MENOMINEE REGIONAL AIRPORT
2801 22nd Avenue
Menominee, MI 49858
906-863-8408

Note: Quorum of the Menominee County Board of Commissioners may be present. If you are an individual who needs special accommodations while attending the 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 Regional Airport Committee
2801 22nd Street
Menominee, MI 49858 ~ 906-863-8408
Tuesday ~ December 18th, 2018 ~ 4:00 PM
Menominee County Courthouse
Courtroom B

AGENDA

A. Call to Order
B. Pledge of Allegiance
C. Roll Call
D. Approval of the Agenda
E. Approval of Previous Minutes: November 20th, 2018
F. Public Comment *(Statements, not debate, limited to 5 minutes per person on agenda items only)*
G. Presentations *(limited to twenty minutes)*: None
H. Business

Financial

1. Month-End Budget Report Status
2. Manager Report
   a. Fuel Sales
   b. Activity

Other Business

1. Discussion/Action ~ Letter of Agreement – Eagles Flying Club
2. Discussion/Action ~ Lease Agreement – Civil Air Patrol
3. Discussion/Action ~ Expansion of the Airport Committee

I. Public Comment *(Limited to 5 minutes)*
J. Commissioner Comment
K. Next meeting date ~ January 15, 2019
L. Adjourn

Menominee Regional Airport Committee
Steve Gromala, Chair, Gerald Piche, William Cech
Menominee County Board of Commissioners
Gerald Piche, Chairman William Cech, Vice Chairman Steve Gromala Bernie Lang Larry Phelps Larry Schei
Charlie Meintz Jan Hafeman John Nelson

Menominee Regional Airport Committee
Minutes of Meeting
November 20, 2018

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

The Menominee Regional Airport Committee met on November 20, 2018 at 4:00 PM at the Menominee Regional Airport, Conference Room.

A. **Call Meeting to order:** Com. Gromala called the meeting to order at 4:00 PM

B. **Pledge of Allegiance**: Recited by all

C. **Roll Call**: Coms. Cech, Gromala & Piche all present. Also present were Jason Carviou, Jeff LaFleur and Doreen Averill

D. **Approval of Agenda:** Motion to approve amended agenda by Com. Piche, seconded by Com. Gromala. Motion carried – 3/0.

E. **Approval of Previous Minutes:** Motion to approve Previous Minutes from October 16, 2018's meeting made by Com. Piche, seconded by Com. Gromala. Motion carried – 3/0

F. **Public Comment:** None

G. **Presentations:** None

H. **Business**

Financial

1) Month-End Budget Report Status – **Jeff:** We're doing ok. We're holding our own. **Jason**: It looks like we'll have a fair surplus at the end of the audit. Expenses were in line with what we were expecting. Revenues are up from what we budgeted. As for the new FY, I have no concerns at this time. **Com. Cech:** October was the first month of the new FY, correct? **Jason:** Yes it is.
2) Manager's Report ~
    a) Fuel Sales: **Jeff**: It depends on who is flying in and needs service. Now we're in the midst of the holiday season – it may bring some people in.
    b) Activity: **Jeff:** Waupaca came in – but it's the holiday season, so activity will be slow.

Other Business

1) Action ~ A motion was made to approve the termination of Great Lakes Expedition (Tom Quigley) Hangar #13 land lease agreement, and move it forward to the County Board for approval, was made by Com. Cech, seconded by Com. Piche ~ Motion carried 3/0

2) Action ~ A motion was made to approve the new land lease agreement for Alan Kozikowski – Hangar #13, and move it forward to the CB for approval, was made by Com. Piche, seconded by Com. Cech ~ Motion carried 3/0
3) Update ~ Airport Website: **Jason**: Well, we did not get the Hannahville grant for the upgrade to the County's website, so money for the Airport's website would have to come out of the fund balance. I'd like to table this until next month for further research.
4) Discussion ~ Organizational Structure of the Airport: **Jason**: I think that the duties of "Airport Director" should stay with the County Administrator, now and in the future. Most of the administrative duties come across the Administrator's desk anyway – grants, leases, legal docs, etc. I also feel that instead of hiring an Airport Manager, we should concentrate on hiring another full time Airport Lineman. He/she would have to be certified in all aspects as Jeff is right now; and would train with Jeff in order to cover days off, illness or any other reason he would not be able to work. Down the road, here, Jeff will be planning to retire and we'll need someone in there with certifications. It would save the County money, in the long run, by hiring a lineman rather than an Airport Manager. **Com. Gromala**: Now this would be for normal business hours, not expanding the Airport's hours – like open on the week-ends – still just "on-call" stuff, right? **Jeff**: Correct. **Jason**: Right now, Jeff is on-call 24/7, 365 days a year. With another full time person, this would alleviate that with the new full time person taking some of those on-call responsibilities. From a safety standpoint, I would recommend that we have two people on while doing any major repairs, maintenance, the lawn mowing, plowing, cutting trees, etc. **Com. Gromala**: That's a good idea. I also want to say, again, that I think the by-laws should be changed to include 2 additional people on this committee. I would like to include someone from local business and someone from our pilot community. **Jason**: I'll research it so we have it for our first meeting next year. I would like to hold off on it until after the new Board comes in.
5) Discussion ~ Civil Air Patrol Lease: **Jason**: Went over the new lease for the CAP – with provisions they were concerned about and the provisions we were concerned about. Rent was an issue – they still only want to pay $1 per year for rental, but we have it listed that they have to provide in-kind services in order to qualify for this. Also, the only plane allowed in their hangar is a CAP airplane. **Com. Piche**: Shouldn't we have some wording in there that will let them know what will occur if we do not receive in kind services? **Jason**: It does, in paragraph 3 of the lease. **Com. Piche:** That will cover it – you're right. **Com. Gromala**: Shouldn't we have they give a report showing what services were provided during the year? **Jason**: Par. 5 of the agreement, it states that they are to provide us with a list of services. **Com. Piche**: Can we add in there that we want to know what services were provided? **Jason:** We can change the wording in there to say - must provide a report of services it can provide and services that were provided during the year/quarter/month, etc. – upon requested. If they fail to provide this report, it is a material breach of contract. I can start working with CAP on that change so we can get this lease ready to forward to the Board for approval once it's approved by this committee.

