

**CITY OF PARK RAPIDS  
AIRPORT COMMISSION**

**SPECIAL MEETING**

**October 22, 2018, 9:00 A.M.**

**Airport Conference Room**

**Park Rapids, Minnesota**

**1. CALL TO ORDER:** The October 22, 2018, Special Airport Commission Meeting was called to order at 9:32 a.m. by Vice Chair David R. Konshok.

**2. ROLL CALL:** Present: Commissioners, Dan Dyre, Thom Peterson, Scott Johnson and David R. Konshok Staff present: John McKinney, John DeCoster, Scott Burlingame, Ryan Mathisrud and Carmen L. Lockhart. Others Present: Matt Zitzow of TKDA, Jeff Voigt, Tom Hass and Robin Fish of Park Rapids Enterprise. Absent: Don Douglas, Chris Fieldsend and Councilmember Erika Randall.

**3. ADOPT AGENDA:** A motion was made by Peterson, seconded by Dyre, and unanimously carried to adopt the Agenda as presented.

**4. APPROVAL OF MINUTES OF APRIL 4, 2018 REGULAR MEETING:** A motion was made by Dyre, seconded by Peterson, and unanimously carried to approve the minutes of the April 4, 2018 Regular Meeting as presented.

**5. CITY ADMINISTRATOR UPDATE:** McKinney stated we have a full agenda today to get you caught up as we haven't had a commission meeting because there really hasn't been anything as we are working on things you had already approved but we thought it was time to give you an update on the various things that are going on.

**6. FINANCIAL REPORT:**

**6A. 2017 Year End Audit Results:** DeCoster stated Brumbaugh had a conflict and couldn't attend so she shared with me the financial results from the 2017 audit. Expenditures came in at 1.96 million dollars which is \$10,000 over budget or roughly one-half of a percent. The biggest reason is the runway project and Master Plan Update as of the 1.96 million they accounted for 1.72 million of the budget which was 88% so it's not like operating expenses have been going rampant. Salaries at the airport represent approximately 2% of the expenses of the airport in 2017 and insurance was approximately 3%, utilities approximately 1% and maintenance repairs approximately 2%. There is a rent that is received by the airport for other city equipment stored at the airport facility which is approximately \$21,000 or 1% and the janitorial, professional and operating supplies, memberships, etc. The transfer for 2017 was \$7,000 from the liquor fund primarily related to the Master Plan and the capital projects. DeCoster states as a side note the city has 14.6 million dollars of assets which the city controls at the airport and it does not include buildings such as Voigt and Hass that are leased so it's a pretty good asset base out here.

**7. CAPITAL IMPROVEMENT PROGRAM AND HANGAR PROJECT UPDATE:**

Zitzow stated as McKinney outlined, we would like to circle back to somethings you've heard before but there are some updated details. In front of you are packets of projects for 2019 and beyond as well as the CIP update which is an annual process which we will go through in a moment but first I want to touch base on the two projects that occurred this year – 2018 so we will start with those. As you recall the FAA and MnDOT awarded grants and the City Council entered into contracts for two projects at the airport this year one which was routine pavement crack and joint repairs out on the field and that was awarded to Farner Asphalt and that work was completed last week on the 15<sup>th</sup> and 16<sup>th</sup> of October. If you haven't been out on the field since that time I will just note that the emphasis of this year's was on runway 18-36 so as that runway was recently constructed about five years ago, there were a few, not a lot, but there were a few cracks starting to develop in that pavement surface so again to keep that in good operating condition, we prioritize those first and the same comment goes for taxiway Bravo so there were several cracks developing on taxiway Bravo so we went ahead and prioritized those second in line. Third in line we spent quite a bit of effort on updating the sealant on existing cracks on the landing zones of runway 13-31 to make sure that runway stays in smooth operating condition and the remainder of the funds were used on the fueling apron on those portions that were not overlaid last year so that back fueling apron portion and into some of the taxi hangar lanes. As you know we have a recurring program in our CIP for pavement crack repairs and we will have another pavement crack repair project in a few years and at that time we will circle back and probably focus on alpha and the main GA apron and start to reseal some of those cracks that are reflecting through from the mill overlay. You are used to seeing that type of treatment here and that will continue into the future. Zitzow said I think Burlingame would echo that getting grants for those minimizes the amount of M&O dollars we have to spend on pavement repair so it's a good deal to take advantage of those funds from FAA and MnDOT.

Zitzow stated the second portion of this 2018 project was converting the apron lighting to LED fixtures and that project was awarded to Lee Davis Electric and right now we are in the process of reviewing their material submittals and then materials will be ordered so I don't have an exact date on when those improvements will occur but that project is already under contract and proceeding as planned.

