

International Falls-Koochiching County Airport Commission

June 30, 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 8:05 a.m. by Chairman Robert Anderson.

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

Members absent:

Others present: Kyra Hasbargen, Thor Einarson, Rick Oster (Kraus-Anderson), Steve Trudeau, Kaci Nowicki, Bob Cohrs, James Asleson, Byron Fielder, Bill Mio and Mark Meester. Benita Crow via conference call.

Public Comment – None

Approve regular meeting minutes of May 24, 2017 – McBride moved and Briggs seconded to approve the meeting minutes of May 24, 2017. Motion carried unanimously.

Financial statement for June 30, 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 \$830,728.16 and regular monthly bills in the amount of \$19,808.10 with \$7,608.72 paid in advance before the meeting. **Pavleck moved and Nevanen seconded to approve the financial reports and claims as listed in the amounts of \$19,808.10, \$7,608.72 and \$830,729.16 for the Terminal. Motion carried unanimously.**

Engineers' report

A. Approval of Independent Fee Estimate (IFE) on Phase II Terminal Project – Anderson explained at the last meeting it was determined an IFE was needed on SEH's engineering cost for Phase II Terminal Project, adding Becher Hoppe has conducted the IFE in the past. **Pavleck moved and Nevanen seconded to approve Independent Fee Estimate for SEH with Becher Hoppe at a cost of \$3,000 for the Phase II Terminal Project. Motion carried unanimously.** Anderson noted an IFE will be needed for the Runway Reconstruction Project and another one for Kraus-Anderson's fees of the Phase II Terminal Project.

B. Terminal Update Phase I – Rick Oster of Kraus-Anderson gave a brief update on the terminal project, noting the exterior siding is done as much as they can do for now as there were some damaged panels which should be here in 3 weeks. Oster mentioned the dirt work has started. Pavleck questioned the completion date. Cohrs stated the go live date has been push back to August 30th due to their only being one flight that day and they will need 24 hours to move all equipment. Trudeau stated the Jet Bridge is scheduled to be here mid-August. Short discussion on the Jet Bridge and its installation. Nevanen questioned the apron extension. Cohrs and Crow explained the apron expansion and how it will be paid for by using left over bonding funds. Cohrs noted TSA will be moving their equipment on the 29th of August and typically requires the airport to pay for the move, however they are going to cover the cost for this. Cohrs referenced sending a letter to Tracy Schmidt regarding the 10% withholding of grant funds to see if she would consider a lesser amount, adding he can work with Anderson on the language, but look at a 1% withholding. **McBride moved and Briggs seconded to authorize a letter to be sent to Tracy Schmidt at FAA regarding reducing the grant withholding from 10% to 1% to help with the financial cash flow. Motion carried unanimously.** Short discussion on the close out and withholding. Trudeau handed out an updated Change Order Log and described each change order and the total costs. Cohrs explained how FAA determines and approves the change orders. Discussion on the change orders, B3 requirements and a retention pond. Einarson mention the new generator and its capacity, noting discussions have been had and are looking into the issue to ensure the connection is correct and explained the concern in more detail. Discussion on the concerns of the generator capacity and its ability to run everything needed.

