

Sioux Falls Regional Airport Authority

Special Session Board Meeting Minutes

June 13, 2018

Members Present: Dave Nelson

Members via Phone: Mike Luce, Raquel Blount, Julie Schnaible and Lon Stroschein (joined at 8:44am)

Chairman Mike Luce called the meeting to order at 8:34 a.m.

1. Discussion regarding airport funding of new rental car facility. Director Letellier provided a summary of the timeline and previous discussion regarding the need for a replacement car wash, fuel island and detail garage for the rental car operators. The current Capital Improvement Plan has the replacement of these facilities estimated at \$5.5 million and funded by the rental car operators. Director Letellier recommended to the Board that the construction and maintenance of the facility be managed by the airport with reimbursement of the project coming from revenue received by a Customer Facility Charge (CFC) paid by rental car customers. The latest construction estimated from PGAL Architects for a 2 stall car wash and 7-bay detail garage was \$4,774,000 which included an additional bay for airport use or future rental car operator. A smaller version (Phase 1) is estimated to cost \$4,000,000 which does not include the additional bay. Future ongoing maintenance would be funded through an additional CFC of approximately \$0.50/day to offset airport expenses.

Board members commented that a new rental car agreement must incorporate on-going maintenance charges and that they be reviewed annually to make sure all expenses are captured. A new agreement must also restrict use of the car wash by rental cars based in other offices in Sioux Falls, or pay per use. Julie Schnaible moved and Lon Stroschein seconded a motion to move forward with the construction of a rental car facility funded by the airport but reimbursed through a CFC to cover all airport construction and design expenses. The new facility would be for the full build-out to include space for future growth. Motion carried.

2. Design Agreement for new rental car facility. Director Letellier presented to the Board a proposal from PGAL Architects for the design of a new rental car facility in cooperation with KLJ Engineers. Fee for design of the car wash/detail garage and underground fuel tank is 7.2% of estimated construction costs or currently \$397,500.00. Dave Nelson moved and Julie Schnaible seconded a motion to approve the design proposal from PGAL Architects. Motion carried

Raquel Blount moved to adjourn at 9:10 am. Dave Nelson seconded. Motion Carried.

Date

Secretary

Next Board Meeting – June 28, 2018 @ 12:00 pm.