Zitzow explained as to 2019 and beyond, in your packet you will notice in front of you, I have dropped off three exhibits and one spreadsheet and we will walk through these sequentially and then we will have questions at the end. All of you participated in the Airport Master Planning process over the last couple of years and you heard that we were prioritizing the need for taxi lane extensions and taxi way improvements that would also serve to improve the safety of the field and the efficiency of taxiing aircraft on the field but also open up additional developmental sites for either private or public hangar development and that's where we left it in April.

Zitzow instructed the first graphic in your packet should look very familiar to you as you've seen this before as it is sheet 4 of the draft Master Plan. Incidentally the Master Plan and ALP was submitted to FAA as being reviewed by the agency right now so we don't expect any issues in getting that approved but this is the planning document on file.

Tying together the available funds that we have locally with the available funds nationally and at a state level the FAA recently approved a supplemental appropriation, a supplemental funding bill of one billion dollars outside of the normal AIP funding and that was authorized at the federal level in July. Zitzow asked if the month was correct? DeCoster stated yes that is correct. Zitzow explained that in July the FAA received from Congress an additional one billion dollars to spend over three years and targeted at specific types of airports for specific types of projects. As all things congressional go, the devil is in the details and you could read all the reams of paperwork associated with these programs, but I will keep it to a couple of main points. The additional billion dollars is meant to be focused on projects that don't ordinarily get prioritized as well as other FAA AIP funds. So, in other words these dollars are supposed to reach down farther into the waiting list. No. 2; they've produced a list by state of communities and counties that were preferred areas to receive this funding. Again, what I'm reading between the lines there is economic development. The City of Park Rapids is on that preferred list so that's a good thing for us. The types of projects we want to pursue next, taxi lane extensions, taxi way connector improvements, taxi way system improvements, that's also good for us because those types of projects often times don't compete as well as runway projects. So what I'm saying is the next project that we have really starts to ring the bells of the FAA supplement appropriation bill.

Zitzow said looking at the next graphic let me describe a little bit about what we would envision. Our grant application for the supplemental appropriation what that would look like. At this high level graphic you can see the entire airfield and in pink/light gray or excuse me kind of like a purpleish/reddish color, I will list off the several elements that we have identified and worked with our local FAA folks to notify them that these are the elements that we would like to submit for this additional funding. One would be the construction of what I've named taxiway C which is the cross field connector from the runway 36 turnaround across the field and then connecting with a new Alpha II to Alpha. Another element would be the construction of taxi lane or taxi way S and that would be at the northwestern flank of the expanded building area and it's labeled there if you can see taxi way S to the north and west. If you flip to your next graphic I have an inset that describes in more detail the building area so I will pick it up there with the conversation being that taxi way S would be the western most taxi lane into the new expanded building area. We would envision that the project application would also include the extension of existing lanes A, B and C, all three of your existing taxi lanes extending those west to connect to taxi lane S. In conjunction with that you would accomplish the site grading and the utility improvements necessary to support public and private hangar development and you should remember in previous conversations we looked at a range of different hangar site sizes, again that's to accommodate a full range of potential tenants that we have that are interested in pursuing leases and hangar construction at Park Rapids so it is very important that as we talked about in the Master Plan, it's very important to try to accommodate a range of users so we've done that by saying that north of taxi C would continue to be an extension of your 80x80 type sites and in the middle row we have some 60x60 type pads and then very importantly as well at the southern most or airfield side taxi lane A we would accommodate a pad that would ultimately house an additional t-hangar at the field.

