

MINUTES

Monday, July 9, 2012
10:00 A.M.

Manistee County Blacker Airport
Conference Room

Members Present: Paul Schulert, Chairperson; Ross Spencer, Vice-Chairperson; Duane Anderson; Ervin Kowalski; Glenn Lottie; and Dale Picardat

Members Absent: Bob Wilson

Others Present: Barry Lind, Airport Manager; George Saylor, Airport Legal Counsel; Russell Pomeroy, Airport Authority Treasurer (10:10 -11:15 A.M.); Dave Yarnell, Manistee News Advocate; Stan Robertson, Member of the Public; and Rachel Nelson, Airport Authority Secretary

Paul Schulert, Chairperson, called the meeting to order at 10:00 A.M. Roll was taken by the Secretary.

There was a motion by Mr. Spencer, supported by Mr. Anderson to approve the meeting agenda as presented. Motion carried by unanimous vote.

There was no public comment.

The Chairman confirmed that each member had received a copy and had an opportunity to review the minutes from the regular meeting of the Airport Authority held on Monday, June 11, 2012.

There was a motion by Mr. Anderson, supported by Mr. Kowalski to approve the Airport Authority regular meeting minutes of Monday, June 11, 2012, as presented. Motion carried by unanimous vote.

The Chairman confirmed that each member had received a copy and had an opportunity to review the minutes from the special meeting of the Airport Authority held on Thursday, June 14, 2012.

There was a motion by Mr. Lottie, supported by Mr. Spencer to approve the Airport Authority special meeting minutes of Thursday, June 14, 2012, as presented. Motion carried by unanimous vote.

The Budget Committee has not met yet, but Mr. Picardat met with Mr. Lind and Mr. Pomeroy. Mr. Picardat feels the Airport Authority should consider a five year plan to supplement the ten year Capital Improvement Plan. The Capital Improvement Plan only includes items that will be funded by the FAA. Mr. Pomeroy also prepared budget amendments for the current fiscal year, which will be discussed at next month's meeting (APPENDIX A).

The Promotion Committee has met and Mr. Lottie stated that each member is going to visit different businesses and organizations in the community to promote the airline service. It would be helpful to have

a brochure to hand out, and Mr. Lind stated that he should receive a proof of the brochure today from MS Creative. Mr. Lind and Mr. Schulert have already met with the Benzie County Chamber of Commerce, the Ludington & Scottville Area Chamber of Commerce, and the Cadillac Area Chamber of Commerce. The meetings went well and there was interest in the airline regarding tourism and businesses. Mr. Schulert stated that it would be a good idea to join these three Chambers, and the cost is typically \$175 to \$225 per year.

There was a motion by Mr. Spencer, supported by Mr. Kowalski for the Airport Authority to join the Benzie County Chamber of Commerce, the Ludington & Scottville Area Chamber of Commerce, and the Cadillac Area Chamber of Commerce, with the funds for the annual membership coming from the Advertising line item in the budget.

A roll call vote was taken:

Yeas: 6 (Picardat; Lottie; Kowalski; Anderson; Spencer; Schulert)

Nays: 0

Absent: 1 (Wilson)

Motion carried.

Mr. Spencer requested that the Promotion Committee keep minutes of their meetings, and that they be provided to Ms. Nelson to keep with the Airport Authority records.

The Engineer of Record RFQ Committee has not met yet regarding the Orchard Beach Aviation and Airport Manager contracts. They hope to have something to present next month.

The Authority next reviewed the June 2012 Accounts Payable Report (APPENDIX B). The Consumers Energy and Gockerman Wilson Saylor payments are for two months. The Blue Globes payment is for runway light repairs due to lightning, the Custom Sheet Metal & Heating payment is for repairs to the bathroom unit, and the Yellowbook payment is for advertising in the phone book.

There was a motion by Mr. Kowalski, supported by Mr. Anderson to approve the June 2012 Accounts Payable Report and authorize payment of the outstanding invoices totaling \$36,914.56.

A roll call vote was taken:

Yeas: 6 (Schulert; Spencer; Anderson; Kowalski; Lottie; Picardat)

Nays: 0

Absent: 1 (Wilson)

Motion carried.

The Authority next reviewed the June 2012 Financial Statement (APPENDIX C) which includes a Balance Sheet, a Statement of Revenue and Expenses, and a running account of the Passenger Facility Charges collected. Mr. Pomeroy also provided the Orchard Beach Aviation rent information (APPENDIX D). It was noted that no auto rental revenue has been received since January 1, 2012. Mr. Lind stated that Enterprise does not currently have a presence, but if the demand warrants, they will come back. Mowry Leasing & Rental has been able to supply enough rental cars for the current demand.

