

## MINUTES

Monday, October 8, 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; Dale Picardat; and Bob Wilson

**Members Absent:** None

**Others Present:** Barry Lind, Airport Manager; George Saylor, Airport Legal Counsel; Richard Knechtges, NAPH; Charlie Ganss, NAPH; 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. Anderson, supported by Mr. Kowalski to approve the meeting agenda as presented, with the exception of removing items 6C and 7B. Motion carried by unanimous vote.**

Mr. Knechtges and Mr. Ganss appeared before the Committee representing the Manistee Chapter of the National Association of the Physically Handicapped (NAPH). They would like to provide assistance for the Airport Authority to acquire the necessary equipment for handicap accessibility in boarding the airline and also loading the wheelchair onto the aircraft. Mr. Ganss provided examples of ramps and hydraulic lifts that would be appropriate, and noted that a lift would be ideal and could also be used to load equipment. Mr. Knechtges stated that the Airport Authority could apply for a Local Revenue Sharing Board grant under the Public Safety category. Mr. Schulert stated that this is important and he would like to continue to work with Mr. Knechtges and Mr. Ganss to find an appropriate solution.

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, September 10, 2012.

**There was a motion by Mr. Spencer, supported by Mr. Kowalski to approve the Airport Authority regular meeting minutes of Monday, September 10, 2012, as presented. Motion carried by unanimous vote.**

The Authority next reviewed the September 2012 Accounts Payable Report (APPENDIX A). The Kendall Electric payment is for an intercom system headset and lightbulbs; and the Orchard Beach Aviation payment is reimbursement for conference fees.

**There was a motion by Mr. Kowalski, supported by Mr. Picardat to approve the September 2012 Accounts Payable Report and authorize payment of the outstanding invoices totaling \$242,066.69.**

**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 September 2012 Financial Statement (APPENDIX B) which includes a Balance Sheet, a Statement of Revenue and Expenses, and a running account of the Passenger Facility Charges collected. It was noted that Mr. Pomeroy will provide an updated September report and the proposed budget amendments for FY 2011/12 at next month's meeting since payments continue to be received for FY 2011/12, which ended on September 30, 2012.

**There was a motion by Mr. Lottie, supported by Mr. Picardat to approve the September 2012 Financial Statement. Motion carried by majority vote.**

The Orchard Beach Aviation rent Information was also provided (APPENDIX C).

The Budget Committee will meet today.

The Contracts Committee reminded the Authority that the Airport Director Agreement between the Authority and Mr. Lind, and the Part 139 Service Agreement between the Authority and Orchard Beach Aviation were handed out for review at last month's meeting. The Fixed Base Operation Contract between the Authority and Orchard Beach Aviation was handed out to be considered at next month's meeting. After discussion,

**There was a motion by Mr. Anderson, supported by Mr. Lottie to approve the Part 139 Service Agreement, effective October 1, 2012, and to authorize the Airport Authority Chair to execute the agreement.**

**A roll call vote was taken:**

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

**Nays: 0**

**Absent: 1 (Wilson)**

**Motion carried.**

**There was a motion by Mr. Kowalski, supported by Mr. Lottie to approve the Airport Director Agreement, effective October 1, 2012, and to authorize the Airport Authority Chair to execute the agreement.**

**A roll call vote was taken:**

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

**Nays: 0**

**Absent: 1 (Wilson)**

**Motion carried.**

Mr. Lind reported that there were no airport incidents. Mr. Lind presented a report on airfares which compares flights from Manistee, Traverse City, Grand Rapids, and Muskegon for travel in November 2012 (APPENDIX D). Mr. Lind also presented information on airplane passenger numbers for 2012 as well as the previous five years (APPENDIX E).

Mr. Lind stated that the report is now available on the full scale exercise held at the airport on March 26, 2012. The exercise and report are helpful in improving certain areas, such as communication and chain of command. This was the first full scale exercise at the airport. One is required every three years, but Mr. Lind plans to complete another one next spring after the required annual firefighter training. Mr. Lind noted that the Manistee County Fire Fighters Association has applied for a Local Revenue Sharing Grant to help cover the costs of the firefighter training.

