

International Falls-Koochiching County Airport Commission
October 26, 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 8:06 a.m. by Chairman Robert Anderson.

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

Members absent:

Others present: Kyra Briggs, Thor Einarson, Rick Oster (Kraus-Anderson), Crystal Clance, Laura Manka, Bonita Crow, Bob Cohrs, Destin Nygard, Shawn McMahan, Dan McCarthy, Cynthia Jaksa, Byron Fielder, and James Asleson.

Public Comment – None

Approve regular meeting minutes of September 19, 2016 – Briggs moved and Nevanen seconded to approve the meeting minutes of September 19, 2016. Motion carried unanimously.

Financial statement for October 26, 2016 - The commission reviewed the list of payable claims and account summary documents as prepared by K. Briggs. Anderson explained the bills for the Terminal Project totaling \$346,911.99. **Pavleck moved and Nevanen seconded to approve the claims as listed in the amount of \$346,911.99 for the Terminal project. Motion carried unanimously.** Anderson explained the bills for the Terminal Project totaling \$97,199.05 and \$6,247.07 in claims paid prior to the meeting. **Briggs moved and McBride seconded to approve the claims as listed in the amount of \$97,199.05 and \$6,247.07. Motion carried unanimously.** Anderson reviewed the financial statements. **McBride moved and Nevanen seconded to approve the financial reports as shown. Motion carried unanimously.**

Engineers' report

Draft CIP – Benita Crow explained the Capital Improvement Project (CIP) document, noting she has updated it based on previous conversations with the Commission and ran through each year and the projects affiliated with that year. Crow referenced the Runway Reconstruction to begin in 2018. McBride questioned the Taxiway Reconstruction project slotted for 2023, if it will be a grind and resurface or what the project will consist of. Crow stated she is unsure at this time and it may require the removal of everything and start fresh. Short discussion on the Engineer Design Report that will be completed for the Runway Reconstruction project and its process. Short discussion on the airport closure during the reconstruction process. Crow explained there will be an estimated closure of 30-45 days, but will need to do more research to fully determine the timeline. Discussion on other possible projects that may be needed and if land acquisition should be on the CIP. Additional discussion on the runway reconstruction project, approaches and flight traffic. Crow mentioned Phase II of the terminal project is expected to begin in 2017, however if Bonding funds are not received, the need to push the project back to 2018 may be required and can then shift 2017 and 2018, adding she advises the Commission to use entitlement funds for equipment. Discussion on discretionary and entitlement funds and how they should be used. Discussion on keeping Phase II on the CIP and the chance of not getting Bonding funds to move the project forward. McBride questioned the worst thing that could happen if bond funds are not received. Crow responded there is more risk for getting funding in the future if it's not used in 2017 it may not be given in 2018. Discussion on Phase II Terminal Project. **McBride moved and Pavleck seconded to approve the 2017-2037 Capital Improvement Plan (CIP) as presented, contingent on receiving bonding funds for Phase II Terminal Project. Motion carried unanimously.**

Guidance Sign Project Update – Shawn McMahan reported on the Guidance Sign Project that was recently completed a couple weeks ago, which was initiated in 2015 and explained what the project consisted of, adding there is one change order for the new regulator that was needed. Einarson stated the

project was complex and McMahon was very instrumental. Discussion on the new regulator and the temporary one that was provided by MnDOT. **Pavleck moved and Briggs seconded to approve the change order pay application in the amount of \$19,420 to Kennedy Electric. Motion carried unanimously.**

Pavement Rehabilitation Project Update – McMahon stated the project was completed in September by Fahrner Asphalt and complemented them on their work, noting they vacated the premises for the Part 139 Inspection and came back to finish their work after the inspection was completed. McMahon explained the project and what was completed, noting the pay application to Fahrner Asphalt in the amount of \$135,201.10 for crack sealing. **Pavleck moved and Nevanen seconded to approve the pay application to Fahrner Asphalt in the amount of \$135,201.10 for the 2016 Pavement Rehabilitation Project. Motion carried unanimously.**