There was a motion by Mr. Picardat, supported by Mr. Anderson to approve the June 2012 Financial Statement. Motion carried by unanimous vote.

There were no airport incidents to report. Mr. Lind presented a report on airfares which compares flights from Manistee, Traverse City, Grand Rapids, and Muskegon for travel in August 2012 (APPENDIX E). Mr. Lind also presented information on airplane passenger numbers for 2012 as well as the previous five years (APPENDIX F). Mr. Lind presented an email correspondence to the Airport Authority from Christian Gross (APPENDIX G). Mr. Gross has concerns about the airline service, and Mr. Lind will respond to him regarding some of the details that he has incorrect and additional information. It was noted that Orchard Beach Aviation and Public Charters were in the 4th of July parade in Manistee.

Mr. Lind informed the Authority that the hangar paving project is still on hold while MDOT waits to receive the funding from US-DOT. The project start date is still to be determined, and hangar tenants are unhappy with the continued delays. The details of the tree clearing project are still being worked on by Prein & Newhof, the Manistee County Road Commission, and MDOT.

Mr. Lind reported that most things are running smoothly with the airline. Reliability has been exceptional. Beginning June 28, 2012, the schedule is one flight per day, Sunday through Friday. Beginning August 12, 2012, the schedule will add a second flight on Monday, Tuesday, Thursday and Friday. After Labor Day, the schedule will change to one flight daily, seven days per week. Additional flights could be added if needed.

Service will continue with the 50 seat Embraer 145 through August 10, 2012. ADI is having a harder time than expected acquiring a 30 seat aircraft. The 50 seat aircraft is too big for the current demand and is not efficient due to the high fuel consumption. ADI will absorb the extra costs if they are not able to acquire a 30 seat aircraft prior to August 10, 2012.

The DOT has not yet paid any of the subsidy owed to the Airport Authority. Mr. Lind submitted for reimbursement of the \$185,000 Alternate EAS start-up costs in mid-May. The regular subsidy reimbursement for May flights was submitted on June 4, 2012, and the reimbursement for June flights was submitted on July 1, 2012. Mr. Lind has been in contact with the DOT regarding this situation.

Ticket sales have leveled off, but yields are better than expected. Air fares between Chicago and Manistee remain the same, and Mr. Lind presented two charts (APPENDIX H). More one way tickets have been purchased than anticipated.

Mr. Lind discussed the progress that is being made with some of the challenges which were mentioned last month. There has been a lacking visibility on many online sites and difficulty purchasing multiple tickets. Progress is being made with FarePortal (OneTravel and CheapOAir). FarePortal combines tickets regardless of agreements, and lets people know what to expect with baggage transfers, etc., before booking their tickets, but they are not allowed to do Southwest. GDS has also been contacted and they can bundle with Southwest, but do not have access to Southwest's lowest fares. Public Charters will meet with Expedia this week. Contacts have been made with Frontier and Southwest regarding baggage transfers.

The WTCM AM and FM radio campaign advertising began last week. There will be regular advertising, as well as an on-air weekly ticket giveaway. The radio advertising will replace the tv advertising for the summer. There is an electronic billboard in Traverse City. Public Charters will be on the radio in Chicago this week. The first updates to the FlyManistee.com website have been made. A fall golf package is being worked on with Manistee National, which would include golf, lodging, and the airline ticket from Chicago to Manistee. Transportation throughout the County is an issue, and it was noted that Mason County and Benzie County also have this issue.

The SkyWest bid for EAS service at Alpena has still not been awarded, but Mr. Lind expects that it will be. Great Lakes was awarded 12 EAS cities late last year, and have only started service in 8. Iron Mountain and Rhinelander, as well as two cities in Minnesota, are the cities that were awarded to Great Lakes and still do not have service, with no anticipated start date. Great Lakes has agreed to allow the four cities

to be rebid. Mr. Lind expects that SkyWest might bid on Rhinelander. ADI/Public Charters is going to bid on Iron Mountain, with service through Manistee to Chicago, which is similar to what had been discussed with Alpena. ADI is a Part 121 supplemental carrier, and they have requested DOT approval to be included in EAS. Service through the Alternate EAS program would also be an option for Iron Mountain.