Mr. Lind recently attended the Michigan Airports fall conference. He noted that this is always a good networking opportunity.

Mr. Lind reported that the hangar area repaving project was completed last week. The wrong seed was used to reseed the grass, but this should be fixed today. There are two trees remaining that need to be trimmed. Mr. Lind has spoken to Prein & Newhof regarding this, and the first step will be to determine whose property the trees are on. The deadline for the pavement remarking project, which is required from the airport inspection, has been extended to December 1, 2012. Mr. Lind stated that a contract addendum with the State needs to be approved by the Airport Authority for \$17,606, which includes the repainting and various change orders. Once approved by the Airport Authority, the County Board of Commissioners will also need to approve the contract addendum.

**There was a motion by Mr. Kowalski, supported by Mr. Lottie to approve the Contract Addendum with the State of Michigan for the paving project in the amount of \$17,606 to include the repainting project and various change orders.**

**A roll call vote was taken:**

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

**Nays: 0**

**Absent: 1 (Wilson)**

**Motion carried.**

Mr. Lind reported that a lot has happened over the last three days regarding the air carrier service, but a lot is still unknown. Mr. Lind reminded the Authority that the Airport Authority has a contract with Public Charters and Public Charters has a contract with ADI to provide the actual flights. On Friday, October 5, 2012, ADI filed notice with DOT that they will end service in Manistee in ten days. Public Charters can't sell seats beyond October 15, 2012, and has also notified passengers who had scheduled flights past that date that they are potentially canceled with a full refund. Mr. Lind noted that on Friday, ADI also terminated their CEO and others, as well as laid off 30% of their employees. DOT, Public Charters, and ADI will have a meeting on Tuesday, October 9, 2012. DOT did receive and accept ADI's termination notice, however, Public Charters filed an appeal. Public Charters has had conversations with several other potential carriers, however, time will be an issue. ADI could subcontract with another carrier. Mr. Saylor noted that the Airport Authority is a third party beneficiary to the contract between Public Charters and ADI. A lawsuit could be filed. The Airport Authority directed Mr. Saylor to contact Public Charters to express support but not commit to do anything yet. Public Charters needs to take the lead in whatever action is taken. It was noted that this could have a significant negative impact, including a financial impact for those who had booked flights with connecting flights in Midway.

Mr. Lind stated that the parking lot lights were turned back on approximately one month ago, and the electricity bill has increased, so it seems that the exterior lighting is related to the high electricity usage. Mr. Lind will continue to work on this issue.

With there being no further business to come before the Authority, the meeting was adjourned at approximately 11:30 A.M.

Respectfully submitted,

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Rachel Nelson, Airport Authority Secretary

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# MANISTEE COUNTY BLACKER AIRPORT

SEPTEMBER 2012 ACCOUNTS PAYABLE

CHECK #	VENDOR NAME	AMOUNT
	BARRY LIND	\$ 3,376.53
	PUBLIC CHARTERS	\$ 210,114.00
	CONSUMERS ENERGY	\$ -
	A T & T	\$ 45.10
	MICHCON (DTE ENERGY)	\$ 53.24
	GOCKERMAN, WILSON, SAYLOR	\$ 425.50
	ACE HARDWARE	\$ -
	FASTENAL	\$ 189.77
	DIRECT TV	
	BLARNEY CASTLE	\$ 1,497.28
	WAHR HARDWARE	\$ 10.79
	MANISTEE TIRE	\$ 25.55
	MANISTEE COUNTY	\$ 15.00
	YELLOW BOOK	\$ 9.44
	KENDALL ELECTRIC, INC.	\$ 917.01
	ORCHARD BEACH AVIATION	\$ 259.00
	PRIMARY AIRPORT SERVICES	\$ -
	FORBES SANITATION	\$ 235.00
	STATE OF MICHIGAN	\$ -
	<b>TOTAL</b>	<b>\$ 217,173.21</b>
	<b>ADVERTISING INVOICES</b>	
	MS CREATIVE SERVICES	\$ 6,494.82
	RIGHT SIDE DESIGNS, LLC	\$ -
	ORCHARD BEACH AVIATION	\$ -
	<b>TOTAL</b>	<b>\$ 6,494.82</b>
	<b>ORCHARD BEACH AVIATION</b>	<b>\$ 18,398.66</b>
	REGULAR HOURS	330 @ 15.50      5,115.00
	MAINTENANCE HOURS	97 @ 15.50      1,503.50
	PART 139 LABOR	11,630.16
	INTERNET	150.00
	<b>GRAND TOTAL</b>	<b>\$ 242,066.69</b>