I. **Public Comment**: None

J. **Commissioner Comment: Com. Piche:** Well, we'll see in January, with the new Board members coming in, whether they have issues they want to discuss concerning the Airport. **Com. Cech**: I'd like to wish everyone a safe and happy start to the holiday season.

K. **Next Meeting:** December 18th, 2018

L. **Adjourn:** A motion made by Com. Cech, seconded by Com. Piche. Motion carried 3/0 at 4:45pm

REVENUE AND EXPENDITURE REPORT FOR MENOMINEE COUNTY

PERIOD ENDING 12/31/2018

GL NUMBER	DESCRIPTION	2018-19 ORIGINAL BUDGET	2018-19 AMENDED BUDGET	YTD BALANCE 12/31/2018 NORM (ABNORM)	ACTIVITY FOR MONTH 12/31/18 INCR (DECR)	AVAILABLE BALANCE NORM (ABNORM)	% BDGT USED
Fund 216 - MENOMINEE REGIONAL AIRPORT							
Revenues							
Dept 000							
216-000-541.00	STATE PAYMENT	0.00	0.00	0.00	0.00	0.00	0.00
216-000-631.03	GROUND POWER UNIT	0.00	0.00	0.00	0.00	0.00	0.00
216-000-633.00	LANDING FEES	7,500.00	7,500.00	910.00	0.00	6,590.00	12.13
216-000-633.01	RAMP/PARKING FEES	100.00	100.00	0.00	0.00	100.00	0.00
216-000-634.00	ENGINE PRE-HEAT	100.00	100.00	0.00	0.00	100.00	0.00
216-000-634.01	CARGO HANDLING FEE	500.00	500.00	0.00	0.00	500.00	0.00
216-000-634.02	AIRPORT DE-ICING	500.00	500.00	0.00	0.00	500.00	0.00
216-000-642.00	AVIATION FUEL/OIL - BUSINESS	60,000.00	60,000.00	2,117.12	2,117.12	57,882.88	3.53
216-000-642.01	AVIATION FUEL - CASH	250.00	250.00	0.00	0.00	250.00	0.00
216-000-642.02	AVIATION FUEL - CREDIT CARD	100,000.00	100,000.00	8,087.27	0.00	91,912.73	8.09
216-000-642.03	SODA MACHINE	100.00	100.00	0.00	0.00	100.00	0.00
216-000-642.04	Oil Sales - Credit Card	150.00	150.00	8.00	0.00	142.00	5.33
216-000-665.00	INTEREST EARNED	0.00	0.00	0.00	0.00	0.00	0.00
216-000-670.00	RENT/HANGER LEASE	35,000.00	35,000.00	11,530.41	2,227.01	23,469.59	32.94
216-000-670.01	RAMP/ TIE DOWN FEE	100.00	100.00	0.00	0.00	100.00	0.00
216-000-672.00	AFTER HOUR FEES	2,000.00	2,000.00	125.00	0.00	1,875.00	6.25
216-000-672.01	TERMINAL SIGN DISPLAY	0.00	0.00	0.00	0.00	0.00	0.00
216-000-676.00	MISCELLANEOUS REVENUE	500.00	500.00	0.00	0.00	500.00	0.00
216-000-677.00	SALARY REIMBURSEMENT	0.00	0.00	0.00	0.00	0.00	0.00
216-000-699.00	TRANSFERS/APPROPRIATION	87,393.00	87,393.00	21,848.25	0.00	65,544.75	25.00
216-000-699.01	COUNTY APPROPRIATION - CAPITAL IMPROVEM	50,000.00	50,000.00	12,500.00	0.00	37,500.00	25.00
216-000-699.02	EQUITY TRANSFER FROM AIRPORT	0.00	0.00	0.00	0.00	0.00	0.00
216-000-699.03	TRANSFER IN FROM FUND BALANCE	0.00	0.00	0.00	0.00	0.00	0.00
216-000-699.04	TRANSFER IN FROM DESIGNATED	50,000.00	50,000.00	0.00	0.00	50,000.00	0.00
Total Dept 000 - NONE		394,193.00	394,193.00	57,126.05	4,344.13	337,066.95	14.49
TOTAL REVENUES		**394,193.00**	**394,193.00**	**57,126.05**	**4,344.13**	**337,066.95**	**14.49**
Expenditures							
Dept 585							
216-585-704.00	SALARIES	98,886.00	98,886.00	10,820.30	2,124.98	88,065.70	10.94
216-585-705.00	SALARIES - PART TIME	26,130.00	26,130.00	1,105.56	266.03	25,024.44	4.23
216-585-706.00	OVERTIME	3,000.00	3,000.00	278.47	125.00	2,721.53	9.28
216-585-707.00	LONGEVITY	1,000.00	1,000.00	1,000.00	1,000.00	0.00	100.00
216-585-712.00	HOSPITAL INSURANCE	34,716.00	34,716.00	4,148.55	0.00	30,567.45	11.95
216-585-713.00	LIFE INSURANCE	60.00	60.00	7.08	0.00	52.92	11.80
216-585-715.00	FICA-OASDI	7,275.00	7,275.00	582.49	189.51	6,692.51	8.01
216-585-715.01	FICA-MEDI	1,701.00	1,701.00	136.23	44.33	1,564.77	8.01
216-585-716.00	WORKMENS COMPENSATION	6,079.00	6,079.00	1,139.07	0.00	4,939.93	18.74
216-585-718.00	RETIREMENT	4,052.00	4,052.00	0.00	0.00	4,052.00	0.00
216-585-718.01	MERS UNFUNDED LIABILITY	5,952.00	5,952.00	1,507.00	496.00	4,445.00	25.32
216-585-727.00	OFFICE SUPPLIES	350.00	350.00	47.47	0.00	302.53	13.56
216-585-728.00	OFFICE EQUIPMENT	400.00	400.00	0.00	0.00	400.00	0.00
216-585-729.00	POSTAGE	250.00	250.00	37.17	0.00	212.83	14.87
216-585-729.01	MISCELLANEOUS PURCHASES	50.00	50.00	0.00	0.00	50.00	0.00
216-585-742.00	GAS, OIL ETC	3,000.00	3,000.00	118.55	0.00	2,881.45	3.95
216-585-743.00	AVIATION FUEL PURCHASES	85,000.00	85,000.00	0.00	0.00	85,000.00	0.00
216-585-743.01	CREDIT CARD PROCESSING FEES	3,000.00	3,000.00	280.54	0.00	2,719.46	9.35
216-585-744.00	EQUIPMENT FUEL PURCHASE	2,500.00	2,500.00	0.00	0.00	2,500.00	0.00
216-585-745.00	UNIFORMS	500.00	500.00	0.00	0.00	500.00	0.00
216-585-755.01	OTHER OPERATING - JANITORIAL	2,000.00	2,000.00	0.00	0.00	2,000.00	0.00
216-585-755.02	OTHER OPERATING - GENERAL	1,500.00	1,500.00	0.00	0.00	1,500.00	0.00

