

Twin County Airport Committee
Minutes of Meeting
April 24, 2017

*****APPROVED 6.20.17*****

The Twin County Airport Committee met on April 24, 2017 at 4:00 PM at the Twin County Airport, Conference Room.

Present at the meeting were Coms, Schei, Meintz, Phelps. Also present: Nancy Douglas, Jeff LeFleur, Gary Scholtz, Christian Perreault, Lisa Reed, Melissa Ebsch, Bernie Lang, Bill Cech, Steve Gromala

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;

Agenda Larry S. A minor correction need to be made to a typo on the agenda. Under Business - HC, radio control date. It wasn't the radio control club that requested that date, it was Wisconsin-Michigan Model Train club that requested that date, which was approved the county board, so we just need to change that. Motion to correct that made by Charlie, second by Larry P. Motion carries. Motion made to approve the corrected agenda by Charlie, second Larry P. Motion carries. 3/0

Previous Meeting minutes: Previous minutes from 3/21/2017 were approved motion carries. Charlie/Larry 3/0

Public Comment: None

Presentations: None

Business:

Explorer Solutions: Nancy Douglas would like to introduce the rep from Explorer Solutions. First she gave an update. Marquette Co. had gotten a substantial SBA grant, and had gotten Christian P. to work for them. Nancy was then contacted and asked if the airport would be interested in this kind of help. A \$40,000 grant was received as a result. Explorer Solution was hired to determine what could/ should happen at this airport. This was Phase 1, this lasted a year or so, at the conclusion of this phase Christian gave a report to Marinette and Menominee County Boards. Proposal for Phase 2 was given at this time. Phase 2 was \$80,000 and both boards voted to fund this. At the conclusion of Phase 2, another report was given and the Airport Commission contracted with Christian to do Phase 3. She asked that Christian would come because a lot has happened and some on the Committee are new, to give an update.

Christian 1st few slides are repeat of what we are trying to do and then a report . Project is

called “Twin Services” to create a helicopter base industry at the airport. To provide training, full maintenance, and services in the terms of charter operation. Pilots, aircraft owners, operators, flight school maintenance shop...indirectly aircraft leasing and purchasing. Project has 6 components, 1. Technical services center 2. Fixed wing sales 3. Distribution 4. Pilot Training 5. Maintenance 6. Charter Operation In regards to sales and distribution, a lot is tied to Enstrom Helicopter. Because they have been slow to produce, it has slowed down plans. Phase 3 began in early 2014, the budget is \$ 49,500, there are \$45,000 that have been invoiced and paid over the last 3 years or so. Marketing material, outreach campaign to multiple companies and events. There have been 10 companies that have shown interest. Key component is academia, with a notion that there is not enough clientele locally or regionally to support a flight training operation. There were 4 visits that brought companies in, were shown the full project, airport tours, meetings with airport committee chairs, Enstrom etc.. as well as meetings with universities. August of 2014 hosted one university, one shop and one manufacturer, they went through the whole process. In the end the university decided to back away from the project, they were in the state. This led to the two others dropping out as well. In May 2015 had a second round of visits, another university and another shop came in and a few months later a third one came in. Last visit was in September of 2015, a larger group, university, military....unless Enstrom grows very quickly will hold back. As of now, there is still one university, but still have to go find a maintenance group, and again it is a question of volume. Visiting Trade Shows (MRO America) went to Florida, Europe, Next step is to find a new MR(?) partner, revalidate the interest of the university, support of regional training partners, (NWTC)(NMU)(Bay College). Coming to the term of the contract that may have to be discussed. **Larry P.** Would like to know where you (Christian) feel the most potential lies. Why do these companies pull out? **Christian** One university wanted to do it on their own, rather than here. Another university was not into aviation at this time, showed interest, but their state did not want to provide license to do it. Another was involved with fixed-wing, they do not want to do maintenance. On the maintenance there was a variety of reasons, some more into manufacturing. Again, the lack of volume is major. **Larry S.** With one of the universities, one of the problems was that the State of Michigan doesn't allow other universities to operate within the state. **Charlie** What other avenues are there for usage with the airport, how to attract other clientele, or is it advertised as a whole through Explorer Solutions, how do you accommodate interested parties? **Christian** Mainly an outreach program. **Charlie** At this point we can't even move ahead with anything until we can get the sponsorship from FAA. **Christian** If you can lease a hangar, we can do something. **Larry S.** We are working on leases right now, don't see any reason why that couldn't proceed. What kind of revenue, for instance we are going to lease hangar #4, what can we expect? **Christian** Not sure at this moment, but can provide with numbers. Anything long term would be of more value than transient. **Larry S.** The other part is the volume, know that you have done all the studies, demographics, is there really the volume here that we could expect to compete with other airports, entities. Can we really expect to draw business in here? **Christian** That is why we took the path of the universities. Establishing maintenance would help to drive the business. **Larry** Licensed pilots or licensed maintenance workers don't grow on trees, we would need to find someone that would come here and be able to make a living. There could be a need for a certified flight instructor. Pilots go to other airport because they have mechanics and the prices are reasonable. We don't have that, besides, we still owe on the fuel farm. Don't know if we can get this done, has been 2-3 years, and nothing has been done. We could be beating a dead horse. **Christian** Not marketing will bring no one, the competition is large from other airports. **Nancy** The consternation with this, the negative look at this project is seen by the community. It's pulling together, getting the sponsorship, the county having a single voice as to where they