## MANISTEE COUNTY BLACKER AIRPORT

### SEPTEMBER 2012 REVENUE & EXPENSES      BUDGET REMAINING      0%

INCOME:	CURRENT	YEAR-TO	ANNUAL	BALANCE	
	MONTH	DATE	BUDGET	\$	%
FEDERAL GRANT - AEAS	\$ 210,114.00	\$ 768,086.00	\$ 670,811.00	\$ (97,275.00)	-15%
HANGER RENTAL	\$ 1,375.00	\$ 19,054.80	\$ 22,000.00	\$ 2,945.20	13%
LANDING FEES - PUBLIC CHARTERS	\$ 17,594.89	\$ 163,329.15	\$ 212,008.00	\$ 48,678.85	23%
LANDING FEES - GENERAL AVIATION	\$ 225.00	\$ 963.00	\$ 1,250.00	\$ 287.00	23%
AUTO RENTAL SPACE	\$ -	\$ 8,390.35	\$ 10,000.00	\$ 1,609.65	16%
OFFICE RENT	\$ 955.00	\$ 11,460.00	\$ 11,460.00	\$ -	0%
COUNTY OF MANISTEE	\$ 9,583.00	\$ 104,996.00	\$ 105,000.00	\$ 4.00	0%
COUNTY OF MANISTEE-MARKETING	\$ -	\$ 10,000.00	\$ 10,000.00	\$ -	0%
CONTRIBUTIONS-MARKETING	\$ -	\$ -	\$ 5,000.00	\$ 5,000.00	100%
PASSENGER FACILITY CHARGES	\$ 2,164.50	\$ 23,422.07	\$ 50,000.00	\$ 26,577.93	53%
FUEL SALES	\$ 1,531.20	\$ 7,485.96	\$ 6,600.00	\$ (885.96)	-13%
SIGN LEASE	\$ -	\$ 2,800.00	\$ 3,800.00	\$ 1,000.00	26%
MISCELLANEOUS	\$ -	\$ 450.00	\$ 1,000.00	\$ 550.00	100%

**TOTAL INCOME**      **\$ 243,542.59**      **\$ 1,120,437.33**      **\$ 1,108,929.00**      **\$ (11,508.33)**      **-1%**

#### EXPENSES:

AEAS CONTRACT-PUBLIC CHARTERS	\$ 210,114.00	\$ 768,086.00	\$ 670,811.00	\$ (97,275.00)	-15%
PERSONNEL - MANAGEMENT	\$ 3,376.53	\$ 40,518.36	\$ 40,518.00	\$ (0.36)	0%
PERSONNEL - OPERATIONS & MAINTENANCE	\$ 18,248.66	\$ 206,149.94	\$ 222,000.00	\$ 15,850.06	7%
DUES & FEES	\$ 240.00	\$ 585.00	\$ 800.00	\$ 215.00	27%
SUPPLIES	\$ 189.77	\$ 2,546.43	\$ 3,000.00	\$ 453.57	15%
UTILITIES	\$ 203.24	\$ 28,473.46	\$ 38,000.00	\$ 9,526.54	25%
FUEL	\$ 1,497.28	\$ 7,127.45	\$ 9,000.00	\$ 1,872.55	21%
REPAIRS & MAINTENANCE	\$ 1,188.35	\$ 21,738.77	\$ 12,000.00	\$ (9,738.77)	-81%
CONTRACTED SERVICES	\$ -	\$ 1,319.10	\$ 2,000.00	\$ 680.90	34%
LEGAL	\$ 425.50	\$ 5,073.75	\$ 4,000.00	\$ (1,073.75)	-27%
AUDIT	\$ -	\$ 1,600.00	\$ 1,500.00	\$ (100.00)	-7%
ADVERTISING	\$ 6,504.26	\$ 31,260.43	\$ 25,000.00	\$ (6,260.43)	0%
TELEPHONE	\$ 45.10	\$ 369.30	\$ 300.00	\$ (69.30)	-23%
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	\$ -	\$ 7,759.32	\$ 50,000.00	\$ 42,240.68	100%
MISCELLANEOUS	\$ 34.00	\$ 1,050.48	\$ 1,000.00	\$ (50.48)	-5%