REVENUE AND EXPENDITURE REPORT FOR MENOMINEE COUNTY

PERIOD ENDING 12/31/2018

GL NUMBER	DESCRIPTION	2018-19 ORIGINAL BUDGET	2018-19 AMENDED BUDGET	YTD BALANCE 12/31/2018 NORM (ABNORM)	ACTIVITY FOR MONTH 12/31/18 INCR (DECR)	AVAILABLE BALANCE NORM (ABNORM)	% BDGT USED
Fund 216 - MENOMINEE REGIONAL AIRPORT							
Expenditures							
216-585-755.03	LICENSES/PERMITS	500.00	500.00	0.00	0.00	500.00	0.00
216-585-756.01	CONSTRUCTION SUPPLIES	0.00	0.00	0.00	0.00	0.00	0.00
216-585-801.00	PROFESSIONAL/CONTRACTURAL SERVICES	2,500.00	2,500.00	392.77	183.30	2,107.23	15.71
216-585-801.01	AUDIT SERVICES	0.00	0.00	0.00	0.00	0.00	0.00
216-585-831.00	LIABILITY INSURANCE	13,000.00	13,000.00	0.00	0.00	13,000.00	0.00
216-585-850.00	TELEPHONE/INTERNET	3,500.00	3,500.00	722.82	305.31	2,777.18	20.65
216-585-860.00	TRAVEL/CONFERENCES	520.00	520.00	0.00	0.00	520.00	0.00
216-585-901.00	ADVERTISING	500.00	500.00	0.00	0.00	500.00	0.00
216-585-920.00	NATURAL GAS/HEATING	5,000.00	5,000.00	519.20	452.80	4,480.80	10.38
216-585-920.01	WATER	550.00	550.00	0.00	0.00	550.00	0.00
216-585-920.02	SEWER	650.00	650.00	0.00	0.00	650.00	0.00
216-585-920.03	ELECTRIC	8,000.00	8,000.00	1,198.97	691.05	6,801.03	14.99
216-585-930.03	DO NOT USE	0.00	0.00	0.00	0.00	0.00	0.00
216-585-955.00	AIRPORT SALES TAX	6,500.00	6,500.00	1,274.17	262.34	5,225.83	19.60
216-585-970.00	CAPITAL OUTLAY	50,000.00	50,000.00	1,300.00	0.00	48,700.00	2.60
216-585-970.01	CAPITAL OUTLAY - COURTESY VAN	0.00	0.00	0.00	0.00	0.00	0.00
216-585-970.02	FIRE CRASH BLDG EXPANSION	0.00	0.00	0.00	0.00	0.00	0.00
216-585-981.00	EQUIPMENT MAINTENANCE/PARTS	5,000.00	5,000.00	421.78	206.47	4,578.22	8.44
216-585-981.01	AIRFIELD MAINTENANCE/REPAIRS	1,500.00	1,500.00	579.98	550.00	920.02	38.67
216-585-981.02	BUILDING MAINTENANCE/REPAIRS	1,500.00	1,500.00	0.00	0.00	1,500.00	0.00
216-585-984.00	NEW/REPLACEMENT EQUIPMENT	1,500.00	1,500.00	0.00	0.00	1,500.00	0.00
216-585-990.00	AIRPORT LOAN - PRINCIPAL	5,312.00	5,312.00	0.00	0.00	5,312.00	0.00
216-585-990.01	AIRPORT LOAN - INTEREST	760.00	760.00	0.00	0.00	760.00	0.00
Total Dept 585 - AIRPORT EXPENDITURE		394,193.00	394,193.00	27,618.17	6,897.12	366,574.83	7.01
TOTAL EXPENDITURES		394,193.00	394,193.00	27,618.17	6,897.12	366,574.83	7.01
Fund 216 - MENOMINEE REGIONAL AIRPORT:							
TOTAL REVENUES		394,193.00	394,193.00	57,126.05	4,344.13	337,066.95	14.49
TOTAL EXPENDITURES		394,193.00	394,193.00	27,618.17	6,897.12	366,574.83	7.01
NET OF REVENUES & EXPENDITURES		0.00	0.00	29,507.88	(2,552.99)	(29,507.88)	100.00

