

DRAFT

MINUTES

Monday, August 12, 2013
10:00 A.M.

Manistee County Blacker Airport
Conference Room

Members Present: Paul Schulert, Chairperson; Ross Spencer, Vice-Chairperson; Mark Bergstrom; Alan Marshall; Brook Shafer; and Thom Smith

Members Absent: Dale Picardat

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. Marshall, supported by Mr. Smith, 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, July 8, 2013.

There was a motion by Mr. Spencer, supported by Mr. Smith, to approve the Airport Authority regular meeting minutes of Monday, July 8, 2013, as presented. Motion carried by unanimous vote.

The Authority next reviewed the July 2013 Accounts Payable Report (APPENDIX A).

There was a motion by Mr. Shafer, supported by Mr. Marshall, to approve the July 2013 Accounts Payable Report and authorize payment of the outstanding invoices totaling \$26,493.41.

A roll call vote was taken:

Yeas: 6 (Schulert; Spencer; Bergstrom; Marshall; Shafer; Smith)

Nays: 0

Absent: 1 (Picardat)

Motion carried.

The Authority also reviewed the July 2013 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.

There was a motion by Mr. Shafer, supported by Mr. Smith, to approve the July 2013 Financial Statement. Motion carried by unanimous vote.

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

On behalf of the Budget Committee, Mr. Bergstrom presented the proposed tentative FY 2013/14 budget (APPENDIX D). He stated that it is very similar to the current fiscal year budget.

There was a motion by Mr. Bergstrom, supported by Mr. Shafer to approve the tentative Manistee County Blacker Airport Fiscal Year 2013/14 Budget, covering 10/1/13 through 9/30/14, for \$2,434,218.

A roll call vote was taken:

Yeas: 6 (Smith; Shafer; Marshall; Bergstrom; Spencer; Schulert)

Nays: 0

Absent: 1 (Picardat)

Motion carried.

The Budget Committee also presented a draft Capital Improvement Plan (APPENDIX E). Mr. Lind stated that although it's priority #3, a grant has been received from the State to improve the airport's entrance. The Airport Authority will need to decide if they want to do as much as can be done with the grant, or if they want to use additional funds for the project. These projects can be paid for from the Capital Improvement Fund, which currently has a balance of \$80,987.50, however, grant matches are also paid from this fund, and it's a good idea to keep a \$50,000 reserve. Mr. Shafer stated that he feels Priority #3 is more important than Priority #2. Others agreed and noted that this will need to be a living document, with changes made as necessary, and projects only being completed when funds are available. Mr. Lind will get estimates for the projects.

The Promotions Committee did not meet, however, Mr. Spencer stated that the MDOT will be installing official highway signs for the airport. It is unknown when the signs will be installed, but they will be 48" wide by 42" high. The current signs will also stay in place.

The Rules & Regulations Committee met and worked on Section 200 of the Rules & Regulations document. Mr. Saylor made a few additional changes (APPENDIX F). The Authority will review Mr. Saylor's changes and discuss this at next month's meeting. The Committee also discussed fees to companies doing business at the airport, and Mr. Lind will provide a list to the Committee.

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 September 2013 (APPENDIX G). Mr. Lind presented information on airplane passenger numbers for 2013 as well as the previous five years (APPENDIX H). Mr. Lind noted that while 19% of flights were delayed in July, the longest delay was 36 minutes. Mr. Lind also noted that passenger numbers are good compared to last year when considering that in July 2012, there was a 50 seat plane operating 6 days per week, and in July 2013, there was a 30 seat plane operating 5 days per week.

Mr. Lind provided the results of the annual inspection (APPENDIX I), which occurred on July 15, 2013.

Mr. Lind stated that the money has not yet been released for the 2013 construction projects.

Tuesday flights will only continue through August, with regional jet service provided by Ultimate Jet. The last two weeks were the highest demand last year, and have also been this year, with numerous sold-out flights. Tickets are currently on sale through November 14, 2013. The current fall schedule is back to only 4 days per week since CFM is still waiting for DOT approval for daily service. The delay is now impacting the planned fall return to daily service. Senator Levin's office has been assisting with this issue, and has stated that a decision will be coming shortly (within the next couple weeks). If a decision is received by the end of August, the daily schedule could begin at the end of November.

Mr. Lind presented three charts (APPENDIX J). The yield is the average price per seat. More premium one-way tickets have been sold than anticipated. Overall, Public Charters' budget is on track.

Minor updates continue with the website. The facebook and Google campaigns continue. The Google ads are being expanded, and Yahoo/Bing ads have been added with additional funds from Public Charters.

15% of the website traffic comes from Google advertising. The WLDN Tigers sponsorship continues with updated radio ads. The tv spot will continue to run through August, and many bonus placements have been received. This is the second month of the three month billboard package in Traverse City. Station personnel in Manistee and Chicago have received new uniforms. T-shirts are available for giveaways and for sale. Some updates to the ticket counter and in-terminal signage have been completed, with more to come. Upcoming marketing tasks include in-terminal signage, website improvements, and a fall fly/stay/golf package with Manistee National.

No progress has been made regarding the Coho Bend sign.

The Airport Authority next reviewed a \$23,000 capital improvement and equipment grant agreement (APPENDIX K). Mr. Saylor has not yet reviewed the agreement, but stated that they are usually fairly standard. The grant will be used to improve the entrance signage, and for a defibrillator. After discussion,

There was a motion by Mr. Spencer, supported by Mr. Smith, to approve the Michigan Air Service Program Grant Contract for a Capital Improvement and Equipment Project, Contract No. 2013-0340, pending legal review, and to authorize the Airport Authority Chair to execute the agreement.

A roll call vote was taken:

Yeas: 6 (Marshall; Bergstrom; Spencer; Schulert; Shafer; Smith)

Nays: 0

Absent: 1 (Picardat)

Motion carried.

With there being no further business to come before the Authority, the meeting was adjourned at approximately 11:45 A.M.

Respectfully submitted,

Rachel Nelson, Airport Authority Secretary

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MANISTEE COUNTY BLACKER AIRPORT

JULY 2013 ACCOUNTS PAYABLE

CHECK #	VENDOR NAME	AMOUNT
	BARRY LIND	\$ 3,400.00
	CONSUMERS ENERGY	\$ 1,239.38
	A T & T	\$ 49.48
	MICHCON (DTE ENERGY)	\$ -
	MIKA MEYERS BECKETT & JONES	\$ 184.00
	NAPA AUTO PARTS	\$ -
	ACE HARDWARE	\$ 81.93
	FASTENAL	\$ 438.02
	DIRECT TV	\$ 91.98
	PIPER MCCREDIE AGENCY	\$ -
	BLARNEY CASTLE	\$ -
	SPARLING CORPORATION	\$ -
	BLUE GLOBES, LLC	\$ 311.87
	CUSTOM SHEET METAL & HEATING	\$ -
	TEMPERATURE CONTROL, INC.	\$ -
	PRIMARY AIRPORT SERVICES	\$ -
	ORCHARD BEACH AVIATION	\$ -
	TOTAL	\$ 5,796.66
	ADVERTISING INVOICES	
	HIBU-YELLOW BOOK	\$ 160.00
	TRAVERSE MAGAZINE	\$ -
	RIGHTSIDE DESIGN, LLC	\$ -
	WKLA RADIO	\$ 99.00
	CHARTER MEDIA	\$ -
	ORCHARD BEACH AVIATION	\$ 824.00
	TOTAL	\$ 1,083.00
	ORCHARD BEACH AVIATION	\$ 19,613.75
	REGULAR HOURS	372 @ 16.50 6,138.00
	MAINTENANCE HOURS	75.5 @ 16.50 1,245.75
	PART 139 LABOR	12,200.00
	INTERNET	30.00
	GRAND TOTAL	\$ 26,493.41

