

**Sioux Falls Regional Airport Authority
Board Meeting Minutes**

March 26, 2020

Members Present via phone: Raquel Blount, Julie Schnaible, Dave Nelson, Lon Stroschein, and Eric Ellefson

Staff Present: Dan Letellier, Richard King, and Kristin Elgersma

Guests Present: Brad Greguson – Standard Parking, Eric Hanson - HDR

Guest Present via Phone: Steve Steinhorst – KLJ Engineers

Ayes and nays were taken on all motions and all motions were passed unanimously unless otherwise noted.

Chairwoman Blount called the meeting to order at 12:07 pm.

1. **Minutes-** Julie Schnaible moved and Dave Nelson seconded approval of the minutes of February 27, 2020. Motion carried.
2. **Bills for Approval-** Lon Stroschein moved and Dave Nelson seconded approval of the bills as presented. Motion carried.
3. **Consent Agenda-** Report on Consent Agenda items by the Executive Director. Eric Ellefson moved and Lon Stroschein seconded approval of the Consent Agenda. Motion carried.
 - A. Lease Agreement with Scott Ecklund for airport T-Hangar #T1-9.
 - B. Advertise for construction bids for our Northwest Hangar Taxi-lane/Perimeter Road Partial Reconstruction Project.
4. **Report by Executive Director-**
 - A. Corona Virus Update – Airport Impacts – Passenger traffic is well under 100 each day if those Airlines are even operating. Lobby gift shop and lobby restaurant are closed with Subway operating at limited hours. The restaurant reported wasting a lot of product as they are having little to no customers each day.
 - B. Passenger Enplanement and Concession Revenue Update – Passenger Enplanements increased 10.8% in February with total traffic up 11.6% for another great month. Unfortunately it will be all downhill from here. Enplanements for February totaled 50,225 which was a record for the month. Available seats were up 10.7% vs. 2019 contributing to the up-tick in traffic. Car Rental, Gift Shop, Parking, and Food/Beverage all saw an increase in revenue.

C. Construction Update:

- A. Rental Car QTA – Building is nearing completion and they are turning it over to the Rental Car Agency's on March 30th. Demo of the old building will start soon along with the parking lot, curb and gutter. The project looks to be wrapped up by mid-July.
- B. Economy Lot Expansion – Hoogendoorn construction was awarded the bid and they hope to get started mid-late April.
- C. 2020 Asphalt Project – Advertising for bids in the next few weeks.

5. **Old Business –**

No Items

6. **New Business -**

- A. Award Bid for new Snowplow/Sander to MB Companies for \$488,756.00. Bids were opening on March 24th for the purchase of a replacement snow plow/sander to replace a truck that is 32 years old. Funding for this truck will come from our balance in Fuel Tax funds held by the state. Julie Schnaible moved and Dave Nelson seconded a motion one opposed and four motioned to move forward with the purchase of the Snowplow/Sander from MB Companies. Motion Carried.
- B. Selection of Design Team for Future Parking Structure. Proposals were received from design teams led by KLJ Engineers, Walker Consulting, and HDR Engineers. Interviews with the selection committee took place on March 18th. After much debate the selection committee is recommending the team led by KLJ Engineers who is partnering with Kimley-Horne and TSP Architects. While the project may be pushed back a year it was determined to move forward with the Pre-design phase. Lon Stroschein moved and Dave Nelson seconded a motion to award the pre-design for the parking structure to KLJ Engineers. Motion carried
- C. Discussion on waiving Minimum Annual Guarantees (Mag) – The dramatic drop in passenger traffic and concession revenue has brought a request from our rental car operators about waiving our minimum annual guarantees. Our lease agreements require a minimum concession fee payment every year, despite potential downturn in traffic. They would still be required to make payment for their actual 10.5% fee for gross revenue but would do away with the yearly minimum. Eric Ellefson moved and Lon Stroschein seconded the denial of waiving the MAG for current year 2020 until they get a better picture at the financial situation that may happen as well as the Government bailout. Motion Carried.
- D. Budget Adjustments due to change in economic conditions. The corona virus has dramatically changed the transportation/travel industry in just a few short weeks. We have gone from record traffic levels in January and February trying to figure out where to park all of our cars, to wondering what is going to happen next. We can expect around a 50% drop in revenue for the year based on the short and long-term impacts from this epidemic. Dan had a few cost savings ideas that were run by the board which included the following:

- a. Parking Revenue – Increasing the long term and economy rate earlier than expected.
- b. Payroll – Solicit voluntary unpaid leave of 1 week at a time, or even 1 day at a time to reduce payroll.
- c. Payroll – Consider a 5% pay reduction for 2020 but making that up in 2021.
- d. Advertising budget reduced by over \$80,000.
- e. 5% reduction for maintenance and supplies.
- f. Discontinue all Travel for training/conferences.
- g. Parking management fee reduction.

These are all things for the board to think about for in the future if changes need to happen.

7. Open Segment-

Lon Stroschein moved to adjourn at 1:54 pm. Julie Schnaible seconded. Motion Carried.