BALANCE SHEET FOR MENOMINEE COUNTY
Period Ending 12/31/2018

Fund 216 MENOMINEE REGIONAL AIRPORT

GL Number	Description	Balance
*** Assets ***		
216-000-001.00	CASH	318,665.88
216-000-001.01	CASH - AIRPORT	0.00
216-000-040.00	ACCOUNTS RECEIVABLE	0.00
216-000-101.00	FUEL INVENTORY	34,464.44
216-000-123.01	PREPAID INSURANCE	0.00
216-000-123.02	PREPAID LIABILITY INSURANCE	4,238.28
Total Assets		**357,368.60**
*** Liabilities ***		
216-000-200.00	ACCOUNTS PAYABLE	0.00
216-000-257.00	ACCRUED WAGES PAYABLE	0.00
216-585-228.00	SALES, USE AND WITHHOLDING TAXES	0.00
Total Liabilities		**0.00**
*** Fund Balance ***		
216-000-390.00	FUND BALANCE	91,274.92
216-000-393.03	DESIGNATED FUND BALANCE	161,268.04
Total Fund Balance		**252,542.96**
Beginning Fund Balance - 17-18		**252,542.96**
Net of Revenues VS Expenditures - 17-18		**75,317.76**
***17-18 End FB/18-19 Beg FB**		**327,860.72**
Net of Revenues VS Expenditures - Current Year		**29,507.88**
Ending Fund Balance		**357,368.60**
Total Liabilities And Fund Balance		**357,368.60**

* Year Not Closed

Menominee Regional Airport

LETTER OF AGREEMENT

This Letter of Agreement, made and entered into this 1st day of January, 2019, by and between MENOMINEE COUNTY, of Menominee, Michigan, a governmental entity, existing by and under the authority of the laws of the State of Michigan, and EAGLES FLYING CLUB OF MENOMINEE, INC., a domestic nonprofit corporation.

WHEREAS, Menominee County is the owner of the Menominee Regional Airport, and Eagles Flying Club of Menominee, Inc. is desirous of becoming a registered flying club at the Menominee Regional Airport, and to enjoy the rights and privileges prescribed to flying clubs by federal, state, and local laws and regulations; and

NOW, THEREFORE upon approval of this Letter of Agreement by the Menominee County Board of Commissioners, Menominee County recognizes the Eagles Flying Club of Menominee, Inc. as a registered flying club at the Menominee Regional Airport on the following terms and conditions:

1. The Eagles Flying Club of Menominee, Inc. WILL follow all federal, state, and local laws, regulations, and rules pertaining to "flying clubs".

2. All members of the Eagles Flying Club of Menominee, Inc. WILL follow all federal, state, and local laws, regulations, and rules.

3. The Eagles Flying Club of Menominee, Inc. WILL abide by all terms and conditions set forth in the Private Tenant Land Lease, made and entered into the 25th day of May, 2018 between Menominee County and the Eagles Flying Club of Menominee, Inc.

4. The Eagles Flying Club of Menominee, Inc. WILL maintain general liability insurance that covers all members of the Eagles Flying Club of Menominee, Inc. OR will require each member to carry their own general liability insurance, a copy of which the Eagles Flying Club of Menominee, Inc. will furnish to Menominee County.

5. All members of the Eagles Flying Club of Menominee, Inc. WILL utilize the Menominee Regional Airport in a safe and responsible manner.

6. Upon request, the Eagles Flying Club of Menominee, Inc. WILL furnish any documents to Menominee County, including but not limited to, Articles of Incorporation, By-Laws, Membership Lists, and financial documents, which Menominee County deems necessary to evaluate and ensure the status of the flying club.

7. The Eagles Flying Club of Menominee, Inc. WILL notify Menominee County in writing within 10 business days every time a member joins or leaves the flying club.

8. Menominee County WILL recognize the privileges of the Eagles Flying Club of Menominee, Inc. as a flying club as prescribed by federal, state, and local laws, regulations, and rules.

9. The Eagles Flying Club of Menominee, Inc. MAY be required to terminate all operations as a flying club at the Menominee Regional Airport if the flying club violates the requirements for a flying club or permits one or more members to violate the requirements for a flying club.