Zitzow commented the FAA supplemental appropriation bill has one very attractive feature that is increasing our interest in pursuing this very large project of taxi way, taxi lane improvements and that attractive feature is the pro rata of federal participation verses local funding. If you remember in normal FAA funding land if you have a project that is funded through your entitlement balance or your discretionary funding the normal project at your airfield is funded 90% federal 10% local so you pay 10 cents on the dollar for AIP eligible projects, runways, taxi ways, taxi lanes, etc. In recent years the state has kicked in 50% of your share so in other words in recent years it has turned out to be 90% federal, 5% state, 5% local – now that's a 50% sale on the local dollar and that's very attractive and that has spurred on additional development across the state and MnDOT has continued to say that has been a successful kick starter at the state level to push projects forward. The federal supplemental appropriation is going to come at a rate of 100%, 0%, 0%. You can do the math and see that if Park Rapids has projects that don't ordinarily compete well for AIP funds, taxi lanes, and those are the types of projects we need the most in the immediate future to keep development and hangar availability and taxiing efficiency and if we can get that at a rate of 100% 0% 0% for eligible elements we would be crazy not to try. This bill is designed essentially for cities like Park Rapids in our view as we read the text. Zitzow advised that Lindsey Butler is the Assistant Director at FAA in Minneapolis and she was heavily involved at the headquarters level in Washington, DC in writing the details on how these grant applications are to be received and evaluated. One more point on that and then I will pause for questions in what I've said so far. Our staff has drafted an application for the supplemental appropriation bill is quite short and the first three pages are instructions. We've worked with FAA and MnDOT staff and city staff over the past few months to try and craft how to put our best foot forward, you describe the project and they give you precisely 500 words and we've used 500 exactly to make the pitch that our project should complete nationally. This application is due October 31<sup>st</sup>, we will submit it to the FAA by the 31<sup>st</sup> pending your approval. Submitting the application for this taxi way, taxi lane project does not commit the funds and it also does not represent a local commitment to pursue the funds. This is the first step which is must like a pre-grant application. We've been told by FAA these get scored regionally and then nationally and hopefully by the end of the calendar year of 2018, by the end of December, we should hear whether or not we are continuing forward in this process to receive a portion of this additional billion dollars.

Zitzow advised that parallel to this process is the normal grant application process and those applications are due in the middle of December. We will also be submitting a smaller grant application through that process. The reason it is smaller is that if you were to have to pursue your next project from normal traditional 95% 5% funding we do not have enough banked entitlements to pursue this entire program, because we would have to hold up a much greater dollar figure. In that case, we would probably not pursue taxi way C or the relocation of A 2 in the immediate future. We would probably focus on our taxi lane extensions and our taxi way S construction, but that is Plan B. Zitzow explained we have to pursue both tracks kind of simultaneously if you will because the programmatic funding cycles are kind of running in parallel.

Zitzow asked if there are any questions thus far as he's mentioned a lot of information.

DeCoster said he has a couple of follow up comments. The diagrams you see, again as I mentioned we have met with the FAA and MnDOT and this is actually a design they were very strongly supportive of and they have suggestions as to how to make it more eligible friendly and we will talk a little bit about timing and process and such when Zitzow has to make a field review of something during our next agenda item but just wanted to make sure that everybody realizes that the FAA and MnDOT are on board with this design. Zitzow added that Mathisrud, Burlingame and others have been heavily involved with those meetings over the last few months and have met numerous times with FAA and MnDOT to really make sure that we're driving this project in the right direction, it meets our Master Plan, it meets our immediate needs but that FAA will be receptive to our application. It's not a slam dunk but the 100% 0% 0% is worth a try every time.

Zitzow asked if there are any immediate opinions about either of the graphics either in the larger sense or the more building area – are there any questions about the project? Again, these are alignments and concepts we've talked about numerous times but I just wanted to provide you an update on why we're so interested in pursuing that additional funding.

McKinney asked what is the total cost of our application? Zitzow asked the total cost of the city of providing the application? McKinney said no, the amount of the grant application? Zitzow responded we are listing for the entire project 2.5 million for the entire program and that's high but we found out in previous grants pre application programs that's it's better to error on the side of caution with the initial numbers conservatively because what will end up happening is if you aim to low and you get approved then you get into the details and you get bids and a full design they may cap you if your actual costs come in higher so we think that is a little bit conservative but that's the number at this stage.

DeCoster added also note in our conversations with FAA and MnDOT but particularly FAA, they didn't try to tell us to go low, they were encouraging us to be inclusive because for some strange reason probably would score better in the big picture than if we came with a small grant request.

Hass inquired what is the differences in the two plans? Zitzow asked in the two different projects? Good question. Zitzow stated he talked about pursuing two tracks and what would the project look like if one succeeded over another. For the benefit of the airport both from a system infrastructure standpoint and from a financial standpoint our supplemental bill application is going to pursue all of it so the taxi way connector, Alpha II improvements, taxi lane extensions and the site grading, etc. If that comes back negative for us and we don't get prioritized for that funding, then what I would see being the next priority would be to focus on our three extensions of our taxi lane and our connector and the idea being that as these taxi lanes continue to develop and build westward having a single point of entry and access into each lane is only going to increase safety and congestion problems and at some point it is going to be necessary in the immediate future to have that back door if you will that taxi way S so we have improved circulation through the taxiing portion and that also enables site development, grading for future hangar development including the t-hangar development including the t-hangar development so

that would be our smaller project. Hass asked what the number is on that verses the 2.5 million? Zitzow said that is a good segway to the CIP if you want to look at the CIP and this is our spreadsheet with an interpretation of years in the left column because the federal, state and local funding years are all different and start and end in different months. Let's just focus on city year to keep things simple and that would represent actual calendar year as well as construction year and that's the easiest way to talk about these. For calendar 2018 there are the projects that are currently under grant and going forward and will be completed.

