiting payment on two other credit apps for the Federal grant. K. Briggs stated she has been in contact with JJ at KGHS regarding a few advertising opportunities, noting the first is a welcoming advertisement during the All Class Reunion. **B. Briggs moved and Nevanen seconded to approve a marketing advertisement with KGHS during the All Class Reunion for \$140. Motion carried unanimously.** K. Briggs explained the next advertisements have been done in the past and are in the Marketing Budget for the International Falls Bass Championship and Minnesota Vikings sponsorship, noting The Keeper for \$275 for the Bass Championship and 2 ads per game for \$208 for the Minnesota Vikings were done last year. **Nevanen moved and B. Briggs seconded to approve a marketing advertisement with KGHS for the International Falls Bass Championship of \$275 and Minnesota Vikings of \$208. Motion carried unanimously.**

Reports from Members

Nevanen reported there is an upcoming Unmanned Aerial Systems Conference coming up in Grand Forks, North Dakota and was invited to attend, while giving a brief description on what would take place, and stated he is planning on attending on behalf of the KEDA as well as the Airport Commission. **Briggs moved and Anderson seconded to approve expenses for Paul Nevanen and Thor Einarson to attend the Unmanned Aerial Systems Conference in Grand Forks, ND, August 22-24, 2016. Motion carried unanimously.** Cohrs stated there are contracts expected to expire on August 3rd and questioned the commission if a motion of approval would be appropriate to award contracts. **Nevanen moved and B. Briggs seconded to authorize SEH to award 1st bid Package bids on or before August 3rd, prior to receiving the Federal Grant. Motion carried unanimously.** Cohrs noted on August 24th FAA is planning on coming up. Discussion on the next meeting date. Crow noted the FAA's goal is to meeting with all Part 139 Airports, but if August does not work for the Commission a time in September can be scheduled.

Adjourn, next meetings

Meeting was adjourned by the chair at 9:12am. The next regular monthly meeting of the commission will be Wednesday, August 31, 2016 at 8a.m in the Koochiching Count Boardroom.