

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

January 24, 2019

Members Present: Mike Luce, Raquel Blount, Julie Schnaible, Dave Nelson, Lon Stroschein.

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

Guests Present: Mark Wiederrich- KLJ Engineers, Elizabeth Hurtz-Davenport/Evans Law Firm.
Brad Wilson- Insurance Benefits, Mark Heisey-TSA.

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

Chairman Luce called the meeting to order at 12:03 pm.

1. **Minutes-** Lon Stroschein moved and Raquel Blount seconded approval of the minutes of December 20th. Motion carried.
2. **Bills for Approval-** Julie Schnaible 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. Julie Schnaible moved and Lon Stroschein seconded approval of the Consent Agenda. Motion carried.
 - A. Change Order #5 with Golden Rule Construction in the amount of \$15,453.00.
 - B. Task Order #63 with KLJ Engineers to design a deicing/overnight aircraft apron. - \$348,945.38 to be funded with the FAA-AIP program.
4. **Report by Executive Director-**
 - A. Passenger Enplanements & Concession Revenue - 2018 – December enplanements increased 6.3% with total traffic up 5.8%. Total enplanements for 2018 finished down 1.5%. All concession revenue sources saw an increase in 2018 with the exception of parking revenue which declined 3.5% due to increased usage of Lyft and the Economy Lot.
 - B. New Sculptures for Ticketing Area – Executive Director presented three new sculptures for lease to be displayed in the ticketing area for the next year which included: Little Cowboy, Our Guardian and the Farmer.
 - C. Construction Update-

Baggage Claim Expansion: New sanitary sewer lift station is up and running with replacement of the control unit scheduled for February. Footings and foundation has been poured for the remainder of the building expansion with pre-cast walls and steel scheduled for installation the first week of February.
 - D. Federal Shutdown – Director Letellier provided a brief update on the impacts of the Federal shutdown on the TSA and FAA-Air Traffic Controlers. Commissioner Blount recommended setting up a weekly lunch for those affected and Commissioner

Stroschein suggested partnering with the SF Foundation Air Service Group to help fund these efforts.

5. Old Business – No Items

6. New Business

A. Property Insurance Renewal – 2019. The Authority received a quote to renew the property insurance coverage March 1st with Chubb Insurance. Premium quote is 3% higher than the 2018 rate driven by natural disasters across the country. Letellier recommended to the Board to renew the policy with Chubb at the quoted rate of \$77,092.41. Raquel Blount moved and Lon Stroschein seconded a motion to renew property coverage with Chubb Insurance for the premium of \$77,092.41. Motion carried.

B. Liability Insurance Renewal – 2019. The Authority also received a quote from our current liability insurance provider Starr Indemnity for our renewal March 1st. The quote for \$100 million in total liability coverage came in at \$30,623 which was a 4% increase. They also provided a quote for \$150 million @ \$34,706 and \$200 million @ \$38,789. Commissioner Nelson commented that for only \$8,000 annually we could double our coverage which seemed appropriate. Commissioners Blount and Stroschein stated they would take the recommendation of Director Letellier on what level of coverage to renew. Letellier advised the board it had been nine years since the Authority increased the total Liability coverage from \$50 million to \$100 million and for the cost difference he would support increasing the coverage to \$150 million.

Raquel Blount moved and Dave Nelson seconded a motion to renew liability coverage with Starr Indemnity for \$150 million in total liability insurance coverage for the premium of \$34,706. Motion Carried

C. Task Order #62 with KLJ Engineers. KLJ Engineers has presented to the Authority Task Order #62 to design Phase 3 of Runway 3/21 reconstruction. The fee of \$344,992.05 would design the replacement of \$1,200 ft of both ends of the runway and provide asphalt shoulders and new edge lighting for the full length of the runway. The funding for this Task Order is bundled with the supplemental funding request to the FAA which has not been awarded yet. Director Letellier advised the Board that if funding is not received in 2019, he would request a FAA grant through the normal AIP program in 2020. He advised that reimbursement may be delayed a year if the supplemental request is not provided. Julie Schnaible moved and Raquel Blount seconded a motion to approve Task Order #62 with KLJ in the amount of \$344,992.05. Motion Carried

7. Open Segment- No Items

Dave Nelson moved to adjourn at 1:14 pm. Lon Stroschein seconded. Motion Carried.

Date

Secretary

Next Board Meeting: February 28, 2019 12:00 pm