Zitzow further explained the rest is split into short, mid and long-range projects and this echos the Master Plan and if you read the executive summary and the implementation plan of your recently approved Master Plan, these are the types of projects represented in the appropriate order. In 2019 we have three separate elements shown we have taxi lanes and taxi way S construction listed and right now we have that artificially listed as 100% 0% 0% because in our CIP application we want to demonstrate to the state and federal government that is a portion we intend to have funded through the supplemental appropriation so that would include everything that we discussed on the previous page. I have an additional \$500,000 in site preparation for ineligible elements as there are going to be certain portions of the building area that FAA won't participate in namely certain extra wide pavements associated with your t-hangar if we want to build some of those apron pavements. There are certain utilities that the federal government wouldn't pay for so again this is a little bit of a belt and suspenders approach but I have \$500,000 and you will notice the rate is quite different, that's at the state funding rate 0% 75% 25%. At the end of the day the spreadsheet that describes the eligibility of this project is going to get ugly, but this is a crack at the high level discussion here. On the cross-field taxi way connector, that's everything between alpha and 36 and we have that slated at about \$1 million also and that's at 100% 0% 0%. By the end of December, we're hoping that we have an idea if the 100% 0% 0% is real or not. If it is not real I will be back with you with a much more detailed broken out estimate and a paired back estimate to demonstrate how much can we fund at a 95% 5% 5% and 0% 75% 25% rate and that's going to be a much more complicated conversation but at this level, that's the funding for next year at least for the applications. Then we likely take a year off as the construction of that large project especially if it ends up being the full taxi way C and all taxi lanes improvement that may end up actually being a two year construction realistically by the time those projects get awarded, we might do a significant amount of work in 2019 probably focusing on the building area first and then some of the preparatory work and ultimately the build out of the 3-6 connector cross-field taxi way probably spills into 2020 so start to think about that fact that even though it would be fully funded next year the construction would probably take two seasons.

Zitzow stated then we have as you can see construction of a t-hangar slated thereafter. Peterson asked where's that one? Zitzow pointed out the lot. Peterson said it says 15 unit here and 10 unit there. Zitzow said that's true the number of units can be determined. McKinney clarified that's in 2021? Zitzow said correct in 2021. The site itself then would have already been graded and some of the additional over size pavement may have already been completed depending upon on the site prep project goes, utilities, etc. so that project is \$700,000 shown in 2021 would simply be the structure itself. In 2022 and

beyond you see we pick up with some of our other priorities within the Master Plan and many of these focus on maintenance of our existing facilities, pavement, joint and crack repair, pavement rehab and even structure rehab and equipment acquisition and those types of activities. The next big project from an FAA funding standpoint is in the ballpark of seven to eight years off and that's runway 13-31 either rehab or full construction and we're going to continue to monitor that runway and use every last year of useable life out of that pavement but at some point we know that runway needs a significant improvement. I will note that's part of why in our supplemental application we stressing the importance of that taxi way connector C from a safety standpoint with FAA because over the course of that summer, five or seven years from now when we're reconstructing 13-31 we would love to not have any aircraft back taxing on 18-36 because the counts on 18-36 for that summer are going to go through the roof when we're rehabbing 13-31 so that's a significant safety enhancement on the field both short term and for the life of the pavement. Zitzow asked if there were any questions?

