

MINUTES

Monday, December 10, 2012
10:00 A.M.

Manistee County Blacker Airport
Conference Room

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

Members Absent: Glenn Lottie

Others Present: Barry Lind, Airport Manager; George Saylor, Airport Legal Counsel; Meg LeDuc, Manistee News Advocate; 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. 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, November 19, 2012.

There was a motion by Mr. Spencer, supported by Mr. Picardat to approve the Airport Authority regular meeting minutes of Monday, November 19, 2012, as presented. Motion carried by unanimous vote.

The Authority did not review the Treasurer's Report due to the absence of the Treasurer.

The Budget Committee did not meet.

The Promotion Committee did not meet, but noted that they have spoken to the Kiwanis. Mr. Lind noted that there has not been a huge response to the buy one get one (BOGO) offer, but stated that this may be due to the fact that it requires two people on one itinerary and they have many single flyers. The BOGO promotion ends on January 7, 2013.

The Contracts Committee was dissolved.

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 December 2012 (APPENDIX A). Mr. Lind also presented information on airplane passenger numbers for 2012 as well as the previous five years (APPENDIX B).

Mr. Lind stated that the pavement remarking project did not get completed due to the weather. The deadline for completion of this project has been extended to June 1, 2013. Mr. Lind reminded the Authority that there will be \$1 million for capital projects from the FAA in 2013. Projects planned for 2013 include an expansion of the equipment building; the addition of a sand storage building; the purchase of a sand bucket loader; the purchase of a sweeper for the runways; pavement crack sealing; and pavement remarking.

Mr. Lind stated that Corporate Flight Management (CFM) has been easy to work with and has had continued reliability with their quality equipment. Flight loads have been building through the holidays. The AOSSP (Aircraft Operator Standard Security Program) has still not been approved by the TSA, and Mr. Lind noted that there is nothing that can be done to speed up the process. The delay has prevented service directly into the main terminal at Midway. CFM has been preparing the necessary DOT paperwork to allow them to provide service 7 days per week, and intends to file it as soon as possible.

Mr. Lind stated that there has been a focus on building the airport's facebook fan base, which has been growing by approximately 10% per week. There have also been emails sent to past passengers, and a Google Adwords trial is underway. Cable and broadcast TV ads began last week, and billboards will be the next phase.

Mr. Lind stated that recently Mr. Kaminski, County Controller/Administrator, requested a legal opinion from the County Prosecuting Attorney regarding three issues with the Airport Authority and recent revisions to their bylaws. The first issue was whether or not the Airport Authority can rewrite their bylaws, and the Prosecutor felt that they do have that ability. The second issue was whether or not the City's appointment on the Airport Authority from the transfer agreement extends into infinity, and the Prosecutor felt that it does. The third issue was whether or not County Board members appointed to the Airport Authority could be asked to sign an agreement to resign from the Airport Authority if their term on the Airport Authority extended beyond their term on the County Board, and the Prosecutor stated that they could not be required to do so.

Mr. Lind reported that it appears that the remaining tree that needs to be trimmed is on casino property. They have indicated that they would rather have it taken down than topped.

Mr. Schulert thanked the three County Board members for their service on the Airport Authority.

With there being no further business to come before the Authority, the meeting was adjourned at approximately 11:00 A.M.

Respectfully submitted,

Rachel Nelson, Airport Authority Secretary

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December Travel as of 12/05/12

Best Fares

| | MBL | TVC | GRR | MKG |
|--------------------------|---------------|--------|---------------|--------|
| Atlanta (ATL) | 340 WN | 442 DL | 372 FL | 384 UA |
| Boston (BOS) | 337 WN | 414 DL | 299 DL | 370 UA |
| Chicago (MDW or ORD) | 120 P1 | 336 AA | 448 UA | 164 UA |
| Dallas (DFW) | 352 WN | 380 AA | 398 F9 | 388 UA |
| Denver (DEN) | 260 WN | 424 UA | 228 F9 | 300 UA |
| Houston (HOU) | 381 WN | 549 AA | 428 UA | 426 UA |
| Kansas City (MCI) | 316 WN | 316 UA | 273 DL | 360 UA |
| Las Vegas (LAS) | 432 F9/WN | 525 DL | 320 DL | 522 UA |
| Los Angeles (LAX) | 429 F9/WN | 414 DL | 319 AA | 477 UA |
| Minneapolis (MSP) | 294 WN | 446 UA | 470 DL | 338 UA |
| New York Area (NYC) | 351 WN | 362 DL | 300 DL | 392 UA |
| Orlando (MCO) | 338 FL | 346 DL | 260 DL | 469 UA |
| Philadelphia (PHL) | 456 WN | 480 AA | 437 DL | 446 UA |
| Phoenix (PHX) | 463 F9/WN | 364 UA | 302 UA | 504 UA |
| Portland (PDX) | 443 F9/WN | 421 DL | 334 F9 | 471 UA |
| San Diego (SAN) | 382 WN | 400 DL | 306 AA | 425 UA |
| San Francisco (SFO) | 434 F9/WN | 400 DL | 306 AA | 467 UA |
| Seattle (SEA) | 477 F9/WN | 414 DL | 334 DL | 507 UA |
| St Louis (STL) | 304 WN | 380 UA | 333 DL | 348 UA |
| Washington DC Area (WAS) | 358 WN | 320 DL | 244 FL | 390 UA |

