

DRAFT

MINUTES

Monday, March 10, 2014
10:00 A.M.

Manistee County Blacker Airport
Conference Room

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

Members Absent: Alan Marshall

Others Present: Barry Lind, Airport Manager; George Saylor, Airport Legal Counsel; Russell Pomeroy, Airport Treasurer; Tom Kaminski, County Controller/Administrator; Justine McGuire, 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. Bergstrom, 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, February 10, 2014.

There was a motion by Mr. Spencer, supported by Mr. Bergstrom, to approve the Airport Authority regular meeting minutes of Monday, February 10, 2014, 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 Monday, February 17, 2014.

There was a motion by Mr. Shafer, supported by Mr. Bergstrom, to approve the Airport Authority special meeting minutes of Monday, February 17, 2014, as presented. Motion carried by unanimous vote.

The Authority next reviewed the February 2014 Accounts Payable Report (APPENDIX A). Mr. Pomeroy noted that the Road Commission payment is for the snow removal; the Straight Fence payment is for fence repairs, which the City will pay a portion of; and the Wausau Everest payment is for parts for the plow truck. Mr. Kaminski informed the Authority that a portion of the Local Revenue Sharing Board grant, which was awarded to the Firefighters Association for the firefighter training at the airport, was returned to the Local Revenue Sharing Board since there were remaining funds after the bills were paid. It was also noted that a bill was never received from Blarney Castle for the propane for the training, and Mr. Lind stated that in some years, they have donated the propane.

There was a motion by Mr. Picardat, supported by Mr. Smith, to approve the February 2014 Accounts Payable Reports and authorize payment of the outstanding invoices totaling \$37,057.64.

A roll call vote was taken:

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

Nays: 0

Absent: 1 (Marshall)

Motion carried.

The Authority also reviewed the February 2014 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 February 2014 Financial Statement. Motion carried by unanimous vote.

The Orchard Beach Aviation rent information was also provided, as well as fuel sales (APPENDIX C).

The Budget Committee did not meet.

The Promotion Committee did not meet.

The Rules and Regulations Committee did not meet.

The Executive Committee did not meet.

The Bylaws Committee met and provided proposed amendments to the bylaws, which Mr. Saylor has reviewed (APPENDIX D). The Authority reviewed each of the proposed changes. Mr. Shafer stated that he would like to change "90 days" in the last sentence of section 3.3 to "60 days". It was noted that it is illegal under statute to compensate Airport Authority members from the airport's budget. County Commissioners who serve on the Airport Authority are paid a per diem from the County Commissioner's budget. There was discussion regarding meeting absences by Airport Authority members. The bylaws state that if there are more than 4 absences within a 12 month period, that member will be considered to have resigned from the Airport Authority. It was noted that this should be changed to only include regular meetings. Mr. Saylor stated that his legal opinion is that the 12 month period would start new at the beginning of a term if someone was re-appointed. The Authority agreed that they would review the updated proposed changes at the April meeting, and then possibly vote on the changes at the May meeting.

Mr. Lind reported that there were no airport incidents. Mr. Lind has received a check for \$25,000 from the insurance company for the damaged hangar door. The total cost is estimated to be \$38,000, and the remainder will be paid by the insurance company upon completion of the project. Mr. Lind added that Public Charters would like to be able to put the plane in an indoor hangar overnight. Currently, the airport doesn't have a building large enough to do so. A hangar could be expanded approximately 20 feet to make it deep enough (it is wide enough), at an estimated cost of \$85/square foot. If Public Charters receives a new contract to continue providing service from Manistee, they would like to pay for this expansion over the length of the contract.

Mr. Lind reported that the ILS area was cleared of snow by the Manistee County Road Commission. The snow removal took a little longer than expected, and therefore cost a little more than expected.

Mr. Lind presented a report on airfares which compares flights from Manistee, Traverse City, Grand Rapids, and Muskegon for travel in April 2014 (APPENDIX E). Mr. Lind presented information on airplane passenger numbers for 2014 as well as the previous five years (APPENDIX F).

Mr. Lind stated that Tuesday and Wednesday service will begin on March 18, 2014. Overall, service continues to be reliable. Demand for February was lighter than planned, but demand for March is picking up. Mr. Lind hopes that the summer schedule will be published next week, and anticipates that service throughout the summer will be with a 30 seat aircraft.

Mr. Lind stated that the DOT is pushing back on the request for flight continuation to Traverse City. Mr.

Lind has responded to some of the DOT's questions (APPENDIX G), but has not had a response.

The DOT Essential Air Service (EAS) RFP responses for service at Manistee were due on February 27, 2014, and one response was received from Sun Air (APPENDIX H). The current Alternative Essential Air Service (AEAS) contract expires May 3, 2014. After reviewing the bid from Sun Air, the Airport Authority decided to continue with the AEAS program, and Mr. Lind will respond to the DOT regarding this decision today. Mr. Lind will request a grant extension for the current AEAS contract, and also submit a new AEAS proposal by the end of next week. It's important to apply pressure to the DOT to get all the approvals in time so there aren't any lapses in service. The new AEAS proposal will include the following components: continue service with Public Charters; continue service to Chicago with daily or better frequency; a 4 year agreement if feasible; flexibility to fly to any medium or large hub airport within 500 nautical miles; continued flexibility on aircraft size and frequency to support seasonal factors; and allow for continuing service to any upstream airports.

There was a motion by Mr. Bergstrom, supported by Mr. Shafer, to reject the only bid received for Essential Air Service (EAS) at Manistee, which was from Sun Air.

A roll call vote was taken:

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

Nays: 0

Absent: 1 (Marshall)

Motion carried.

There was a motion by Mr. Bergstrom, supported by Mr. Spencer, to submit an Alternate Essential Air Service (AEAS) proposal to the DOT with the components outlined above.

A roll call vote was taken:

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

Nays: 0

Absent: 1 (Marshall)

Motion carried.

Winter skiing packages are being offered with Crystal Mountain. There is work on air service branding with Public Charters to help avoid confusion in the market place. The marketing focus for 2014 is local tourism and community groups. Public Charters is attending the Governor's Pure Michigan Tourism conference this week, and will be meeting with regional businesses, Chambers, and Visitor's Bureaus tomorrow and Wednesday.