**\$ 242,066.69**      **\$ 1,144,616.92**      **\$ 1,108,929.00**      **\$ (35,687.92)**      **-3%**

EXCESS REVENUE OVER/(UNDER) EXPENDITURE      **\$ 1,475.90**      **\$ (24,179.59)**

#### BALANCE ON HAND - AIRPORT FUND

BEGINNING BALANCE 09/01/12	\$ 223,509.92
SEPTEMBER RECEIPTS	\$ 223,652.32
AUGUST DISBURSEMENTS	\$ (430,170.72)

**\$ 16,991.52**

# MANISTEE COUNTY BLACKER AIRPORT

## SEPTEMBER 2012 BALANCE SHEET

ASSETS	9/30/2012	8/31/2012
CASH	\$ 16,991.52	\$ 223,509.92
CASH - PFC ACCOUNT	\$ 80,576.11	\$ 78,411.61
ACCOUNTS RECEIVABLE		
PUBLIC CHARTERS, INC.	\$ 17,594.89	\$ -
AUTO RENTAL	\$ -	
MISC.	\$ 2,256.20	\$ 2,125.32
<b>TOTAL ASSETS</b>	<b>\$ 117,418.72</b>	<b>\$ 304,046.85</b>

LIABILITIES	9/30/2012	8/31/2012
ACCOUNTS PAYABLE - TRADE	\$ 31,952.69	\$ 220,056.72
ACCOUNTS PAYABLE - COUNTY	\$ -	\$ -
PREPAID HANGER RENT	\$ -	\$ -
<b>TOTAL LIABILITIES</b>	<b>\$ 31,952.69</b>	<b>\$ 220,056.72</b>

<b>FUND BALANCE</b>	<b>\$ 85,466.03</b>	<b>\$ 83,990.13</b>
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<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b>\$ 117,418.72</b>	<b>\$ 304,046.85</b>
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<b>PASSENGER FACILITY CHARGES COLLECTED THROUGH 09/30/2012</b>	<b>\$ 88,335.43</b>
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
MANISTEE COUNTY ROAD COMMISSION	\$ (817.71)
<b>PFC FUNDS AVAILABLE</b>	<b>\$ 80,576.11</b>
<b>PUBLIC IMPROVEMENT FUND - CASH AVAILABLE AS OF 09/30/2012</b>	<b>\$ -</b>

**AUTO RENTAL REVENUE BY COMPANY THROUGH 09/30/2012**

ENTERPRISE CAR RENTALS	\$ 2,072.37
MOWERY LEASING & RENTAL	\$ 5,742.75
GWK AGENCY	\$ 575.23
<b>TOTAL</b>	<b>\$ 8,390.35</b>

**ORCHARD BEACH AVIATION****September 2012****RENT**

OFFICE	\$325.00	
HANGER	\$175.00	
FUEL	\$1531.20	
LANDING FEES		
TWIN	\$9.00	(1 @ \$9)
JET	\$216.00	(12 @ \$18)

TOTAL	\$2256.20	
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100	1484.5 Gal
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JET	16725.3 Gal
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TOTAL	18209.8 Gal
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General	6130.8 Gal @ .15 = 919.62
PublicCharters	1000.0 Gal @ .15 = 150.00
PublicCharters	4000.0 Gal @ .08 = 320.00
PublicCharters	7079.0 Gal @ .02 = 141.58