C. Terminal Update Phase II – Cohrs stated meetings have been had with Customs, the National Weather Service and GSA on the lease spaces. Anderson referenced the minimum security requirements document from Customs in the packets. Short discussion on the requirements. Trudeau described them in more detail. Cohrs mentioned Phase II bids were opened on Wednesday and Trudeau handed out a spreadsheet and began explaining the document and costs. Cohrs explained there were a couple late bids received from FedEx that came at 2:45pm and opened them. Trudeau explained the work scopes that did not have bids and went through each work scope explaining their detail. Short discussion on the late bids and consulting with the airport attorney. Discussion on a few of the bids and rebidding a few work scopes. Short discussion on bidding and costs. Trudeau explained the electrical bids, what is included in the bid and reason the bids were so high. Cohrs stated they are looking at a May 2018 start date and February 2019 completion date. Discussion on the best time to bid and the bids verses estimates. Attorney Steve Shermoen stopped by the meeting to better understand what happened with the late bids. Trudeau explained to Shermoen. Shermoen stated he doesn't feel anyone is at a disadvantage because they were the only bidders for those work scopes, adding it would be at the Commission's discretion. Anderson asked Shermoen to put his recommendation in a letter to the Commission. Trudeau explained there was one bidder who withdrew their bid after it was opened and was significantly lower than other bidder due to missing information. Shermoen explained the Commission's right to hold the bid with the bid bond. Discussion on awarding bids. Discussion on demolition, earthwork and asbestos removal. Trudeau recommended the Commission rebid 3 work scopes of 6A Structural Carpentry, 6C Finish Carpentry Systems and 32B Site Concrete & Rigid Paving Systems. **Pavleck moved and Briggs seconded to accept all bids except 6A, 6C and 32 B contingent upon receipt of Federal and State funding and contingent on legal opinion on bids. Motion carried unanimously. Briggs moved and Nevanen seconded to authorize Kraus-Anderson to rebid work scopes 6A, 6C and 32B immediately. Motion carried unanimously.** Cohrs referenced the SEH Construction Service Agreement explaining it is for services provided for Phase II and is the same as Phase I, explaining in more detail a 21-month contract for \$595,600 and is included in the project summary sheet. **Pavleck moved and Nevanen seconded to approve the Service Agreement with SEH for Phase II. Motion carried unanimously.** Trudeau explained a letter to the Commission of a proposal of contract and doing an amendment to the original contract to include Phase II and outlined the fee. Short discussion on the amendment to cover Phase II. Anderson stated an IFE will need to be done on Kraus-Anderson and SEH fees. Cohrs explained the letter to FAA and how the IFE on Kraus-Anderson was done for Phase I and will do the same. **McBride moved and Pavleck seconded to approve an IFE on Kraus-Anderson for Phase II by means similar to Phase I. Motion carried unanimously.** Anderson referenced the IFE on SEH noting SEH is below the recommended amount. **McBride moved and Nevanen seconded to accept the IFE report from Becher Hoppe on SEH fees for Phase II. Motion carried unanimously.**

D. Triggering Event Master Plan (TEMP)-Runway 13/31 Reconstruction Project Proposal – Kasi Nowicki explained her background and role with SEH. Crow explained the Engineer Design Report and grant work will be ready for this year from FAA and explained the format. Short discussion on funding the project. Nowicki explained funding in more detail and gave an overview of partnership with FAA, what is included in the project, costs and requirements, adding the need to document runway needs, environmental impacts, runway safety area improvements, taxi way and project justification. Crow explained the detail of the engineering elements. Discussion on project timeline and funding. Crow stated Phase I will be approximately \$3.3 million with a local share of about \$82,500 shared by the City and County. Pavleck stated a formal request of funding will be needed by the County from the Commission. Additional discussion on the project, timeline and the shutdown of services. Nowicki explained the CATEX and environmental overview along with the Airport Layout Plan, adding the fee for the TEMP will be \$276,700 and is 95% eligible, noting there is no State participation. **Pavleck moved and Nevanen seconded to approve the Runway Reconstruction Master Plan Project at \$276,700 contingent upon receipt of the FAA grant and IFE approval. Motion carried unanimously.**

Construction Administration Contract for the Pavement Rehabilitation Project – Crow explained the contract for the Pavement Rehab project of \$20,300 which includes construction admin and onsite services.

Briggs moved and Nevanen seconded to approve the Construction Administration Contract with SEH for the 2017 Pavement Rehabilitation Project in the amount of \$20,300. Motion carried unanimously.

Old Business

None

New Business

A. New Terminal B3 Management Discussion – Cohrs explained the B3 requirements and reporting. Ted and Betsy Brokaw joined the Commission at the table and he explained his involvement and knowledge with B3 reporting and stated he is interested doing the B3 reporting for the airport terminal but would need access to the terminal site to know the modeling and complexity. Cohrs explained the modeling and that the need is for someone to help operate and provide the reporting. Discussion on the length of the reporting and B3 reporting, operation of the building and other B3 buildings and T. Brokaw’s background with B3. **Nevanen moved and Pavleck seconded to authorize SEH to work with Ted Brokaw and provide him access to the B3 reporting website to determine a better understanding and once comfortable, Brokaw Facility Maintenance may come back to the Commission with a proposal in a month on operations and reporting. Motion carried unanimously.**

B. Staff Review – Pavleck questioned the need to appoint a committee. Nevanen stated the KEDA conducted their annual review and recommends building into the airport, adding the KEDA Personnel Committee will meet July 10th to review both KEDA and Airport.