There was no update on the Coho Bend sign, or tree cutting. Someone will be coming to look at the leaking hangar once the weather improves. Rob Carson, County Planner, has talked with the Road Commission Manager, and as soon as the weather allows, the "Airport Road" sign will be installed. Mr. Carson and Roger Elbers, Equalization Director, are also working on cleaning up the County's GIS database, which currently shows some roads that don't exist, and can misdirect people when trying to find the airport. Mr. Lind reminded the Authority that a grant has been received to increase the airport's visibility. The current sign by the road will be moved so it's perpendicular to the highway instead of parallel to it. Bids have been received and the work will be completed this year.

Mr. Lind and Mr. Schulert recently attended the Michigan Airport Conference. Mr. Schulert made several contacts, including Michael Boyd, who had written a negative article on Manistee's EAS in the past. After updating Mr. Boyd on AEAS, he felt that Manistee is headed in the right direction. Mr. Schulert recommended that other board members attend the conference, which is held twice annually.

Mr. Lind reminded the Authority that one of the items on this year's capital improvement plan is acquiring the property to the east of the airport for obstacle clearance reasons. Because federal grant money will be used, the price is not negotiable (125% of the market value). The Airport Authority will contract with a consulting firm (Prein & Newhof), who will contract with a real estate agent to handle the transaction. Mr. Lind spoke with a property specialist at the State, who felt the agreement with Prein & Newhof for \$23,500 was reasonable (APPENDIX I). There needs to be a firm offer for the property before the Airport Authority can apply for the federal grant, but then the costs will be reimbursed (95% Federal, 2.5% State, 2.5% Airport Authority). After discussion,

There was a motion by Mr. Spencer, supported by Mr. Shafer, to enter into an Agreement for Professional Consultant Services with Prein & Newhof for the purpose of land acquisition at a cost not to exceed \$23,500, and to authorize the Airport Authority Chair to execute the agreement.

A roll call vote was taken:

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

Nays: 0

Absent: 1 (Marshall)

Motion carried.

There was discussion regarding the review process for Mr. Lind. Mr. Shafer felt it should be more of a performance checklist review. Mr. Spencer stated that it's a different relationship since Mr. Lind is contracted. Everyone agreed that this review should set up goals for the next review.

With there being no further business to come before the Authority, the meeting was adjourned at approximately 1:00 P.M.

Respectfully submitted,

Rachel Nelson, Airport Authority Secretary

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to view Calendar of Events, County Board Agendas and Minutes, Committee Meeting Reports (under Board of Commissioners), Airport Authority Minutes (under More Departments and Services), etc.

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MANISTEE COUNTY BLACKER AIRPORT

FEBRUARY 2014 ACCOUNTS PAYABLE

CHECK #	VENDOR NAME	AMOUNT
	BARRY LIND	\$ 3,400.00
	CONSUMERS ENERGY	\$ -
	A T & T	\$ 5.08
	MICHCON (DTE ENERGY)	\$ 1,372.51
	MIKA MEYERS BECKETT & JONES	\$ 258.75
	NAPA AUTO PARTS	\$ 17.49
	ACE HARDWARE	\$ 78.80
	FASTENAL	\$ -
	MANISTEE COUNTY ROAD COMMISSION	\$ 4,315.15
	DIRECT TV	\$ -
	MANISTEE TIRE	\$ 96.49
	PIPER MCCREDIE AGENCY	\$ -
	BLARNEY CASTLE	\$ 2,016.68
	STRAIGHT FENCE	\$ 1,200.00
	WAUSAU EVEREST	\$ 1,491.94
	PRIMARY AIRPORT SERVICES	\$ -
	STATE OF MICHIGAN	\$ -
	TOTAL	\$ 14,252.89
	ADVERTISING INVOICES	
	MANISTEE COUNTY VISITORS BUREAU	\$ 1,250.00
	MS CREATIVE	\$ 40.00
	RIGHTSIDE DESIGN, LLC	\$ 2,080.00
	WKLA RADIO	\$ -
	LUDINGTON AREA CONVENTION & VISITORS BUREAU	\$ 50.00
	ORCHARD BEACH AVIATION	\$ -
	TOTAL	\$ 3,420.00
	ORCHARD BEACH AVIATION	\$ 19,384.75
	REGULAR HOURS 252 @ 16.50	4,158.00
	MAINTENANCE HOURS 181.5 @ 16.50	2,994.75
	PART 139 LABOR	12,200.00
	INTERNET	32.00
	GRAND TOTAL	\$ 37,057.64

MANISTEE COUNTY BLACKER AIRPORT

INCOME:	FEBRUARY 2014 REVENUE & EXPENSES			BUDGET REMAINING		58%
	PREVIOUS MONTH	CURRENT MONTH	YEAR-TO DATE	ANNUAL BUDGET	BALANCE \$	%
FEDERAL GRANT - AEAS	\$ 187,185.00	\$ 97,662.00	\$ 569,979.00	\$ 2,000,000.00	\$ 1,430,021.00	72%
HANGER RENTAL	\$ 2,100.00	\$ 2,100.00	\$ 11,820.00	\$ 31,000.00	\$ 19,180.00	62%
LANDING FEES - PUBLIC CHARTERS	\$ 17,594.89	\$ 17,594.89	\$ 87,974.45	\$ 211,138.00	\$ 123,163.55	58%
LANDING FEES - GENERAL AVIATION	\$ -	\$ -	\$ 81.00	\$ 1,000.00	\$ 919.00	92%
AUTO RENTAL SPACE	\$ -	\$ 1,712.89	\$ 1,712.89	\$ 5,000.00	\$ 3,287.11	66%
OFFICE RENT	\$ 1,065.00	\$ 1,065.00	\$ 5,325.00	\$ 12,780.00	\$ 7,455.00	58%
COUNTY OF MANISTEE	\$ 9,583.00	\$ 9,583.00	\$ 47,915.00	\$ 115,000.00	\$ 67,085.00	58%
STATE REIMB-MARKETING	\$ -	\$ -	\$ -	\$ 27,000.00	\$ 27,000.00	100%
PASSENGER FACILITY CHARGES	\$ -	\$ 10,282.50	\$ 10,282.50	\$ 19,000.00	\$ 8,717.50	46%
FUEL SALES	\$ 591.21	\$ 180.68	\$ 2,809.12	\$ 7,500.00	\$ 4,690.88	63%
SIGN LEASE	\$ -	\$ -	\$ -	\$ 3,800.00	\$ 3,800.00	100%
MISCELLANEOUS	\$ -	\$ -	\$ -	\$ 1,000.00	\$ 1,000.00	100%
TOTAL INCOME	\$ 218,119.10	\$ 140,180.96	\$ 737,898.96	\$ 2,434,218.00	\$ 1,696,319.04	70%