Date

Secretary

Next Board Meeting: April 23, 2020 12:00 pm

Sioux Falls Regional Airport
Bills to be Approved
April 23, 2020

Check	Vendor	Description	Amount	Date
40931	Argus Leader	Advertising	\$ 186.38	3/26/2020
40932	Auto Body Specialites	Machine Maint	\$ 75.74	"
40933	Brock White	Field Maint	\$ 1,692.00	"
40934	Office of Child Support	PPE 03/22/2020	\$ 282.92	"
40935	Convergint	Security Maint	\$ 631.76	"
40936	Cryotech	Aircraft Deicer	\$ 28,404.48	"
40937	Dakota Auto Parts	Machine Maint	\$ 31.05	"
40938	Daktronics	Building Maint	\$ 1,487.50	"
40939	DirectTv	Passenger Services	\$ 147.99	"
40940	FedEx	Postage	\$ 32.07	"
40941	Golden Rule	Baggage Claim	\$ 55,128.28	"
40942	Hillyard	Janitorial	\$ 2,255.41	"
40943	JET concrete	Field Maint	\$ 300.00	"
40944	Jim Bork	Office Supplies	\$ 143.00	"
40945	Krier and Blain	Building Maint	\$ 420.27	"
40946	Lawn Crafters	Other Current Expense	\$ 760.00	"
40947	Macs Inc	Machine Maint	\$ 71.17	"
40948	Capital One	Small Tools	\$ 162.69	"
40949	MetLife	LTD, STD, Life, Dental, Vision, AD&D	\$ 4,235.33	"
40950	Midco	Passenger Services	\$ 650.00	"
40951	Midwest Oil	Oil	\$ 635.38	"
40952	Northern States Supply	Machine Maint	\$ 22.64	"
40953	Overhead Door	Other Building Maint	\$ 331.63	"
40954	PGAL	QTA Facility	\$ 8,850.00	"
40955	Rushmore Service	PPE 03/22/2020	\$ 336.96	"
40956	SDSRP	Supplemental	\$ 706.00	"
40957	Sioux Falls Utilities	Water/Sewer	\$ 705.38	"
40958	Sioux Merchant	03/15-03/21 Security	\$ 3,891.41	"
40959	Gey Wall /Veoci	Field Maint	\$ 360.00	"
40960	A-OX Welding	Machine Maint	\$ 120.33	4/3/2020
40961	Bargain Barn	Tires	\$ 325.00	"
40962	Dex Media	Advertising	\$ 267.25	"
40963	Diamond Vogel	Paint	\$ 1,691.50	"
40964	Diesel Machine	Machine Maint	\$ 519.01	"
40965	Eide Bailly	Audit	\$ 25,500.00	"
40966	Enviromental Equipment	Machine Maint	\$ 370.94	"
40967	FedEx	Postage	\$ 92.85	"
40968	Green Eggs and Ram	VPN Setup	\$ 180.00	"
40969	H&R Roofing	Other Building Maint	\$ 641.00	"
40970	Heartland Paper	Janitorial	\$ 125.76	"
40971	Hillyard	Janitorial	\$ 624.11	"
40972	Hoogendoorn Construction	QTA Facility	\$ 289,739.43	"
40973	Health Pool of SD	April Health Insurance	\$ 36,108.53	"
40974	Hungrys	Other Current Expense	\$ 8.17	"

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40975	ISC Companies	Machine Maint	\$ 938.00	"
40976	MidAmerican Energy	Gas	\$ 6,154.66	"
40977	Midwest Oil	Oil	\$ 655.38	"
40978	Mood Media	Passenger Service	\$ 66.89	"
40979	Nybergs Ace	Machine Maint	\$ 19.20	"
40980	Public Works	Sanitation	\$ 19.72	"
40981	SDRS	March Retirement	\$ 15,175.55	"
40982	Sioux Falls Utilities	Sewer	\$ 434.43	"
40983	Sioux Falls Electric	Electrical Maint	\$ 453.06	"
40984	Sioux Merchant Patrol	03/22-03/28 security	\$ 3,537.07	"
40985	Standard Signs	Field Maint	\$ 884.16	"
40986	TriState Garage	Building Maint	\$ 475.00	"
40987	Volarie Aviation	Airline Startup	\$ 2,666.67	"
40988	A&B Business	Office Supplies	\$ 25.00	4/9/2020
40989	Argus Leader	Advertising	\$ 278.28	"
40990	AT&T	Telephone	\$ 46.89	"
40991	Century Link	Telephone	\$ 218.87	"
40992	Office of Child Support	PPE 04/05/2020	\$ 282.92	"
40993	Convergint Tech	Security Maint	\$ 2,290.90	"
40994	Dockendorf Equipment	Spill Kit	\$ 593.88	"
40995	Interstate Office	Office Supplies	\$ 78.58	"
40996	KLJ	Engineering	\$ 68,241.24	"
40997	Mahlanders	Fire and Rescue	\$ 8.95	"
40998	Media One	Advertising	\$ 1,991.25	"
40999	Overhead Door	Other Building Expenses	\$ 1,550.00	"
41000	Rushmore Service	PPE 04/05/2020	\$ 336.96	"
41001	sdsrp	Supplemental	\$ 706.00	"
41002	Sioux Falls Two Way	Communications Maint	\$ 110.98	"
41003	Sioux Merchant Patrol	03/29-04/04 Security	\$ 3,543.40	"
41004	Waste Management	Sanitation	\$ 2,247.87	"
		Total for 3/26/2020 - 4/22/2020	\$ 583,283.08	

Payroll

<i>pay period ending 03/22/2020</i>	\$ 52,952.51	03/27/20
<i>pay period ending 04/05/2020</i>	\$ 47,702.65	04/10/20

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CC- Dan Letellier

<i>Travel</i>		
<i>Office Supplies</i>	\$	66.76
<i>Other Current Expense</i>	\$	10.00
<i>Machine Maint</i>	\$	399.08
<i>Building Maint</i>	\$	158.50
<i>Postage</i>	\$	17.20
<i>Total</i>	\$	651.54

CC- Richard King

<i>Fingerprinting</i>	\$	1,500.00
<i>Passenger Services</i>	\$	37.70
<i>Travel</i>	\$	550.56
<i>Other Current Expense</i>	\$	138.44
<i>Memberships</i>	\$	29.18
<i>Building Maint</i>	\$	35.11
<i>Total</i>	\$	2,290.99

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