"Menominee – Where the best of Michigan Begins"

MENOMINEE COUNTY BOARD OF COMMISSIONERS

Menominee County Courthouse
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Menominee County Airport Committee
2801 22nd Street
Menominee, MI 49858 ~ 906-863-8408
Tuesday ~ September 19, 2017 ~ 4:00 PM
Airport Conference Room

AGENDA

A. Call to Order
B. Pledge of Allegiance
C. Roll Call
D. Approval of the Agenda
E. Approval of Previous Minutes
   June 20, 2017
F. Public Comment *(Statements, not debate, limited to 5 minutes per person on agenda items only)*
G. Presentations *(limited to twenty minutes)*
   Jay Wesley – Airport Event
H. Business
   1. Financial
      a. Month-End Budget Status Report
   2. Manager Report
      a. Fuel Sales
      b. Activity
      c. Fence Damage
   3. MAAE Conference – Escanaba
   4. Status of Sponsorship with MDOT-AERO/FAA
      a. Airport Land Transfer Status
      b. Airport Name Change
   5. MAP Meeting w/MDOT-AERO
      a. MDOT-AERO Budget Status
      b. Existing Projects (None)
      c. Consultant Procurement Status for New Projects (2013)
      d. Airport Layout Plan (ALP) and Exhibit "A" Map
      e. Review of Airport Inspection Report (8/31/16) and Airport License (General Utility)
      f. Status of Federal Funds (expires 9/30/18)

Steven Gromala *Charlie Meintz – Chairperson* *William Cech – Vice Chairperson* *Larry Phelps*
John Nelson *Jan Hafeman* *Gerald Piche* *Bernie Lang* *Larry Schei*

g. Pavement Condition Index Survey (2015), Next Survey (2018)
h. Sponsor's (owner) Airport Capital Improvement Plan (ACIP), and New Grant Application Timeframe

6. Airport 3 year Inspection Report (9/14/17)
   a. Inspector Randy Coller, MDOT/FAA
   b. Airport License Status

I. Public Comment *(Limited to 5 minutes)*
J. Commissioner Comment
K. Next meeting date
L. Adjourn

Note: Quorum of the Menominee County Board of Commissioners may be present

If you are an individual who needs special accommodations while attending a meeting, as required by the "Americans with Disabilities Act", please notify the Airport Manager's office at 906-863-8408 at least 6 hours prior to the meeting in order to make suitable arrangements. (TDD 800-649-3777).

Menominee County Airport Committee
Minutes of Meeting
June 20, 2017

**********DRAFT**********

The Twin County Airport Committee met on June 20, 2017 at 4:00 PM at the Airport Conference Room.

Present at the meeting were Coms, Schei, Meintz, Gromala. Also present: Nancy Douglas, Jeff LeFleur, Steve Beakman, Tony Graff and Jerry Piche

Call Meeting to order: Chairperson Schei called the meeting to order at 4:00 PM

Pledge of Allegiance: The Pledge of Allegiance was recited

Roll Call: Roll call was taken; Welcome new committee member Com. Gromala who will be replacing Com. Phelps, present, as well as Com. Schei, Com Meintz present

Approval of the Agenda Com. Meintz made the motion to approve the agenda, second by Com. Gromala. Motion carried 3/0

Previous Meeting minutes: Previous minutes from 4/24/2017 were approved motion carries. Charlie/Larry 3/0

Public Comment: **Jerry Piche**: As a taxpayer and a county commissioner, will be open to talk to anyone that is willing to listen and to give views. Would very much like it to happen.

Presentations: None

Business:

1. **a. Status of Sponsorship with FAA – MDOT meeting on 6.14. Larry S.** This was an impromptu meeting with David Nyberg and members of MDOT, Mike Trout, Bryan Budds, Juan Zapata and Judy Baker. Also at this meeting were Nancy Douglas and Jeff Lefleur. The agenda was sponsorship, the role of MDOT and FAA, what our options were that haven't been fulfilled as yet, particularly the Title Insurance and Instruments of Transfer and Authority documents and a 40 year standard title search. They wanted to dwell on the importance of us getting sponsorship. Another part of the agenda was a discussion of the importance of grant obligations, and the future, possibilities of abandonment. There was a handout with a lot of data. Statistics of the benefit to the community, dollars to benefit. **Charlie** There was talk of sponsorship and the amount of money the county would have to come up with to maintain the sponsorship. **Larry S.** At this point the state is operating airports and would like to be out of them, they would like to local municipalities run the airports. For us they would like to see the County have sponsorship, an Airport manager as well as an assistant manager and to try to find an FBO