Mr. Lind still feels that the parking lot lighting may be causing higher than normal electricity usage. When Frontier left, the electricity usage decreased by about half. Since the airline service has begun again, the electricity usage has gone up a little, but still not near what it had been. Mr. Lind stated that he can now rule out the TSA equipment and several other things. Since the aircraft departs and arrives during daylight hours, the parking lot lights have still not been on as much as they used to be. Mr. Lind has discussed this with Prein & Newhof.

Mr. Lind reminded the Authority that they will receive \$1 million in federal funding next year for capital improvement projects. One of the projects for next year is building a new equipment storage building. An item on Mr. Lind's wish list is a hangar that could house the airline's aircraft to allow for maintenance work to be done on the aircraft during inclement weather. Mr. Lind received a quote for such a hangar and it was over \$2 million. Mr. Lind has asked Prein & Newhof if they could combine the two buildings into a multipurpose building, and they will provide another quote.

With there being no further business to come before the Authority, the meeting was adjourned at approximately 11:50 A.M.

Respectfully submitted,

Rachel Nelson, Airport Authority Secretary

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MANISTEE COUNTY BLACKER AIRPORT

11/12 PROPOSED BUDGET AMENDMENTS

INCOME:	11/12 BUDGET	AMENDED 11/12 BUDGET	CHANGE	PERCENT CHANGE
HANGER RENTAL	\$ 22,000.00	\$ 22,000.00	\$ -	0%
LANDING FEES - AIRLINE	\$ 212,008.00	\$ 165,920.00	\$ (46,088.00)	-22%
LANDING FEES - GEN. AVIATION	\$ 1,250.00	\$ 1,250.00	\$ -	100%
AUTO RENTAL SPACE	\$ 10,000.00	\$ 8,000.00	\$ (2,000.00)	-20%
OFFICE RENT	\$ 11,460.00	\$ 11,460.00	\$ -	0%
COUNTY OF MANISTEE	\$ 105,000.00	\$ 105,000.00	\$ -	0%
COUNTY OF MANISTEE-MARKETING	\$ 10,000.00	\$ 10,000.00	\$ -	0%
LRBOI-MARKETING	\$ 5,000.00	\$ 5,000.00	\$ -	0%
PASSENGER FACILITY CHARGES	\$ 50,000.00	\$ 40,000.00	\$ (10,000.00)	0%
FUEL SALES	\$ 6,600.00	\$ 6,600.00	\$ -	0%
SIGN LEASE	\$ 3,800.00	\$ 3,800.00	\$ -	0%
MISCELLANEOUS	\$ 1,000.00	\$ 1,000.00	\$ -	0%
TOTAL INCOME	<u>\$ 438,118.00</u>	<u>\$ 380,030.00</u>	<u>\$ (58,088.00)</u>	<u>-13%</u>
EXPENSES:				
PERSONNEL - MANAGEMENT	\$ 40,518.00	\$ 40,518.00	\$ -	0%
PERSONNEL - OPERATIONS & MAINT.	\$ 222,000.00	\$ 201,812.00	\$ (20,188.00)	-9%
DUES & MEETINGS	\$ 800.00	\$ 800.00	\$ -	0%
SUPPLIES	\$ 3,000.00	\$ 2,300.00	\$ (700.00)	-23%
UTILITIES	\$ 38,000.00	\$ 35,000.00	\$ (3,000.00)	-8%
FUEL	\$ 9,000.00	\$ 8,000.00	\$ (1,000.00)	-11%
REPAIRS & MAINTENANCE	\$ 12,000.00	\$ 18,000.00	\$ 6,000.00	50%
TERMINAL IMPROVEMENTS	\$ 5,000.00	\$ -	\$ (5,000.00)	-100%
CONTRACTED SERVICES	\$ 2,000.00	\$ 1,700.00	\$ (300.00)	-15%
LEGAL	\$ 4,000.00	\$ 5,000.00	\$ 1,000.00	25%
AUDIT	\$ 1,500.00	\$ 1,600.00	\$ 100.00	7%
ADVERTISING	\$ 25,000.00	\$ 25,000.00	\$ -	100%
TRAINING (FIRE FIGHTER)	\$ -	\$ -	\$ -	0%
TELEPHONE	\$ 300.00	\$ 300.00	\$ -	0%
INSURANCE	\$ 21,000.00	\$ 21,000.00	\$ -	0%
BOOKKEEPING	\$ 3,000.00	\$ 3,000.00	\$ -	0%
TRANSFER OUT - PFC	\$ 50,000.00	\$ 15,000.00	\$ (35,000.00)	-70%
FUND BALANCE	\$ -	\$ -	\$ -	0%
MISCELLANEOUS	\$ 1,000.00	\$ 1,000.00	\$ -	0%
	<u>\$ 438,118.00</u>	<u>\$ 380,030.00</u>	<u>\$ (58,088.00)</u>	<u>-13%</u>

