

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

**September 23, 2021**

Members Present: Eric Ellefson and Blake Curd

Member Present via phone: Dave Nelson

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

Guests Present: Mark Wiederrich and Jake Braunagel– KLJ Engineers, Eric Hanson – HDR Engineers, Elizabeth Hertz – Davenport Evans Law Firm, Shannon Falon-Johnson/Janklow/Abdallah Law Firm, Christina Cossich – Cossich/Sumich/Parsiola & Taylor Law Firm, LLC

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 12:07 pm.

1. **Executive Session** – Blake Curd moved and Eric Ellefson seconded a motion to go into Executive Session to discuss a legal issue at 12:07 pm, Motion Carried. Blake Curd moved and Eric Ellefson seconded a motion to come out of Executive Session at 12:14 pm. Motion Carried.
2. **Minutes**- Blake Curd moved and Eric Ellefson seconded approval of the minutes of August 26, 2021. Motion carried.
3. **Bills for Approval**- Eric Ellefson moved and Blake Curd seconded approval of the bills as presented. Motion carried.
4. **Consent Agenda**- Report on Consent Agenda items by the Executive Director. Black Curd moved and Eric Ellefson seconded approval of the Consent Agenda. Motion carried.
  - A. Accept FAA Airport Improvement Grant #3-46-0050-057-2021 in the amount of \$3,772,348.00
  - B. Approve State Financial Agreement with the South Dakota Dept. of Transportation for FAA-AIP Grant #3-46-0050-057-2021.
  - C. Ground Lease agreement with SF Hangar Properties, LLC to construct new hangar.
  - D. Award bids for Runway and Aircraft deicing fluid for the 2021-2022 winter season.
    1. Runway Fluid to Nachurs Alpine Solutions. \$ 4.51/gal
    2. Aircraft Fluid to Cryotech - \$9.99/gal

## 5. Report by Executive Director-

A. Passenger Traffic and Concession Revenue - Passenger enplanements for the month totaled 43,464 which was an increase of 96.8% vs. 2020 and 5.3% below August of 2019. Year to date enplanements trail 2019 by 17%. Food/Beverage, gift shop, and hotel concessions all followed similar increases over 2019 but parking and car rental were down compared to 2019.

### B. Construction Update –

1. Runway 3/21 – North half of runway reconstruction complete and open for taxi. South half paving continues and is on track for final completion on October 8<sup>th</sup>. FAA flight check scheduled for October 14-15.
2. Terminal Apron / Cargo Ramp – Terminal and east cargo apron complete, west cargo apron paving continues with project completion scheduled for Oct. 1.
3. Concourse Remodel – Seating areas near gate 4, 5 and 6 are complete with work continuing on the Business Lounge and gate 3 seating area. Mock-up gate counter ready to review and to determine if any adjustments are necessary before remaining counters are constructed. Expectation of completion with all areas by mid-January.
4. Taxiway Bravo – Work resumed on this project 9/20 and will continue until Oct. 1<sup>st</sup>. Then return Oct. 11 for the final phase at the intersection of taxiways alpha, bravo and echo. Final completion planned for October 14<sup>th</sup>.
5. Waterline Project – Waterline is over 50% complete with final completion expected October 1<sup>st</sup>.
6. General Aviation Ramp – Sealcoat applied last weekend with painting scheduled for 9/27.

## 6. Old Business –

### A. COVID-19 vaccination incentive plan.

Director Letellier provided an update to the COVID-19 mandatory vaccination discussion that was held at the August Board meeting. Letellier was instructed to present the Board with several options to achieve full vaccination by the staff. Letellier provided the following suggestions. A) Letter from the Board to all Authority employees strongly encouraging employees to become vaccinated. B) Provide a financial bonus of \$100 to each employee that has received or will receive the covid vaccination. C) For employees failing to become vaccinated, the Authority contribution to an employee's health insurance deductible would be suspended for health care expenses related to the covid-19 virus. D) Require all new-hire employees to be vaccinated as a condition of employment.

Chairman Nelson temporarily transferred Chairmanship to Commissioner Ellefson and made a motion requiring all Airport Authority employees to become vaccinated for the corona virus by Dec. 1, 2021. Motion seconded by Blake Curd. Motion failed, 1 aye, 2 nays.

Commissioner Nelson moved and Commissioner Curd seconded a motion to provide a financial incentive of \$200 for each employee who either is vaccinated or becomes vaccinated by December 1, 2021. Motion Carried. Commissioner Nelson moved and Commissioner Ellefson seconded a motion to suspend health insurance deductible coverage for employees who are not vaccinated and incur health care expenses associated with the coronavirus. Motion carried by a vote of 2 aye and 1 nay. Commissioner Curd voiced his concern about the ability of local management to administer this policy due to the complexities of the virus and the many conditions that may require treatment. Director Letellier will present the policy to legal council for assistance in developing the policy and procedure for implementation and report back to the Board at the next meeting. Commissioner Ellefson transferred Chairmanship back to Commissioner Nelson.

## 7. New Business –

- A. Agreement to amend/extend Food/Beverage Concessions Agreement with Hungry's Restaurant Inc. Hungry's Restaurant, Inc. recently solicited bids to remodel the upstairs restaurant and add a deli counter at the end of the concourse. The construction bids received along with new equipment/tables, etc. totals \$634,000. Hungry's is requesting a 7-year extension to their lease which ends Oct. 15, 2023. This would allow them to amortize the expense of the renovation over the extended lease. The extension would also increase the food concession percentage from 8% to 10% and the alcohol sales from 10% to 12%. Blake Curd moved and Eric Ellefson seconded a motion to approve the agreement extending the lease from October 15, 2023 to October 14, 2030 in addition to an adjustment in concession fees of 10% and 12%. Motion Carried
- B. Approval to fund replacement of existing Crash/Fire/Rescue emergency communication equipment not to exceed \$50,000. The current crash/fire/rescue communication system from the control tower to the Air Guard fire station is over 10 years old and has failed on numerous occasions. Proposals have been received from three vendors for new equipment. Director Letellier requested Board approval to fund the replacement of this system up to \$50,000. Blake Curd moved and Eric Ellefson seconded a motion to purchase a replacement emergency communication system not to exceed \$50,000. Motion carried.
- C. Award construction contract to lowest responsible bidder for the installation of Precision Approach Path Indicator (PAPI) equipment for RWY21. Bids were opened Sept. 21<sup>st</sup> to replace the current Visual Approach Slope Indicator (VASI) approach navigation lights with PAPI equipment. Bid identified replacement with an incandescent system but bids received utilized the LED style which increased the expected cost of the project by \$20,000 to \$25,000. Director Letellier requested the Board reject all bids and relet the project later in the year. The additional time would allow airport management and the Board time to review the advantages and disadvantages of an LED system vs incandescent as well as determine an

appropriate construction window for installation in 2022 around other runway construction projects. Eric Ellefson moved and Blake Curd seconded a motion to reject all bids and rebid later in the year. Motion Carried.

- D. Reimbursable Agreement with the FAA to conduct a commissioning flight check for the new PAPI equipment for runway 21. - \$10,098.00. Board elected to defer the approval of a reimbursable agreement with the FAA to conduct a commissioning flight check for the replacement PAPI equipment until an installation date is identified.

## 8. Open Segment

Blake Curd moved and Eric Ellefson seconded a motion to adjourned the meeting at 1:20pm.

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Date

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Secretary

Next Board Meeting: October 28, 2021 12:00 pm