MANISTEE COUNTY BLACKER AIRPORT

	JULY 2013 REVENUE & EXPENSES			BUDGET REMAINING		25%
	PREVIOUS MONTH	CURRENT MONTH	YEAR-TO DATE	ANNUAL BUDGET	BALANCE \$	%
INCOME:						
FEDERAL GRANT - AEAS	\$ 144,119.00	\$ 97,381.00	\$ 1,066,468.00	\$ 2,009,960.00	\$ 943,492.00	47%
HANGER RENTAL	\$ 2,100.00	\$ 2,100.00	\$ 19,122.94	\$ 28,600.00	\$ 9,477.06	33%
LANDING FEES - PUBLIC CHARTERS	\$ 17,594.89	\$ 17,594.89	\$ 175,948.90	\$ 210,000.00	\$ 34,051.10	16%
LANDING FEES - GENERAL AVIATION	\$ 54.00	\$ 126.00	\$ 351.00	\$ 1,250.00	\$ 899.00	72%
AUTO RENTAL SPACE	\$ -	\$ -	\$ 2,712.64	\$ 5,000.00	\$ 2,287.36	46%
OFFICE RENT	\$ 970.00	\$ 970.00	\$ 9,625.00	\$ 12,600.00	\$ 2,975.00	24%
COUNTY OF MANISTEE	\$ 9,583.00	\$ 9,583.00	\$ 95,830.00	\$ 115,000.00	\$ 19,170.00	17%
CONTRIBUTIONS-MARKETING	\$ -	\$ -	\$ -	\$ 25,000.00	\$ 25,000.00	100%
PASSENGER FACILITY CHARGES	\$ -	\$ -	\$ 4,770.00	\$ 25,000.00	\$ 20,230.00	81%
FUEL SALES	\$ 1,246.98	\$ 1,340.73	\$ 7,781.83	\$ 10,000.00	\$ 2,218.17	22%
SIGN LEASE	\$ -	\$ -	\$ 2,800.00	\$ 3,800.00	\$ 1,000.00	26%
MISCELLANEOUS	\$ -	\$ -	\$ -	\$ 1,000.00	\$ 1,000.00	100%
TOTAL INCOME	\$ 175,667.87	\$ 129,095.62	\$ 1,385,410.31	\$ 2,447,210.00	\$ 1,061,799.69	43%
EXPENSES:						
AEAS CONTRACT-PUBLIC CHARTER	\$ 144,119.00	\$ 97,381.00	\$ 1,066,468.00	\$ 2,009,960.00	\$ 943,492.00	47%
PERSONNEL - MANAGEMENT	\$ 3,400.00	\$ 3,400.00	\$ 34,000.00	\$ 41,000.00	\$ 7,000.00	17%
PERSONNEL - OP & MAINT	\$ 20,540.75	\$ 19,583.75	\$ 191,420.25	\$ 240,000.00	\$ 48,579.75	20%
DUES & FEES	\$ -	\$ -	\$ 635.00	\$ 800.00	\$ 165.00	21%
SUPPLIES	\$ -	\$ 438.02	\$ 1,812.10	\$ 3,000.00	\$ 1,187.90	40%
UTILITIES	\$ 237.96	\$ 1,361.36	\$ 24,277.04	\$ 32,000.00	\$ 7,722.96	24%
FUEL	\$ -	\$ -	\$ 8,724.20	\$ 9,000.00	\$ 275.80	3%
REPAIRS & MAINTENANCE	\$ 5,570.98	\$ 393.80	\$ 12,636.86	\$ 15,000.00	\$ 2,363.14	16%
CONTRACTED SERVICES	\$ -	\$ -	\$ 702.60	\$ 1,700.00	\$ 997.40	59%
LEGAL	\$ -	\$ 184.00	\$ 5,635.00	\$ 4,000.00	\$ (1,635.00)	-41%
AUDIT	\$ -	\$ -	\$ 1,700.00	\$ 2,000.00	\$ 300.00	15%
ADVERTISING	\$ 16,118.75	\$ 1,083.00	\$ 50,424.31	\$ 34,000.00	\$ (16,424.31)	0%
TELEPHONE	\$ 46.76	\$ 49.48	\$ 556.82	\$ 300.00	\$ (256.82)	-86%
INSURANCE	\$ -	\$ -	\$ 20,799.87	\$ 21,000.00	\$ 200.13	1%
TRAINING (FIRE FIGHTER)	\$ -	\$ -	\$ -	\$ -	\$ -	0%
EQUIPMENT	\$ -	\$ -	\$ -	\$ 4,450.00	\$ 4,450.00	0%
BOOKKEEPING	\$ -	\$ -	\$ -	\$ 3,000.00	\$ 3,000.00	100%
PFC EXPENSES	\$ -	\$ -	\$ 4,363.00	\$ 25,000.00	\$ 20,637.00	100%
MISCELLANEOUS	\$ -	\$ -	\$ 732.69	\$ 1,000.00	\$ 267.31	27%
	\$ 190,034.20	\$ 123,874.41	\$ 1,424,887.74	\$ 2,447,210.00	\$ 1,022,322.26	42%
EXCESS REVENUE OVER/(UNDER) EXPENDITURES	\$ 5,221.21	\$ (39,477.43)				
BALANCE ON HAND - AIRPORT FUND						
BEGINNING BALANCE 07/01/2013		\$ 129,560.94				
JULY RECEIPTS		\$ 111,334.98				
JUNE DISBURSEMENTS		\$ (190,034.20)				
		\$ 50,861.72				

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MANISTEE COUNTY BLACKER AIRPORT

JULY 2013 BALANCE SHEET

ASSETS	7/31/2013	6/30/2013
CASH	\$ 50,861.72	\$ 129,560.94
CASH - PFC ACCOUNT	\$ 80,987.50	\$ 80,987.50
ACCOUNTS RECEIVABLE		
PUBLIC CHARTERS	\$ 35,189.78	\$ 17,594.89
AUTO RENTAL	\$ -	\$ -
MISC.	\$ 2,006.73	\$ 1,840.98
TOTAL ASSETS	\$ 169,045.73	\$ 229,984.31
LIABILITIES	7/31/2013	6/30/2013
ACCOUNTS PAYABLE - TRADE	\$ 123,874.41	\$ 190,034.20
ACCOUNTS PAYABLE - COUNTY	\$ -	\$ -
PREPAID HANGER RENT	\$ -	\$ -
TOTAL LIABILITIES	\$ 123,874.41	\$ 190,034.20
FUND BALANCE	\$ 45,171.32	\$ 39,950.11
TOTAL LIABILITIES AND FUND BALANCE	\$ 169,045.73	\$ 229,984.31

PASSENGER FACILITY CHARGES COLLECTED THROUGH 07/31/2013	\$ 93,109.82
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)
STATE OF MICHIGAN (RAMP AREAS)	\$ (4,363.00)
PFC FUNDS AVAILABLE	\$ 80,987.50

AUTO RENTAL REVENUE BY COMPANY THROUGH 07/31/2013

ENTERPRISE CAR RENTALS	\$ -
MOWERY LEASING & RENTAL	\$ 2,712.64
GWK AGENCY	\$ -
TOTAL	\$ 2,712.64

ORCHARD BEACH AVIATION

July 2013

RENT

OFFICE \$340.00

HANGER \$200.00

FUEL \$1340.73

DIESEL FUEL \$0.00

LANDING FEES

TWIN \$36.00 (4 @ \$9)

JET \$90.00 (5 @ \$18)