EXPENSES:

AEAS CONTRACT-PUBLIC CHARTER	\$ 187,185.00	\$ 97,662.00	\$ 569,979.00	\$ 2,000,000.00	\$ 1,430,021.00	72%
PERSONNEL - MANAGEMENT	\$ 3,400.00	\$ 3,400.00	\$ 17,000.00	\$ 40,800.00	\$ 23,800.00	58%
PERSONNEL - OP & MAINT	\$ 20,796.50	\$ 19,352.75	\$ 96,681.25	\$ 240,000.00	\$ 143,318.75	60%
DUES & FEES	\$ -	\$ -	\$ 345.00	\$ 800.00	\$ 455.00	57%
SUPPLIES	\$ -	\$ -	\$ 182.26	\$ 2,000.00	\$ 1,817.74	91%
UTILITIES	\$ 5,918.67	\$ 1,404.51	\$ 11,962.05	\$ 30,000.00	\$ 18,037.95	60%
FUEL	\$ 4,329.08	\$ 2,016.68	\$ 10,657.40	\$ 9,000.00	\$ (1,657.40)	-18%
REPAIRS & MAINTENANCE	\$ 152.52	\$ 7,199.87	\$ 14,200.86	\$ 15,000.00	\$ 799.14	5%
CONTRACTED SERVICES	\$ 200.55	\$ -	\$ 401.10	\$ 1,200.00	\$ 798.90	67%
LEGAL	\$ 304.75	\$ 258.75	\$ 1,857.25	\$ 4,000.00	\$ 2,142.75	54%
AUDIT	\$ -	\$ -	\$ -	\$ 2,000.00	\$ 2,000.00	100%
ADVERTISING	\$ 835.71	\$ 3,420.00	\$ 13,789.89	\$ 43,000.00	\$ 29,210.11	0%
TELEPHONE	\$ 50.65	\$ 5.08	\$ 242.36	\$ 500.00	\$ 257.64	52%
INSURANCE	\$ 20,117.93	\$ -	\$ 21,831.93	\$ 21,000.00	\$ (831.93)	-4%
TRAINING (FIRE FIGHTER)	\$ -	\$ -	\$ -	\$ 2,000.00	\$ 2,000.00	0%
EQUIPMENT	\$ -	\$ -	\$ -	\$ -	\$ -	0%
BOOKKEEPING	\$ -	\$ -	\$ -	\$ 3,000.00	\$ 3,000.00	100%
PFC EXPENSES	\$ 22,740.00	\$ -	\$ 27,140.00	\$ 19,000.00	\$ (8,140.00)	100%
MISCELLANEOUS	\$ -	\$ -	\$ 486.14	\$ 918.00	\$ 431.86	47%
	\$ 266,031.36	\$ 134,719.64	\$ 786,756.49	\$ 2,434,218.00	\$ 1,647,461.51	68%

EXCESS REVENUE OVER/(UNDER) EXPENDITURES **\$ 5,461.32** **\$ (48,857.53)**

BALANCE ON HAND - AIRPORT FUND

BEGINNING BALANCE 02/01/2014	\$ 120,893.90
FEBRUARY RECEIPTS	\$ 112,914.10
JANUARY DISBURSEMENTS	<u>\$ (266,031.36)</u>
	<u>\$ (32,223.36)</u>

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MANISTEE COUNTY BLACKER AIRPORT

FEBRUARY 2014 BALANCE SHEET

ASSETS	2/28/2014	1/31/2014
CASH	\$ (32,223.36)	\$ 120,893.90
CASH - PFC ACCOUNT	\$ 64,130.00	\$ 53,847.50
ACCOUNTS RECEIVABLE		
PUBLIC CHARTERS	\$ 87,974.45	\$ 70,379.56
AUTO RENTAL	\$ -	
MISC.	\$ 720.68	\$ 1,131.21
TOTAL ASSETS	\$ 120,601.77	\$ 246,252.17
LIABILITIES	2/28/2014	1/31/2014
ACCOUNTS PAYABLE - TRADE	\$ 134,719.64	\$ 266,031.36
ACCOUNTS PAYABLE - COUNTY	\$ -	\$ -
PREPAID HANGER RENT	\$ -	\$ -
TOTAL LIABILITIES	\$ 134,719.64	\$ 266,031.36
FUND BALANCE	\$ (14,117.87)	\$ (19,779.19)
TOTAL LIABILITIES AND FUND BALANCE	\$ 120,601.77	\$ 246,252.17

PASSENGER FACILITY CHARGES COLLECTED THROUGH 02/28/2014	\$ 103,392.32
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)
J RANCK ELECTRIC	\$ (4,400.00)
STATE OF MICHIGAN	\$ (22,740.00)
PFC FUNDS AVAILABLE	\$ 64,130.00

AUTO RENTAL REVENUE BY COMPANY THROUGH 01/31/2014

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

ORCHARD BEACH AVIATION**February 2014****RENT**

OFFICE	\$340.00	
HANGER	\$200.00	
FUEL	\$180.68	
DIESEL FUEL	\$0.00	
T-SHIRT SALES	\$0.00	(0 @ \$12)
LANDING FEES		
TWIN	\$0.00	(0 @ \$9)
JET	\$0.00	(0 @ \$18)
TOTAL	\$720.68	

FUEL SALES FEBRUARY 2014

100LL 319.6 Gal

JET 884.9 Gal

TOTAL 1204.5 Gal

General 336.0 Gal @ .15 = 50.40
PublicCharters 706.4 Gal @ .15 = 105.96
PublicCharters 0.0 Gal @ .08 = 0.00
PublicCharters 0.0 Gal @ .02 = 0.00
Orchard Beach 162.1 Gal @ .15 = 24.32

DIESEL 0.0 Gal

**Proposed Amendments to the By-Laws of the Manistee Blacker Airport
Authority
Manistee, Michigan 49660
February 10, 2014**

Section Three – Airport Authority Board

- 3.2 Three members of the Airport Authority Board may, but need not be members of the County Board of Commissioners. Four (4) members of the Board shall be at large members who are residents of Manistee County.

