

**CITY OF PARK RAPIDS
AIRPORT COMMISSION**

REGULAR MEETING

January 6, 2016, 9:00 A.M.

Airport Conference Room

Park Rapids, Minnesota

1. CALL TO ORDER: The January 6, 2016, Regular Airport Commission Meeting was called to order at 9:00 a.m. by Chair Don Douglas.

2. ROLL CALL: Present: Commissioners Donald Douglas, Dan Dyre, Dave Konshok and Councilmember Erika Randall (arrived at 9:33 a.m.). Staff present: John McKinney, Scott Burlingame, Ryan Mathisrud, Chris Fieldsend and Carmen L. Lockhart. Absent: Thom Peterson, Scott Johnson, Jeff Voigt and Tom Hass. Others Present: John DeCoster and Matt Zitzow of TKDA.

3. ADOPT AGENDA: A motion was made by Konshok, seconded by Dyre, and unanimously carried to adopt the Agenda with the addition of Election of Chairperson and Vice Chairperson as item 3A.

3A. ELECTION OF CHAIRPERSON AND VICE CHAIRPERSON: A motion was made by Douglas, seconded by Dyre, and unanimously carried to nominate and elect Don Douglas as Chairperson.

A motion was made by Dyre, seconded by Douglas, and unanimously carried to nominate and elect David R. Konshok as Vice Chairperson.

4. APPROVE MINUTES OF OCTOBER 20, 2015 SPECIAL MEETING: A motion was made by Dyre, seconded by Konshok, and unanimously carried to approve the minutes of the October 20, 2015 Special Meeting as presented.

5. FINANCIAL REPORT – JOHN DECOSTER:

5A. 2015 Year to Date Performance: DeCoster provided updated financials but noted the negative number and advised there are some yearend entries that need to be made as well as federal money to be applied and the treasurer is anticipating it to break even as all the expenses have been expensed out but some revenues need to be posted. The final financials are subject to the final audit which occurs in March or April and that information will be shared when available. Snow removal will be charged to the airport budget.

5B. Update on 2015 CIP: Zitzow provided a new Capital Improvement Program Report and advised it was submitted to MnDOT Aeronautics before the deadline of mid-November. DeCoster clarified that it was the same as submitted to the Airport Commission and there were no changes made.

6. CITY ADMINISTRATOR UPDATE – JOHN MCKINNEY:

6A. Strategic Planning Workshop Summary: McKinney provided an updated summary outline listing pros, cons and strategies. McKinney explained this is a good summary of what was discussed and also has good history and background but there are two technical changes to be made. McKinney advised the word *revert* on page 2 should be changed as it implies it was once owned by someone else as it never will be. McKinney also advised on page 2 it should be clarified that Offutt does not and has never owned the hanger that is referred to as Offutt's. Konshok commented that the hangar is owned by the City but Offutt paid rent which paid off the loan and Offutt has paid to maintain it per the lease.

McKinney asked on page 2 what is the difference between #3 and #4 of the Cons? DeCoster responded primarily #3 would be to new tenants and #4 would be existing tenants.

McKinney said if we gained any momentum from the workshop it was to get the people together that are outside this group to start to garner their participation but I really haven't had any feedback from outside this group. DeCoster stated he hasn't either. McKinney advised they will reconvene the group in the future. Decoster added it was an attempt to get the discussion going and strategically we have not really had a strategic direction and the idea was to have people that maybe didn't have economic interests or vested interests in the discussion to come together as a community perspective to give their thoughts to get the dialogue going and I thought it was excellent and brought out a lot of conversations and was the start of where do we go from here with the airport. We are in a crossroads as to having the ability to develop some new stuff, we've got some hangars on the east side that have to be coming down as part of the apron expansion in the next few years and new construction is more expensive than existing construction unless it is subsidized so we are strategically at a crossroads of where do we go from here. We've been one of the lowest in cost options in the region for a real airport, one that you can get into with bad weather and everything else, plowed runways and instrumentation so the question becomes do we continue to be that and if so what are the trade-offs we have to recognize if that is going to be the case? There were some good discussions and definite differences of opinions and strong debates on financial self-sufficiency verses some that want to be more market based. No resolution or conclusion was brought but it was interesting conversation. One thing I would note the comments in red are a summary of discussions but one thing was a consensus by the full group with regard to the extension agreements on the large hangar occupied by Park Rapids Aviation and Park Rapids Avionics but the decision of that pricing range does lie with the City Administrator who is charged with running the airport so it would be his recommendation as to where to go from there with what options and then of course bring it back to the Airport Commission and then to the City Council.