TOTAL \$2006.73

100 2369.0 Gal

JET 6883.6 Gal

TOTAL 9252.6 Gal

General 6578.7 Gal @ .15 = 986.81

PublicCharters 1000.0 Gal @ .15 = 150.00

PublicCharters 406.7 Gal @ .08 = 32.54

PublicCharters 0.0 Gal @ .02 = 0.00

Orchard Beach 1000.0 Gal @ .15 = 150.00

Orchard Beach 267.2 Gal @ .08 = 21.38

DIESEL 0.0 Gal

Fund: 295 AIRPORT AUTHORITY FUND

Calculations as of 06/30/2013

ACCOUNT	DESCRIPTION	10-11 ACTIVITY	11-12 ACTIVITY	12-13 AMENDED BUDGET	13-14 REQUESTED BUDGET	13-14 RECOMMENDED BUDGET
ESTIMATED REVENUES						
505.000	FEDERAL GRANT - AEAS	0	954,854	2,009,960	2,000,000	2,000,000
518.000	FED GRANT-ADVERTISING	0	6,258	0	0	0
540.000	STATE REIMBURSEMENTS	0	0	0	27,000	27,000
665.000	INTEREST EARNED	104	167	0	0	0
668.000	OFFICE RENT	11,460	11,460	12,600	12,780	12,780
668.001	LANDING FEES GENERAL AVIATION	1,089	963	1,250	1,000	1,000
668.002	RENT AND LANDING FEES-PUBLIC CHAR	213,406	169,889	210,000	211,138	211,138
668.003	HANGER RENT	22,630	19,130	28,600	31,000	31,000
668.004	CAR RENTAL FEES	7,076	8,390	5,000	5,000	5,000
668.005	SIGN LEASE	3,300	2,800	3,800	3,800	3,800
668.006	PASSENGER FACILITY CHARGES	35,757	23,422	25,000	19,000	19,000
675.000	CONTRIBUTIONS-MARKETING	0	0	25,000	0	0
695.000	MISC. REVENUE	13,870	450	1,000	1,000	1,000
698.001	FUEL SALES	7,339	7,486	10,000	7,500	7,500
699.001	TRANSFER IN - GENERAL FUND	115,000	115,000	115,000	115,000	115,000
699.010	TRANSFER IN-GENERAL FUND MARKETIN	0	0	0	0	0
:						
TOTAL ESTIMATED REVENUES		431,031	1,320,269	2,447,210	2,434,218	2,434,218
APPROPRIATIONS						
727.000	OFFICE SUPPLIES	2,670	2,039	0	0	0
727.002	MISC. SUPPLIES	0	0	3,000	2,000	2,000
730.000	EQUIPMENT	0	0	4,450	0	0
743.000	GAS AND OIL	9,401	7,128	9,000	9,000	9,000
800.000	CONTRACTED SERVICES	1,428	1,319	1,700	1,200	1,200
800.002	CONTRACTED SERVICES - AUDIT	1,500	1,600	2,000	2,000	2,000
800.003	CONTRACTUAL - ACCOUNTING	3,000	3,000	3,000	3,000	3,000
800.004	CONTRACTUAL - PUBLIC CHARTERS	0	954,854	2,009,960	2,000,000	2,000,000
801.000	CONTRACTED SERVICES - MANAGEMENT	39,338	40,518	41,000	40,800	40,800
801.001	CONTRACTED SERVICES - MAINT.	218,492	206,026	240,000	240,000	240,000
806.000	ATTORNEY FEES	5,353	5,304	4,000	4,000	4,000
812.000	DUES AND FEES	784	585	800	800	800
850.000	TELEPHONE	303	436	300	500	500
860.000	TRAVEL	0	0	0	0	0
862.002	TRAINING-FIRE FIGHTER	8,709	0	0	2,000	2,000
901.000	ADVERTISING	19,938	31,258	34,000	43,000	43,000
911.000	LIABILITY INSURANCE	19,852	20,959	21,000	21,000	21,000
920.000	UTILITIES	37,357	30,518	32,000	30,000	30,000
930.000	MISC. REPAIRS	0	0	0	0	0
931.000	REPAIRS & MAINTENANCE	15,987	22,889	15,000	15,000	15,000
995.000	MISC. EXPENSE	1,752	984	1,000	918	918
995.002	MISC. EXPENSE - PFC	0	8,443	25,000	19,000	19,000
999.000	TRANSFER OUT - GENERAL FUND	0	0	0	0	0
999.016	TRANSFER OUT- PUBLIC IMP. FUND	0	0	0	0	0
:						
TOTAL APPROPRIATIONS		385,864	1,337,860	2,447,210	2,434,218	2,434,218
NET OF REVENUES/APPROPRIATIONS - FU		45,167	(17,591)	0	0	0

APPENDIX D

BLACKER AIRPORT FIVE YEAR CAPITAL IMPROVEMENTS PLAN

August 12, 2013

Priority One: Existing Hanger Improvements

- Paint structure
- Update electrical service
- Resolve floor issues
- Upgrade hardware on doors

Priority Two: Light Tower

- Paint light tower

Priority Three: Lighting and Signage at the Entrance

- Rotate the sign 90 degrees and place name on both sides
-

SECTION 200.18 STRUCTURAL AND DECORATIVE CHANGES

No lessee shall effect structural changes or additions of any type without prior written permission of the Airport Director. No Lessee or tenant of a building owned by the airport shall effect decorative changes of any type without prior written permission of the Airport Director; such permission shall not unreasonably be withheld.

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No lessee shall effect structural changes, place permanent or temporary additions of any type, or make modification of any type to the leased property without prior written permission of the Airport Director. All approved modifications or changes will be:

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A. Removed at the termination of the lease (as defined in the written permission), or

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B. Retained as an integral part of the property, owned wholly and without cost by the lessor.

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No Lessee of a building owned by the airport shall effect decorative changes of any type without prior written permission of the Airport Director; such permission shall not unreasonably be withheld.

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Notwithstanding anything contained herein to the contrary, any permanent improvement of airport property that is required to be part of the Federal Aviation Administration (FAA) approved Airport Layout Plan (ALP), or otherwise subject to FAA approval, is contingent upon first obtaining FAA approval.

Comment [A1]: Barry will need to indicate whether this language is necessary. My understanding has always been that any changes to the airport grounds required FAA approval (whether that was in the form of the Airport Layout Plan, or something else I'm not sure).

SECTION 200.18.1 STRUCTURAL ADDITIONS TO LEASED, VACANT PROPERTY

A lessee may, after the following conditions have been met, cause to be constructed private hangar facilities.

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A. Written approval of site and design plan from Airport Director. The Airport Director will use a design template approved by the Airport Authority, which complies with the Airports Master Plan and applicable Local, State, and Federal Regulations. Denial can be appealed to the Airport Authority Board. Decisions of Airport Authority Board are final.

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B. Documentation is in place which conveys ownership of all lessee structures to lessor upon termination of lease.

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C. Approval of all documentation relative to project by Airport Authority.

Comment [A2]: Is this approval by the Authority (which may arguably be through its Director) or the Board?

D. Written lease agreement with a minimum duration of 10 years, upon terms acceptable to the Airport Authority.

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E. Construction of a hangar on airport property that is required to be part of the Federal Aviation Administration (FAA) approved Airport Layout Plan (ALP), or otherwise subject to FAA approval, is contingent upon first obtaining FAA approval. All outside costs associated with obtaining FAA approval for construction of a hangar, including amendment of the ALP, shall be the responsibility of Lessee.

Comment [A3]: Probably redundant, but I thought making sure that a potential Lessee understands that our Lease Agreement will have other terms than just duration was appropriate.

Private hangar design template will be reviewed bi-annually to insure it complies/conforms with changes in all applicable regulation and airport master plan.

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September Travel as of 08/11/13**Best Fares**

	MBL	TVC	GRR	MKG
Atlanta (ATL)	428 FL/WN	408 DL	346 DL	446 UA
Boston (BOS)	386 WN	378 AA	328 UA	428 UA
Chicago (MDW or ORD)	120 P1	340 AA	312 AA	162 UA
Dallas (DFW)	406 WN	327 AA	454 UA	440 UA
Denver (DEN)	378 F9	586 AA	280 AA	326 UA
Houston (HOU)	457 WN	391 AA	531 UA	472 UA
Kansas City (MCI)	360 WN	412 AA	362 UA	380 UA
Las Vegas (LAS)	500 SC/F9	564 DL	482 DL	515 UA
Los Angeles (LAX)	452 F9	444 DL	391 UA	480 UA
Minneapolis (MSP)	279 SC/DL	428 DL	380 DL	280 UA
New York Area (NYC)	385 WN/FL	366 DL	304 DL	454 UA
Orlando (MCO)	440 DL	334 DL	240 UA	286 UA
Philadelphia (PHL)	506 WN	464 DL	414 DL	446 UA
Phoenix (PHX)	407 F9	382 AA	308 DL	504 UA
Portland (PDX)	518 F9	546 AA	559 UA	504 UA
San Diego (SAN)	452 F9	522 AA	463 UA	504 UA
San Francisco (SFO)	518 F9	444 DL	391 UA	504 UA
Seattle (SEA)	448 SC/F9	444 AA	394 AA	510 UA
St Louis (STL)	347 WN	300 AA	162 UA	366 UA
Washington DC Area (WAS)	412 WN	297 AA	220 AA	446 UA

