

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

February 27, 2020

Members Present: Raquel Blount, Dave Nelson, and Lon Stroschein

Members Present Via Phone: Julie Schnaible

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

Guests Present: Mark Weiderich – KLJ Engineers, Brad Greguson – Standard Parking, Elizabeth Hurtz – Davenport Evans, Brad Wilson – Insurance Benefits, Kris Huwe – Double H Paving

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 12:01pm.

1. **Minutes-** Lon Stroschein moved and Dave Nelson seconded approval of the minutes of January 23 and Special Session of February 6, 2020. Motion carried.
2. **Bills for Approval-** Dave Nelson moved and Lon Stroschein seconded approval of the bills as presented. Motion carried.
3. **Consent Agenda-** Report on Consent Agenda items by the Executive Director. Dave Nelson moved and Lon Stroschein seconded approval of the Consent Agenda. Motion carried.
 - A. Purchase 2020 Jeep Cherokee off state bid to replace 2001 Chevy pick-up for operations use. \$27,086.00
 - B. Approval of micro-surfacing bid to repair several sections of private airport streets. \$27,595.08
 - C. Advertise for bids for a new snow plow with sander.
4. **New Business**
 - A. Liability Insurance Renewal – 2020 Brad Wilson, Insurance Benefits – Liability Insurance renewal is March 1st and renewal options were presented by Brad Wilson with Insurance Benefits. Premium for 2020 has increased 14.1% for a total of \$39,604 for the same \$150 million in total liability coverage as in 2019. This premium also includes the optional War Liability coverage of \$1,896.00. Lon Stroschein moved and Julie Schnaible seconded the Liability Insurance Renewal with the war liability option. Motion carried.

5. Report by Executive Director-

- A. Passenger Enplanement and Concession Revenue Update – Passenger Enplanements increased 8.9% in January with total traffic up 7.9%. Enplanements for January totaled 48,046 which was a record for the month. Available seats were up 3.6% vs. 2019 contributing to the up-tick in traffic. Car Rental, Gift Shop, Parking, Food/Beverage, and Hotel all saw an increase in revenue.

- B. Construction Update:
 - A. Rental Car QTA – Facility is near completion, with training on the new facility to happen the week of March 16th. Target date for transition to new building is March 23rd with the demolition of the old facilities in early April.
 - B. Economy Lot Expansion – Bids were opened Feb. 25th with award to take place today. Construction of the additional 650 new spaces in the economy lot to begin this summer.
 - C. 2020 Asphalt Project – Project to go out for construction bids in the next few weeks with work expected to begin in early summer on numerous projects.

6. Old Business –

- A. No Items

7. New Business (continued)

- B. Reimbursable Agreement with the FAA. The runway 3/21 reconstruction, phase 3 project scheduled to be bid this summer with work taking place in 2021 includes work to replace the runway threshold lights on the approach end of 21. The FAA Tech Ops department will require final engineering review of the construction documents as well as providing on site engineers when construction of the system takes place. The FAA requires the airport to enter into an agreement to fund this additional work. The fee is \$131,545.07 with funds due before the bidding process. The expense is reimbursable through AIP funds and the unused funds will be returned to the airport upon project completion. Dave Nelson moved and Lon Stroschein seconded a motion to approve the Reimbursable Agreement with the FAA for \$131,545.07. Motion Carried.

- C. Construction Award for Economy Lot Expansion. Bids were opened on February 25th for the economy lot expansion project. The low bid was submitted by Hoogendoorn Construction in the amount of \$1,088,033.57 which was less than the Engineers estimate of \$1.5 million. An issue occurred at the bid opening when Hoogendoorn Const. and the 2nd lowest bidder, Black Top Paving, failed to include a copy of their State Excise Tax License. Airport management consulted with legal council to determine an appropriate course of action. Attorneys with Davenport/Evans law firm advised Airport management that as long as Hoogendoorn was able to provide proof of the Excise Tax license, then an award could be made as the low bidder.

The third lowest bidder for the project was Double H Paving. The President of Double H, Kris Huwe was on-hand to address the Board. Mr. Huwe argued that the Board should consider bypassing the two lowest bids for failing to meet all the bidding

requirements and award the bid to his firm, Double H. He stated that the City/County do not provide any waivers for construction bids and that by waiving a requirement in this project would start a precedent for future bids that would make selection and awards more difficult for the Airport Authority. The Board informed Mr. Huwe they appreciated his comments and concerns but would utilize the recommendation of Airport legal council in regards to the award. Dave Nelson moved and Julie Schnaible seconded a motion to award the construction of the Economy Lot Expansion to Hoogendoorn Construction. Motion carried

8. Open Segment-

Dave Nelson moved to adjourn at 12:50 pm. Lon Stroschein seconded. Motion Carried.

Date

Secretary

Next Board Meeting: March 26, 2020 12:00 pm