operation to make use of the hangar and the land. 6 parcels are available for lease only to other businesses, but the wait time is a year. The thing is to find someone that would be willing to wait a year to lease. Asked about having a race track on the weekends, but they aren't in favor of that and most likely would not approve it because of the liability and the cost. They want to see the runway resurfaced. Did not like the idea of having volunteers do the work, they want county employees. **Charlie** They did talk about the land, he himself was really pushing to have to opportunity to have more cash flow on the airport so it could become more self- sufficient. We want to have the parcels that are non-aviation freed up so that we could have opportunities for businesses. We are supposed to have another conference call with them in about two weeks or so. **Larry S.** Can Nancy Douglas comment on that since she is Economic Development and that is part of it. **Nancy** I thought it was a really good meeting, very positive, a lot of information, they did say they would work with you on a regular basis. With regard to the parcels, they understand that is an impediment. They don't want to be the bad guy, or oppositional, but want to provide what they can. Talked about security issues and they are again willing to come and make that a more positive experience here and explain exactly what can and can't happen. We need to keep them engaged. **Steve G.** I think if we could get some commitment from them on this land that is on the outside of the property to come up with the types of industry that we could make use of that and not have to wait for all the applications. *Nancy inserts that all of these properties are all inside, she is corrected that no, they are not. She also stated that they have said that if it is an industry that has something to do with aviation, it would not be hard to do. If it is not involving aviation, that is what takes a year or two.* **Charlie** That's what Delta does, they have a brewery operating on the airport. **Larry S.** They did mention having a conference call. So, sponsorship status, 40 year title search which was a big drawback, there was only one firm in town that was willing to take this on. This is now complete. There are 75 different parcels of land with different descriptions. County sefl-insuring title insurance.....After this was completed, they gave us another hoop to jump through, they want the 40 year search in digital and hard form, so are working on that. They also will require an attorneys' opinion on each of the parcels and state it in a letter. Larry will meet with Bill Merkel to go over this in detail.

b. Private Tenant Land Leases – Larry S. – Dave Stoker has the most current record of tenant leases. FAA requires that they review these leases to make sure they include all terminology and regulations. These lease documents were given to Bill Merkel as well and he did make a couple small changes. Each of these will be mailed to the current tenants that lease land from us. These then have to be approved by the full county board to be legal. The term of the leases is 20 year, renewable ,$ .20 a square foot, the only difference may be the "non-discrimination" terminology. Taxes: Larry read the statement regarding taxes. This means that the county is tax exempt, any taxes are settled between the City of Menominee assessor and the person that owns the building. It is not a county issue, has no control over it. The only control the county has is on the land itself. FAA is concerned with comparable fees being charged to businesses.

c. Use of Airport building and rooms – Larry S. The county owns the buildings, the lobby is public any offices, committee rooms are up to us what we want to use it for. It has to be general aviation, we can't put another office in here, but, it can be used by another county employee if a fee is charged. The rental fee would go back to the airport fund. These arrangements would require a lease. g

2. Financial

a. **Title search update – Larry S.** – Did get a bill that has to go to the board for approval. This won't be the final bill because of the electronic scanning that needs to be done, that will be a "per page" cost. **Charlie** Since it was over the $5000 limit, we have to show that there was no bid process because no other businesses wanted/could do it.

b. **Month end budget status report – Larry S.** For the 8 months through the budget, we are well within means. Most of expenditures are less than 70%. There are few things that need to be cleaned up, things that weren't entered into the software correctly for this year. Steve Gromala and himself are on the finance committee and they sat down with Jeff LeFleur and went through the budget line by line and it is ready to be presented to the Finance Committee. This included a projection for the runway project and 7 years of future projects. $51, 321 a year that would have to contributed for the 5% share if we go ahead with that runway resurface project for the first 3 years and then the other 4 years of the project schedule. Two years were put into escrow because of the Marinette pulling out. This includes the other runway down the road which will be twice as expensive. The first one looks like it will cost 3 million to this project. There is brush to clear away and culverts that need to be replaced, this is included in the runway projects. The federal grant is 90% and the state grant is 5% and the local share is 5% of the 3 million. The deadline for this year to get grants submitted and approved is sometime in July. The requirement for that is to be a sponsor of the airport and a 20 year obligation. **Charlie** There was also .... **Larry S.** The state wanted to see an airport manager and an assistant manager. So the new budget will have more in it for those positions and 5% share and the capital outlay. Included an expansion of the fire safety building to add 2 more stalls to it so that all the equipment in that building. There is a lot of stuff in the hangar building that has to be removed if we lease the whole building out. The intent is to lease the whole building out. We put it in the budget as a one time expense. There is also a capital outlay to replace the courtesy van because the suspension and steering are getting a little ragged. The finance committee asked for a 5 year plan on budgeting on any kind. The benefits are the biggest part of the budget. Steve do you want to comment? **Steve G.** We went through the budget and we spent time in the revenues. We lowered our expectation and that required us to look at expenses too. We included MDOT's suggestions, and the cost to the county was $10,000 more than this last fiscal year. If revenues increase there will be better numbers, but he wanted a realistic picture. Equipment and a lawn mower were also included.