Average Fare	\$409.95	\$418.85	\$366.05	\$422.65
Change from last month	-\$73.25	-\$71.05	-\$63.80	-\$89.65
Change from two months ago	-\$57.10	-\$73.45	-\$51.55	-\$70.60
Fares Pulled 08/11/13 for travel 09/12/13 - 09/19/13				

Best Fares +7 days parking

	MBL	TVC	GRR	MKG
Atlanta (ATL)	428 FL/WN	448 DL	400 DL	474 UA
Boston (BOS)	386 WN	418 AA	382 UA	456 UA
Chicago (MDW or ORD)	120 P1	380 AA	366 AA	190 UA
Dallas (DFW)	406 WN	367 AA	508 UA	468 UA
Denver (DEN)	378 F9	626 AA	334 AA	354 UA
Houston (HOU)	457 WN	431 AA	585 UA	500 UA
Kansas City (MCI)	360 WN	452 AA	416 UA	408 UA
Las Vegas (LAS)	500 SC/F9	604 DL	536 DL	543 UA
Los Angeles (LAX)	452 F9	484 DL	445 UA	508 UA
Minneapolis (MSP)	279 SC/DL	468 DL	434 DL	308 UA
New York Area (NYC)	385 WN/FL	406 DL	358 DL	482 UA
Orlando (MCO)	440 DL	374 DL	294 UA	314 UA
Philadelphia (PHL)	506 WN	504 DL	468 DL	474 UA
Phoenix (PHX)	407 F9	422 AA	362 DL	532 UA
Portland (PDX)	518 F9	586 AA	613 UA	532 UA
San Diego (SAN)	452 F9	562 AA	517 UA	532 UA
San Francisco (SFO)	518 F9	484 DL	445 UA	532 UA
Seattle (SEA)	448 SC/F9	484 AA	448 AA	538 UA
St Louis (STL)	347 WN	340 AA	216 UA	394 UA
Washington DC Area (WAS)	412 WN	337 AA	274 AA	474 UA

Average Fare	\$409.95	\$458.85	\$420.05	\$450.65
Change from last month	-\$73.25	-\$71.05	-\$63.80	-\$89.65
Change from two months ago	-\$57.10	-\$73.45	-\$51.55	-\$70.60

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

	2008		2009		2010		2011		2012		2013	
	Out/In	Total	Out/In	Total	Out/In	Total	Out/In	Total	Out/In	Total	Out/In	Total
Jan	MW 234/169	403	GL 138/106	244	GL 212/145	357	GL 201/169	370	F9 523/366	889	134/126	260
Feb	215/200	413	112/93	205	196/150	346	202/194	396	462/431	893	128/120	248
Mar	213/200	413	149/139	288	216/231	447	225/215	440	112/176	288	162/173	335
Apr	18/38	56	119/140	259	272/255	527	47/171 F9 486/389	1193	0/0	0	158/158	316
May	0/0	0	184/180	364	263/302	565	1454/1525	2979	P1 71/58	129	189/189	378
Jun	GL 94/113	207	166/213	379	311/366	677	1206/1342	2548	234/250	484	239/288	527
Jul	278/301	579	388/439	827	521/551	1072	1595/1568	3163	465/467	932	421/409	830
Aug	300/293	593	429/359	788	482/395	877	1833/1567	3400	497/500	997		
Sep	219/190	409	285/293	578	240/233	473	1332/1234	2566	362/297	659		
Oct	173/174	347	282/275	557	270/246	516	1024/1004	2028	150/149	299		
Nov	168/166	334	257/269	526	236/242	478	722/715	1437	36/33	69		
Dec	159/122	281	228/279	507	194/235	429	674/798	1472	131/138	269		
Total		4035		5522		6764		21992		5908		2894

On-time Performance

	2008		2009		2010		2011		2012		2013	
	Cancel/Delay	On-time	Cancel/Delay	On-time								
Jan			13%/25%	62%	23%/22%	55%	15%/38%	48%	12%/8%	80%	0%/15%	85%
Feb			18%/16%	66%	13%/32%	55%	15%/28%	58%	6%/11%	83%	6%/16%	78%
Mar			8%/11%	79%	11%/19%	70%	21%/19%	60%	14%/8%	78%	0%/0%	100%
Apr			10%/16%	74%	13%/17%	70%	***	***	***	***	0%/3%	97%
May			2%/10%	88%	12%/10%	78%	3%/25%	72%	0%/10%	90%	0%/6%	94%
Jun			7%/18%	75%	6%/26%	68%	6%/20%	74%	0%/6%	94%	0%/3%	97%
Jul			4%/16%	80%	5%/19%	76%	0%/37%	63%	0%/7%	93%	0%/19%	81%
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%	0%/11%	89%		



US Department
of Transportation
**Federal Aviation
Administration**

APPENDIX J

Great Lakes Region
2300 East Devon Avenue
Des Plaines, IL 60018

July 25, 2013

Mr. Barry Lind, Airport Manager
Manistee County Blacker Airport
2323 Airport Road
Manistee, Michigan 49660

Dear Mr. Lind:

Safety Recommendations - Manistee County Blacker

As a result of the Periodic inspection conducted on 7/24/2013 - 7/25/2013 at Manistee County Blacker Airport, the following comments / recommendations are being provided to you for your consideration:

1. Recommend obtaining friction measuring equipment to assist in assessing and reporting field conditions.
2. Recommend supplementing the fueling facility inspections, currently being conducted by airport personnel every three consecutive calendar months, with additional inspections by an outside/independent agency (i.e. City of Manistee Fire Department).
3. Develop a tracking sheet or program in an easily reviewable format for 139.329 drivers training. Provide initial training date, recurrent training date, current status (i.e. individual no longer requires movement area access), and an explanation for any gaps in required training. Recommend sending formal letters stating the revocation of access once persons no longer need access or have not conducted recurrent training.
4. Recommend periodic audits of airport records to ensure proper and uniform completion.

These comments/recommendations are not required by 14 CFR Part 139 but are being made a part of the inspection record. Copies of these documents are provided to both Washington Headquarters and your Airports District Office.

Sincerely,

Heather Monaghan-Manna

Heather Monaghan-Manna
Airport Certification Safety Inspector

Letter of Correction

I-3

Manistee County Blacker

Continuation Page 2

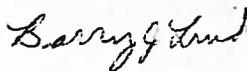
a. FAR 139 Reference	b. Discrepancy	c. Correction Date	a. Date	b. By (Initials)
327a1	Self-inspection program.	8/23/13		
Inspection revealed several dates without the occurrence of a daily self-inspection (11/22/12, 12/8/12, 12/25/12, and 1/1/13). Each inspection, during both daylight and darkness, must be conducted and a record of such maintained for at least twelve consecutive calendar months. The ACM must be updated to clearly reflect these practices and the daily self-inspection form updated accordingly.				

Check if Comments/Recommendations attached - comments and recommendations concerning aviation safety which are not required by FAR Part 139 are noted on the attached sheet.

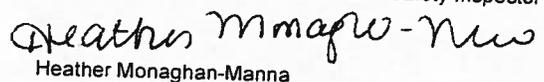
By signature below, assurance is given that the violations noted above will be corrected by the dates indicated and a copy of this letter returned by 15 calendar days following the completion of all discrepancy corrections.