MANISTEE COUNTY BLACKER AIRPORT

JUNE 2012 ACCOUNTS PAYABLE

CHECK #	VENDOR NAME	AMOUNT
	BARRY LIND	\$ 3,376.53
	CONSUMERS ENERGY	\$ 3,945.33
	A T & T	\$ 51.83
	MICHCON (DTE ENERGY)	\$ -
	GOCKERMAN, WILSON, SAYLOR	\$ 1,674.00
	ACE HARDWARE	\$ 54.48
	FASTENAL	\$ 94.46
	DIRECT TV	\$ 42.99
	NAPA AUTO PARTS	\$ 189.19
	PIPER MCCREDIE AGENCY	\$ -
	BLUE GLOBES, LLC	\$ 225.31
	WAHR HARDWARE	\$ 9.97
	YELLOWBOOK	\$ 123.50
	PRIMARY AIRPORT SERVICES	\$ -
	MANISTEE TIRE	\$ 12.50
	CUSTON SHEET METAL & HEATING	\$ 389.02
	TOTAL	\$ 10,189.11
	ADVERTISING INVOICES	
	MS CREATIVE SERVICES	\$ 7,699.04
	TOTAL	\$ 7,699.04
	ORCHARD BEACH AVIATION	\$ 19,026.41
	REGULAR HOURS 360 @ 15.50	5,580.00
	MAINTENANCE HOURS 107.5 @ 15.50	1,666.25
	PART 139 LABOR	11,630.16
	INTERNET	150.00
	GRAND TOTAL	\$ 36,914.56

MANISTEE COUNTY BLACKER AIRPORT

	JUNE 2012 REVENUE & EXPENSES		BUDGET REMAINING		25%
	CURRENT MONTH	YEAR-TO DATE	ANNUAL BUDGET	BALANCE \$	%
INCOME:					
HANGER RENTAL	\$ 1,375.00	\$ 14,929.80	\$ 22,000.00	\$ 7,070.20	32%
LANDING FEES - CHARTER ONE	\$ 20,094.00	\$ 114,990.36	\$ 212,008.00	\$ 97,017.64	46%
LANDING FEES - GENERAL AVIATION	\$ 135.00	\$ 360.00	\$ 1,250.00	\$ 890.00	71%
AUTO RENTAL SPACE	\$ -	\$ 5,904.80	\$ 10,000.00	\$ 4,095.20	41%
OFFICE RENT	\$ 955.00	\$ 8,595.00	\$ 11,460.00	\$ 2,865.00	25%
COUNTY OF MANISTEE	\$ 9,583.00	\$ 76,247.00	\$ 105,000.00	\$ 28,753.00	27%
COUNTY OF MANISTEE-MARKETING	\$ -	\$ 10,000.00	\$ 10,000.00	\$ -	0%
CONTRIBUTIONS-MARKETING	\$ -	\$ -	\$ 5,000.00	\$ 5,000.00	100%
PASSENGER FACILITY CHARGES	\$ 468.00	\$ 18,296.57	\$ 50,000.00	\$ 31,703.43	63%
FUEL SALES	\$ 946.97	\$ 3,318.61	\$ 6,600.00	\$ 3,281.39	50%
SIGN LEASE	\$ -	\$ 2,800.00	\$ 3,800.00	\$ 1,000.00	26%
MISCELLANEOUS	\$ -	\$ 450.00	\$ 1,000.00	\$ 550.00	100%
TOTAL INCOME	\$ 33,556.97	\$ 255,892.14	\$ 438,118.00	\$ 182,225.86	42%
EXPENSES:					
PERSONNEL - MANAGEMENT	\$ 3,376.53	\$ 30,388.77	\$ 40,518.00	\$ 10,129.23	25%
PERSONNEL - OPERATIONS & MAINTENANCE	\$ 18,876.41	\$ 149,660.21	\$ 222,000.00	\$ 72,339.79	33%
DUES & FEES	\$ -	\$ 345.00	\$ 800.00	\$ 455.00	57%
SUPPLIES	\$ 94.46	\$ 2,166.89	\$ 3,000.00	\$ 833.11	28%
UTILITIES	\$ 4,138.32	\$ 24,089.90	\$ 38,000.00	\$ 13,910.10	37%
FUEL	\$ -	\$ 5,630.17	\$ 9,000.00	\$ 3,369.83	37%
REPAIRS & MAINTENANCE	\$ 880.47	\$ 15,307.96	\$ 12,000.00	\$ (3,307.96)	-28%
CONTRACTED SERVICES	\$ -	\$ 1,015.65	\$ 2,000.00	\$ 984.35	49%
LEGAL	\$ 1,674.00	\$ 3,958.25	\$ 4,000.00	\$ 41.75	1%
AUDIT	\$ -	\$ 1,600.00	\$ 1,500.00	\$ (100.00)	-7%
ADVERTISING	\$ 7,822.54	\$ 9,805.40	\$ 25,000.00	\$ 15,194.60	0%
TELEPHONE	\$ 51.83	\$ 237.30	\$ 300.00	\$ 62.70	21%
INSURANCE	\$ -	\$ 20,959.13	\$ 21,000.00	\$ 40.87	0%
TRAINING (FIRE FIGHTER)	\$ -	\$ -	\$ -	\$ -	0%
EQUIPMENT	\$ -	\$ -	\$ 5,000.00	\$ 5,000.00	0%
BOOKKEEPING	\$ -	\$ -	\$ 3,000.00	\$ 3,000.00	100%
PFC EXPENSES	\$ -	\$ 6,941.61	\$ 50,000.00	\$ 43,058.39	100%
MISCELLANEOUS	\$ -	\$ 1,050.48	\$ 1,000.00	\$ (50.48)	-5%
	\$ 36,914.56	\$ 273,156.72	\$ 438,118.00	\$ 164,961.28	38%
EXCESS REVENUE OVER/(UNDER) EXPENDITURES	\$ (3,357.59) \$ (17,264.58)				
BALANCE ON HAND - AIRPORT FUND					
BEGINNING BALANCE 06/01/12	\$ 36,428.73				
JUNE RECEIPTS	\$ 12,421.32				
MAY DISBURSEMENTS	\$ (23,176.44)				
	\$ 25,673.61				

