

THIEF RIVER FALLS REGIONAL AIRPORT AUTHORITY
MEETING
May 11, 2011

The Thief River Falls Regional Airport Authority met at 6:00 p.m. at the Thief River Falls Regional Airport Terminal Building on Wednesday, May 11, 2011 in regular session. The following Commissioners were present: Jensen, Nordhagen, Tofte, and Tveitbakk. Commissioner Kajewski was absent. Visitors included: April Scheinoha, George Eilertson (Northland Securities) and Lisa Johnson (City of TRF). Vice-Chairman Jensen called the meeting to order at 6:04 p.m.

RESOLUTION NO. 2011-5-1: APPROVAL OF AGENDA

Following discussion, Commissioner Nordhagen introduced Resolution No. 2011-5-1, being seconded by Commissioner Tveitbakk, to approve the agenda as presented.

On vote being taken, the motion unanimously carried.

RESOLUTION NO. 2011-5-2: APPROVAL OF CONSENT AGENDA

Following discussion, Commissioner Nordhagen introduced Resolution No. 2011-5-2, being seconded by Commissioner Tveitbakk, that:

BE IT RESOLVED, the Minutes from April 27, 2011 are approved as presented.

On vote being taken, the motion unanimously carried.

BONDING INFORMATION DISCUSSION

George Eilertson from Northland Securities presented the current state of receiving bond funds to cash flow the Airport's upcoming projects. Initial reviews indicate the Airport would be able to issue debt as a stand-alone entity, however the City and County would need to sign concurring resolutions. It was unclear whether those concurring resolutions would position the City and County as Guarantor to the debt. Other issues that were raised were, whether or not the bond would be taxable or non-taxable. Further clarification was needed by the bond attorney to determine an answer.

REVENUE BUSINESS PLAN DISCUSSION

A revenue business plan was presented to show the Airport's ability to pay back the local share of the EA, ALP and Runway Construction projects.

DISCUSSION ON ENVIRONMENTAL ASSESSMENT AND AIRPORT LAYOUT PLAN CONTRACTS/ RESULTS OF INDEPENDENT FEE ANALYSIS

The results of the Independent Fee Analysis performed on the Airport's Environmental Assessment and Airport Layout Plan was discussed. The Airport hired an engineering

firm called Bolton & Menk to perform said analysis. The results of the analysis showed a 5% difference in cost regarding the Airport Layout Plan, while the results of the Environmental Assessment were as high as 44%. As a result of the disparity in estimates, the provisional resolution accepting the EA and ALP contracts from April's Authority meeting is void. The Authority directed the Airport Manager to re-negotiate with Ulteig to lower their proposed costs.

PAYMENT OF ULTEIG'S PRELIMINARY DESIGN INVOICE

The payment for preliminary design of runway construction was discussed. It has been decided that because no money has yet been collected by the Airport in the form of 2011 subsidies, the City and County will upfront the money required to pay said costs. This short-term loan has already been approved by the County with requirement of a concurring resolution from the City. The ultimate funding for design will be covered by a 95/5 federal grant.

NCTC LEASE (LAND APPRAISAL)

The current state of NCTC lease negotiations was discussed. After meeting with the schools representatives, the Airport Manager presented a plan to perform a land appraisal in order to determine the fair market value of the rented space. The Authority decided not to participate in such an appraisal but encouraged NCTC to perform the appraisal at the school's own expense.

REPORTS

Expense and Revenue Report

The Authority reviewed the Expense/Revenue Report.

RESOLUTION NO. 2011-5-3: MOTION TO APPROVE APRIL EXPENSES

Following discussion, Commissioner Tveitbakk introduced Resolution No. 2011-5-3, being seconded by Commissioner Tofte, to approve the bills as presented.

On vote being taken, the motion unanimously carried.

Airport Manager's Report

The Airport Manager discussed various topics including a haul-road agreement with the Township of Rocksbury, update on the land lease with Jim Rondorf, Multi-Purpose Hangar contract update, and the upcoming Authority Expansion meeting. The following discussions and resolutions resulted.

RESOLUTION NO. 2011-5-4: APPROVAL AUTHORIZING HAUL-ROAD AGREEMENT WITH THE TOWNSHIP OF ROCKSBURY

Following discussion, Commissioner Nordhagen introduced Resolution No. 2011-5-4, being seconded by Commissioner Tveitbakk, that:

WHEREAS, Ulteig Engineers have identified 139th Avenue NE from the airport property to the intersection of 120th Street NE be used as a haul-road during construction. The road is currently owned and maintained by the Township of Rocksbury,

BE IT RESOLVED, the Airport Authority approves a haul-road agreement with the Township of Rocksbury as presented.

On vote being taken, the motion unanimously carried.

RESOLUTION NO. 2011-5-5: APPROVAL AUTHORIZING LAND LEASE WITH JAMES RONDORF

Following discussion, Commissioner Tofte introduced Resolution No. 2011-5-5, being seconded by Commissioner Nordhagen, that:

WHEREAS, an updated lease has been negotiated and tentatively agreed upon by both the Airport and James Rondorf,

BE IT RESOLVED, the Authority accepts the proposed land lease agreement with James Rondorf as presented.

On vote being taken, the motion unanimously carried.

DISCUSSION OF MULTI-PURPOSE HANGAR LEASE

The Airport Manager reported that the lease for the new Multi-Purpose Hangar is being drafted by attorney Mike Jorgenson. A draft of the lease should be ready by next Authority meeting. The Authority expressed a desire to open negotiations for the hangar lease to the public.

DISCUSSION ON AUTHORITY EXPANSION

A meeting has been set for May 18th at 6:00 p.m. to discuss inclusion of the surrounding counties into the Airport Authority. Participants invited will be City and County Representatives for Marshall and Red Lake County as well as representatives from Pennington County. The meeting is informational in nature and will be open to the public. An invitation letter and agenda has be developed and sent to the City and County Representatives of Marshall and Red Lake County.

ADJOURNMENT

There being no further discussion, Commissioner Tofte moved, being seconded by Commissioner Tveitbakk, to adjourn the meeting at 7:55 p.m. until June 8th, 2011 at 8:00 a.m. in the Airport Terminal. On vote being taken, the Vice-Chair declared the motion unanimously carried and the meeting adjourned.

Glen Kajewski, Chair

Attest: _____
Don Jensen, Vice Chair