Date
July 25, 2013

Signature of Authorized Airport Official

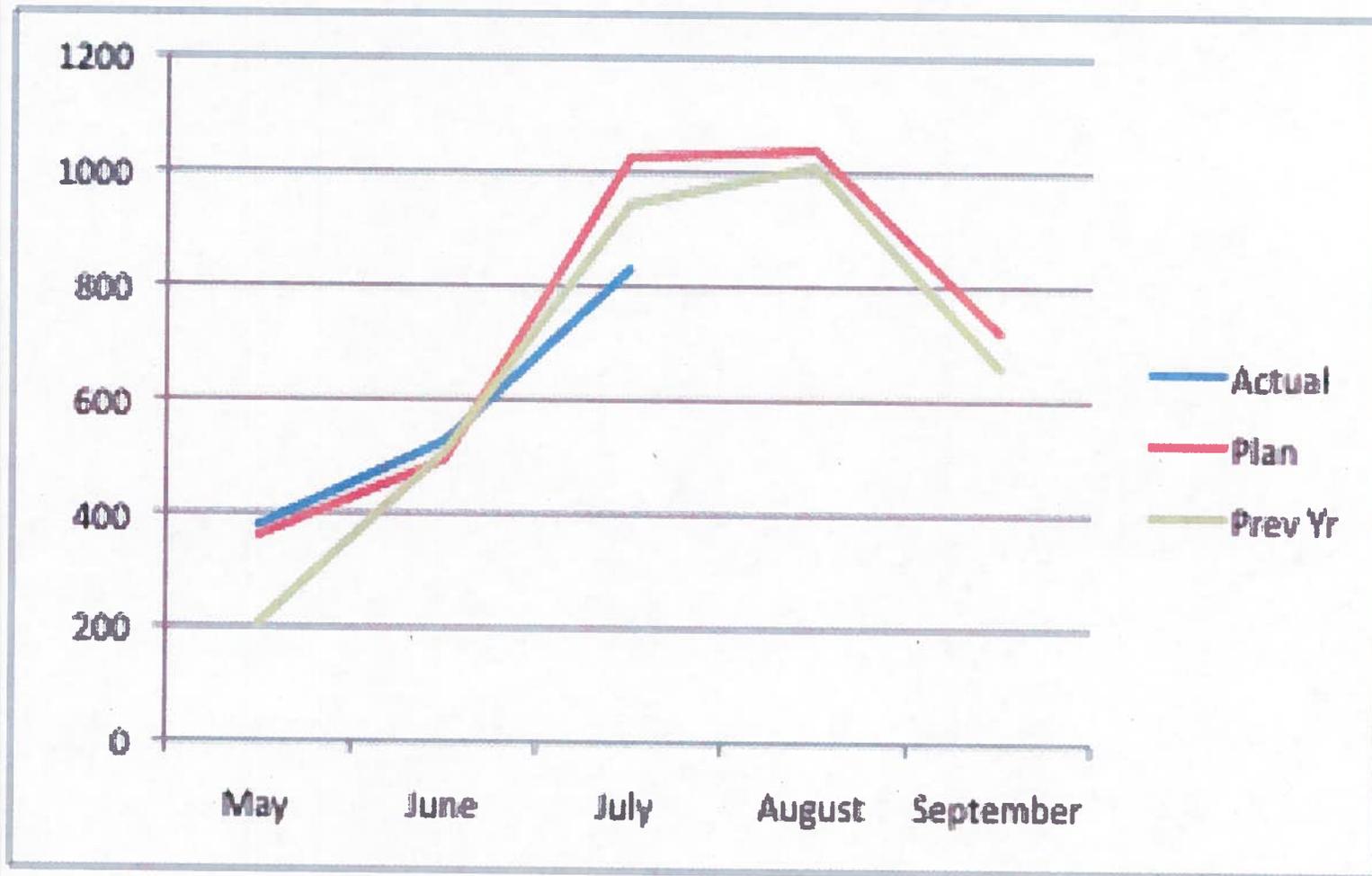


Signature of FAA Airport Certification Safety Inspector

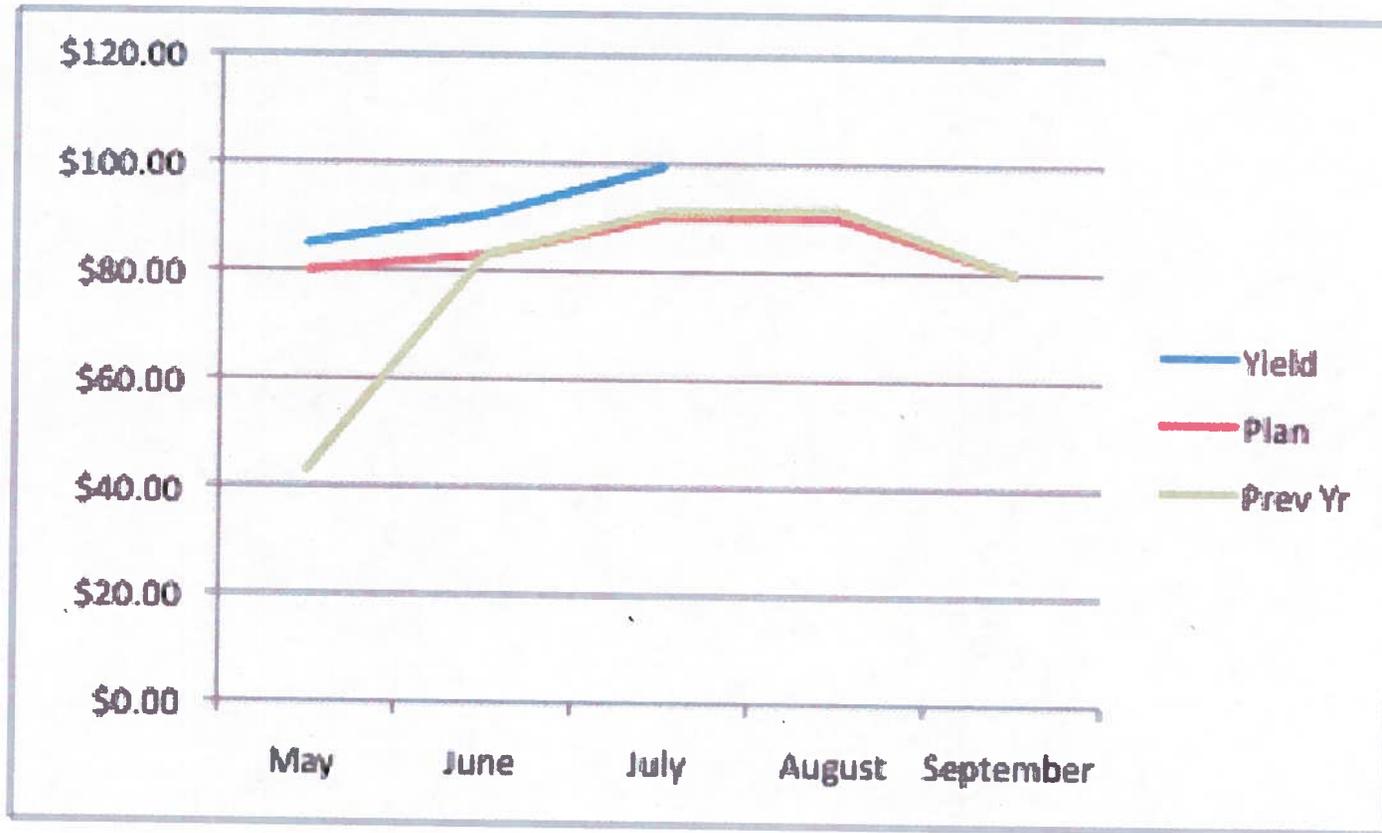


Heather Monaghan-Manna

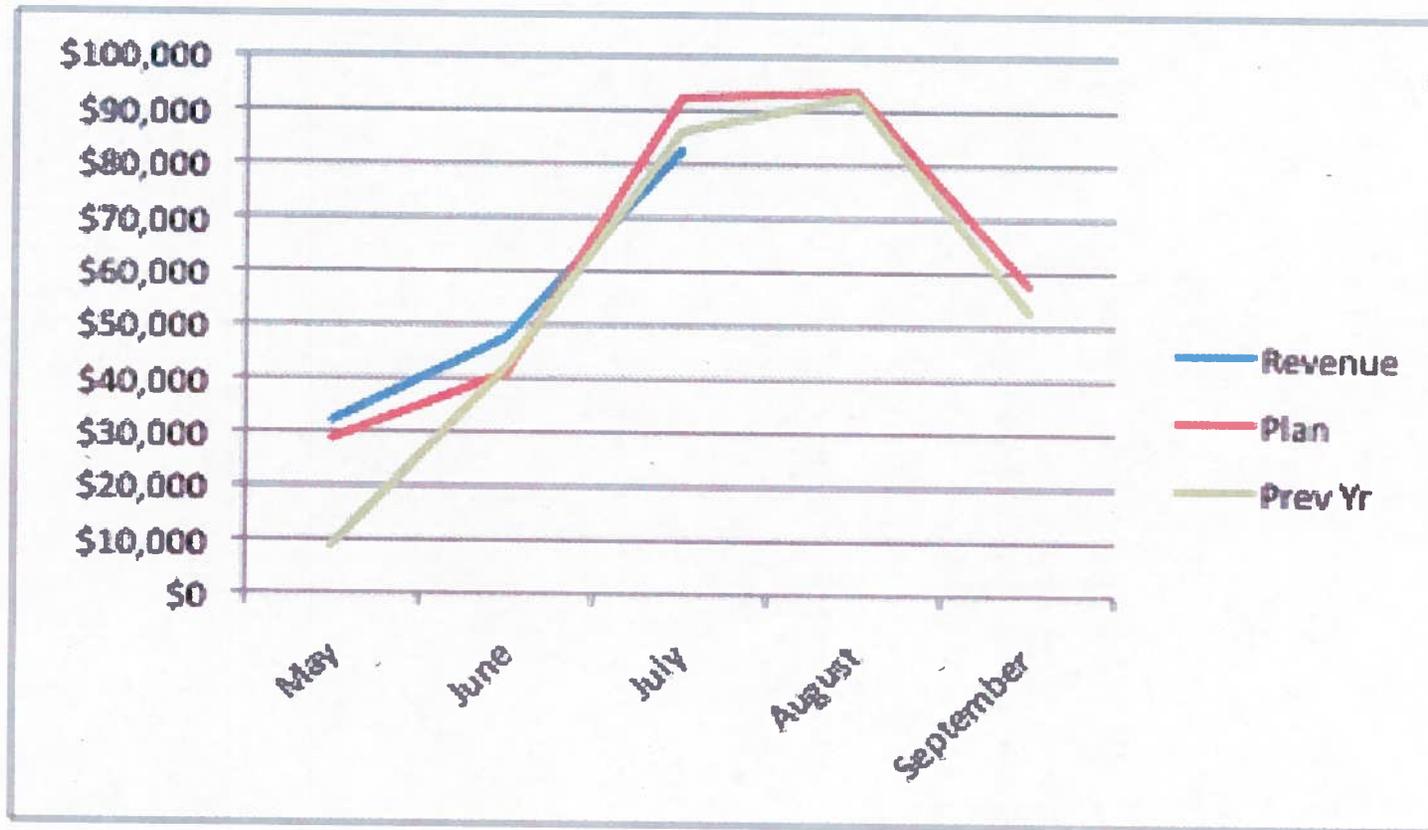
Passengers vs Plan 8/12/13



Yield vs Plan 8/12/13



Revenue vs Plan 8/12/13



CONTRACT NO. 2013-0340
PROJECT NO. 119400
ACCOUNT NO. 5001

MICHIGAN DEPARTMENT OF TRANSPORTATION
MANISTEE COUNTY BLACKER AIRPORT AUTHORITY
MICHIGAN AIR SERVICE PROGRAM
CAPITAL IMPROVEMENT AND EQUIPMENT PROJECT

This Grant Contract is made and entered into this date of _____ by and between the Michigan Department of Transportation (MDOT) and Manistee County Blacker Airport Authority (GRANTEE).

1. DEFINITIONS

As used in this Grant Contract:

- COMMISSION - Means the Michigan State Transportation Commission.
- OFFICE - Means the Office of Aeronautics of MDOT.
- STATE - Means the State of Michigan.

2. PURPOSE

This Grant Contract sets forth a grant from MDOT to the GRANTEE for the project described in Exhibit A, dated July 17, 2013, attached hereto and made a part hereof, to be undertaken at the Manistee County - Blacker Airport, whose associated city is Manistee, Michigan (PROJECT).

The GRANTEE will begin, carry on, and complete the PROJECT with all applicable dispatch in a sound, economical, and efficient manner and in accordance with the provisions of this Grant Contract, all applicable laws, and the Michigan Air Service Program Guidelines, dated January 2012, incorporated herein by reference as if the same were repeated in full herein. The Michigan Air Service Program Guidelines may be found at <http://www.michigan.gov/aero> under "Links," "Air Service Program Guidelines and Application."

The GRANTEE will initiate and prosecute to completion all proceedings necessary to enable the GRANTEE to commit its share of the PROJECT funds.

3. GRANT

The PROJECT cost will be met in part by contributions from MDOT. The MDOT share will be applied to the PROJECT cost at a rate of 90% for those items eligible for state participation in an amount not to exceed Twenty-Three Thousand Dollars (\$23,000.00).

MDOT Share.....	\$20,700.00
GRANTEE Share.....	<u>\$2,300.00</u>
<i>Estimated</i> PROJECT Cost	\$23,000.00

The amount of funds shown herein will not be increased without a prior written amendment to this Grant Contract awarded by the parties. MDOT funds in this Grant Contract made available through legislative appropriation are based on projected revenue estimates. MDOT may reduce the amount of this Grant Contract if the revenue actually received is insufficient to support the appropriation under which this Grant Contract is made.

4. PROJECT COSTS

The PROJECT costs are the costs of purchasing or constructing the items described in Exhibit A. The GRANTEE will be responsible for all costs in excess of the MDOT funds shown in Section 3. Administrative costs incurred by the GRANTEE are not eligible PROJECT costs.

Determination of allowable PROJECT costs will be in accordance with the criteria set forth in the Michigan Air Service Program Guidelines, Office of Management and Budget Circular A-87, and Title 49 CFR Part 18 that are in effect at the time the Grant Contract is signed by both parties.