Konshok commented on the history of different funding used in the past for the existing hangars as well as the high cost of future hangars. DeCoster added that the hangar loan repayment is now over 20 years which is beneficial and he and Zitzow can do the leg work to determine what funding options are available.

McKinney asked the commission members read through the document and provide their input to prepare for a future meeting of the same group. The thing I wanted to come away from that meeting was accomplished and that was from some people who were hardly in any way involved with the airport other than to criticize the fact that the city was spending too much money out there, so having confirmed that, we want to move forward.

Dyre asked how much money are you talking for the airport to become self-sustaining how much money needs to be generated to replace liquor store revenue, how much are we trying to come up with? McKinney responded it depends on how much are you going to spend as coming up with matching funds for grants is the difficulty. There was discussion that hangar rent is part of the solution but not the answer. DeCoster commented allocating staff time is being pretty close to breaking even on the operational side and the biggest issue is local matches for projects and the equipment needs. There was discussion on when the existing hangars go away, so does the rent revenue and what price point will people pay for new hangars and possibly having to pass up grants because we don't have the local match.

6B. Mission Statement and Goals and Objectives: McKinney provided a Mission Statement and explained it starts with management, the Airport Commission and then the City Council which has been done in theory but now we are operating with the consultants that provide more input. McKinney stressed the importance of being proactive verses reactive and the airport management which is the most significant reorganization and then the Airport Commission whose function is to help sort things out, real questions with real answers. McKinney explained the City Planner will be more involved as well.

(Erika Randall arrived at 9:33 a.m.)

McKinney stated this airport has an opportunity to be a real magnet for economic development and we have to focus on what we have to offer. One of the things about goals and objectives it not so much what we're going to do but it helps us decide what we're not going to do.

McKinney requested the Airport Commissioners review and provide feedback on the language in the Mission Statement and if there is something in there that you think management has a responsibility to do to accomplish this mission then talk about it and let us know as well as if you think there is anything counterproductive, let us know. DeCoster commented from the goals and objectives standpoint, as we summarized the discussion from the meeting this is a little different format than you're used to seeing from a goals and objective standpoint as those are usually just bullet points but we felt that there really are three components of that and it really does go from a bottom up approach so that's why we identified three components and then looking for goals and objectives under each and responsibilities that tie to each that make up the potential for success in achieving the goals in the Mission Statement.

7. ENGINEERING UPDATE – MATT ZITZOW OF TKDA: Zitzow provided an Action Items list which provides a format for which to anticipate certain upcoming deadlines, etc. Zitzow remarked that in the last six to eight weeks the bulk of the effort

related to the 2016 projects has been essentially administrative deadlines but are now transitioning into the technical aspects of the design of the 2016 project which is repaving and resurfacing all of taxiway Alpha and the connectors to Runway 13/31 as well as resurfacing the apron outside of the terminal.

7A. Apron layout concepts: DeCoster commented that Voigt raised some concerns at the last meeting concerning flow and parking on the apron so Zitzow reviewed it in more detail as to what capabilities were there. Zitzow explained that part of the project in order to meet FAA Taxiway Object Free Area clearance areas illustrated in red as the FAA has a certain safety area called an object free area which straddles all taxiways and you are not allowed to have static parked aircraft within those areas, essentially it is to protect moving aircraft and wing tip clearances etc. There is an excess of pavement at the GA apron here some of which is not in compliance with the TOFA so part of the project as we discussed at the last meeting is to remove pavement. Basically all of the apron as well as Alpha is one large chunk of pavement. FAA requires us to essentially re-delineate Alpha separating it from the apron by removing a bunch of pavement. One of the concerns was is there a way to restripe or remark the apron with less pavement in a way that can still accommodate especially some of the larger G5 aircrafts of 3M's. This graphic was produced to illustrate there is a way to accommodate parked aircraft as well as still allowing wing tip clearances to traverse the apron as well as access the fuel area. Voigt brought up run-ups at the last meeting and a lot of times they do that at the end of a taxiway. Problematically however, when you take out a bunch of pavement they don't have anywhere to pull off to the side and Voigt asked us to look at that. Zitzow explained the concept for an additional stripped area to the east of the apron again on pavement that we currently have and will have post project resurfaced that would allow aircraft a space keeping all the taxiway and taxi lane requirements that FAA has, to pull off and have a spot dedicated for engine run-ups or quite frankly, student activities and training. Zitzow provided this to Voigt and Hass but has not had any feedback from them yet. McKinney requested the color code be explained:

- Green/mustardish yellow is post project turf – they are currently paved but pavement will be removed.
- Red/orange is the area of the Taxiway Object Free Area which FAA prohibits any excess pavement or parking of aircraft in those areas. That's why we are losing the pavement which aggravates Voigt's concern for run-ups.