C. Terminal Phase I Ribbon Cutting Ceremony – Anderson stated August 30th is the “go-live” date and questioned holding a ribbon cutting that day. Short discussion on invitation list, time and date. Commission agreed to hold the ribbon cutting on August 31st at 1:00pm. **Pavleck moved and Nevanen seconded to approve expenses of no more than \$1,000 for a ribbon cutting ceremony of the new Terminal on August 31st at 1:00pm. Motion carried unanimously.**

D. Car Rental Spaces – Anderson stated he met with Waschke Family GM and Wherley Motors regarding signage for their kiosk in the new terminal, noting Avis would like to have a lighted sign and Wherley’s and Waschke’s only want banners and questioned parking spaces for rental cars. Cohrs stated there is not a plan as of yet for fencing and staging with Phase II. Anderson stated Avis would like to have signs posted for 20 parking spots, and Waschke’s and Wherley’s only need about 3-4 spaces each. Short discussion on parking spaces. Anderson stated he will let Avis know they can have the 20 spaces.

E. Marketing Grant and Website Update – Hasbargen explained the issue with the Marketing Grant and not reimbursing any claims prior to June 7th and wanting the full grant expended by September 30th, adding she has plead the Commission case of budgeting and limited funds available, noting they are talking internally to see if there is anything that can be done to get the claims prior to June 7th reimbursed as she has followed the same process as in the past and the grant was signed on this end in January and took MnDOT 5 months to sign and now INL has to pay for the delay. Hasbargen stated that if claims are not able to be reimbursed, she has been looking into updating the Airport Website and spoke with Big Fish Digital who could revamp the website for about \$1,700 plus yearly hosting fees. **Nevanen moved and Briggs seconded to approve a new website through Big Fish Digital of up to \$2,000 contingent upon funding from MnDOT. Motion carried unanimously.**

F. ACDBE Program Approval – Hasbargen explained the ACDBE Report and working with Chris at SEH to get completed, noting it took a great deal of time and effort but the final report was submitted on Wednesday and the FAA approved it yesterday. Hasbargen noted there is one last piece to be compliant which requires holding a public participation meeting in the near future and recommended having as part of the July Commission meeting. **Pavleck moved and Nevanen seconded to approve the Chairman to sign the ACDBE Report and set a Public Participation Meeting during the Commission meeting on July 26th at 8:00am. Motion carried unanimously.**

G. NOAA and National Weather Service – Cohrs explained that the communication line from the tower to the terminal needs to be moved about 70 feet and is owned by FAA and not the National Weather Service noting it requires a reimbursable agreement. Cohrs added he has sent them all the information needed and

they are working on a cost factor for the line, noting all work will be done locally which will take about 4-6 weeks. **Nevanen moved and Briggs seconded to approve a Reimbursable Agreement with FAA and once an estimate is received to send a check for the moving of their telecommunication line. Motion carried unanimously.**

2016 Airport Audit – Anderson stated the 2016 Audit Report has been received and shows no significant deficiencies. Anderson thanked Hasbargen and Betty Bergstrom for their work with the auditors. **Pavleck moved and Briggs seconded to approve the 2016 Audit Report by Schlenner Wenner & Co. Motion carried unanimously.**

Manager's report

Einarson referenced the apron extension and it negatively affecting the parking and plowing snow removal. Nowicki stated she can wrap it in with the TEMP. Einarson referenced the power generator and his concern. Einarson stated he has received good news from MacQueen regarding work on the snow blower and charging for parts not delivered and it still not being fixed, adding they sent a maintenance tech up on Wednesday to look at it again. Short discussion on SkyWest and enplanements from the new flight schedule.

Secretary's report

Hasbargen stated Nikki at the Journal contacted her to see if the Commission is interested in advertising in the Simply North magazine this year at a cost of \$245. The Commission agreed to hold off and not advertise in the Simply North Magazine. Hasbargen stated she was also contact by Suzie Best at Spectrum Reach to see if the commission would be interested in advertisements at Valley Fair on their new "Fun TVs" located at the entrance of rides and referenced a proposal in the packets. Short Discussion on the proposal. Commission decided to not move forward with the advertisements.

Reports from Members

Anderson stated he received a letter from Senators on EAS and referenced a copy in the packets.

Adjourn, next meetings

Meeting was adjourned by the chair at 11:37a.m. The next regular monthly meeting of the commission will be Wednesday, July 26, 2017 at 8:00a.m in the Koochiching County Boardroom.