5. NO ENCUMBRANCE

The GRANTEE agrees and warrants that it will not allow any encumbrance, lien, security interest, mortgage, or evidence of indebtedness to attach to or be perfected against any PROJECT equipment or capital improvement acquired pursuant to this Grant Contract.

6. BILLINGS AND PAYMENTS

The GRANTEE may make requests for payment of allowable PROJECT costs. In order to receive grant payments from MDOT, the GRANTEE must:

- a. Submit actual or estimated progress billings signed by the authorized agent of the GRANTEE to MDOT. All billings will be labeled sequentially either by progress billing number or as "Final Billing." PROJECT vendor or contractor billings to the GRANTEE must be submitted as supportive documentation for any estimated items on the GRANTEE's billing to MDOT. The Final Billing must be for actual allowable PROJECT costs incurred. The GRANTEE agrees that the costs

reported to MDOT for this Grant Contract will represent only those items that are properly chargeable in accordance with the Grant Contract. The GRANTEE also certifies that it has read the Grant Contract terms and has made itself aware of the applicable laws, regulations, and terms of the Grant Contract that apply to the reporting of costs incurred under the terms of this Grant Contract.

- b. Submit, along with billing, a budget summary showing the PROJECT to date and current billings against individual budget items, as shown in Exhibit A.
- c. Within sixty (60) days after PROJECT completion or termination, the GRANTEE will submit to MDOT a billing designated as the "Final Billing" to be charged against the Grant Contract. Upon written request by the GRANTEE to MDOT within the sixty (60) day period, which request will include documentation of the circumstances that prevent timely submission of all billings that support the Final Billing, MDOT may, in writing, extend the sixty (60) day period to a date certain. If the GRANTEE fails to provide all billings and supporting documentation for the Final Billing sixty (60) days after the date of PROJECT completion or termination or before or upon the extended date certain established by MDOT, MDOT may elect not to accept any further billings, regardless of whether or not the costs are otherwise allowable under the Grant Contract.

MDOT will pay the GRANTEE MDOT's share of allowable PROJECT costs within thirty (30) working days of receiving said billings, up to the maximum MDOT funds provided under Section 3.

7. TERMINATION OR SUSPENSION

In the event MDOT determines that the GRANTEE has breached a provision of this Grant Contract or determines that, for any other reason, a substantial purpose of this Grant Contract is not being accomplished or will not be accomplished, MDOT may notify the GRANTEE by certified mail of its intent to suspend or terminate MDOT's obligation to make further payments for PROJECT costs, except as otherwise provided in this section. The notice will state the reason for the intended suspension or termination.

