

**AIRPORT COMMITTEE**

February 28, 2017

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Members Present:

Olson, Hatlelid, Larson, Lehner, Rued, Withus, Shomento

Members Absent:

None

Others Present:

City Manager, City Clerk, City Attorney, Airport Director, City Comptroller, City Treasurer, HR Director, City Engineer, Principal Planner, Fire Chief, Police Chief, Captain White, Public Works Director, Public Information Officer, City Assessor, Alderman Jantzer, Alderman Podrygula, Alderman Straight, Josh Wolsky, Jill Schramm

To the Honorable Mayor and All Aldermen:

Following are the recommendations from the **Airport Committee** meeting called to order at 5:13 pm February 28, 2017:

**1. The City Council approve the allocation of funds under Professional Services for engineering miscellaneous services account, and further authorize the Airport Director to sign any necessary documents.**

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The above motion by Alderman Lehner, seconded by Committee Member Hatlelid and was carried by the following roll call vote: ayes: Hatlelid, Larson, Lehner, Olson, Rued, Withus, Shomento. nays: none

**2. Airport Director Project/Program Updates**

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The Airport Director began his presentation by noting it was the new airport’s one-year anniversary.

He continued by giving an overview of the accomplishments of the past year and the challenges that remain for the future. He said, the airport currently has 23 employees, 13 of which have less than 1 year on the job, but all work as a great team. The airport has updated lease agreements to include rates that will adequately cover the operational costs. The Airport Director stated, the Master Plan has made a lot of progress and will continue to be a priority. The old terminal is completely gone and they are now focusing on Capital Improvements which are realistic and affordable.

The goal is to be financially self-sustainable by using terminal advertising, leasing space, and selling food and beverages. Staff is currently reviewing rental car solutions for a potential quick turn facility and will analyze the financial costs and benefits of all options. The weather had a wide effect on January Statistics. Though the Airport only had to close a couple times, the airlines elected to cancel flights causing January 2017 to be lower than previous years. The load factor however, remained good and stable, numbers were above 2016 and 2015. Car rentals remained even with 2016 statistics for January, while the gross sales of concessions remained above the minimum annual guarantee. Due to the amount of snow, the parking revenue took a huge hit due to snow removal costs, which totaled about \$30,000 dollars in costs deducted from revenue.

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Mr. Feltner continued by discussing air service development. He explained, when airlines add service they don't just consider which North Dakota airport to add flights, they have to consider the entire country so the competition for service is not only local. Minot Airport is a destination and will never be a major hub, however the goal is to fill more seats. To do that, the Airport staff can negotiate with existing carriers to either increase the capacity of the equipment, increase their frequency to hubs, or add new destinations. The other option would be to add new carriers. He mentioned, American Airlines is interested in the Minot Airport once the economy picks up.

The Airport Director concluded with a comparison of rates between Minot Airport and other North Dakota regional airports. It was evident through the comparison that Minot's rates are very similar to the average fare from other cities.

Before closing, committee member Larson invited everyone to the Upper Midwest Aviation Symposium. He said the Minot Airport is hosting the opening ceremony taking place from 5pm-9pm at the Dakota Territory Air Museum on Sunday, March 5th. The Symposium is March 5-7, 2017 at the Holiday Inn Riverside.

There being no further business, the meeting adjourned at 5:34 pm.

Respectfully submitted,  
Kelly Matalka,  
City Clerk