Proposed amendment to 3.2

- 3.2 **Three members of the Airport Authority Board shall be members of the County Board of Commissioners. One member of the Airport Authority Board shall be a resident of the City of Manistee recommended by the Manistee City Council. Three (3) members of the Board shall be at large members who are residents of Manistee County.**

- 3.3 Authority Board members shall be appointed to a term of three years. The terms of at least two members of the Authority shall expire each calendar year. Members appointed to an unexpired term shall be appointed for the remainder of the unexpired term.

Any vacancies will be filled by appointment of the County Board of Commissioners within 90 days.

Proposed Amendment to 3.3

Authority Board members shall be appointed to a term of three years. The terms of at least two members of the Authority shall expire each calendar year. Members appointed to an unexpired term shall be appointed for the remainder of the unexpired term. If a County Commissioner's term as a County Commissioner expires before the Airport Authority Board term expires, the County Commissioner's term on the Airport Authority Board will expire on the last day of the County Commissioner's term as a County Commissioner. The vacated term of a County Commissioner on the Airport Authority Board will be filled by appointment of a County Commissioner by the County Board of Commissioners.

Any vacancies will be filled by appointment of the County Board of Commissioners within 90 days.

- 3.4 A member of the Airport Authority board shall serve without compensation, but shall be reimbursed for actual expenses in the discharge of official duties.

Proposed Amendment to 3.4

A member of the Airport Authority board shall serve without compensation from the Airport Authority Board, but shall be reimbursed for actual expenses in the discharge of official duties.

- 4.4 The Chairperson, if present, shall preside over all board meetings of the Board, appoint an acting recording secretary for all meetings at which the Secretary is absent, and be an ex-officio member, without vote, of all committees.

Proposed Amendment to 4.4

- 4.4 **The Chairperson, if present, shall preside over all board meetings of the Board, and shall appoint an acting recording secretary for all board meetings at which the Secretary is absent.**

- 12.2 Should the Chairperson of the Board or three members feel that changes may be desirable; a special committee shall be appointed to prepare copies of the proposed revisions or amendments. Copies shall be sent by first-class mail to each member of the Board. The proposed revisions or amendment may be adopted at the next regular meeting, if approved by two thirds (2/3) of the total Board members.

Proposed Amendment to 12.2

- 12.2 **Should the Chairperson of the Board or three members feel that changes may be desirable; a special committee shall be appointed to consider and if recommended prepare a proposed amendment. The proposed amendment shall be provided to the Board prior to its meeting and with its meeting Agenda. After initial review by the Board, consideration of the proposed amendment will be placed on the Agenda for the next regular Board Meeting and will be considered approved if supported by a majority of the Board Members then in office.**

April Travel as of 3/9/14

Best Fares

	MBL	TVC	GRR	MKG
Atlanta (ATL)	392 FL	408 DL	328 UA	388 UA
Boston (BOS)	350 WN	250 DL	210 DL	335 UA
Chicago (MDW or ORD)	120 P1	298 DL	262 US	116 UA
Dallas (DFW)	335 WN	384 DL	360 DL	330 UA
Denver (DEN)	347 WN/F9	542 UA	293 AA	354 UA
Houston (HOU)	427 WN	391 UA	391 UA	422 UA
Kansas City (MCI)	320 WN	302 UA	262 UA	316 UA
Las Vegas (LAS)	464 WN	397 UA	419 UA	439 UA
Los Angeles (LAX)	394 WN	444 UA	393 UA	394 UA
Minneapolis (MSP)	238 WN	408 UA	331 UA	244 UA
New York Area (NYC)	348 WN	361 UA	258 AA	402 UA
Orlando (MCO)	402 WN	485 UA	320 DL	399 UA
Philadelphia (PHL)	434 WN	449 DL	364 DL	430 UA
Phoenix (PHX)	432 WN	460 DL	419 UA	428 UA
Portland (PDX)	422 WN	394 UA	417 UA	414 UA
San Diego (SAN)	486 WN	431 UA	419 UA	469 UA
San Francisco (SFO)	419 WN	444 DL	394 UA	376 UA
Seattle (SEA)	465 WN/F9	438 DL	393 UA	474 UA
St Louis (STL)	306 WN	272 UA	162 DL	302 UA
Washington DC Area (WAS)	338 WN	294 DL	254 DL	334 UA

Average Fare	\$371.95	\$392.60	\$332.45	\$368.30
Change from last month	-\$22.70	\$17.95	-\$5.20	-\$1.20
Change from two months ago	-\$2.80	\$11.15	-\$10.95	\$4.00
Fares Pulled 03/09/14 for travel 04/09/14 - 04/16/14				

Best Fares +7 days parking

	MBL	TVC	GRR	MKG
Atlanta (ATL)	392 FL	448 DL	382 UA	416 UA
Boston (BOS)	350 WN	290 DL	264 DL	363 UA
Chicago (MDW or ORD)	120 P1	338 DL	316 US	144 UA
Dallas (DFW)	335 WN	424 DL	414 DL	358 UA
Denver (DEN)	347 WN/F9	582 UA	347 AA	382 UA
Houston (HOU)	427 WN	431 UA	445 UA	450 UA
Kansas City (MCI)	320 WN	342 UA	316 UA	344 UA
Las Vegas (LAS)	464 WN	437 UA	473 UA	467 UA
Los Angeles (LAX)	394 WN	484 UA	447 UA	422 UA
Minneapolis (MSP)	238 WN	448 UA	385 UA	272 UA
New York Area (NYC)	348 WN	401 UA	312 AA	430 UA
Orlando (MCO)	402 WN	525 UA	374 DL	427 UA
Philadelphia (PHL)	434 WN	489 DL	418 DL	458 UA
Phoenix (PHX)	432 WN	500 DL	473 UA	456 UA
Portland (PDX)	422 WN	434 UA	471 UA	442 UA
San Diego (SAN)	486 WN	471 UA	473 UA	497 UA
San Francisco (SFO)	419 WN	484 DL	448 UA	404 UA
Seattle (SEA)	465 WN/F9	478 DL	447 UA	502 UA
St Louis (STL)	306 WN	312 UA	216 DL	330 UA
Washington DC Area (WAS)	338 WN	334 DL	308 DL	362 UA