MANISTEE COUNTY BLACKER AIRPORT

MAY 2012 BALANCE SHEET

ASSETS	6/30/2012	5/31/2012
CASH	\$ 25,673.61	\$ 36,428.73
CASH - PFC ACCOUNT	\$ 76,736.32	\$ 76,268.32
ACCOUNTS RECEIVABLE		
PUBLIC CHARTERS, INC.	\$ 20,094.00	\$ -
AUTO RENTAL	\$ -	
MISC.	\$ 1,581.97	\$ 1,008.32
TOTAL ASSETS	\$ 124,085.90	\$ 113,705.37

LIABILITIES	6/30/2012	5/31/2012
ACCOUNTS PAYABLE - TRADE	\$ 36,914.56	\$ 23,176.44
ACCOUNTS PAYABLE - COUNTY	\$ -	\$ -
PREPAID HANGER RENT	\$ -	\$ -
TOTAL LIABILITIES	\$ 36,914.56	\$ 23,176.44

FUND BALANCE	\$ 87,171.34	\$ 90,528.93
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TOTAL LIABILITIES AND FUND BALANCE	\$ 124,085.90	\$ 113,705.37
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PASSENGER FACILITY CHARGES COLLECTED THROUGH 06/30/2012	\$ 83,209.93
STATE OF MICHIGAN (PARKING LOT & T-HANGERS)	\$ (7,625.00)
CONSUMERS ENERGY	\$ (313.50)
STATE OF MICHIGAN (PARKING LOT & T-HANGERS)	\$ 313.50
TRANSFER OF PUBLIC IMPROVEMENT FUNDS	\$ 683.39

PFC FUNDS AVAILABLE **\$ 76,268.32**

PUBLIC IMPROVEMENT FUND - CASH AVAILABLE AS OF 06/30/2012 **\$ -**

AUTO RENTAL REVENUE BY COMPANY THROUGH 06/30/2012

ENTERPRISE CAR RENTALS	\$ 2,072.37
MOWERY LEASING & RENTAL	\$ 3,257.20
GWK AGENCY	\$ 575.23
TOTAL	\$ 5,904.80

ORCHARD BEACH AVIATION

June 2012

RENT

OFFICE	\$325.00	
HANGER	\$175.00	
FUEL	\$946.97	
LANDING FEES		
TWIN	\$9.00	(1 @ \$9)
JET	\$126.00	(7 @ \$18)