Voigt commented he thinks we are too far out this is the remodel of this building and would like to see that moved up and at lease get a plan and then we had talked about it and it's still at 2024 which is quite a way out. Zitzow responded the AD building remodel – that's a project that likely would receive no federal funds so that would be a state only project and if you remember a year ago or maybe 18 months ago we geared up to think that project would happen sooner than later, at one point we had talked about that project even happening next like in 2019 and that was because at that time MnDOT was pursuing bonding funds to support building projects, ultimately that bonding package didn't get passed last year but what I'm hearing from MnDOT is they continue to see a need state wide about facilities like this Jeff where there are a lot of AD buildings that are in this same life cycle and were constructed 20, 30, 35 or 40 years ago and need a significant remodel both from a code standpoint but from a usability standpoint – refresh. That project can be absolutely moved up as there is nothing magical about a CIP program, this is a best guess of what comes next in what order. Zitzow recommended to the commissioners would be if MnDOT actually follows through and implements a more aggressive building rehab program and that gets funded we should pursue our building absolutely, or if you can look at other things on this list and look at the local funding of the dollars associated with those projects and you decide the AD building comes ahead of other projects, those are calls that you're in a position of authority to talk about that and prioritize so I'm willing to hear feedback from commissioners if there is a need to move that project up but this is the way I've ordered it for now. Voigt said he is thinking we should, I talked to Erika about it too a little bit a couple months ago, try to get a plan put together and get a design done for it because if we're in a position and have a design done and the FAA or the state level comes up and says we have this money, we are ready to go. Zitzow said that is a good comment. Voigt said another deal is we can go ask our users of this airport to help with the city share of this thing, we can't go to them and ask for donations when we don't even have a plan, so if we get the plan done which is going to have to be upfronted by the city at least then we can look at private donations and we will also be ready for the state if it does happen and we'll be the first on the list probably to get it because we are ready to go. Zitzow agreed that is a good comment regarding the order of things and that would be something that might be worth a conversation John with Cassandra. McKinney said he has to go back to his standard – people are going to have trouble accepting your solution if

they don't understand your problem and we haven't done any work at all developing support for anything to this building and most of the people that we've got to convince, it's a building and what's wrong with it? So the first step is for us to put together an articulation of what is the problem with the building? Then we argue and to solve that problem we need a plan and to do what the plan says we need money. It's a room, what's wrong with the room, it's a bathroom, what's wrong with the bathroom? It's not as clear as gee we don't have any bathrooms, we've got bathrooms. So what is it we don't have that we need and what's wrong with what we have that we can improve? That's a step that I would encourage us doing right away then we can go to market trying to get some funding for a plan to solve it. DeCoster said he and Zitzow will take that task. Zitzow said he can take that comment, which is a good comment, and part of that pitch also may be working with the state to explore and clarify what's the likelihood and timeline and what's the right mechanism for receiving those matching funds at the state level. So that initial report, if you will, can layout the building from a structural standpoint, from a mechanical standpoint, ADA, etc. and talk about the needs of the building physically, the needs of the users and options for upgrades and then to really clarify what the mechanisms for funding both at the state and local level. If you had a 12 page executive report that laid that out it sounds like you would be in a much better position. McKinney said absolutely, I have to take it from there for approval and this commission could be very helpful in endorsing, as the last thing we need is disagreement on what we ought to do. McKinney said if you guys can put something together that would be the first step. DeCoster said he and Zitzow will do that and make a report at the next commission meeting. Zitzow agreed. McKinney said to involve Voigt as well. Zitzow said will do, we absolutely can do that.

Dyre said he is wondering on these projects kind of looking where the locals are, and what's competing with what here and is the biggest need for a t-hangar, box hangars or a better AD facility. Obviously, we need all of them, I'm just saying if we can do it all we should but otherwise, what's the biggest thing we need, is there demand for the box hangars, I don't know.

McKinney responded in part of what I need as I said earlier is justification for why we're doing this. One thing on the box hangars, other than the toy boxes, the ones like Voigt and Hass has done, they bring jobs, they bring economic advantage so they are a no brainer if we can get the dollars to work. McKinney said now if it comes to somebody that wants to store their toys if their going to bring a business here that has toys that's a good thing, but it kind of depends on which box hangar we are talking about. The t-hangars, we've got to talk about how we prioritize that, I know there are a lot of people who think they need t-hangars apparently but then we argue also that some of the boxes might eliminate some of the pressure on the t-hangars but I don't have the answer to that, but they're all interrelated.

Dyre said I don't really see where the airport can grow much without t-hangars to get some more planes in here. I mean we grow in certain ways but I think that's a big thing and would ask Voigt which ones he thinks is most important? Voigt said he is looking at this federal money and we're stupid not to try to get it and we've got to get that infrastructure put in and it's not costing us anything why wouldn't we? Dyre agreed, right,

exactly but beyond that if that doesn't work then we are going to have to prioritize whatever's next. Voigt said we may have to back off on a little of that.