Average Fare	\$371.95	\$432.60	\$386.45	\$396.30
Change from last month	-\$22.70	\$17.95	-\$5.20	-\$1.20
Change from two months ago	-\$2.80	\$11.15	-\$10.95	\$4.00

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

Manistee County Blacker Airport

	2009		2010		Enplaned/Deplaned			2012		2013		2014	
	Out/In	Total	Out/In	Total	Out/In	Total	Out/In	Total	Out/In	Total	Out/In	Total	
Jan	GL 138/106	244	GL 212/145	357	GL 201/169	370	F9 523/366	889					
Feb	112/93	205	196/150	346	202/194	396	462/431	893	134/126	260	161/107	268	
Mar	149/139	288	216/231	447	225/215	440	112/176	288	128/120	248	136/124	260	
Apr	119/140	259	272/255	527	47/171 F9 486/389	1193	0/0	0	162/173	335			
May	184/180	364	263/302	565	1454/1525	2979	P1 71/58	129	158/158	316			
Jun	166/213	379	311/366	677	1206/1342	2548	234/250	484	189/189	378			
Jul	388/439	827	521/551	1072	1595/1568	3163	465/467	932	239/288	527			
Aug	429/359	788	482/395	877	1833/1567	3400	497/500	997	421/409	830			
Sep	285/293	578	240/233	473	1332/1234	2566	362/297	659	391/413	804			
Oct	282/275	557	270/246	516	1024/1004	2028	150/149	299	248/237	485			
Nov	257/269	526	236/242	478	722/715	1437	36/33	69	229/215	444			
Dec	228/279	507	194/235	429	674/798	1472	131/138	269	168/198	366			
Total		5522		6764		21992		5908		5390		528	

	2009		2010		On-time Performance			2012		2013		2014	
	Cancel/Delay	On-time	Cancel/Delay	On-time	Cancel/Delay	On-time	Cancel/Delay	On-time	Cancel/Delay	On-time	Cancel/Delay	On-time	
Jan	13%/25%	62%	23%/22%	55%	15%/38%	48%	12%/8%	80%	0%/15%	85%	0%/14%	86%	
Feb	18%/16%	66%	13%/32%	55%	15%/28%	58%	6%/11%	83%	6%/16%	78%	9%/3%	91%	
Mar	8%/11%	79%	11%/19%	70%	21%/19%	60%	14%/8%	78%	0%/0%	100%			
Apr	10%/16%	74%	13%/17%	70%	***	***	***	***	0%/0%	100%			
May	2%/10%	88%	12%/10%	78%	3%/25%	72%	0%/10%	90%	0%/3%	97%			
Jun	7%/18%	75%	6%/26%	68%	6%/20%	74%	0%/6%	94%	0%/6%	94%			
Jul	4%/16%	80%	5%/19%	76%	0%/37%	63%	0%/7%	93%	0%/3%	97%			
Aug	2%/12%	86%	4%/5%	91%	0%/36%	64%	0%/8%	92%	0%/19%	81%			
Sep	0%/9%	91%	18%/16%	66%	0%/23%	77%	0%/5%	95%	2%/16%	82%			
Oct	10%/8%	81%	15%/13%	72%	1%/5%	94%	0%/22%	78%	0%/0%	100%			
Nov	3%/10%	87%	16%/16%	68%	2%/11%	87%	0%/5%	95%	0%/9%	91%			
Dec	25%/39%	36%	32%/25%	43%	2%/15%	83%	0%/11%	89%	6%/6%	88%			

APP ENDIX F



APPENDIX G

Barry Lind [REDACTED]

Fwd: EAS Update

Barry Lind [REDACTED] Mon, Feb 24, 2014 at 4:02 PM
To: Brooke Chapman [REDACTED]
Cc: Paul Schulert [REDACTED] James Gallagher [REDACTED] Brandon Jensen [REDACTED]

Brooke,

I am finally following up on your questions below regarding our planned Traverse City service. As I mentioned in my last email on this topic, based on your (and Kevin's) questions, I now know that you understand some of the intricacies of our request. I now want to take the time to respond in some more detail.

In your email below you stated:

"Also, I talked with Kevin again regarding Traverse City. Can you clarify how you would distinguish between passenger types? Hence, passengers starting in Manistee versus passengers that are flowing through from Traverse City?"

So the issue is how are through passengers on a continuing flight treated under our AEAS agreement. I would also say a related question is how are they treated under standard EAS.

The short answer to the question of how would you distinguish continuing passengers from other passengers is I don't see why you would need to do this. Obviously it is possible to track that as it would be necessary to pay the appropriate PFCs to each airport, but that is no different than any other continuing flight in this country, regardless if it is operated by Southwest, Great Lakes or Public Charters/CFM.

But let me explain further my thinking on the overall matter.

First I want to mention some hopefully obvious points about the AEAS service at Manistee. While the 'subsidy' at Manistee is tied to the number of seats, it is not a subsidy per passenger. The measure of seats is the number of seats on the aircraft, whether empty or occupied. We chose this measure for the basis of our subsidy instead of the standard EAS measure of a per flight subsidy to allow us flexibility to adjust the size of aircraft seasonally as our loads vary significantly by season. And in fact during the last two years under the AEAS agreement we have received service from 50 seat, 30 seat and 19 seat aircraft, something that wouldn't easily be accomplished under standard EAS. So even though the subsidy for us is per seat, it essentially boils down to a per flight subsidy (taking the number of seats on the aircraft times the rate per seat to come up with a per flight subsidy level).

I therefore contend that our AEAS subsidy is essentially done the same way as standard EAS as we are reimbursed per flight operated, i.e. what I submit in my monthly invoices are the number of flights operated (in fact I am using the same reporting system as standard EAS operators).

Our goal in participating in the AEAS program is to provide connections to the national air transportation system as cost effectively as possible. Therefore if we can find ways to reduce costs and/or increase revenues by being creative that ultimately helps provide service at lower total subsidy costs. In this specific case by adding an upline destination we are hoping that the increase in revenue from additional passengers more than offsets the increase in costs associated with the extra flight segment which will ultimately help reduce future subsidy requirements. However this plan may not work and the increased revenue could be less than the increased costs in which case the loss is ours to absorb. We are doing this at risk with the goal of finding ways to reduce the amount of subsidy required over the long term. Another potential downside of this plan is that instead of simply filling up otherwise empty seats with paying

passengers, we find the situation to be that passengers who would have otherwise wanted to board in Manistee may find that routinely there are no seats available. But clearly that situation runs counter to our goals at the Manistee Airport and as the recipient of the AEAS grant, we have no incentive to let that situation exist over the long term as that hurts our local community and airport. This is one of the benefits of the AEAS program, that by having the Airport be the recipient of the grant, the interests of the community and airport are more aligned with the services being provided.