Issuance of this notice will mark the beginning of a thirty (30) day period during which the GRANTEE will undertake to correct the reason for the suspension or termination. Suspension or termination will occur automatically after thirty (30) days following the date of mailing of the notice of intent to suspend or terminate unless the GRANTEE corrects the reason for the suspension or termination within that time or MDOT, in writing, extends the time to a date certain. The decision of MDOT to suspend or terminate this Grant Contract will be final and binding on all parties.

Upon termination of this Grant Contract, the GRANTEE agrees to convey title to and deliver the PROJECT equipment, including any PROJECT equipment leased to any other grantee, to MDOT in accordance with MDOT procedures. If within sixty (60) days after termination, the GRANTEE has not returned all of the PROJECT equipment, MDOT

may, but not as an exclusive remedy, withhold monies from present or future agreements or contracts up to the value of the PROJECT equipment.

8. MAINTENANCE OF PROJECT EQUIPMENT AND CAPITAL IMPROVEMENTS

The GRANTEE will maintain all PROJECT equipment and capital improvements at a high level of cleanliness, safety, and mechanical soundness for the term of the Grant Contract or for a period of five (5) years, whichever is longer. Maintenance will conform to the manufacturer's specifications for PROJECT equipment or be as approved by MDOT. The GRANTEE will maintain supporting records documenting such maintenance. Representatives of MDOT will have the right to conduct periodic inspections for the purpose of confirming proper maintenance pursuant to this section. MDOT will give the GRANTEE prior notification of any inspection. Such inspection or approval by MDOT does not relieve the GRANTEE of its obligations hereunder, nor is such inspection or approval by MDOT to be construed as a warranty as to the propriety of the maintenance but is undertaken for the sole use and information of MDOT.

9. DISPOSITION AND USE OF EQUIPMENT AND CAPITAL IMPROVEMENTS

- a. The GRANTEE agrees that the PROJECT equipment and capital improvements will be used for the provision of public transportation service for a period of five (5) years.
- b. PROJECT equipment no longer used in accordance with the terms of this Grant Contract may be returned to MDOT. With prior written approval from MDOT, the GRANTEE may dispose of said PROJECT equipment according to MDOT guidelines. The GRANTEE agrees to remit to MDOT from the public sale of PROJECT equipment a portion of the proceeds based upon the actual ration of PROJECT funding provided by MDOT, less applicable administrative costs of the sale.

10. ACCOUNTING RECORDS AND DOCUMENTATION

With regard to audits and record-keeping:

- a. The GRANTEE will establish and maintain accurate records, in accordance with generally accepted accounting principles, of all expenses incurred for which payment is sought or made under this Grant Contract (RECORDS). Separate accounts will be established and maintained for all costs incurred under this Grant Contract.
- b. The GRANTEE will maintain the RECORDS for at least three (3) years from the date of final payment made by MDOT under this Grant Contract. In the event of a dispute with regard to the allowable expenses or any other issue under this Grant Contract, the GRANTEE will thereafter continue to maintain the RECORDS at

least until that dispute has been finally decided and the time for all available challenges or appeals of that decision has expired.

- c. MDOT or its representative may inspect, copy, or audit the RECORDS at any reasonable time after giving reasonable notice.
- d. If any part of the work is subcontracted, the GRANTEE will assure compliance with subsections (a), (b), (c), and (d) above for all subcontracted work.

11. **PROCUREMENT OF PROJECT EQUIPMENT AND CAPITAL IMPROVEMENTS**

- a. The purchase of PROJECT equipment and capital improvements financed in whole or in part pursuant to this Grant Contract will be undertaken by MDOT on behalf of the GRANTEE or by the GRANTEE, as the case may be.
- b. PROJECT-Related Procurement Documents: The GRANTEE will submit to the OFFICE copies of the following procurement documents upon request by the OFFICE:
 - i. Invitations for Bids (IFBs), to be submitted by the GRANTEE prior to distribution.
 - ii. Amendments to the above, to be submitted by the GRANTEE prior to distribution.
 - iii. Any specifications, plans, drawings, and quantity figures to be included in the IFBs for the review and approval of the OFFICE.
- c. Competitive Bidding: The GRANTEE:
 - i. Will document competitive quotations utilizing local procurement procedures for third-party contractual agreements of Twenty-Five Thousand Dollars (\$25,000.00) and under, except for purchases under Five Hundred Dollars (\$500.00).
 - ii. Will advertise for competitive bids on third-party contractual agreements over Twenty-Five Thousand Dollars (\$25,000.00), except for contracts for professional and consulting services.
 - iii. Will solicit proposals from an adequate number of sources to permit reasonable competition for contracts for professional and consulting services over Twenty-Five Thousand Dollars (\$25,000.00).
 - iv. Will submit to the OFFICE the names of all qualified bidders or a list of proposals, the amount of each bid or proposal, and the identification of the one selected upon request by the OFFICE.

- v. May award a contract to a responsible bidder other than the lowest in price, provided that appropriate provision for such action is included in the IFB upon which bids are invited. Justification for such selection will be provided to the OFFICE prior to the award of the contract.
- d. **Contract Approval:** The GRANTEE will submit to MDOT for approval, unless the GRANTEE has been certified in accordance with COMMISSION policy, all contracts, including amendments that relate to this Grant Contract, that are estimated to be in excess of Twenty-Five Thousand Dollars (\$25,000.00) prior to said contracts being awarded by the GRANTEE. Awarded copies of all contracts must be submitted to MDOT. The GRANTEE will not enter into multiple contracts of lesser amounts for the purpose of avoiding such approval process.

Approval of said contracts is given for the purposes of MDOT. Approval does not constitute an assumption of liability, a waiver, or an estoppel to enforce any of the requirements of this Grant Contract, nor will any such approvals by MDOT be construed as a warranty of the third party's qualifications, professional standing, ability to perform the work being subcontracted, or financial integrity.

12. ACCESS

The GRANTEE agrees to provide and will require its contractors to provide access by MDOT to all technical data, reports, documents, and work in process pertaining to the PROJECT. Copies of technical data, reports, and other documents will be provided by the GRANTEE or its contractors to MDOT upon request.

13. REPAYMENT

In the event that an audit performed by or on behalf of MDOT indicates an adjustment to the costs reported under this Grant Contract or questions the allowability of an item of expense, MDOT will promptly submit to the GRANTEE a Notice of Audit Results and a copy of the audit report, which may supplement or modify any tentative findings verbally communicated to the GRANTEE at the completion of an audit.

Within sixty (60) days after the date of the Notice of Audit Results, the GRANTEE will (a) respond in writing to the responsible Bureau or Office of MDOT indicating whether or not it concurs with the audit report, (b) clearly explain the nature and basis for any disagreement as to a disallowed item of expense, and (c) submit to MDOT a written explanation as to any questioned or no opinion expressed item of expense (RESPONSE). The RESPONSE will be clearly stated and will provide any supporting documentation necessary to resolve any disagreement or questioned or no opinion expressed item of expense. Where the documentation is voluminous, the GRANTEE may supply appropriate excerpts and make alternate arrangements to conveniently and reasonably make that documentation available for review by MDOT. The RESPONSE will refer to and apply the language of the Grant Contract. The GRANTEE agrees that failure to

submit a RESPONSE within the sixty (60) day period constitutes agreement with any disallowance of an item of expense and authorizes MDOT to finally disallow any items of questioned or no opinion expressed cost.