want to go with this and who they will support. They are issues that can be controlled locally that we need to get hold of. **Larry P.** A lot of that is possible, but a lot of it is hypothetical too. **Christian** There are no other airports that are looking into helicopter flight training. The helicopter industry is down, it is not just Enstrom **Charlie** That is why I am interested in other avenues, looking at something other than just helicopter people. **Larry S.** Does having a fence around here effect in this. The main thrust was rotational wing and maintenance, if we are to remain partners, could you suggest some other ideas, is that feasible or has that already been done and you concluded that it wasn't feasible. **Christian** There are other avenues that can be looked at. **Larry S.** When we looked at the land, there are 2 parcels that are wetland that we can't touch, but there is other land that we can look at, but that hasn't been your focus because of the rotational wing aspect, and the grant money is toward that. Suggest that we continue looking in other directions, storage, sales of gas, farming....**Charlie** Was always talk of an air park too, would be an amazing fit for this area. It's hard to do anything with any property here. **Christian** We need to present the right case and show possible impact. Examples: Blueberry farm: Hunting/ fishing: Fish farming: **Larry S.** If we are going to continue to be a partnership, we have to look at other areas. As far as management, in order to do these things, we need management. We are understaffed, we need a broader business plan. **Nancy** That is a problem we have always had, you have some property that you *believe* you could lease, but have never gotten it cleared with MDOT or FAA.....the hangar, but not the other. If property is leased, you keep the money, if you sell it, it goes back to the feds. **Larry S.** The taxpayers are subsidizing right now, it is budget coming up and we need to find the money. It comes down to, does this county want to keep this airport and try to make it work or turn it back to the FAA and wash our hands of it. That is a decision that the county board should look at first. In light of all of the tax money that has to be invested, really have to look at is this what we really want to do. Charlie agrees that it has been an unbelievable struggle. **Christian** In the U.S. you are very lucky with the funding. **Larry S.** That covers the runways, but not the operational aspect. When you are only looking at fuel sales, it is not what we need. **Charlie** The projects you have worked with in the U.S., have you worked with land projects, a lot of the examples you are talking about are in Canada. How did it work in the U.S.? **Christian** We offer support guidance, aren't involved with FAA. Need to find the right thing and sell it to the FAA. **Larry S.** In order to get sponsorship, the airport has to have rules and good management. **Larry P.** Is it feasible to expand without sponsorship? I do. **Nancy** Why don't we ask Mr. Perriault to put together a proposal based on this conversation and get back to you guys. **Larry S.** Would like to have further discussion, yes. **Bernie Lang** Years ago was sitting in the same position and were beating the same horse you are beating tonight. **Charlie** Are other airports financially better off than this one that you have worked with? **Christian** Very seldom **Nancy** Neither the city of Menominee or the county have the funds to offer businesses. The state can be pulled in. Strictly manufacturing. Have incentives, but not cash. **Larry S.** Would like to keep communication open and anything in the form of a proposal we would be willing to hear. Thank you for coming and spending the time.