I would like to also point out that upline and downline service is a common practice under standard EAS. I can give you the following examples of passengers being carried on subsidized flights where they are not embarking or disembarking from an EAS airport.

- 1) Great Lakes is currently offering for sale LAX - TEX and DEN - TEX both routes being subsidized by the Kingman, AZ EAS subsidy. In fact Great Lakes puts in every proposal they submit the following wording: No Upline Scheduling Restrictions.
- 2) Other carriers also use similar language. I found this in the proposal that was docketed today from Boutique Air for Clovis, NM: No upline or downline restrictions.
- 3) An example from here at Manistee. From 2003 - 2008 EAS service at Manistee was provided by Skyway Airlines (dba Midwest Connect) with a routing of Milwaukee - Muskegon - Manistee. The flights from Muskegon to Milwaukee were routinely sold-out especially during peak travel season. This meant that generally while only 6 - 8 passengers were boarding in Manistee, 11 - 13 were boarding in Muskegon and this subsidized EAS flight wasn't able to handle the demand from Manistee because non-EAS passengers were utilizing a majority of the seats. In fact when Great Lakes took over the EAS service at Manistee in 2008 providing service to the same hub (Milwaukee) but with-out the stop in Muskegon, enplanements rose during the peak travel season as now all 19 seats were available to Manistee originating passengers. While this is an example where the downline non-EAS stop hurt the community, it is another example where under standard EAS it has routinely been the case that service to both downline and upline non-EAS cities has been fairly common.

And the common theme in these EAS examples is that these upline and downline service additions were intended to have a positive impact in reducing the overall subsidy requirement for the service to the EAS community by providing other revenues to offset the costs of providing the EAS service.

And that is what our requested proposal to have upline service to Traverse City is about. Since we, the Manistee Airport, are making this request, we feel it is in the best interest of the Manistee community to attempt this upline service in an effort to make the current service more cost effective. If we are successful this will reduce the requirements for subsidy in the future. If the experiment is unsuccessful then the risk of losing money is born by us and our AEAS air carrier.

So in summary, I believe our request is similar to other examples of upline and/or downline service allowed for standard EAS routes and therefore don't understand why our AEAS service should be treated differently.

Also as a related question, I am assuming that if we were to operate the two flights independently (i.e. Chicago to Manistee with one flight number and Manistee to Traverse City with a separate flight number) that DOT wouldn't have any issue in that case, even if some of the passengers would connect in Manistee between the two flights. Operating the service as two independent flights raises the total cost to the consumer as more taxes would need to be collected (additional PFCs, TSA security fees, etc), but otherwise it cleanly separates out the subsidized flight from the non-subsidized flight.

I look forward to your response.

thanks,

Barry Lind

Airport Director

**BEFORE THE
DEPARTMENT OF TRANSPORTATION
WASHINGTON, D.C.**

Essential Air Service at

MANISTEE/LUDINGTON, MICHIGAN

Under 49 U.S.C. §41731 *et seq.*

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)
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) **OST-1996-1711**
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**SUN AIR INTERNATIONAL PROPOSAL
TO PROVIDE SUBSIDIZED ESSENTIAL AIR SERVICE**

By Order 2014-2-1, the Department requested proposals for Essential Air Service to Manistee/Ludington, Michigan. Pursuant to that order, Sun Air Express, LLC. ("Sun Air") cordially submits this proposal to provide subsidized air service to the community of Manistee/Ludington, Michigan.

Correspondence with regard to this document should be addressed to:

David F. Hackett
Sun Air Express, LLC. dba Sun Air International
3201 Griffin Road,
Ft. Lauderdale, FL 33312
Telephone: 954-660-9865
Fax: 954-894-0367
E-Mail: dhackett@gosunair.com

Bid Summary

Sun Air hereby offers proposals to provide service to the community of Manistee/Ludington, Michigan (MBL). Sun Air's proposed operations will be operated with eight-passenger twin-engine Piper Chieftain aircraft. Flights will be displayed in major travel agent systems including Online Travel Agencies. Sun Air would operate to Manistee/Ludington from Milwaukee, WI (MKE) with an option to also include Chicago, IL (MDW).

Sun Air included a proposal to serve both Chicago and Milwaukee due to its' belief that significant demand exists from both locations, and that the specified amount of seat capacity would be optimized through serving the two airports. Chicago is recognized as a strong source of demand, and also has substantial connections throughout the country. The MKE demand was proven also during Frontier's service there several years ago, where an estimated 33% (7,500 passengers) of the total traffic was local (i.e, not connecting).

Sun Air has constructed its' proposal to incorporate the following essential elements of providing successful, quality air transportation in these proposed markets:

1. **LOW FARES:** Sun Air will market its flights with a simple, low unrestricted price structure, ranging from \$39 to \$79 each way. The accessibility of affordable airfares is key to developing the local tourism industry through attracting both local and connecting passengers.

2. **FREQUENT FLIGHTS:** Sun Air's service proposal provides for three to five daily departures from MBL, depending upon the day of week and the season, or 24 weekly flights, compared to four weekly departures currently being provided to MBL. The smaller aircraft is ideally suited to the demand patterns and seasonality of the market.

Sun Air would dedicate three full time aircraft to MBL in the peak season, allowing for much greater schedule flexibility and the capability to customize those schedules to customer demand.

Sun Air's service proposal allows for the option to serve Milwaukee alone, or both Milwaukee and Chicago. The ability to serve two destinations provides even greater connecting opportunities as well as a broader market focus for local tourism development.

3. **INTERLINE E-TICKETING AND BAGGAGE AGREEMENTS:** Sun Air has provided for a significant investment in reservations and distribution systems to acquire access to industry interline and baggage agreements with most major airlines. These agreements allow for passengers to complete their itinerary on a single ticket, and allow for that full itinerary to be displayed in Global Distribution Systems and Online Travel Agencies.

