

**Contracts Committee
Meeting Minutes**

Monday, August 6, 2012
Manistee County Blacker Airport
Conference Room

Committee Members

Present: Chairman Duane Anderson,
Ross Spencer

Members Absent: Robert Wilson

Others Present: Barry Lind, Airport Director,
Paul Schulert, Authority Chairman

The meeting was called to order by Chairman Anderson at 1:05 PM.

The Committee was provided with an overview and a review of the history of the three current contracts that provide for the management, maintenance and operation of the Manistee County Blacker facility as a licensed air carrier airport. There are currently three separate contracts providing for the essential airport services.

- A management contract between the Authority and Barry Lind secures the services of an Airport Director, as an independent contractor, and sets forth each party's expectations and the compensation for the services rendered over the contact term. This contract started on October 1, 2007, at a rate of \$3,000 per month, and called for an automatic 3% annual rate increase. The rate is currently set at \$3,376.53 per month and the contract will expire on September 30, 2012.
- An "Air Carrier Airport" contract, between the Authority and Orchard Beach Aviation Inc., provides for services required for the maintenance, operation and additional facility requirements to qualify as a licensed FAA Part 139 Certified Air Carrier Airport. This contract started on June 1, 2008, and terminated on May 30, 2010. The rate for this service was \$11,279.43 per month in year one and \$11,630.16 per month in year two. This contract has been extended on a month to month basis, with no rate change for more than two years.
- A Fixed Base Operation (FBO) contract between the Authority and Orchard Beech Aviation Inc. provides for the services of a FBO, with all those services normally associated with a FBO. For the use of certain physical space, Orchard Beach pays \$500 per month in rent, a flow fee for each gallon of aviation fuel dispensed, and certain aircraft landing fees. The Authority pays Orchard Beach Aviation an hourly rate (currently \$15.50) for the manpower required to staff the airport and provide for

grass mowing, snow plowing, and any other maintenance required for the benefit of the Airport. This contract started on October 1, 2007, and will expire on September 30, 2012.

After reviewing and discussing just one of the three contracts, it was concluded that it will be difficult to make any proposals to the Authority for new contracts before the September 30, 2012, deadline. The consensus opinion was that the Authority should request a one or two month contract(s) extension.

It was felt that collecting information on the methods of operation of other similar airports would be beneficial. This will be explored.

Chairman Anderson will confer with the Airport Attorney on certain contract requirements and schedule a follow-up meeting.

The meeting was adjourned at 3:25 PM.

Respectfully submitted,

Ross Spencer