Terminal Project Update – Rick Oster with Kraus-Anderson gave a brief update on where the project is at and what has been completed since last month, noting there is a hold up due to the water tank not expected for delivery until December 2nd. Short discussion on the water tank and the reason for the delay. Nevanen stated the wall panels went up very quickly and questioned how they are attached. Oster explained there are metal plates that are welded together. Discussion on the walls and the need for keeping the one side of the building without a roof until the water tank comes. Steve Trudeau explained their plan of protecting the ground until the roof is on. Further discussion on the tank and the process for installing it. Cohrs handed out a document of Field Order Summary and explained it's detail. Anderson questioned if the field orders will be taken from the contingency funds. Trudeau confirmed they would. **Pavleck moved and Briggs seconded to approve Field Order #1 in the amount of \$48,903 and #4 in the amount of \$106,919.69 and authorizing the Chairman to sign the Field Orders form. Motion carried unanimously.** Trudeau explained they are collecting the last of the contracts for the final part of Phase I within the next week or two. Short discussion on operations and how things are going. Cohrs stated everything is moving along as it should be, noting there are lots of things to coordinate.

Old Business

None

New Business

EAS Proposals – Anderson referenced the proposals in the packets from SkyWest and Air Choic One, noting SkyWest being the less expensive proposal and will have all direct flights to MSP. Anderson also referenced a conference call with SkyWest yesterday regarding the move to direct flights and new flight times. Discussion on the conference call, flight times and the Canadian dollar exchange rate. Anderson stated the new proposal will begin in February 2017 and they will review the schedule again in July 2017. Anderson stated the need to begin marketing the new schedule to surrounding resorts and in Northwest Ontario. Anderson suggested creating a pamphlet to hand out with a flyer that resorts can take to sport shows. Briggs stressed the importance to market the direct flight service locally also as many locals drive elsewhere due to the uncertainty of the connecting flight in Hibbing. Discussion on marketing the new flight schedule and the importance of having a consistent schedule.

Manager's report

Einarson expressed kudos to Kraus-Anderson and Trudeau for minimizing issues that arise on the construction project and the can-do attitude they have, adding the Part 139 Inspection was challenging but they got through it and McMahon and Crow were very helpful. Einarson stated there are some stripe lines that need to be changed and have until June 2017 to complete, adding there were no issues concerning safety. Crow explained the striping issue further. Einarson reported they are gearing up for winter operations and where to store the snow. Crow credited Einarson and his staff on the tremendous job they did with the inspection, noting things are constantly changing and the amount of documentation and work that goes into an inspection is substantial.

Secretary's report

Kyra Hasbargen noted an insurance bill that has not been received yet, but is due December 1st in the amount of \$18,531 from Continental Western Insurance for Builders Risk and Property insurance and requested preapproval to pay once the bill is received on November 9th. **McBride moved and Briggs seconded to approve payment to Continental Western Insurance in the amount of \$18,531. Motion carried unanimously.** Hasbargen referenced the grant tracking document in the packets, noting all the grant funds that have been received this month, closing out the 2013 and 2014 grants, and referenced the enplanement records for SkyWest and Sun Country. Hasbargen referred to the marketing tracking spreadsheet in the packets, noting a proposal from Bear Country Magazine, that is placed on the airline in the back of the seats, which has a wide range of destination they service and the reach would be great. Pavleck stated the bulk of the destinations the airline flies to is in our service area. Short discussion on the advertisement. **Pavleck moved and Nevanen seconded to approve a marketing 1/6 page ad in the Bear Country Magazine for \$665 (Canadian Funds). Motion carried unanimously.** Hasbargen questioned if the Commission would be interested in a sponsorship with KGHS/KSDM for the MN Wild. Anderson recommended passing on the advertisement for now.

Reports from Members

Pavleck stated his concern of enplanements, noting the Canadian dollar seem to be making a big difference. Discussion on travelers going to Minneapolis to fly out. Nevanen referenced a potential charter going to Reno. Anderson added they plan to start in May, adding his concern of timing and believes it would be better to have the charter during the winter months.

Adjourn, next meetings

Meeting was adjourned by the chair at 10:14am. The next regular monthly meeting of the commission will be Wednesday, November 23, 2016 at 8:00a.m in the Koochiching County Boardroom.