TOTAL	\$1581.97
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100	1931.7 Gal
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JET	11588.4 Gal
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TOTAL	13520.1 Gal
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General	5204.4 Gal @ .15 = 780.66
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PublicCharters	8315.7 Gal @ .02 = 166.31
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APPENDIX E

August Travel as of 07/06/12 Best Fares

	MBL	TVC	GRR	MKG
Atlanta (ATL)	430 WN	428 DL	324 FL	444 UA
Boston (BOS)	366 DL	410 UA	254 FL	358 UA
Chicago (MDW or ORD)	160 P1	300 UA	320 AA	174 UA
Dallas (DFW)	356 DL	452 DL	352 F9	406 UA
Denver (DEN)	366 F9	502 US	342 F9	406 UA
Houston (HOU)	485 WN	556 UA	449 UA	462 UA
Kansas City (MCI)	347 WN	374 UA	264 UA	400 UA
Las Vegas (LAS)	480 F9	504 UA	407 US	497 UA
Los Angeles (LAX)	430 F9	504 UA	442 UA	479 UA
Minneapolis (MSP)	334 WN	366 DL	486 DL	370 UA
New York Area (NYC)	430 WN	412 UA	276 DL	433 UA
Orlando (MCO)	349 WN	306 DL	230 FL	348 UA
Philadelphia (PHL)	420 WN	475 AA	447 DL	444 UA
Phoenix (PHX)	520 F9/FL	504 UA	270 UA	494 UA
Portland (PDX)	579 F9	532 DL	484 DL	552 UA
San Diego (SAN)	526 WN	504 UA	391 US/UA	496 UA
San Francisco (SFO)	543 WN	544 DL	492 UA	494 UA
Seattle (SEA)	598 F9/DL	544 DL	494 F9/UA	552 UA
St Louis (STL)	360 WN	382 UA	332 UA	374 UA
Washington DC Area (WAS)	380 WN	308 DL	224 DL	394 UA
Average Fare	\$422.95	\$445.35	\$364.00	\$428.85
Change from last month	-\$71.45	-\$30.40	-\$27.70	-\$34.65
Change from two months ago	-\$45.35	-\$115.85	-\$51.50	-\$89.85
Fares Pulled 07/06/12 for travel 08/14/12 - 08/21/12				

Best Fares +7 days parking

	MBL	TVC	GRR	MKG
Atlanta (ATL)	430 WN	468 DL	378 FL	472 UA
Boston (BOS)	366 DL	450 UA	308 FL	386 UA
Chicago (MDW or ORD)	160 P1	340 UA	374 AA	202 UA
Dallas (DFW)	356 DL	492 DL	406 F9	434 UA
Denver (DEN)	366 F9	542 US	396 F9	434 UA
Houston (HOU)	485 WN	596 UA	503 UA	490 UA
Kansas City (MCI)	347 WN	414 UA	318 UA	428 UA
Las Vegas (LAS)	480 F9	544 UA	461 US	525 UA
Los Angeles (LAX)	430 F9	544 UA	496 UA	507 UA
Minneapolis (MSP)	334 WN	406 DL	540 DL	398 UA
New York Area (NYC)	430 WN	452 UA	330 DL	461 UA
Orlando (MCO)	349 WN	346 DL	284 FL	376 UA
Philadelphia (PHL)	420 WN	515 AA	501 DL	472 UA
Phoenix (PHX)	520 F9/FL	544 UA	324 UA	522 UA
Portland (PDX)	579 F9	572 DL	538 DL	580 UA
San Diego (SAN)	526 WN	544 UA	445 US/UA	524 UA
San Francisco (SFO)	543 WN	584 DL	546 UA	522 UA
Seattle (SEA)	598 F9/DL	584 DL	548 F9/UA	580 UA
St Louis (STL)	360 WN	422 UA	386 UA	402 UA
Washington DC Area (WAS)	380 WN	348 DL	278 DL	422 UA
Average Fare	\$422.95	\$485.35	\$418.00	\$456.85
Change from last month	-\$71.45	-\$30.40	-\$27.70	-\$34.65
Change from two months ago	-\$45.35	-\$115.85	-\$51.50	-\$89.85
Parking Fees for one week are \$0 at Manistee, \$40 at Traverse City, \$54 at Grand Rapids, \$28 at Muskegon				

