

**DES MOINES AIRPORT AUTHORITY BOARD  
SUMMARY MINUTES OF ELECTRONIC MEETING  
Des Moines International Airport  
Board Room  
September 8, 2020**

**Call to Order and Roll Call:** 9:01 a.m.

**Chaired by** Mr. Feldmann

**Present:** Mr. Christensen, Mr. Feldmann, Ms. Lauridsen Sand, Ms. Ward

**Absent:** Ms. Levy

**This meeting was held electronically due to the social distancing requirements associated with the COVID-19 pandemic. The public was provided access and was able to join the meeting on-line via Zoom. Board members participated electronically. The Airport Board Room, 2nd Floor, Airport Terminal, was also open to the public.**

**A20-105 Consider Minutes for August 11, 2020, Meeting**

Ms. Lauridsen Sand moved to approve the August 11, 2020, meeting minutes.  
Mr. Christensen seconded. Motion Carried: 4-0-0-1; Yeas: Christensen, Feldmann, Lauridsen Sand, and Ward; Nays: 0; Abstained: 0; Absent: Levy.

**A20-106 Consider an Easement with MidAmerican Energy Company for a Gas Line Installation as part of the SW 28<sup>th</sup> Street Extension Project**

The Director of Engineering stated this MidAmerican easement will allow for a new gas supply line installation along the NE side of SW 28<sup>th</sup> Street as part of the SW 28<sup>th</sup> St. Extension Project. All work will occur on the public (non-secure side) of the Airport. Supply line will be connecting to existing line providing services to FBOs and future corporate hangars.

The Director of Engineering recommended the Board approve an easement with MidAmerican Energy Company for a gas line along the NE side of SW 28<sup>th</sup> Street as part of the SW 28<sup>th</sup> Street Extension Project.

Mr. Christensen moved to approve an easement with MidAmerican Energy Company for a gas line along the NE side of SW 28<sup>th</sup> Street as part of the SW 28<sup>th</sup> Street Extension Project. Ms. Lauridsen Sand seconded. Motion Carried: 4-0-0-1; Yeas: Christensen, Feldmann, Lauridsen Sand, and Ward; Nays: 0; Abstained: 0; Absent: Levy.

**A20-107 Consider Change Order No. 4 for Runway 5/23 Reconstruction Phase I Project with Flynn Company, Inc.**

The Director of Engineering stated Change Order No. 4 to the Runway 05/23 Reconstruction Phase I Project adjusts the contract value for actual units installed during construction. Unit pricing bid in the construction contract was applied to the following units adjusted for actual amounts used:

- Hot Mix Asphalt mill & overlay the NW edge of 5/23 between Runway 13/31 and Taxiway Delta
- Storm Sewer manhole, 96” diameter
- Topsoil import and spread

Items in Change Order No. 4 were reviewed by the FAA and determined to be fair and reasonable. The cost of the items in Change Order No. 4 will be reimbursed by the FAA at 90%.

The Director of Engineering recommended the Board approve Change Order No. 4 for Runway 5/23 Reconstruction Phase I Project with Flynn Company, Inc. in the amount of \$56,650.00.

Ms. Ward moved to approve Change Order No. 4 for Runway 5/23 Reconstruction Phase I Project with Flynn Company, Inc. in the amount of \$56,650.00.

Mr. Christensen seconded. Motion Carried: 4-0-0-1; Yeas: Christensen, Feldmann, Lauridsen Sand, and Ward; Nays: 0; Abstained: 0; Absent: Levy.

**A20-108 Consider Assignment of the Des Moines Flying Service, Inc. Lease to DMFS Acquisition LLC**

The Executive Director reported Des Moines Flying Service, Inc. is in the process of selling the business, including its wholly owned subsidiaries, DMFS Aircraft Sales LLC and HJ Holdings, LLC to Muncie Aviation Company of Muncie, Indiana. Muncie Aviation Company has been in business since 1932 and became a Piper Aircraft dealer in 1936. In 2004, Muncie Aviation Company became an Employee Stock Ownership Plan (ESOP) business. Muncie Aviation’s proposed operation in Des Moines will do business as DMFS Acquisition LLC. DMFS Acquisition LLC is organized in the State of Indiana.

The Executive Director stated Article 12, Assignment or Sublease, of the Des Moines Flying Service lease allows for the assignment of the lease should the business be sold. It requires written consent of the Authority 30 days prior to the sale. Closing date is anticipated to be October 30, 2020.

The Executive Director stated Authority staff and legal counsel have reviewed the organizational documents of DMFS Acquisition LLC and financial documents of Muncie Aviation Company and find them to be in order and suitable for the assignment of the lease.

The Executive Director recommended the Board approve the Assignment of the Des Moines Flying Service Lease to DMFS Acquisition LLC, contingent on the closing of the sale of Des Moines Flying Service, Inc. to DMFS Acquisition LLC, the execution of an Assignment Assumption and Guaranty Agreement, and authorize the Executive Director to sign necessary documents upon certification of the closing of the sale.