In Witness Whereof, the authorized representatives of the parties hereto have executed this instrument on the day and year first above written.

MENOMINEE COUNTY	EAGLES FLYING CLUB OF MENOMINEE, INC.
By: _____	By: _____
Gerald Piche, County Board Chair	Nicholas Miller, President
Dated: _____	Dated: 12-12-18

Menominee Regional Airport

PRIVATE TENANT LAND LEASE

THIS AGREEMENT, made and entered into this 1st day of January, 2019, by and between MENOMINEE COUNTY, of Menominee, Michigan, a governmental entity existing by and under the authority of the laws of the State of Michigan, hereinafter referred to as the Lessor, and the CIVIL AIR PATROL Inc. (CAP), a non-profit entity existing by and under the authority of the laws of the United States of America, hereinafter referred to as the Lessee.

WHEREAS, Menominee County (Lessor) is the owner of the Menominee Regional Airport, and Lessor is desirous of leasing to Lessee certain premises located on the Airport property, together with the right to use and enjoy individually and in common with others the facilities referred to; and

WHEREAS, Lessee desires to lease the premises from Lessor; and

WHEREAS, the purpose of this lease is to provide Lessee with land space sufficient to construct or maintain a hangar facility, together with sufficient area surrounding such a facility for maintenance thereof, and for the parking of vehicles used to transport Lessee and guests to and from the hangar for the purpose of using, maintaining and constructing the aircraft stored in the hangar; and

NOW, THEREFORE, for and in consideration of the rents and covenants of this Lease, Lessee leases from the Lessor the following premises, rights and easements on and to the Airport on the following terms and conditions:

1. **Property Description.** Hangar # 27
   (See Airport Layout Map - Attachment A)

2. **Building Construction.** Lessee shall have the right to erect, maintain, and alter office and administration buildings, shops, radio antennae, and other improvements to the described premises, providing the structures conform to Michigan Building Code requirements and any local ordinance now or hereafter in effect. All plans for building or improvements shall be reviewed and approved in writing by the Lessor prior to construction. In the event of new construction on land not already occupied by a hangar, unless construction of a facility has been commenced within thirty (30) days from the date of this lease, this lease shall be considered void and of no effect.

3. **Term.** The term of this Lease shall be for a period of twenty-five (25) years, commencing on January 1, 2019, and expiring on January 1, 2044.This lease will terminate if at any time either of the following conditions are not met for a period of 90 days:

   a. The hangar is not occupied by an aircraft owned by the Civil Air Patrol.
   b. The hangar is not occupied by equipment necessary for the Civil Air Patrol to provide emergency or disaster relief services. This includes radio equipment, search and rescue equipment, and medical equipment; however, equipment used for instruction, training, or display is not to be considered equipment necessary to emergency or disaster relief services.

   This lease may also be terminated, at the discretion of the Lessor, if at any time the Tri-County Composite Squadron of the Civil Air Patrol ceases to exist. The Tri-County Composite Squadron will be considered to cease to exist if it has no membership or if Civil Air Patrol ceases to provide in-kind emergency and disaster relief services, as described in section 5 of this agreement.

The Lessee may terminate the lease by providing the Lessor with 30 days written notification.

4. **Rents.** In consideration of the foregoing, the Lessee agrees to pay to the Lessor an annual rental of $1.00 per year. The rent is to be paid prior to December 15 of each year. Furthermore, the Lessee agrees to provide in-kind services, as described in section 5 of this agreement, in exchange for a rental rate lower than fair-market value. Pursuant to Section 17.19 of FAA Order 5190.6B, the FAA permits reduced rental rates for military aeronautical units that provide a prime aeronautical role. The FAA has further recognized the Civil Air Patrol's search and rescue and disaster relief roles to meet this definition. However, if at any time the FAA or Michigan Department of Transportation determines that this reduced rent is a violation of grant assurances that Menominee County, as the airport sponsor, must adhere, the rent may be increased to the fair-market value rate as determined by the Lessor. If the rent is increased to the fair-market value the Lessee, at time of notification of rate increase, shall be provided information as to how the reduced rate was a violation of grant assurances. The Lessee will have 60 days from the date of notice of the increase in rent to provide information to refute the violation, and/or withdraw from this lease agreement without penalty.

5. **In-Kind Services.** In exchange for a reduced rental rate, the Lessor may make a request for search and rescue and/or disaster relief services by contacting HQ CAP National Operations Center using the Mission Request Template attached to this lease (Exhibit A), or by calling (888) 211-1812 Ext 300. There is a duty officer available 24 hours-a-day to assist. Requests using the template attached to this lease can be faxed to: (800) 555-7902 or emailed to: opscenter@capnhq.gov. Following this procedure for search and rescue/disaster relief requests is not only required by CAP Regulation 60-3, but it is also required for the operation to be considered for funding by CAP or the United States Air Force.

6. **Aircraft.** The Lessee agrees that the only aircraft permitted to be stored in the hangar is an aircraft owned by the Civil Air Patrol, unless another agreement is made between the Lessor and Lessee pursuant to section 12 of this agreement.

