

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

**August 26, 2021**

Member Present: Dave Nelson, Lon Stroschein, and Kent Cutler

Members Present Via Digital: Eric Ellefson

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

Guests Present: Mark Wiederrich and Jake Braunagel– KLJ Engineers, Eric Hanson – HDR Engineers, Alayna Holmstrom – Davenport Evans

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

Chairman Nelson called the meeting to order at 12:00 pm.

1. **Minutes-** Kent Cutler moved and Lon Stroschein seconded approval of the minutes of July 22, 2021. Motion carried.
2. **Bills for Approval-** Kent Cutler moved and Eric Ellefson seconded approval of the bills as presented. Motion carried.
3. **Consent Agenda-** Report on Consent Agenda items by the Executive Director. Kent Cutler moved and Lon Stroschein seconded approval of the Consent Agenda. Motion carried.
  - A. Lease agreement with Quality Mechanical Service for airport building #12.
  - B. Approve State Financial Agreement with SD DOT for administration of the FAA – CRRSA Concessions Relief Grant - \$123,440.00.
  - C. Approve State Financial Agreement with SD DOT for administration of the FAA-ARPA Grant in the amount of \$6,791,519.00
  - D. Transfer of ground lease with private hangar from Reuben Setliff to Silvertree Ranch, LLC.
4. **Report by Executive Director-**
  - A. Passenger Traffic and Concession Revenue – July traffic set a record for the month with 52,045 enplanements, 50 more than July of 2019. Total July traffic was 129.4% ahead of 2020 and 0.1% better than 2019. It was also the second busiest month on record, only trailing December of 2019. Year to date enplanements trail 2019 by 19%. Food Beverage, Car Rental, Gift Shop, and Hotel all followed similar suit with increases over 2019 but Parking was down 4.3% compared to 2019.
  - B. Construction Update –

1. Runway 3/21 – Concrete Paving and most asphalt paving has been complete. Work continues on runway centerline and edge lighting. Estimated completion date is October 8<sup>th</sup>.
2. Terminal Apron / Cargo Ramp – The E Cargo ramp by FedEx and UPS will be completed with joint and crack sealing in the next 2 weeks and then will move to the W Cargo Apron to for concrete replacement in most areas.
3. Concourse Remodel – Work began this week in the gate 5 area replacing wall covering and carpeting. The Sanford Play area on the concourse has also been under construction and should wrap up in the next 2 weeks. Marlins has opened bids to provide an update to the concourse restaurant interior finishes as well as the addition of a deli on the far end of the concourse. Work should begin this fall.
4. Taxiway Bravo – The first phase of the project is completed near Bravo 5 with the remaining phases scheduled to begin Sept. 20<sup>th</sup> with the opening of runway 3/21 for aircraft taxi.

C. New Hangar development for C&B Operations dba TriFly, LLC-

The Executive Director provided the Board a brief summary of the 20,000 sf hangar that C&B Operations is looking to build on the west side of the airfield. A lease agreement is planned for board review and approval by the September meeting.

**5. Old Business –**

A. Review and Approval of the Capital Improvement Plan: 2022-2026.

Director Letellier provided an update to the 5-year Capital Plan presented to the Board in July. Several slight modifications were made in the past month including a more detailed breakdown of AIP funded projects for 2022. Cost estimate for the Snow Removal Equipment building was also increased to \$5.5 million. No changes were made to any of the other projects included for the remaining plan. Lon Stroschein moved and Eric Ellefson seconded a motion to approve the Capital Improvement Plan for the 2022-2026. Motion carried.

**6. New Business –**

- A. Award construction bid to lowest responsive bidder for a project to provide asphalt seal for the Long Term and Economy Parking Lots. (CARES Act) Bids were opened on Tuesday August 24<sup>th</sup> for a project to apply an asphalt slurry seal in the Long Term and Economy parking lots. Four bids were received for the project that had an engineer's estimate of \$330,000. Seal Pros came in with the low bid of \$253,767.07. Director Letellier recommended approval of award to Seal Pro's after consulting with legal counsel and engineer. Kent Cutler moved and Eric Ellefson seconded a motion to award the bid to Seal Pros Contracting to provide an asphalt slurry seal to the Long-Term and Economy Lot in the amount of \$253,767.07. Motion Carried

- B. Marketing Assistance for new seasonal routes on Allegiant and Frontier Airlines  
Frontier and Allegiant have recently announce new service to FSD with Frontier to initiating Las Vegas and Orland Intl. flights and Allegiant serving Austin, Ft. Lauderdale and Orange County. Executive Director Letellier has been working with Epicosity on a digital promotion campaign that would include social media, Google display ads and digital billboard advertising for new routes. This campaign will run for 12 weeks with a projected expense of \$23,000.

Eric Ellefson dropped off the call at 1:00 pm

- C. Discussion regarding corona virus vaccination requirement for airport employees.  
Chairman Nelson addressed the Board regarding his concern about the latest surge in COVID-19 in the State and across the nation. He emphasized the importance of all people being vaccinated to allow for the continued recovery of air transportation and ensure those that are traveling through FSD are provided a safe environment to do so. Chairman Nelson wanted to bring the issue of vaccination in front of the Board and to consider the requirement to have all Airport Authority employees be vaccinated for the virus. Director Letellier informed the Board that currently 75% of Airport Authority employees have been vaccinated and 83% have either received the vaccination or had the virus. Alayna Holmstrom with Davenport Evans spoke to the board about the legal aspect of requiring employees to be vaccinated as a requirement of employment. According to her research and recent case law, the Authority would be within its rights to require all employees to be vaccinated. Director Letellier agreed that he would like to see all employees receive the vaccination but was concerned about the ramifications of such a requirement. A majority of employees have received the vaccination and the few remaining unvaccinated would not impact operations if they were unable to work for 1-2 weeks. However, the potential of losing employees permanently due to a vaccination requirement would pose serious operational issues if employees did leave their positions. The Board asked Director Letellier and Deputy Director King to develop a program of incentives and disincentives for employees to help improve the level of vaccinations among all the employees and present to the Board at the September meeting.

Kent Cutler left the meeting at 1:26 pm.

## 7. Open Segment

Meeting adjourned at 1:29 pm.

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Date

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Secretary

Next Board Meeting: September 23, 2021 12:00 pm