| | | | | |
|--|----------|----------|----------|----------|
| Average Fare | \$363.35 | \$406.65 | \$335.55 | \$407.40 |
| Change from last month | -\$33.00 | -\$84.35 | -\$28.90 | -\$11.50 |
| Change from two months ago | \$7.75 | -\$10.05 | -\$37.95 | \$9.60 |
| Fares Pulled 12/05/12 for travel 01/10/13 - 01/17/13 | | | | |

Best Fares +7 days parking

| | MBL | TVC | GRR | MKG |
|--------------------------|---------------|--------|---------------|--------|
| Atlanta (ATL) | 340 WN | 482 DL | 426 FL | 412 UA |
| Boston (BOS) | 337 WN | 454 DL | 353 DL | 398 UA |
| Chicago (MDW or ORD) | 120 P1 | 376 AA | 502 UA | 192 UA |
| Dallas (DFW) | 352 WN | 420 AA | 452 F9 | 416 UA |
| Denver (DEN) | 260 WN | 464 UA | 282 F9 | 328 UA |
| Houston (HOU) | 381 WN | 589 AA | 482 UA | 454 UA |
| Kansas City (MCI) | 316 WN | 356 UA | 327 DL | 388 UA |
| Las Vegas (LAS) | 432 F9/WN | 565 DL | 374 DL | 550 UA |
| Los Angeles (LAX) | 429 F9/WN | 454 DL | 373 AA | 505 UA |
| Minneapolis (MSP) | 294 WN | 486 UA | 524 DL | 366 UA |
| New York Area (NYC) | 351 WN | 402 DL | 354 DL | 420 UA |
| Orlando (MCO) | 338 FL | 386 DL | 314 DL | 497 UA |
| Philadelphia (PHL) | 456 WN | 520 AA | 491 DL | 474 UA |
| Phoenix (PHX) | 463 F9/WN | 404 UA | 356 UA | 532 UA |
| Portland (PDX) | 443 F9/WN | 461 DL | 388 F9 | 499 UA |
| San Diego (SAN) | 382 WN | 440 DL | 360 AA | 453 UA |
| San Francisco (SFO) | 434 F9/WN | 440 DL | 360 AA | 495 UA |
| Seattle (SEA) | 477 F9/WN | 454 DL | 388 DL | 535 UA |
| St Louis (STL) | 304 WN | 420 UA | 387 DL | 376 UA |
| Washington DC Area (WAS) | 358 WN | 360 DL | 298 FL | 418 UA |

| | | | | |
|----------------------------|----------|----------|----------|----------|
| Average Fare | \$363.35 | \$446.65 | \$389.55 | \$435.40 |
| Change from last month | -\$33.00 | -\$84.35 | -\$28.90 | -\$11.50 |
| Change from two months ago | \$7.75 | -\$10.05 | -\$37.95 | \$9.60 |

Parking Fees for one week are \$0 at Manistee, \$40 at Traverse City, \$54 at Grand Rapids, \$28 at Muskegon

Manistee County Blacker Airport

Enplaned/Deplaned

| | 2007 | | 2008 | | 2009 | | 2010 | | 2011 | | 2012 | |
|-------|------------|-------|------------|-------|------------|-------|------------|-------|------------|-------|------------|-------|
| | 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 | 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 | 150/149 | 299 |
| Nov | 275/280 | 555 | 168/166 | 334 | 257/269 | 526 | 236/242 | 478 | 722/715 | 1437 | 36/33 | 69 |
| Dec | 203/205 | 408 | 159/122 | 281 | 228/279 | 507 | 194/235 | 429 | 674/798 | 1472 | | |
| Total | | 6004 | | 4035 | | 5522 | | 6764 | | 21992 | | 5639 |

Ontime 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% | 0%/22% | 78% |
| Nov | | | 13%/32% | 55% | 3%/10% | 87% | 16%/16% | 68% | 2%/11% | 87% | 0%/5% | 95% |
| Dec | | | 36%/44% | 20% | 25%/39% | 36% | 32%/25% | 43% | 2%/15% | 83% | | |

APPENDIX B