DeCoster commented just to remind you box hangars don't cost us anything okay so Jeff in your case and Tom's case if you guys build it yourselves. Voigt said other than the infrastructure. DeCoster said you're right if we can get the infrastructure with federal funds, it really doesn't cost anything so that's why Matt and I and John spent time to get this supplemental grant moving forward because that really takes care of a lot of problems. McKinney added we've got another thing going for us that number that you gave \$7,000 was all in 2017 that came out of discretionary funding and we have had much, much greater amounts in the past so we're getting there so we will say again it really isn't costing the property owners in Park Rapids that much and I hope to get that to disappear entirely. DeCoster said actually the two previous years was nothing. McKinney agreed we are getting there, when I first started here in 2012 it was a lot more than that so we are getting there but let's have a plan so we're ready to go, let's go two moves ahead of the other guy. Zitzow added that is exactly right and we're seeing more and more both at the federal and state level this emphasis on, it's cliché, but shovel ready and everybody defines what that means a little differently but the idea is if you have a defined plan and if you can demonstrate at the city level that the council is supportive, that the dollars are in place at the local level you immediately jump ahead of the next guy if those applications are essentially equal on technical grounds because the state wants to use those funds and so does the FAA.

Zitzow said one comment about the t-hangar the way we've shown that currently is \$700,000 utilizing the MnDOT hangar loan program, now just a primer on the hangar loan program, the current state of the hangar loan program is 80% 20% so the city has to put 20% down up front and then the remainder of the 80% of the building is a 20 year loan at 0% so you can pay the state back over 20 year that remaining 80% with 0% interest. One important caveat to all that is they do have a waiting list as the way MnDOT funds their hangar loan program is the receipt of loans so as they receive loan monies from previously authorized loans, it fills up the balance and they issue the next loan as they can. Currently they loan about one million to a million and a half dollars per year which equates to one to two projects per year, there are currently three or four on the waiting list so what I'm saying is the sooner the city starts to think that a t-hangar is on the horizon it behooves us to at least get on the waiting list and then if the monies become available and they offer you the loan and you decide not to accept it, that's fine, but you drop back down to the bottom of the pile but usually there's four to five on the list. You want to get a position a couple years out to work your way up that list so that's my only other comment about the t-hangar, is be prepared when you're ready to give me the high sign, and all it takes is to submit your ALP sheet, a minor site plan, it's all stuff we have and the application is simple. DeCoster said let's plan on the next commission meeting then bringing in a subtenant of the planning priorities and the options out there back to the commission. Zitzow said well at that point we will know better where we stand with this overall development program as well which obviously, we can't build a t-hangar when we don't have the development complete so I will plan to bring that back to the commission at the next meeting.

Voigt asked how does the 80% for t-hangars work, they don't cover concrete right? Zitzow responded they do have certain eligible site prep portions and so the concrete floor, I would have to check back on the rules, it's changed. Voigt said it used to be asphalt floors and we don't want that. Peterson said no, we've got that down here, it's a nightmare.

Konshok said that's the way we've built everything here and Voigt is talking about is the bottom line here, it's an 80%20% pay back loan but that does not recover areas around it which are sizeable so that's a stumbling block and the other stumbling block is we built all of those when we could pay them back and we've doubled the cost of the hangars at this point so we just can't quite reach that threshold so there's more to it than just the 80%20% and it's a matter of what can you pay for rents, either \$150 or they need to pay \$400, that's the question here. McKinney added one of the things to keep in mind the funding as far as I know since I've been around, the funding that comes from the city, isn't coming from our general fund for the most part, it's coming from discretionary funds, i.e. liquor store and that's a source of funding that is vulnerable and the legislature is talking about doing other things with authority to sell liquor which would get into our funding source so up till now when we talk about the city share, we're not talking about taking it out the taxpayers dollars that they pay in property taxes so the sooner we get out act together and start programming what we can do and the less we have to depend on the local share, the better obviously. But if we don't have a plan we aren't going to get started.

Peterson said with the perspective of developing the airport it seems the more people we can draw here the better and we've had, since I've been on the commission, about 12 or 13 names on the waiting list and it hasn't changed and we've had people from Park Rapids rent in other towns so it seems like it would be also likely that if we had the facility and had the spaces, people from other towns would rather hangar here because it's a much better facility and better fuel service, better runways, better ILS, all that stuff. Voigt stated he would like to see this mysterious waiting list? Peterson said to call Angela, she has it and I've been down there. Voigt said you've seen the waiting list, are there legitimate? Peterson said he didn't ask to see it but she told me there's 13 names on it or 12 when I came on. Hass stated we've had many meetings where we've discussed somebody is going to take care of it and make sure it's up to date and current and is that done? DeCoster said that's done. Peterson asked how many are on it? DeCoster said he thinks it's around 11 or 12. Hass asked are they real people? DeCoster said yes, real people Angela actually talked to them and we had contact with people when we changed the rate structure too. Peterson said he sold a house on Potato Lake to a guy that hangered in Walker and Wadena before he finally got here and he was about to resell his house, that's not good for the area. DeCoster said we will come back with a comprehensive review of everything and look at all the issues and do some research on the hangar loan program about what's eligible and what's not.