**October Travel as Best Fares**

	MBL		TVC		GRR		MKG	
Atlanta (ATL)	418	WN	434	DL	372	DL	440	UA
Boston (BOS)	300	WN	410	DL	296	AA	344	UA
Chicago (MDW or ORD)	120	P1	270	UA	420	F9	164	UA
Dallas (DFW)	348	WN	370	AA	372	AA	368	UA
Denver (DEN)	262	WN	412	UA	278	F9	306	UA
Houston (HOU)	388	FL	505	AA	449	UA	462	UA
Kansas City (MCI)	320	WN	310	AA	267	DL	364	UA
Las Vegas (LAS)	420	WN	528	DL	470	UA	463	UA
Los Angeles (LAX)	374	WN	454	UA	411	DL	418	UA
Minneapolis (MSP)	290	WN	440	UA	364	F9	334	UA
New York Area (NYC)	280	FL	358	DL	296	DL	425	UA
Orlando (MCO)	323	WN	316	DL	263	DL	433	UA
Philadelphia (PHL)	484	WN	474	DL	431	DL	440	UA
Phoenix (PHX)	442	WN	454	AA	411	UA	444	UA
Portland (PDX)	438	WN	504	UA	491	UA	477	UA
San Diego (SAN)	438	DL	504	AA	496	F9	463	UA
San Francisco (SFO)	420	WN	454	UA	411	UA	442	UA
Seattle (SEA)	427	WN	454	AA	412	UA	460	UA
St Louis (STL)	320	WN	376	AA	329	DL	365	UA
Washington DC Area (WAS)	300	WN	307	UA	231	DL	344	UA

Average Fare	\$355.60	\$416.70	\$373.50	\$397.80
Change from last month	-\$6.10	-\$13.90	\$10.20	-\$4.55
Change from two months ago	-\$3.30	-\$23.75	\$4.15	-\$4.65
Fares Pulled 10/07/12 for tr				

**Best Fares +7 days parki**

	MBL		TVC		GRR		MKG	
Atlanta (ATL)	418	WN	474	DL	426	DL	468	UA
Boston (BOS)	300	WN	450	DL	350	AA	372	UA
Chicago (MDW or ORD)	120	P1	310	UA	474	F9	192	UA
Dallas (DFW)	348	WN	410	AA	426	AA	396	UA
Denver (DEN)	262	WN	452	UA	332	F9	334	UA
Houston (HOU)	388	FL	545	AA	503	UA	490	UA
Kansas City (MCI)	320	WN	350	AA	321	DL	392	UA
Las Vegas (LAS)	420	WN	568	DL	524	UA	491	UA
Los Angeles (LAX)	374	WN	494	UA	465	DL	446	UA
Minneapolis (MSP)	290	WN	480	UA	418	F9	362	UA
New York Area (NYC)	280	FL	398	DL	350	DL	453	UA
Orlando (MCO)	323	WN	356	DL	317	DL	461	UA
Philadelphia (PHL)	484	WN	514	DL	485	DL	468	UA
Phoenix (PHX)	442	WN	494	AA	465	UA	472	UA
Portland (PDX)	438	WN	544	UA	545	UA	505	UA
San Diego (SAN)	438	DL	544	AA	550	F9	491	UA
San Francisco (SFO)	420	WN	494	UA	465	UA	470	UA
Seattle (SEA)	427	WN	494	AA	466	UA	488	UA
St Louis (STL)	320	WN	416	AA	383	DL	393	UA
Washington DC Area (WAS)	300	WN	347	UA	285	DL	372	UA

Average Fare	\$355.60	\$456.70	\$427.50	\$425.80
Change from last month	-\$6.10	-\$13.90	\$10.20	-\$4.55
Change from two months ago	-\$3.30	-\$23.75	\$4.15	-\$4.65
Parking Fees for one week				

Manistee County Blacker Airport

**Enplaned/Deplaned**

	2007		2008		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	47/171 F9 486/389	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	465/467	932
Aug	348/305	653	300/293	593	429/359	788	482/395	877	1833/1567	3400	497/500	997
Sep	278/217	495	219/190	409	285/293	578	240/233	473	1332/1234	2566	362/297	659
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		5271

**Overtime Performance**

	2007		2008		2009		2010		2011		2012	
	Cancel/Delay	Ontime										
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%	0%/7%	93%
Aug					2%/12%	86%	4%/5%	91%	0%/36%	64%	0%/8%	92%
Sep					0%/9%	91%	18%/16%	66%	0%/23%	77%	0%/5%	95%
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 E