MDOT will make its decision with regard to any Notice of Audit Results and RESPONSE within one hundred twenty (120) days after the date of the Notice of Audit Results. If MDOT determines that an overpayment has been made to the GRANTEE, the GRANTEE will repay that amount to MDOT or reach agreement with MDOT on a repayment schedule within thirty (30) days after the date of an invoice from MDOT. If the GRANTEE fails to repay the overpayment or reach agreement with MDOT on a repayment schedule within the thirty (30) day period, the GRANTEE agrees that MDOT will deduct all or a portion of the overpayment from any funds then or thereafter payable by MDOT to the GRANTEE under this Grant Contract or any other agreement or payable to the GRANTEE under the terms of 1951 PA 51, as applicable. Interest will be assessed on any partial payments or repayment schedules based on the unpaid balance at the end of each month until the balance is paid in full. The assessment of interest will begin thirty (30) days from the date of the invoice. The rate of interest will be based on the Michigan Department of Treasury common cash funds interest earnings. The rate of interest will be reviewed annually by MDOT and adjusted as necessary based on the Michigan Department of Treasury common cash funds interest earnings. The GRANTEE expressly consents to this withholding or offsetting of funds under these circumstances, reserving the right to file a lawsuit in the Court of Claims to contest MDOT's decision only as to any item of expense the disallowance of which was disputed by the GRANTEE in a timely filed RESPONSE.

14. INDEMNIFICATION

In addition to the insurance requirements contained herein or any existing insurance policy and the protection afforded thereby, the GRANTEE also agrees to indemnify and save harmless the STATE, the COMMISSION, MDOT, the Michigan Aeronautics Commission, and all officers, agents, and employees thereof:

- a. From any and all claims by persons, firms, or corporations for labor, services, materials, or supplies provided to the GRANTEE in connection with this Grant Contract; and
- b. From any and all claims for injuries to or death of any and all persons, for loss of or damage to property, for environmental damage, degradation, and response and cleanup costs, and for attorney fees and related costs arising out of, under, or by reason of this Grant Contract, except claims resulting from the sole negligence or willful acts or omissions of said indemnitee, its agents, or its employees.

MDOT will not be subject to any obligations or liabilities by contractors of the GRANTEE or their subcontractors or any other person not a party to the Grant Contract without its specific consent and notwithstanding its concurrence in or approval of the award of any contract or subcontract or the solicitation thereof.

It is expressly understood and agreed that the GRANTEE will take no action or conduct that arises either directly or indirectly out of its obligations, responsibilities, and duties under this Grant Contract that results in claims being asserted against or judgments being imposed against the STATE, the COMMISSION, MDOT, and/or the Michigan Aeronautics Commission.

In the event that the same occurs, it will be considered as a breach of this Grant Contract, thereby giving the STATE, the COMMISSION, and/or MDOT a right to seek and obtain any necessary relief or remedy, including, but not limited to, a judgment for money damages.

15. PROHIBITION OF DISCRIMINATION

In connection with the acceptance of this Grant Contract, the GRANTEE (hereinafter in Appendix A referred to as the "contractor") agrees to comply with the State of Michigan provisions for "Prohibition of Discrimination in State Contracts," as set forth in Appendix A, dated June 2011, attached hereto and made a part hereof. The GRANTEE further covenants that it will comply with the Civil Rights Act of 1964, being P.L. 88-352, 78 Stat. 241, as amended, being Title 42 USC Section 1971, 1975a-1975d, and 2000a-2000h-6, and the Regulations of the United States Department of Transportation (49 CFR Part 21) issued pursuant to said Act, including Appendix B, attached hereto and made a part hereof, and will require similar covenants on the part of any contractor or subcontractor employed in the performance of the PROJECT for which this Grant Contract is made.

16. UNFAIR LABOR PRACTICES

In accordance with 1980 PA 278, MCL 423.321 *et seq.*, the GRANTEE, in the performance of this Grant Contract, will not enter into a contract with a subcontractor, manufacturer, or supplier listed in the register maintained by the United States Department of Labor, of employers who have been found in contempt of court by a federal court of appeals on not less than three (3) separate occasions involving different violations during the preceding seven (7) years for failure to correct an unfair labor practice, as prohibited by Section 8 of Chapter 372 of the National Labor Relations Act, 29 USC 158. MDOT may void this Grant Contract if the name of the GRANTEE or the name of a subcontractor, manufacturer, or supplier utilized by the GRANTEE in the performance of this Grant Contract subsequently appears in the register during the performance of this Grant Contract.

17. MISCELLANEOUS PROVISIONS

- a. Neither the GRANTEE nor any of its contractors or their subcontractors will enter into any contract or arrangement in connection with the PROJECT in which any member, officer, or employee of the GRANTEE during his/her tenure or for one (1) year thereafter has any interest, direct or indirect. If any such present or former

member, officer, or employee acquires, prior to or during his/her tenure, any such interest, and if such interest is immediately disclosed to the GRANTEE and such disclosure is entered upon the minutes of the governing board of the GRANTEE, the GRANTEE, with the prior written approval of MDOT, may waive the imposition of the prohibition contained in this subsection, provided that any such present member, officer, or employee will not participate in any action by the GRANTEE relating to such contract, subcontract, or arrangement.

- b. The GRANTEE warrants that it has no interest and will not acquire any interest, direct or indirect, that would conflict in any manner or degree with the performance of services required to be performed under this Grant Contract. The GRANTEE further warrants that in the performance of this Grant Contract, no person having any such interest will be employed.
- c. None of the funds, materials, property, or services obtained by MDOT or the GRANTEE under this Grant Contract will be used for any partisan political or millage activity or to further the election or defeat of any candidate for public office.
- d. The GRANTEE will not assign any interest in this Grant Contract without the prior written approval of MDOT. Any such assignment will be furnished promptly to MDOT in writing. Assignment does not relieve the GRANTEE of its obligations under this Grant Contract.

18. ASSIGNMENT OF ANTI-TRUST RIGHTS

With regard to claims based on goods or services that were used to meet the GRANTEE's obligation to MDOT under this Grant Contract, the GRANTEE hereby irrevocably assigns its right to pursue any claims for relief or causes of action for damages sustained by the State of Michigan or MDOT due to any violation of 15 USC, Sections 1 - 15, and/or 1984 PA 274, MCL 445.771 - 445.788, excluding Section 4a, to the State of Michigan or MDOT.

The GRANTEE shall require any subcontractors to irrevocably assign their rights to pursue any claims for relief or causes of action for damages sustained by the State of Michigan or MDOT with regard to claims based on goods or services that were used to meet the GRANTEE's obligation to MDOT under this Grant Contract due to any violation of 15 USC, Sections 1 - 15, and/or 1984 PA 274, MCL 445.771 - 445.788, excluding Section 4a, to the State of Michigan or MDOT as a third-party beneficiary.

The GRANTEE shall notify MDOT if it becomes aware that an antitrust violation with regard to claims based on goods or services that were used to meet the GRANTEE's obligation to MDOT under this Grant Contract may have occurred or is threatened to occur. The GRANTEE shall also notify MDOT if it becomes aware of any person's intent to commence, or of commencement of, an antitrust action with regard to claims

based on goods or services that were used to meet the GRANTEE's obligation to MDOT under this Grant Contract.

19. TERM OF GRANT CONTRACT

This Grant Contract will be in effect from the date of award through twelve (12) months; all PROJECT activities will be completed within this period. The provisions of this Grant Contract will continue for as long as the PROJECT equipment is being used in conformity with this Grant Contract.

The GRANTEE agrees to notify MDOT in writing of any event that may have significant potential impact on PROJECT progress, direction, control, or cost.

20. CONFLICT

In case of any discrepancy between the body of this Grant Contract and any exhibit hereto, the body of this Grant Contract will govern.

21. SIGNING

This Grant Contract will become binding on the parties and of full force and effect upon signing by the duly authorized representatives of the GRANTEE and MDOT and upon adoption of a resolution approving said Grant Contract and authorizing the signature(s) thereto of the respective representative(s) of the GRANTEE, a certified copy of which resolution will be sent to MDOT with this Grant Contract, as applicable.

MANISTEE COUNTY BLACKER AIRPORT AUTHORITY

By: _____
Title:

MICHIGAN DEPARTMENT OF TRANSPORTATION

By: _____
Title: Department Director

Exhibit A
July 17, 2013

MANISTEE COUNTY BLACKER AIRPORT AUTHORITY

Improved Airport Signage and Defibrillator

Estimated Project Cost \$23,000.00

Project Description

Purchase airport signage and defibrillator.

Total Estimated Cost	\$ 23,000.00
Maximum DEPARTMENT Participation	\$ 20,700.00
Estimated GRANTEE Participation	\$ 2,300.00