Manistee County Blacker Airport

	2007		2008		Enplaned/Deplaned 2009		2010		2011		2012	
	Out/In	Total	Out/In	Total	Out/In	Total	Out/In	Total	Out/In	Total	Out/In	Total
Jan	MW 210/164	374	MW 234/169	403	GL 138/106	244	GL 212/145	357	GL 201/169	370	F9 523/366	889
Feb	198/184	382	215/200	413	112/93	205	196/150	346	202/194	396	462/431	893
Mar	224/229	453	213/200	413	149/139	288	216/231	447	225/215	440	112/176	288
Apr	183/239	422	18/38	56	119/140	259	272/255	527	471/171 F9 488/389	1193	0/0	0
May	238/251	489	0/0	0	184/180	364	263/302	565	1454/1525	2979	P1 71/58	129
Jun	252/309	561	GL 94/113	207	166/213	379	311/366	677	1206/1342	2548	234/250	484
Jul	340/348	688	278/301	579	388/439	827	521/551	1072	1595/1568	3163		
Aug	348/305	653	300/293	593	429/359	788	482/395	877	1833/1567	3400		
Sep	278/217	495	219/190	409	285/293	578	240/233	473	1332/1234	2566		
Oct	276/248	524	173/174	347	282/275	557	270/246	516	1024/1004	2028		
Nov	275/280	555	168/166	334	257/269	526	236/242	478	722/715	1437		
Dec	203/205	408	159/122	281	228/279	507	194/235	429	674/798	1472		
Total		6004		4035		5522		6764		21992		2683

	2007		2008		Overtime Performance 2009		2010		2011		2012	
	Cancel/Delay	Overtime	Cancel/Delay	Overtime	Cancel/Delay	Overtime	Cancel/Delay	Overtime	Cancel/Delay	Overtime	Cancel/Delay	Overtime
Jan					13%/25%	62%	23%/22%	55%	15%/38%	48%	12%/8%	80%
Feb					18%/16%	66%	13%/32%	55%	15%/28%	58%	6%/11%	83%
Mar					8%/11%	79%	11%/19%	70%	21%/19%	60%	14%/8%	78%
Apr					10%/16%	74%	13%/17%	70%	***	***		
May					2%/10%	88%	12%/10%	78%	3%/25%	72%	0%/10%	90%
Jun					7%/18%	75%	6%/26%	68%	6%/20%	74%	0%/6%	94%
Jul					4%/16%	80%	5%/19%	76%	0%/37%	63%		
Aug					2%/12%	86%	4%/5%	91%	0%/36%	64%		
Sep					0%/9%	91%	18%/16%	66%	0%/23%	77%		
Oct			11%/31%	57%	10%/8%	81%	15%/13%	72%	1%/5%	94%		
Nov			13%/32%	55%	3%/10%	87%	16%/16%	68%	2%/11%	87%		
Dec			36%/44%	20%	25%/39%	36%	32%/25%	43%	2%/15%	83%		

APPENDIX F



APPENDIX G

Manistee Airport

This e-mail is intended to each Manistee Airport Board Member- Please Forward on

Christian Gross
To: manisteeairport

Sun, Jun 24, 2012 at 10:09 PM

To Whom it May Concern;

Some insight from a Northern Michigan Frequent Flyer. It's been frustrating to witness the decisions being made at MBL. The core failure comes down to not understanding who the customer is. Do you know me, how many miles I fly, where and why? Most airports can get away with not knowing this information but in MBL's case not knowing will be the fate of your services. The fact Midway was chosen is clear proof there was no market data or research provided to the Airport Committee to help them make an educated decision. I can imagine there's a plethora of issues on the table currently trying to be fixed and being used as the excuse for the slow start (Lack of Online reservations, Not enough marketing to educate the public etc...). The realization will soon be identified that choosing Midway is what alienated the Northern Michigan Traveler from using MBL services

I admit at first I thought it wasn't a bad choice. However, if you prefer an airline other than Southwest then the options become less attractive. Like me, much of the Northern MI market flies either United, American or Delta. What I learned is that Midway is not a HUB for any of these carriers which means if I want to fly my preferred airline there's another going to be another HOP. Forget about United because they don't fly out of Midway. So, bottom line.... when looking at flights in July...not only was there **no savings** but **travel time 5-9 hours longer** compared to **Traverse City or Grand Rapids**. Who's going to want that?