Dyre inquired if the taxiway can be shifted over to line up as it would be more efficient? Zitzow provided a sheet from the Airport Layout Plan and explained the Taxiway Alpha and its various connection points. In the long range plan to develop another feeder taxiway just west of the apron that ultimately would cross the runway and continue all the way down to the Runway 36 end of the field. It is not directly co-aligned with the west feeder to the apron and again FAA has really emphasized not having apron feeders directly aligned with connector taxiways to runways and the reason being is they don't want pilots to inadvertently leave an apron, bypass the taxiway and get right out onto the runway sometimes being disoriented and thinking they are on the taxiway so in other words they are intentionally wanting people to take turns. The question came up at the last meeting as to whether there is a way to eliminate this taxiway and construct another taxiway and unfortunately the answer is no. This project is a rehabilitation of existing

facilities, it's not a development project and when you get in program 4 and plan with the FAA to get funding for new development, it's not wise at this point to jeopardize the success of the project as a whole. Certainly, the FAA would support and it's on our CIP and ALP to build that long term and that's something that in a development mode we should be thinking about.

7B. Pavement rehab update (schedule, dates, bidding & cost): Zitzow provided all dates on the Action Item list provided. There was discussion concerning the timing of the following:

- February – submit plans and specs and an engineering design report to FAA who will take approximately a month to review the plans
- May – bid opening, discuss award of contract and submittal of grant application
- Fall – construction would start and local share would be due

There was discussion concerning the funding details as shown on the Action Item List. Zitzow explained entitlement funds and FAA discretionary funding to support projects and temporary MnDOT Aeronautic funding to supplement local matches of 50%-50% which is city is fortunate to receive for this project. The overall project is expected to be funded 90% Federal, 5% State and 5% Local.

Zitzow stated the largest portion of the project cost is the bid and the city is not committed until we award the project. McKinney clarified that we are paying the ongoing engineering fees as we go and will have prepaid some of the project. McKinney stated he is concerned about when the funds are due. Zitzow explained the bid can have alternatives or be compartmentalized.

Randall inquired concerning engineering fees being part of the bid cost as you said a lot of our cost is in the bid cost so are we on the hook for it and what is the exact cost? Zitzow said they have exact costs and once there is a bid in hand and the engineering cost of formulation and design engineering already on record. It won't be too much farther in the future and we will submit for your consideration the construction engineering which is essentially inspection and testing so those fees will be known. DeCoster asked if the design was part of the CIP for 2015 that went to the City Council? Zitzow said yes. Zitzow stated the local match on the design I believe is less than \$5,000.

Konshok stated we didn't finish the taxiway on the previous project and that is a good example of having bid alternates. Zitzow said yes and making the project fit the budget if need be by eliminating certain elements or awarding only certain portions of the project and that is exactly what happened on Runway 18/36 on the south connector which didn't get finished. A bid can be constructed in sections such as taxiway work separate from the apron work such that the council would have the flexibility to award only portions of the bid. McKinney said that is good.

7C. CSAH 28 realignment update: Mathisrud explained the county requested we review and give them approval on that project so we started going through it and found a couple of things that need to be squared away prior to getting a resolution to

approve the project. One item is a navigation easement which the alignment was proposed to go through and we are just waiting for the FAA to give us some further information as to what we have to do to clear that up. Their proposed route really meets all the intent of the various rules and zoning and those types of things but because some of that was purchased with federal funds there are some additional things we need to smooth out and we are working with the county, FAA and MnDOT to clear that up. McKinney asked if they were building something that invades the easement? Mathisrud explained the navigation easement limits the height of structures to 15 feet and it also restricts the use of land to agricultural and the proposed use when you look at vehicle heights, they typically use a 15 foot standard and then of course it's a road and you are introducing new cars so it basically does affect it. I don't anticipate that it's going to be a problem that we can't work through but it is something we need to take care of so we don't jeopardize future funding. Zitzow added that the proposed corridor the county is proposing does not conflict with the Runway 36 approach surfaces or the runway protection zone and there is no apparent conflict with the intent of the easement but MnDOT and FAA are reviewing the fine print.

