

International Falls-Koochiching County Airport Commission

March 22, 2017 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 8:00 a.m. by Chairman Robert Anderson.

Members present: Bob Anderson, Paul Nevanen, Brian McBride, Ron Norby (alternate)

Members absent: Brian Briggs, Wade Pavleck

Others present: Kyra Hasbargen, Thor Einarson, Rick Oster & Steve Trudeau (Kraus-Anderson), Crystal Clance, Jack Bartlett, Ken Anderson, Gary Kaunonen (KCC-TV), Destin Nygard, Shawn McMahon, Bob Cohrs.

Public Comment – None

Approve regular meeting minutes of February 22, 2017 – Nevanen moved and Norby seconded to approve the meeting minutes of February 22, 2017. Motion carried unanimously.

Financial statement for March 22, 2017 - The commission reviewed the list of payable claims and account summary documents as prepared by Hasbargen. Anderson explained the bills for the Terminal Project totaling \$738,251.93 with \$4,682.14 paid in advance before the meeting and regular monthly bills in the amount of \$26,118.67 with \$18,220.57 paid in advance before the meeting. Anderson questioned the Shannon's bill in the amount of \$13,720.20. Einarson stated they have been having problems with the furnace in the old terminal and needed to do some maintenance. **McBride moved and Nevanen seconded to approve the financial reports and claims as listed in the amounts of \$26,118.67, \$18,220.57 and \$738,251.93, \$4,682.14 for the Terminal. Motion carried unanimously.**

Engineers' report

Terminal Project Update – Rick Oster of Kraus-Anderson gave a brief update on the terminal project, noting the roof panels are in the process, the concrete floor has been polished, and they are beginning to piece things together on the interior. Oster stated the interior walls are framed and some of the drop down ceilings are done. Anderson questioned security cameras in the new terminal and if conduit needs to be put in for the wiring. Nygard explained the cameras would be on a low voltage wire and would not require conduit. Oster stated if the wiring is required in the ceiling, it would need to be completed soon as the tongue and groove will be going on the ceiling in the next couple weeks. Discussion on the security cameras and the need for them in the new terminal. Cohrs referenced the Phase I Bonding funds not being released yet and the agreement is circulating for signatures at MnDOT, adding payments can only be made between the 1st and 15th of each month. Cohrs noted local funds have been being used to cover the bond funds and local funds are about maxed out. Short discussion on MnDOT, bond funds and the possible need for calling MnDOT to help push the agreement through the process. Anderson stated he would call the MnDOT Commissioner. Discussion on other projects utilizing bond funds and each one being a different process. Cohrs referenced Phase II and proceeding with the Bonding request of \$3 million. Short discussion on the bonding bill. Trudeau questioned how to pay for this month's bills, adding March billing will be coming up soon. McBride stated the City and County may need to sit down to figure out a solution. Hasbargen stated there are funds in the General Account the Commission could possibly draw from to cover bills until the bond funds are received and stated she would talk with Betty and Ken at the City to see how best to do so. Nevanen thanked Kraus-Anderson and SEH for their follow up effort on getting sub-contractors paid. Trudeau elaborated on the situation, noting Hammerlund's pay application was pulled for February due to the non-payment to the subs, adding the next billing cycle will have both February and March for Hammerlund. Cohrs referenced a meeting with Avis car rental regarding the kiosk space and requirements in the new terminal, explaining their questions. Cohrs stated they will be inviting all tenants to do a walk through the new terminal soon. Hasbargen explained some of Avis' additional requests and referenced photos in the packet provided by Avis of the Duluth terminal. Hasbargen also explained a concession fee, noting Avis is wondering if it will be in effect with the new terminal or if the leases would stay the same, noting the concession fee is an easy way for the Airport to gain revenue. Anderson requested more information on the Concession fee. Hasbargen stated she is looking into other area airports process on concession fees along with facility fees.

2017 Pavement Rehabilitation Project Design Proposal – Shawn McMahon referred to the Pavement Rehab Project and explained the process that was completed last year, proposing a similar process to be followed this year. McMahon stated the SEH's Design Proposal for services is and estimates this year's project cost around \$150,000-\$200,000. McMahon noted the plan is to go out for bids early May. Anderson questioned if the last week of April would be better. Discussion on bidding and the timeline for the grant application. **Nevanen moved and McBride seconded to approve the 2017 Pavement Rehabilitation Design Proposal with SEH in the amount of \$9,300. Motion carried unanimously.**

Old Business

None

New Business

Minnesota Airports Conference – Anderson referenced the Minnesota Airports Conference on April 12-14th in Mankato and asked for approval of expenses for Commission Members to attend. **Nevanen moved and McBride seconded to approve the attendance and travel expenses for Commission Members to attend the Minnesota Airports Conference in Mankato on April 12-14th, 2017. Motion carried unanimously.** McBride referenced an email on Essential Air Service (EAS) and the concern of losing funding. Discussion on sending a letter to elected officials for support of EAS. Anderson passed the EAS contract around and referenced the amount of funding that is provided to support INL. Additional discussion on EAS. **McBride moved and Nevanen seconded to approve sending letters to the MN Congressional Delegation for support of EAS. Motion carried unanimously.**

Manager's report

Einarson reported the completed Wildlife Report was sent to FAA back in November via email, however they were not able to receive it due to the file being too large, adding the report has since been resent along with hard copies to the FAA. McMahon explained the report is required in order to receive next year's grant. Einarson referenced the snow blower and the maintenance nightmare that has taken place with it, noting the issue is still unresolved and explained in further detail. Einarson reported there were a couple flights lost due to the high winds recently and explained they tried to land twice but were ultimately diverted back to MSP and bused to International Falls. Discussion on the flights that were turned back due to high wind speeds and unable to land. Short discussion on Lt. Governor Tina Smith and her announcement of not running for Governor.

Secretary's report

Hasbargen referenced the enplanement record, noting enplanements were up again last month. Hasbargen noted she has received the signed Hangar Lease Agreement with KEDA on Lot G which now requires the Commission's approval for the Chairman to sign, adding the hangar was approved by the KEDA and Airport Commission back in April/May 2015. Nevanen explained more detail on the hangar site and not being a desirable location for air traffic. **McBride moved and Norby seconded to approve the Hangar Lease Agreement with KEDA and authorize the Chairman to sign the lease agreement. Motion carried unanimously.** Hasbargen stated she spoke with a representative with MN Power regarding the Airport's budget billing, noting there is a running balance due of \$6,558.42 after paying this month's bill and questioned if the Commission would like to continue with budget billing at an increased rate or if they would prefer to pay the monthly usage bill. Discussion on the options and the carry over amount. **McBride moved and Nevanen seconded to approve changing the billing to monthly usage and pay the remaining balance due in the amount of \$6558.42. Motion carried unanimously.**

Reports from Members

Short discussion on the new flight schedule and 70 passenger planes. Anderson referenced a letter the CVB was going to send in support of the Duluth airport receiving funding to market a new flight to Arizona, however he had expressed his concern to the Director and they are holding off on sending the letter of support.

Adjourn, next meetings

Meeting was adjourned by the chair at 9:22a.m. The next regular monthly meeting of the commission will be Wednesday, April 26, 2017 at 8:00a.m in the Koochiching County Boardroom.