2. **Manager Report**
   a. **LED lights for parking lot/ beacon obstruction lights - Jeff LeFluer** Had to get a lift from Tim Plutchak to do the job safely. Repaired the lights in the parking lot as well and now everything is good to go. All fixtures are LED and will save energy with the equal lumins.
   b. **Roof inspection of hangars** Inspected the roof while the lift was here, some of the screws might be loose. They do not need replacing of the roof, but do need to stop the leaking.
   c. **Airport Activity** MDOT gave a printout, Larry not sure how they came up with the numbers. **Jeff** Most people assume that is Marinette using the airport mostly Marinette Marine, yes, a big part of it, but there is also Anchor Coupling, LE Jones, Lloyd Flanders. People just don't seem to be able to afford to fly like they used to. **Larry** When businesses land here, for instance the Navy, they also buy fuel, which is a big

plus. Military and government for both states, they are exempt, they do not pay any landing fees and don't need to buy fuel. Any local business does pay for landing, but they don't always need fuel. **Jeff** Enstrom is the best fuel customer.

d. **Fuel Sales – Jeff** Purchased jet fuel, had to buy a full load as there was no one to split with, but the price was right.

e. **Any other items to report - Jeff** The only thing that looks bad is the section of the fence that somebody ran into. Waiting on the police, but no one stepped up, it was a hit and run. Don't want to go through insurance company because of past claims that got on the record. **Charlie** Find out what it will cost and go from there. With the extensive rain has there been a flooding issue? There certainly are other areas under water. **Larry** One other thing, setting up the airport like the marina, MDOT said under no circumstances can that be done.

Public Comment – Nancy Douglas – a number of industries have approached her so looking at developing a support group of industries and business together. There were at least 6 industries so will be proactive in moving forward and being helpful. **Steve Beakman** What is or has been done to make fuel prices a little more competitive. Oconto has lowered to $3.90 a gallon, you are at $4.95. Others have a lower cost. Are you stuck at that price? Your sales might go up a bit if the cost was lower.

Commissioner Comment - Charlie – The meeting with MDOT and the state department of transportation was hard to say, fluff or serious. Without financial assistance or help, we discussed all of what we had gotten done and they gave another hoop to jump through. Leaves him concerned about their concern or willingness to be of help. Them operating the airport themselves seems to be a "no go"… not even happy with the airports they do have. We can always fund the airport, a decision the board has to make. **Steve** Set up the budget as though they would have sponsorship, also looked at the 5 year plan. New kid on the block, give him a few months…..**Larry** – The state was here, asked right out if they would take the airport back, they said no. They are willing to support in all of these areas, but sponsorship is their main goal. Then they expect the runway project and the 7-10 year project plan that includes all projects. Within 5-7 years from now the 5% share would be likely twice as high. This is why the $55,000 was put in there, to take care of that. The appropriation to the county doesn't change. When Marinette pulled out we had to put in $131,000 in for the 15 months that Marinette had left, they hadn't paid for the 9 months that they were in. This year going forward the costs might be higher than the $131,000, maybe closer to $141,000. *Discussed revenue vrs. Fuel sales* It is up to the county board now to move ahead and make a decision if they want to go ahead with obligation for runway and 20 obligation with grant. **Steve** Will do his best to do the best for the county.

Next meeting date most likely the third Tuesday of the month, but tentative now

Adjourn: Moved by Com. Charlie Meintz, Supported by Com. Larry S. Motion approved 3/0 meeting adjourned at 5:10 p.m.