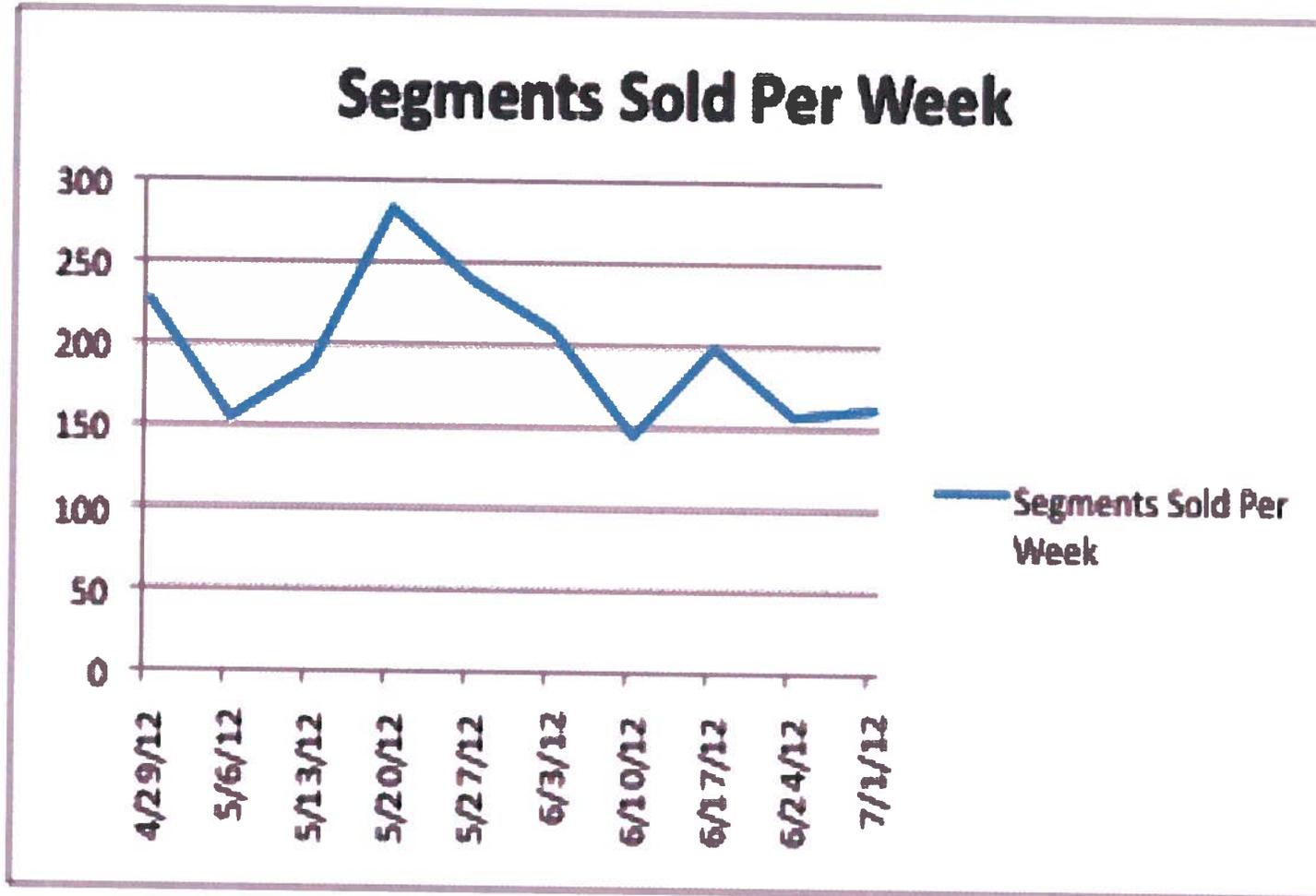
There should have been less focus on what the committee listed as key criteria- large, fast jet plane with a bathroom in it and more focus on the customer needs. Frontiers overnight success had nothing to do with this criteria. In fact it was the expense of the jet you wanted that made them decide to leave. As a customer I would have been happy with a prop plane if it would have continued the Frontier service. I can't imagine how busy you would be if a HUB was chosen that included the airlines that most of your customer use.

Finally, the day you start promoting the transportation services between Midway and O'hare as a benefit to your services will be a good indicator that a mistake was made. Good Luck and hope there will be a future MBL services that can fly to a HUB with more options than just Southwest.

Take care!

7/9/12 9:29 AM

Air Service Update 7/9/12



APPENDIX H

Air Service Update 7/9/12