Zitzow cautioned that the county was still reviewing whether or not they felt additional right of way or a small chunk of property acquisition they were interested in possibly at that intersection at the southwest end of the field, have you heard any more on that? Mathisrud stated he has not heard anything from their right of way acquisition person but I do have a meeting with them later today so I will see where they are at with that. Zitzow said that would present itself as the biggest hurdle if the county is actually looking to acquire city owned airport property, but we don't know if that is the case but if they did, that would be a tough process. Mathisrud said they brought up a temporary construction easement so would that be acceptable to FAA if they needed to? Zitzow said the vast bulk of the corridor the county has proposed is on private land. McKinney inquired if Olsonawski knows about this? Zitzow responded absolutely and so is the FAA representative but as soon as we know if the county is going to be seeking any sort of additional properties, right of way or easements, we need to get that to Jake Martin at FAA immediately because that is a thorny topic. Zitzow stated the county is performing the airspace of the construction corridor as well as the permanent roadway so there is nothing that the city needs to submit to FAA to enable the project as it is currently formed.

There was discussion concerning using a crane for the project and the proposed height of construction equipment was in the ballpark of 30 to 40 feet which would represent a backhoe and some grading and installing storm culverts, etc. Mathisrud commented the county will let it out for bid in May of 2016. There was further discussion concerning development south of the airport, approach and departure airspace and elevation restrictions, height restrictions, navigation easements, zoning restrictions and the allowed use of the property.

7D. Master Plan update: Zitzow was thankful for the response to the surveys and advised that we can still accept surveys for a little while longer. Mathisrud stated the *Park Rapids Enterprise* is going to publish an article and told them the deadline was January 15th.

Zitzow referred to the Memo provided which outlines the Master Plan Update Schedule. TKDA will be submitting to the TAC Members draft chapters very soon for review and consideration ahead of the March 10th first TAC meeting with a follow up meeting in May.

Zitzow requested contacts in addition to Dave Konshok for history on the airport. DeCoster stated McKinney shared with him some of the historical City Council actions that have established the airport and projects throughout the years.

8. DEPARTMENTAL REPORTS:

8A. Business Services – John DeCoster: DeCoster stated most of his time has been working with McKinney and the team on the Strategic Planning aspect and we will be distributing that to the rest of the strategic planning team. DeCoster advised he received an inquiry from a gentleman from South Dakota who has a place on one of the Crow Wing's and is interested in developing a hangar here so he provided him with the template and other construction information.

8B. Field Services – Scott Burlingame: Burlingame stated they have plowed snow a few times and wondered if anyone had any complaints or issues or anything to talk about. There were no comments.

8C. Facility Maintenance Services – Chris Fieldsend: Fieldsend said he has been working on a couple things as there have been lights out from the snow plowing and the new snow blower did come about a month ago. Money was put in the budget for replacement of the MALSR's and worked with John Schroeder of MnDOT on that and normally if it is in their budget, they will buy the equipment and we pay for installation.

Zitzow added this came up in August and the advantage to utilizing the NAVAIDS budget and working with the State of MN Aeronautics is that they can select and purchase equipment without going out for bid so there is quite a bit of reduced cost to the total project if you don't have to design and then go out for bid so this is an appropriate course of action on the MALSR.

Konshok inquired if it is replacement? Fieldsend said he believes the boxes will remain the same but all the equipment inside will be new.

8D. Planning and Zoning – Ryan Mathisrud: Mathisrud stated he already spoke to the CSAH 28 issue. Mathisrud advised that in the Planning Commission staff reports we have integrated Airport Zoning as another item to review whenever we receive a development application to make sure we cross check that with Airport Zoning.

9. OLD BUSINESS: This item will be removed from agenda format in the future.

10. NEW BUSINESS: This item will be removed from agenda format in the future.

11. OTHER BUSINESS: None.

12. NEXT MEETING DATE: The next meeting will be April 6, 2016 at 9:00 a.m.

13. ADJOURNMENT: A motion was made by Dyre, seconded by Konshok and unanimously carried to adjourn the meeting at 10:35 a.m.

Don Douglas, Chairperson

Carmen L. Lockhart
Recording Clerk