

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

**August 27, 2020**

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

Staff Present: Dan Letellier, Richard King and Kristin Elgersma

Guests Present: Brad Greguson – Standard Parking, Mark Heisey – TSA

Guests Present via video conference: Mark Wiederrich and Steve Synhorst - KLJ

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

Chairwoman Schnaible called the meeting to order at 12:01 pm.

1. **Minutes-** Lon Stroschien moved and Eric Ellefson seconded approval of the minutes of July 23 and Special Session of August 4, 2020. Motion carried.
2. **Bills for Approval-** Dave Nelson 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. Lon Stroschein moved and Dave Nelson seconded approval of the Consent Agenda. Motion carried.
  - A. Change Order #5 with BX Civil Contracting for additions to the Deicing Apron Project - \$7,075.00.
  - B. Ground Lease Amendment to agreement with Billion Automotive, dba: FSD Airport Properties, LLC.
4. **Report by Executive Director-**
  - A. Corona Virus Update – Airport Impacts – Passenger traffic continues to be impacted by the virus as July reflected a 60% reduction in traffic compared to previous years. Mask compliance inside the terminal is good as all airlines require face coverings throughout the entire journey. The first airport employee has contracted the virus but no other employees affected.
  - B. Passenger Enplanement and Concession Revenue Update – Enplanements continued a slight rebound in the month of July but still drastically lower than what it should be this time of year. July enplanements were down 56.4% and total passengers down a similar 56.6%. Stronger passenger growth early in the month which tapered off as the month went on. Parking, Restaurant, Car Rental, Gift shop, and hotel all were down a similar percentage.

C. Construction Update:

- Deice Apron – Final dirt work is being completed along with line painting and cleanup planned for next week. Project will be complete by September 4th.
- Economy Lot Expansion – Curb and gutter is complete with the final grading just about finished prior to asphalt paving. Paving will continue for the next two weeks with final completion still scheduled for September 16<sup>th</sup>.
- 2020 Asphalt Project – Mill and overlay on Jaycee Lane is complete along with work on Maverick Pl. Rehab of Perimeter road has just begun and will be complete in 2-3 weeks. New general aviation taxi-lane is near completion with final edge grading, seeding and line painting remaining.

5. **Old Business –**

- A. No Items

6. **New Business -**

- A. Purchase of replacement server, software, and support for Baggage Make-up System Controls from Kasa Controls and Automation- \$235,736.00. The original servers, network switches and associated software are currently beyond their life cycle and in need of replacement. The “upper level system” which is the brains of the system is necessary to maintain the overall operation of the baggage system and provides the ability for Kasa IT to remote-in to trouble shoot any issues we have. The \$235,736 includes testing of the system by Kasa when complete, but not if the TSA requires a 3<sup>rd</sup> party vendor to conduct testing of the system. Commissioner Ellefson inquired about the operational viability of the system if these replacements were not provided and if they included software support. Deputy Director King responded that the system would operate, although communication remotely would be difficult and local ability to identify problems along the belt line very difficult. In addition, the current software and version of Windows is not supported making any future software upgrades doubtful. Dave Nelson moved and Eric Ellefson seconded a motion to approve the proposal with Kasa Controls & Automation to provide replacement servers, software and support for the baggage make-up system. Motion Carried.
- B. Minimum Annual Guarantee (MAG) Adjustment for Rental Care Operators. Back in April and May the Board discussed reducing MAG for rental car operators due to the dramatic reduction in passenger travel because of the Corona Virus. Director Letellier presented to the Board a plan to waive the monthly MAG for the past six months due to the significant drop in traffic which would effectively be a 50% reduction in the 2020 MAG for each operator. Several Commissioners inquired what other airports of our size have provided in relief, as well as what government assistance they have received to mitigate the impacts of the economic downturn. The Board asked for the Executive Director to research and provide follow-up to these questions for review again later in the year. They would also like to see representation from the Rental Car Operators in order for them to personally explain why this assistance should be provided by the Airport Authority. Recommendation to modify the MAG was tabled until later in the year.

**7. Open Segment-**

Lon Stroschein moved to adjourn at 1:08pm. Dave Nelson seconded. Motion Carried.

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Date

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Secretary

Next Board Meeting: September 24, 2020 12:00 pm