7. **Insurance.**
a) Lessee agrees to deposit with Lessor a policy of comprehensive premises liability insurance. Civil Air Patrol National Headquarters shall provide insurance in the amount of not less than $500,000.00. b) The policy of insurance shall be approved by Lessor as to legal form before it is filed, and shall contain a provision that the same may not be cancelled before the expiration of its term except upon 30 days written notice to Lessor.
c) The cancellation or other termination of any insurance policy issued in compliance with this section shall automatically terminate this Lease, unless another policy has been filed and approved pursuant to this section and shall be in effect at the time of such cancellation or termination.

8. **Lessee Rights.** Lessee shall have the right:
a) In common with others so authorized, to use common areas of the Airport, including runways, taxiways, aprons, roadways, floodlight, landing lights, signals and other conveniences for take-off, flying and landing aircraft.
b) To the non-exclusive use, in common with others, of the Airport parking areas, appurtenances and improvements thereon, but this shall not restrict the right of Lessor to charge visitors a fee for the use of such areas.
c) Of access to and from the leased premises, limited to streets, driveways or sidewalks designated for such purposes by Lessor, and which rights shall extend to Lessee's passengers, guests, and invitees.

Notwithstanding anything herein to the contrary, it is expressly understood and agreed that the rights granted under this Lease are non-exclusive, and Lessor reserves the right to grant similar privileges to another lessee or other lessees on other parts of the Airport.

9. **Maintenance of Buildings.** Lessee will maintain the structures occupied by Lessee in good order, and make minor repairs as are necessary. In the event of fire, or any other casualty, the Lessee of any such structure so affected shall either repair or replace the building, or restore the leased area to its original condition; such action must be accomplished within 120 days of the date the damage occurred. Upon petition by Lessee, Lessor may grant an extension of time if it appears such extension is warranted.

10. **Maintenance of Property.** Lessee shall keep its hangar and grounds surrounding the leased premises in a reasonably neat, clean, and aesthetically pleasing condition at all times. Lessee shall provide for the adequate and sanitary handling and disposal, away from the Airport, of all trash, waste, and other materials, including, but not limited to, used oil, solvents, and other waste. Lessee agrees to keep the leased premises free from unnecessary accumulation of waste or other debris or combustible materials. Fuel, other flammables, explosives, or other potentially hazardous materials may not be stored in any hangars. All non-airworthy aircraft not in an enclosed structure shall be removed from the airport on thirty (30) days written notice from Lessor at Lessee's expense unless a waiver is requested and granted by Lessor for insurance purpose. Aircraft with visible accident damage shall be placed in an enclosed structure or removed from the airport within 48 hours of release by the accident investigation team.

11. **Right to Inspect.** Lessor reserves the right to enter upon the leased premises at any reasonable time for the purpose of making any inspection it may deem expedient to the proper enforcement of any of the covenants or conditions of this Lease.

12. **Lease Transfer.** Lessee may not, at any time during the term of this lease, assign, hypothecate, or transfer this Lease or any interest herein, without the written consent of Lessor. Lessee shall have the right to lease that portion of buildings placed on the premises by Lessee which are not needed by Lessee in the operation of its business **with the written approval of Lessor**. All covenants and agreements herein contained shall be binding upon the parties hereto, their successors and assigns.

13. **Right of First Refusal.** Menominee County shall have the first right of refusal to match any offer to purchase any building located on the leased premises. Menominee County shall have 30 days from the date of receipt by the Menominee County Administrator of notification of a bona fide offer to purchase any building and/or structure located on the leased premises, in which to match the offer, including all of its terms. In the event that written notice to match the offer is not given by certified mail to Lessee at its address of record within 30 days of receipt of notice of the offer by the Menominee County Administrator, Menominee County shall have waived its right to match the offer, and Lessee is free to accept the offer, subject to the provisions in Sec. 12 regarding Lease Transfer. The offer shall have no modifications and/or qualifications that are not revealed to Menominee County through notice to the Menominee County Administrator.

14. **Laws and Regulations.** Lessee agrees to observe and obey, during the term of this Lease, all laws, ordinances, rules and regulations promulgated and enforced by Lessor pertaining to the Airport, now or hereafter in effect. Lessee will observe all Federal, State, and local laws, including rules and regulations of Federal and State aeronautical authorities, or other boards and agencies.

15. **Hold Harmless.** Lessee agrees to hold Lessor free and harmless from loss from each and every claim and demand of whatever nature, made on behalf of or by any person or persons, for any

wrongful, careless or negligent act or omission on the part of Lessee, its agents, servants and employees, and from all loss and damages by reason of such acts or omissions.

16. **Quiet Enjoyment.** So long as Lessee conducts its business in a fair, reasonable and workmanlike manner, Lessee shall peaceably have and enjoy the leased premises, and all the rights and privileges herein granted.

17. **Obstruction Lights.** Lessee agrees to install, maintain and operate any required obstruction lights on the tops of all buildings or structures to be placed on the leased premises.

18. **Title VI, Civil Rights Assurances.** The Lessee, for himself, his personal representatives, successors in interest, and assigns, agrees that (1) no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities; (2) that in the construction of any improvements on, over, or under such land and the furnishing of services thereon, no person on the grounds of race, color, or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination; (3) that the Lessee shall use the premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Non-discrimination, in Federally Assisted Programs of the Department of Transportation - Effectuation of Title VI of the Civil Rights Act of 1964, and as the Regulations may be amended.

    In the event of breach of any of the above non-discrimination covenants, Lessor shall have the right to terminate the lease and to re-enter and repossess the land and the facilities thereon, and hold the same as if the Lease had never been made or issued.