Zitzow stated he has one more comment before we leave the topic on the crossway taxi way connector and pointed out on the Master Plan graphic you may recall that during the Master Plan Development the extension of a full parallel taxi way Bravo and the construction of the cross field taxi way C as shown on the Master Plan was built on the assumption that the VOR building would be decommissioned and removed by FAA ahead

of that construction. The FAA has a program nationally to decommission VOR's and we have since found out from FAA tech op's as we have these numerous meetings about these supplement appropriation project. Tech op's have recently indicated the Park Rapids VOR is scheduled for decommissioning but the structure itself houses other FAA equipment so the building will not be removed at least not in the near term, it will be removed at some point in the future but it will not be removed in time for us to build our cross field taxi way connector C so the graphic you have that shows the cross field connector is approximately 200 ft. closer to the threshold of 31 as opposed to what's shown in the Master Plan. What that means is there is approximately 1,200 ft. from runway 31 end to the center line of that new taxi way C so I just didn't want you to see that and notice that discrepancy and not know understand why. The idea is that we had to shift that new taxi way C just slightly south and that keeps us between the VOR critical area and ultimately the DME critical area on the northwest and the glideslope critical area on the southeast so we had to thread the needle if you will to get that constructed in the next two years ahead of the actual decommission of the VOR. McKinney clarified this is the corrected version? Zitzow replied correct, so what would end up happening is the Master Plan, there are two or three sheets in the Master Plan that we have to resubmit if you will with that slight adjustment. The ability to capture that upcoming program certainly seems worth it given that slight adjustment. Any other questions about engineering topics? We will supply the applications and all of the materials through City Hall and to the FAA and then we will be providing you updates as we hear back from FAA and MnDOT. Thank you.

**7A. 2018 Project Review: See above comments.**

**7B. 2019 Project Review: See above comments.**

DeCoster requested Zitzow to leave the meeting for a few minutes.

## **8. DEPARTMENTAL REPORTS:**

**8A. Business Services:** DeCoster stated the reason he asked Matt to leave is we have been going through a selection process for the Airport Engineer for Park Rapids. This is required by the FAA every five years to go through a RFQ process where you seek qualifications and select an engineer to use for all your on call services for a period of five years. TKDA's contract technically does not end until the end of next year however for the very reasons we've been talking about today the fact that this project we're going into is going to be a multi-year process it was actually the recommendation TKDA to accelerate the selection process so you've got one engineer during the entire phasing of the process with the FAA which was actually recommended by the FAA also. We put together an RFQ, advertised it, received 14 inquiries from various firms around the state and adjacent states, we received three proposals. One was from Bollig Inc., one from Bolton & Menk and the third was from TKDA. I talked to a number of other people as I coordinated the process on behalf of the city and talked with a number of other engineering firms that it takes a lot of time to go through and put these things together and a lot of money so they are saying gee are there problems in Park Rapids, is TKDA in danger? They all know each other and this is a pretty tight neighborhood. They said if you just need something to check the box that you received competition. Certainly we will put something in but a lot of other companies are also strained on resources because planners right now are very difficult to find so like I

said we received 14 inquiries, 3 proposals which were expected. McKinney had staff Fieldsend, Mathisrud, Brumbaugh and Burlingame do the evaluations. They all came up with the same recommendation that TKDA be selected for the next on call engineer. They scored highest by all four evaluators and we need to take this to the City Council for approval. I would like the endorsement from the Airport Commission to take this to the City Council to award the next on call five year contract to TKDA.

**i. Engineering RFQ process and selection recommendation:**

**A motion was made by Peterson, seconded by Johnson and unanimously carried to recommend to the City Council approval of TKDA as the City's Airport Engineer.**

**Further discussion:** Peterson said he likes Matt a lot, he puts things out so clear and easy for me to follow as a layman. McKinney said a point of comment for class that they did an excellent job of setting it up so if they didn't get it we weren't with an empty bag going to the new engineer, that's a class act the way they did that. That's not why we selected them but it's an indication of the kind of people they are to work with. DeCoster said when he read all three of the proposals and I'm kind of used to this stuff, they busted their butt in putting this proposal together they left nothing for granted and I would presume the evaluators would support that, it was a very complete proposal. Mathisrud stated he would echo that they took this submittal very seriously and they were absolutely the standout in the applications received. DeCoster advised Zitzow we are taking a recommendation to award approval of TKDA to the City Council. Zitzow thanked the commission on behalf of the rest of our staff, we appreciate the long relationship and appreciate the continued success of making this airport everything it can be and appreciate you allowing us to be a part of it. Konshok commented we've been with TKDA for so long and for those of you that don't realize the consultant thing is, it's up for change every five years and we would take submittals and we have been fortunate with TKDA and the continuity here is worth a lot because in a lot of cases they know stuff better than we do.

