

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

**November 29, 2017**

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

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

Guests Present: Mark Weiderrich- KLJ , Steve Jones and Wayne Stotts – Hertz, Andy Kuipers – Avis

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

Chairman Stroschein called the meeting to order at 12:02 pm.

1. **Minutes-** Raquel Blount moved and Julie Schnaible seconded approval of the minutes of October 26, 2017. Motion carried.
2. **Bills for Approval-** Dave Nelson moved and Mike Luce 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 Mike Luce seconded approval of the Consent Agenda. Motion carried.
  - A. Task Order #55 with KLJ to design the Economy Lot Expansion planned for 2018. The expansion will provide an additional 600 spaces in our Economy Lot as well as a second warming shelter and a mill and overlay of the Ready Return Rental Car and Employee Lots. Task order total is \$114,918 and will be funded by Airport reserves.
4. **Report by Executive Director-**
  - A. Meeting with United Airlines on November 20<sup>th</sup> to discuss air service in Sioux Falls. Topics addressed were the number of seats and flights available to Chicago along with concerns about future reductions. Also discussed new service to San Francisco if Small Community Air Service funds were available.

**5. Old Business**

- A. 2018 Operating Budget. Final review and request for approval of the 2018 Operating Budget. Two minor changes from the original budget presented in October. Group Insurance reduced by \$30,000 as a result of the transition to the SD Health Pool and a slight increase to our Marketing allowance to \$85,000 for assistance in customer feedback collection. Raquel Blount moved and Mike Luce seconded approval of the 2018 Operating Budget. Motion carried.
- B. Preferred Airport Plan. Presentation of the final draft of the Preferred Airport Plan developed by the Executive Director to provide a roadmap to improve Customer

Satisfaction and become the most preferred small – hub airport in the upper Midwest. More specific action items have been incorporated to improve customer service for commercial service passengers as well as defined methods of collecting feedback to measure improvement. The plan will focus on improving and maintaining the key components of customer satisfaction: Basics, Process and Commercial Services. The goal of the plan is to achieve an overall satisfaction level with the airport of 4.5 out of a scale of 1-5.

## 6. New Business

- A. Group Health Insurance – 2018. (Dave Nelson recused himself from the Health Insurance discussion due to a potential conflict of interest.) The Board was presented with two primary options for Group Health Insurance in 2018. A renewal plan through Wellmark Insurance was presented by our insurance broker Holmes Murphy which provides similar benefits and deductible compared with our current plan along with an increase in premium of 7.56%. A second plan administered by Wellmark Insurance offered through the SD Municipal League (SD Health Pool) has a slightly higher premium of 5.3% vs. our current plan, but provides a lower deductible, co-pay, out of pocket maximum as well as improved co-insurance. A new plan offered through Sanford was also presented which has a much lower premium, but restricts employees to authorized Sanford doctors, clinics and hospitals. This may be a viable option next year if premiums continue to increase, but was not recommended at this time.

The Executive Director recommended transitioning to the SD Health Pool which provides a “Gold level” plan with a small premium increase. Julie Schnaible moved and Raquel Blount seconded a motion to select the Wellmark Insurance plan provided through the SD Municipal League for our 2018 employee health insurance coverage. Motion Carried. Dave Nelson abstained.

Raquel Blount left at 1:32 pm

- B. Rental Car Concessions Amendment. The Executive Director presented a one year amendment to the current Rental Car Concessions agreement. The one year extension would maintain the current 10.5% concession fee on gross revenue but direct the Rental Car Companies to implement a Customer Facility Charge (CFC) beginning February 1, 2018. The CFC would collect funds that will be utilized for the design and construction of a new Quick-Turn-Around (QTA) garage, double car wash and fueling facility. The \$3.00 per contract day fee is estimated to generate \$975,000 in the first year but would be adjusted once actual design and construction costs are known. Mike Luce moved and Julie Schnaible seconded a motion to approve the 1 year amendment to include the Customer Facility Charge of \$3.00/contract day. Motion Carried.
- C. Ground Transportation Ordinance. At the October Board meeting the Executive Director recommended the adoption of an Ordinance that would require any for profit ground transportation company conducting business at the airport obtain a permit or operating agreement with the Airport Authority. The Board was presented an

Ordinance for review and adoption which would require permission to operate at the airport. Mike Luce moved and Dave Nelson seconded a motion to approve Ordinance number 001-2017 pending legal review. Motion Carried.

**7. Open Segment-** No discussion

Julie Schnaible moved to adjourn at 1:43 pm. Dave Nelson seconded. Motion Carried.

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Date

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Secretary

Next Board Meeting: December 19, 2017