19. **Affirmative Action.** Lessee assures that it will undertake an affirmative action program as required by 14 CFR Part 152, Subpart E, to ensure that no person shall on the grounds of race, creed, color, national origin, or sex be excluded from participating in any employment activities covered in 14 CFR Part 152, Subpart E. The Lessee assures that no person shall be excluded on these grounds from participating in or receiving the services or benefits of any program or activity covered by this subpart. The Lessee assures that it will require that its covered sub-organizations provide Assurances to the Lessor that they similarly will undertake affirmative action programs and that they will require assurances from their sub-organizations, as required by 14 CFR Part 152, Subpart E, to the same effect.

20. **Nondiscrimination.** Lessee and/or its sub-lessees, licensees, or assigns, as required by law, shall not discriminate against an employee or applicant for employment with respect to hire, tenure, terms, conditions or privileges of employment, or a matter directly or indirectly related to employment because of race, color, religion, national origin, age, sex, disability that is unrelated to the individual's ability to perform the duties of a particular job or position, height, weight or marital status. Tenant and/or its sub-lessees, licensees, or assigns shall adhere to all applicable federal, state and local laws, ordinances, rules and regulations prohibiting discrimination, including but not limited to, the following:

    A. The Elliott-Larsen Civil Rights Act, 1976 PA 453, as amended.

    B. The Michigan Persons with Disabilities Civil Rights Act, 1976 PA 220, as amended.

    C. Section 504 of the Federal Rehabilitation Act of 1973, P.L. 93-112, 87 Stat. 394, as amended, and regulations promulgated thereunder.

D. The Americans with Disabilities Act of 1990, P.L. 101-336, 104 Stat 328 (42 USC Sec. 12101 *et seq.*), as amended, and regulations promulgated thereunder.

Breach of this section shall be regarded as a material breach of this Lease, and in the event Lessee and/or its sub-lessees, licensees, or assigns is found not to be in compliance with this section, Lessor may terminate this Lease, effective as of the date of delivery of written notification to Lessee and/or its sub-lessees, licensees, or assigns.

21. **Taxes.** Lessee shall pay all taxes or assessments that may be levied against the personal property of the Lessee or the buildings which it may erect on lands leased exclusively to Lessee, as well as any real property taxes imposed on the lands leased exclusively to Lessee.

22. **Airport Development.** Lessor reserves the right to further develop or improve the landing area of the Airport as it sees fit, regardless of the desires or view of the Lessee, and without interference or hindrance. If the development of the Airport requires the relocation of the Lessee, Lessor (1) agrees to provide a comparable location, and agrees to relocate all buildings or provide similar facilities for the Lessee at no cost to the Lessee; or (2) may terminate this lease upon thirty (30) days written notice to Lessee provided, however, that Lessor shall pay Lessee the then market value of the hangar constructed thereon as determined by two qualified appraisers, one of which shall be selected by the Lessor and one of which shall be selected by the Lessee. If the appraisers cannot agree upon a value of the hangar, then the Lessor and Lessee shall mutually appoint a third appraiser whose appraisal shall be binding on both parties.

23. **Lessor's Rights.** Lessor reserves the right, but shall not be obligated to Lessee, to maintain and keep in repair the landing area of the Airport and all publicly owned facilities of the Airport, together with the right to direct and control all activities of Lessee in this regard.

24. **Airport Protection.** Lessor reserves unto itself, its successor and assigns, for the use and benefit of the public, a right of flight for the passage of aircraft in the airspace above the surface of the leased premises, together with the right to cause in that airspace such noise as may be inherent in the operation of aircraft, now known or hereafter used, for navigation of or flight in the airspace, and for use of the airspace for landing on, taking off from, or operating on the Airport. Lessee agrees for itself, its successors and assigns (a) to restrict the height of structures, objects of natural growth, and other obstructions on the leased premises to such a height so as to comply with Federal Aviation Regulations Part 77, and (b) to prevent any use of the leased premises which would interfere with or adversely affect the operation or maintenance of the Airport, or otherwise constitute an Airport hazard.

25. **Obstructions.** Lessor reserves the right to take any action it considers necessary to protect the aerial approaches of the Airport against obstruction, together with the right to prevent Lessee from erecting, or permitting to be erected, any building or other structure on the Airport which, in the opinion of Lessor, would limit the usefulness of the Airport or constitute a hazard to aircraft. Lessee shall, upon approval by Lessor and prior to any construction of any nature within the boundaries of the Airport, prepare and submit to the Federal Aviation Administration, FAA Form 7460-1, "Notice of Proposed Construction or Alteration," as required by Federal Aviation Regulations Part 77.

26. **Subordination Provision.** This Lease shall be subordinate to the provisions of any existing or future agreement between Lessor and the United States or the State of Michigan, relative to the operation or maintenance of the Airport, the execution of which has been or may be required as a condition precedent to the expenditure of Federal or State funds for the development of the

Airport. Furthermore, this Lease may be amended to include provisions required by those agreements with the United States or the State of Michigan.

27. **Default.**

A. Notices. Any notice required or permitted to be given hereunder by one party to the other shall be in writing and the same shall be given and shall be deemed to have been delivered, served and given upon receipt by the party to be notified or upon being placed in the United States mail, postage prepaid, by registered or certified mail, addressed to such party at the address provided for such party herein.