4. **A COMMITMENT TO SAFETY & RELIABILITY:** Since a new management team took over Sun Air in late 2013, Sun Air's operational performance has ranked among the best in the airline industry. The company's 2014 controllable completion factor, or percentage of scheduled flights that are operated or cancelled due to weather problems, is over 99%, placing Sun Air in the top tier of reliability performance.

The company schedules flights to include a full time operational spare, plus additional aircraft time to cover maintenance events, for each aircraft in scheduled service. The goal is to ensure that serviceable aircraft are available for 100% of the scheduled flights.

The new leadership team at Sun is comprised of airline executives with decades of experience, an in particular at larger Part 121 operations. The safety philosophies embedded in Part 121 operators has been incorporated into Sun Air's plans going forward. Example include that Sun only sells 8 seats instead of the normal 9 seats, such that a full time First Officer can be included, the company is adding the new position of Director of Safety, not required under Part 135 regulations, and has begun the process of introducing a Safety Management System into its operations, all of which are typically only found at much larger airlines.

Service Proposal

Sun Air offers two service proposals to the Manistee/Ludington community:

The first option is for Milwaukee-only service, generally operating three daily round trips in the winter and four daily round trips in the summer, comprised of six month service patterns for each.

The second option provides for both Milwaukee and Chicago flights, with one and two daily round trips respectively in the low season, and two and three daily round trips respectively in the peak season. Midweek frequency reductions are included to ensure a proper balance between demand patterns and the subsidy requirements to serve the community.

Sun Air proposes contracting for a three year term with an Essential Air Service subsidy of \$2.6 million annually for MKE only service, and \$3.2 million annual subsidy if both MKE and Chicago (MDW). Financial detail on each proposal is included in Schedule 1 attached.

Sun Air's proposed service pattern is flexible based upon community input, and initially structured along the following lines (all times local):

Winter Schedule – Option 1 Service to MKE and MDW (7 weekly MKE round trips, 10 MDW)

Thurs, Fri and Mon: Early AM MKE departure for MBL
Two round trips from MBL to Chicago Midway (MDW)
Evening return to MKE

Tues, Wed, Sat: Late morning MKE departure to MBL
One mid-day round trip MBL-MDW
Late afternoon return to MKE

Sunday: Early afternoon MKE to MBL
Afternoon round trip MBL to MDW
Evening return from MBL to MKE

Summer Schedule – Option 1 Service to MKE and MDW (11 weekly MKE round trips, 22 MDW)

Mon, Tues and Wed: Early Morning MKE to MBL flight
Two round trips MBL – MDW
Evening return MBL – MKE

Thurs, Fri, Sat, Sun: Early Morning MKE to MBL
Two round trips MBL-MDW
Late afternoon MBL to MKE *plus*

Late morning MKE to MBL
Two round trips MBLto MDW
Evening return MBL to MKE

Should the community wish to concentrate flights to Milwaukee, Sun proposes to operate the following representative schedules (all times local):

Winter Schedule – Option 2 MKE only (21 weekly)

Daily Flights:	MKE to MBL: 0700	MKE to MBL: 0930
	1030	1330
	1400	1630

Summer Schedule -- Option 2 MKE only (28 weekly)

Daily Flights:	MKE to MBL	0700	MBL to MKE	0930
		1100	-	1230
		1300		1530
		1600		1830

Marketing Initiatives

Sun Air will partner with the community to ensure that its service and pricing features are properly communicated, particularly given that Sun's proposed flight schedules and fares represent a major improvement over what the community has had access to in the past.

In addition to standard participation in Global Distribution Systems and online travel agencies such as Orbitz, Expedia and Travelocity, Sun Air's MBL flights would be supported by advertising in the local community as well as the destinations of Chicago and Milwaukee (depending of course upon the Service Option chosen).

Sun Air would also look to actively coordinate with local tourism attractions to market the regional destination, including arranging vacation packages and related programs to stimulate visitor traffic and enhance destination awareness.

About Sun Air International

Sun Air Express, LLC is a Fort Lauderdale, FL based scheduled commuter airline serving EAS markets in the Washington, DC area as well as Houston, Texas. The airline operates a fleet of eight passenger Piper Chieftain aircraft.

The company has been in operation for many years, principally flying within Florida and the Bahamas. The company's principals have extensive experience in providing air service to tourism-based destinations, and understand the unique needs of those markets, balancing the requirements of year-round residents with the large influx of visitors expected each summer.

Sun Air's management team was put in place in late 2013 and early 2014, comprised of seasoned regional airline executives with extensive Part 135 and Part 121 experience, and introduced a much higher degree of focus on operational and customer service quality. The airline's controllable completion factor (scheduled flights operated plus weather related cancellations compared to total flights scheduled) for 2014 has been over 99%, a dramatic improvement from 2013.

SCHEDULE 1

Projected Operations Option 1

	<u>Option 1</u> <u>Annual</u> MBL MDW/MKE
Passenger	\$ 517,155
Other Revenues	9,265
TOTAL OPERATING REVENUE	<u>\$ 526,420</u>
 OPERATING EXPENSES	
Flight Operations	537,700
Fuel	832,106
Maintenance	700,355
Passenger Service	968,703
Aircraft Ownership	184,800
Other	310,000
Total Operating Cost	<u>3,533,664</u>
 OPERATING INCOME/(LOSS)	 <u>\$ (3,007,509)</u>
 Profit Element - 5% of Operating Costs	 \$ 176,683
 Subsidy Required	 <u><u>\$ (3,184,192)</u></u>
 Subsidy per Departure	 \$1,276
 Summary Statistics (annual):	
Departures	2,496
Available Seat Miles	3,705,601
Passengers	6,909
Average Segment Fare	\$55.90
Block Hours	2,915

Projected Operations Option 2

	Option 2
	Annual
	MBL- MKE
Passenger	\$ 304,782
Other Revenues	6,849
TOTAL OPERATING REVENUE	\$ 311,631
OPERATING EXPENSES	
Flight Operations	453,456
Fuel	645,765
Maintenance	566,838
Passenger Service	648,488
Aircraft Ownership	184,800
Other	269,000
Total Operating Cost	2,768,347
OPERATING INCOME/(LOSS)	\$ (2,456,717)
Profit Element - 5% of Operating Costs	\$ 138,417
Subsidy Required	\$ (2,595,134)
Subsidy per Departure	\$1,061
Summary Statistics (annual):	
Departures	2,446
Available Seat Miles	2,729,825
Passengers	6,849
Average Segment Fare	\$44.50
Block Hours	2,153

In conclusion, Sun Air believes that its proposal will provide excellent levels of service to the community of Manistee/Ludington, ensure that they have proper access to the national air transportation network, provide a meaningful contribution to tourism development, and offers cost-effective options that meet the requirements of the Essential Air Service Program.