Status of Sponsorship with FAA

Larry S. Still pursuing the title search, that is the only thing left. Working with our county clerk and a local title company that are looking at it. No answer yet, but nothing to report at this time.

Airport Ordinance Approved by County Board & Published

Larry S. Was on the books with Twin County Airport Commission, we changed the name to Menominee County Airport. Was done about 6 months ago. Ordinance then sent to our lawyer

as well as MDOT AERO and the FAA because we had to have rules. So the ordinance is the rules, they were discussed by the county board at 2 meetings and approved unanimously at the last meeting. It is a done deal.

Financial

Month end budget status report Larry S. Budget looks good for being 6 months into it. The part-time person is over the 25 hours a week that the board has mandated. This needs to be forwarded to the Finance committee for discussion and action. This is partly due to the fact that the part time person fills in when the manager cannot be. The salaries for part-time is at 100% because they are over the 25 hours. We will send this to the finance committee. We aren't at the end of the year, but it is a red flag. Auditors let them know that there is a fund balance from 2015-2016 that needs to be designated to the new budget, rolled over. Need a motion to put this to the finance committee to appropriate that amount. **Charlie** Makes a motion that the designated fund balance be forwarded to the finance committee. **Larry P.** seconds the motion, motion carries.

Airport Manager Report

Fuel: Jeff: Fuel report is same, just trying to move forward. Just ordered 8000 gallons jet fuel to get under the lower pricing, saved \$400 dollars. The usage is beginning to improve, we sell more in the summer.

Activity: Usually gets better the 1st part of May.

Radio Control Date (9.9.2017) Approved by County Board

Larry S. This in ongoing **Jeff** Threw price of \$150 for that day to them and they seemed fine with it. **Larry S.** That fee schedule is out of our hands, it needs to be the same for all. Should be based on the number of square feet and length of time needed.

LED lights for parking lot Jeff Lights are on site, it is the lift that is causing the problem.

Larry S. Thought that was all taken care of? Oh, the lift we have doesn't go up high enough.

Jeff The one from M&M Trucking is 3 feet short. Called Tim Plutchak and it is \$300 daily. \$120 each way for transport. Have feelers out to get better pricing. It is a 2 man job for 2 days.

Fence Repair- Larry S. Made a photo on his phone of a big hole in the fence. A car also ran into the fence at 25th street, a hit and run. **Jeff** The one in the dump has been repaired. The fence is repaired. The 25th street hit and run has not been has not turned up the hitter and runner

Other Items

Larry S. Painting of the wall, a large mural or something to make it look nice. Should have something to do with aviation, perhaps a picture of a helicopter.

Public Comment - Bill Cech Tell how nice the inside of the airport looks, it actually smells good.

Commissioner Comment – Charlie Glad that Christian was here tonight, was stated well by Larry that we are short on management and getting our sponsorship finished. Some of the largest struggles are how to use the land, MDOT and FAA have hands tied, that is a problem. We have the hangars and do things there, but to do things in an efficient manner is an issue. We are going to have to look at other avenues also, other people to be in touch with, to accommodate availability to move forward with potential options. At one point would not have wanted to pass it back to the state if they would accept it, but that option could grow stronger and stronger as the frustrations of the airport arise. **Larry P.** Feel strongly that by expanding the scope of possibilities, we should give it a chance. If things don't start panning out it might

be time to look at other avenues, not overnight, but keep it open. **Larry S.** When he first became involved, Brian and he talked budget and possibly 2 years to turn things around. Need to do something or it is a dead horse. There will be a rep from down state at county board meeting to give a small presentation. (QUE) **Charlie** If we were to do anything with them would like it to be on an “as is” basis.

Next meeting date 5/16/2017- tentative

Adjourn: Moved by Com. Charlie Meintz, Supported by Com. Larry Phelps. Motion approved 3/0 meeting adjourned at 5:34 p.m.