Any notices to Lessor shall be given to the Airport Manager or addressed to Menominee Regional Airport, 2801 22nd Street, Menominee, MI 49858.

Any notices to Lessee shall be addressed to: Wisconsin Wing HQ, 2400 Wright Street

Madison, WI 53704

The addresses set forth above shall be effective for all notices to the respective parties until written notice of a change in address is given pursuant to the provisions hereof.

B. Lessor's Remedies Upon Default. All rights and remedies herein enumerated shall be cumulative, and none shall exclude any other right or remedy allowed by law.

(a) All rent shall be paid without demand and without any set-off, counterclaim or deduction whatsoever. If Lessee fails to pay the rent as specified in this Lease within five (5) days of due date, Lessee shall be considered in default. If Lessee defaults in the payment of rent, and does not cure the default within twenty (20) days upon receipt of written demand for payment of the rent, or if Lessee defaults in the prompt and full performance of any other provisions of the agreement and does not cure the default within twenty (20) days upon receipt of written notice (unless the default involves a hazardous condition, which shall be cured forthwith if reasonably possible), Lessor may terminate this Lease and shall be entitled to possession of the leased premises which are the subject of this Lease, and Lessor may pursue any or all other remedies as may be available to it under the Lease, with or without process of law, or in law or at equity for any such default, and Lessee shall be liable for any damages resulting from such default.

(b) In the event that Lessee's operations conducted on the leased premises are hazardous or disruptive to the business operations conducted by Lessor on the Airport to the extent that Lessor is unable to conduct its business on the Airport, Lessee shall have 30 days in which to cure such hazard or disruption to the satisfaction of Lessor. Lessee's failure to eliminate the hazard or disruption within 30 days shall be deemed a material breach of this Lease, and Lessor shall have the right to terminate this Lease on 30 days written notice.

(c) Upon any termination of this Lease, whether by lapse of time or otherwise, Lessee shall vacate the leased premises immediately, and have a period of one (1) year from such effective termination date to sale or remove any building or buildings from the leased premises. Any building or buildings not removed within such time shall become the sole property of Lessor for and on behalf of the Menominee Regional Airport.

C. Interest. All amounts of money payable by Lessee to Lessor under this Lease, if not paid when due, shall bear interest from the date due until paid at the rate of 18% per annum.

D. Laws. The laws of the State of Michigan and the United States of America shall govern the validity, performance and enforcement of this Lease and any amendments.

E. **Severability of Provisions.** If any term, covenant or condition of this Lease or the application of any provision to any person or party or circumstance shall, to any extent, be invalid or unenforceable, the remainder of this Lease or the application of such term, covenant or condition to persons, parties or circumstances other than those held invalid or unenforceable, shall not be affected, and each term, covenant or condition of this Lease shall be valid and be enforced to the maximum extent permitted by law.

F. **Validity of Agreement.** Except as modified above, this Lease shall remain in full force and effect and shall remain binding upon both Lessor and Lessee. This Lease constitutes the whole agreement of the parties, and shall in no way be conditioned, modified or supplemented except by a written agreement executed by both parties.

In Witness Whereof, the authorized representatives of the parties hereto have executed this instrument on the day and year first above written.

LESSOR: Menominee County

By: _____
Gerald Piche, County Board Chair

Dated: _____

LESSEE: Civil Air Patrol, Inc.

By: _____

Title: _____

Dated: _____

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EXHIBIT A

MISSION REQUEST

FROM:

TO: HQ CAP National Operations Center

CC: CAP-USAF STATE DIRECTOR

CAP Wing Director of Operations

SUBJECT: Request for

1. Request the use of the Civil Air Patrol (CAP) to
2. The purpose is to comply

3. The following are estimates of required mission support:

Start Date:

Primary Times:

Back up/Weather Dates:

Estimated Number of Monthly sorties:

Estimated Flight Hours:

RON Requirements:

CAP POC:

96 CEG/CEVSNP POC: Name/phone/email

//Signed//

For assistance with this form, or for assistance with making a request for assistance, contact the Civil Air Patrol National Operations Center at: 888-211-1812, ext. 300 or opscenter@capnh.gov.

Amended: August 24, 2010

ARTICLE IX. Amendment of Bylaws.

Section 1. These Bylaws may not be suspended.

Section 2. These Bylaws may be amended at any regular meeting of the Board by a 2/3 majority of the Board, provided that the amendment is submitted in writing at the previous regular Board meeting. An amendment to this amendment may be made during discussion at the meeting at which the amendment is taken up provided it does not limit the rights of the minority nor expand the rights of the majority. Amendments to the amendment which do the immediately aforementioned limiting and expanding of rights may, if they were presented in writing, be considered as a new amendment at the next regular meeting of the Board.

Section 3. These Bylaws, Rules, Regulations and Policies shall remain in effect until properly amended or suspended as appropriate. (Bylaws and Policies may not be suspended. Rules and Regulations may be suspended.)

Adopted: April 9, 1991
Amended: July 26, 1993
Amended: April 25, 1995
Amended: March 25, 1996
Amended: September 22, 2003
Amended: November 21, 2005
Amended: August 24, 2010
Amended: July 26, 2011
Amended: 4/24/2012
Amended: 4/9/2013
Amended: 8/27/2013
Amended: 10/28/2014
Amended: November 10.2015

ATTESTED TO:

Charlie Meintz, Chairman,
Menominee County Board of Commissioners

Marc Kleiman, County Clerk