Ms. Lauridsen Sand moved to approve the Assignment of the Des Moines Flying Service Lease to DMFS Acquisition LLC, contingent on the closing of the sale of Des Moines Flying Service, Inc. to DMFS Acquisition LLC, the execution of an Assignment Assumption and Guaranty Agreement, and authorize the Executive Director to sign necessary documents upon certification of the closing of the sale. Mr. Christensen seconded. Motion Carried: 4-0-0-1; Yeas: Christensen, Feldmann, Lauridsen Sand, and Ward; Nays: 0; Abstained: 0; Absent: Levy.

**A20-109 Consider Change Order No. 2 for 2020 Miscellaneous Pavement Repairs & Beacon Relocation with Iowa Contracting, Inc.**

The Director of Engineering stated Change Order No. 2 adjusts the contract value for final reconciliation of quantities outlined within the contract's schedule of values related to miscellaneous pavement repairs. Quantities of items installed throughout the project were tracked and recorded by the engineering firm engaged by the Authority for construction observation and administration. This change order adjusts the contract for actual units used and installed from the estimated number of units required within the bidding documents. The contracted value per unit did not change. Areas related to this change order are:

- SW 28<sup>th</sup> Street patches
- Gate 7/Cargo Ramp patches
- Runway 5 shoulder patches

The Director of Engineering recommended the Board approve Change Order No. 2 for 2020 Miscellaneous Pavement Repairs & Beacon Relocation with Iowa Contracting, Inc. in the amount of \$102,092.93.

Ms. Ward moved to approve Change Order No. 2 for 2020 Miscellaneous Pavement Repairs & Beacon Relocation with Iowa Contracting, Inc. in the amount of \$102,092.93. Ms. Lauridsen Sand seconded. Motion Carried: 4-0-0-1; Yeas: Christensen, Feldmann, Lauridsen Sand, and Ward; Nays: 0; Abstained: 0; Absent: Levy.

## **A20-110 Financial Report**

- The Finance Director reported:
  - Running at 70% of budgeted revenue YTD.
  - Expenses are 10% below budget YTD.
  - Total Cash is at approximately 75 million dollars. This will increase with some reimbursements expected in September 2020.
  - Accounts Receivable: working with a couple of airlines on payment plans to get caught up from the 90-day terms given to the airlines earlier in the year.
  - The October 1, 2020, insurance renewal is in progress. Expect to see rate increases in 2021, especially on property.
  - Budget for 2021:
    - A proposed 2021 budget will be presented to the Board at the October 13, 2020, Board Meeting.
    - A meeting with the airlines will be held in October after the October 13, 2020, Board Meeting.
    - The final 2021 budget will be presented to the Board at the November 10, 2020, Board Meeting.

## **A20-111 Briefing**

- The Executive Director reported:
  - At the August 11, 2020, Board Meeting, the Board approved a Letter of Intent with the Greater Des Moines Public Art Foundation that laid out the beginning of an agreement for art at the new entrance of the Airport. In the Letter of Intent, the Greater Des Moines Public Art Foundation agreed to have two Board Members sit on a committee to select the artwork which includes the material from which it will be made. This is important since the Authority will maintain the artwork. Mr. Feldmann stated Mr. Christensen and Ms. Ward volunteered to be on that committee and Ms. Levy will finalize the appointment of Ms. Ward and Mr. Christensen as the Board art committee members today.
  - Received two grants from the Iowa Department of Transportation for which the Board previously approved applications:
    - 2021 Air Service Development Grant: Authority will receive up to \$80,000 for air service development.
    - 2021 Airport Improvement Program Grant: Authority will receive \$363,930 to assist with a general aviation taxiway.
  - Des Moines Mayor Frank Cownie issued a mask proclamation for the City of Des Moines. Signage was increased at the entrances of the terminal that say, “Mask Up”. Mayor Cownie directed the DMPD to hand out masks rather than issue citations. Authority staff has been instructed to hand out masks as well if people are not wearing them but will not make them wear a mask if a person becomes confrontational.
  - On the federal front, there will be a lot of airline layoffs soon unless the CARES Act Payroll Support Program is extended by Congress this month. If airlines don’t receive more assistance, United plans to lay off 15,000 employees. Delta and American will follow suit.

- The Director of Operations reported on August 2020 taxi statistics. The August 2020 passenger statistics have not been completed yet, so they will be distributed via email once they are ready later this week.

**A20-112**

**Next Meeting**

- a. October 13, 2020, Regular Board Meeting**

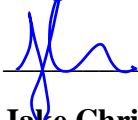
**A20-113**

**Adjourn**

Ms. Ward moved to adjourn the meeting. Mr. Christensen seconded. Motion Carried: 4-0-0-1; Yeas: Christensen, Feldmann, Lauridsen Sand, and Ward; Nays: 0; Abstained: 0; Absent: Levy.

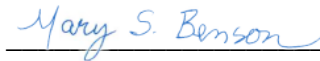
The meeting adjourned at 9:28 a.m.

**Respectfully Submitted:**



---

**Jake Christensen**  
**Secretary/Treasurer**



---

**Mary Benson**  
**Board Clerk**