Voigt said he has to leave and asked if there was anything the commission wanted to talk to him about? DeCoster asked how the project is going? Voigt said better now that we have some nice weather. We are going to start hanging steel tomorrow and hoping with any luck to have occupancy by the first of the year. DeCoster asked Hass to be involved in discussions for the January commission meeting regarding the facility assessments? Hass said yes.

**8B. Field Services – Staff Update:** Mathisrud provided by a Memo from Fieldsend stating they are doing some maintenance on the MALSR system and is working with John Schroeder with MnDOT who I think is retiring from that line of work but he is working with them to keep the MALSR updated. They are also working on the tarmac lighting project and that's been moving forward well, last year we had 75 to 100 lights burn out around the airfield and they are working to get the repair finished. The last item was one of the pilots requested to put some spray foaming in their hangar and he doesn't have any issues with installing the spray foam. Typically, all improvements need to be removed by the tenant but that's an improvement that doesn't get removed so he doesn't have any issues with

that. McKinney asked do we have a policy on that foaming? Mathisrud said he didn't know if it quite applies. Typically, our normal policy is that any hangar improvements have to be removed by the tenant but spray foam is more of a permanent improvement to a hangar, you can't really remove it very well but it does last beyond the life of the hangar. If somebody is going to improve it, pay for it and do all those types of things, that's something that doesn't necessarily have to be removed because the next user can benefit from it as well. DeCoster recommended if you decide to do that, we can do an amendment to the lease to site that. McKinney asked the commission if they have any problems with that concept, not individually but as a commission? There were no disagreements. McKinney said to get it into the lease. Mathisrud said he will make a note of that and make sure that gets done.

Hass asked who is in charge of the ASOS, it has been out for a month? Zitzow said Thom mentioned that to me last week and I have to follow up with Fieldsend to see if that's something he typically maintains or if that is something that is slipping through the cracks now that MnDOT is pulling back some. Hass said you can call ASOS on the phone and get the recording but on the transmitter it's not transmitting and hasn't been for a month. Zitzow said he will reach out to Fieldsend first but then to the agency. Hass asked so that's Fieldsend's deal? Zitzow said he is not sure and asked Burlingame? Burlingame said the state takes care of it, I don't know why they're not. Hass asked if it has been reported? McKinney asked if we do the transmitter? Burlingame said no we don't do any of that? Hass asked again is it Fieldsend's job to report it or who's job is it to report it and where do you report it to? Burlingame said we will follow up on it.

**8C. Facility Maintenance Services – Staff Update:**

**8D. Planning and Zoning – Staff Update:**

**9. NEW BUSINESS:** McKinney said he has an item of new business. Mathisrud has submitted his resignation and is leaving the country and with regret we accepted his resignation so thank you for your time Ryan. Mathisrud thanked McKinney.

Konshok has been the best thing we've had for a long time and from my standpoint he took my place with the MCOA Board and that's been a big help and he was asked once if he was my protégé, well he was more than my protégé he really took it over and I'm personally and on behalf of the Airport Commission really thank Ryan and wish him well. Mathisrud thanked Konshok. Mathisrud said he really appreciated serving the Airport Commission generally and the City of Park Rapids specifically, I've had a really good time over the last four years really getting involved and being part of this community and I've learned a ton while I was here but also had an opportunity to meet a lot of really good people and make a lot of great connections with people so I'm definitely going to miss park Rapid and do believe I will be back one of these days, I just don't know when. I will be moving to Thunder Bay and a new opportunity in economic development in real estate so I'm pretty excited about that. In regards to MCOA, I really appreciate the opportunity being pushed towards that and that's been a really good experience as well, I've learned a ton about airports and really enjoyed that. With that being said I do have to resign from that board as I will no longer be in the State of Minnesota so that leaves an opening there so if

there is a member of the commission that is at all interested in serving on the MCOA Board and working on that sort of thing, that opportunity is available and I can help make the connection if one of you guys is interested in that.

McKinney requested Mathisrud send the survey to the commissioners.

**10. ADJOURNMENT: A motion was made by Johnson, seconded by Dyre, and unanimously carried to adjourn the meeting at 10:37 a.m.**

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Dave Konshok, Vice Chairperson

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Carmen L. Lockhart  
Planning/Administrative Assistant