Respectfully Submitted: February 27, 2014

David F. Hackett
Chief Executive
Sun Air Express, LLC.

**AGREEMENT FOR PROFESSIONAL
CONSULTANT SERVICES
(LUMP SUM)
FED PROJECT NO.: TBD
CONTRACT NO. FM-51-01-LAND**

THIS AGREEMENT made this _____ day of _____, in the year of 20____,

BETWEEN the **OWNER** (hereinafter referred to as **SPONSOR**),

***Manistee Blacker Airport Authority
Route 1, 2323 Airport Road
Manistee, MI 49660***

and the **CONSULTANT**.

***Prein & Newhof
3355 Evergreen Drive NE
Grand Rapids, MI 49525***

For the following **PROJECT**:

LOCATION:

Manistee County Blacker Airport

DESCRIPTION:

Land Acquisition Approach 28: Parcel 37

SEE DETAIL BREAKDOWN IN ATTACHMENTS "C" and "E"

WHEREAS, the Sponsor proposed to have Professional Consultant Services performed for the described project;

AND WHEREAS, the Sponsor has caused a review to be made of the qualifications of the Consultant and is satisfied the Consultant is competent and qualified;

AND WHEREAS, the Consultant is willing and able to accomplish the services provided and set forth hereinafter this Agreement;

AND WHEREAS, the Sponsor shall compensate the Consultant, in accordance with the Terms and Conditions of this Agreement.

WITNESSETH: That for and in consideration of the covenants and agreements to be performed by the respective parties hereto, it is agreed by and between the Sponsor and the Consultant as follows:

Article 1 - Description of Work to be Done:

Services to be furnished by the Consultant to the Sponsor together with obligations of the Sponsor or Sponsor's Agent (Michigan Department of Transportation, Office of Aeronautics or hereinafter referred to as AERO) to furnish certain information and data shall consist of the following described elements (additional explanations included in Attachment "E"):

Article 2 - Time of Beginning and Completion

2.1 - Time of Beginning

Upon acceptance of this agreement by both the Sponsor and the Consultant, the Consultant shall have fourteen (14) days from the date of notification to proceed in which to organize and actually commence work.

2.2 - Time for Completion

The estimated time for the Consultant to complete the work named in Article 1 and Attachment "E" of this agreement, ready for Sponsor's approval is one hundred eighty (180) calendar days from the date the Consultant actually starts work. The Consultant shall report his progress to the Sponsor and keep the Sponsor informed of progress and any adjustments to the estimated time schedule which may be necessary because of weather conditions which may affect survey work, the supplying of information to the Consultant by the Sponsor's Agent as provided under Article 1, and other reasons beyond the control of either the Sponsor or the Consultant.

Article 3 - Payment

3.1 - Fee (Planning Service)

3.1.1

The Sponsor agrees to pay the Consultant or and in accordance of the services rendered, as set forth in Article 1 of the Agreement, a fixed fee of twenty-three thousand five hundred dollars (\$23,500.00) (See Attachment "C").

3.1.2

The fixed fee named above shall be considered payment in full by the Sponsor to the Consultant for all services rendered, except as hereinafter provided under Article 4 - Element 4.5 - Changes in Work (See Attachment "C" for project fee breakdown and Attachment "E" for project scope of work).

3.2 - Progress Payments

3.2.1

The Consultant shall submit monthly statements for services rendered. The statement shall be based upon the Consultant's estimate of the proportion of the total service actually completed at the time of billing. Sponsor shall make prompt monthly payments in response to the Consultant's monthly statement.

3.2.2

The first progress payment request shall be submitted thirty (30) days from the date the Sponsor authorizes the Consultant to proceed with the work.

3.2.3

Payment by the Sponsor to the Consultant for extra copies of documents shall be due and payable upon receipt of invoice to the Sponsor from the Consultant.

3.2.4

Payment is due forty-five (45) days after billing.

3.2.5

The final progress payment (10%) of the original contract amount will be due and payable forty-five (45) days after the Consultant completes the work and submits all documents for final approval to the Sponsor.

3.2.6

The Consultant agrees to pay each subconsultant for the satisfactory completion of work associated with the subcontract no later than ten (10) calendar days from the receipt of each payment the Consultant receives from the State of Michigan or Sponsor. The Consultant also is required to return retainage payments to each subconsultant within ten (10) calendar days after the subconsultant's work is satisfactorily completed. Any delay or postponement of payment from these time frames may occur only upon receipt of written approval from the Sponsor or the Sponsor's Agent. These requirements are also applicable to all sub-tier subconsultants and will be made a part of all subconsultant agreements.

This prompt payment provision is a requirement of 49 CFR, Part 26, as amended, and does not confer third-party beneficiary right or other direct right to a subconsultant against the Sponsor or the State of Michigan. This provision applies to both Disadvantaged Business Enterprise (DBE) and non-DBE subconsultants.

The Consultant further agrees that it will comply with 49 CFR, Part 26, as amended, and will report any and all DBE subconsultant payments to the DEPARTMENT semi-annually in the format set forth in Attachment G, dated June 1, 2001, attached hereto and made a part hereof, or any other format acceptable to the Sponsor or the Sponsor's Agent.

3.3 – Extra Service

3.3.1

Extra Service charges shall be negotiated by an amendment to this Agreement. Each amendment shall describe the service rendered and the fixed dollar amount for the requested work and estimated contract time for completion.

3.4 – Subconsultant Services

3.4.1

Any services to be provided by subconsultants shall be provided for in a subconsultant agreement which shall meet the written approval of the Sponsor. Costs of subconsultant

services shall be included in Element 3.1 - Fee. The Consultant will not apply a fixed fee on any of the costs for Subconsultant Services.

Article 4 - Miscellaneous Provisions

4.1 – Certification of Consultant

The Consultant certifies that Margaret Steketee is the authorized representative of the firm of FIRST ROW, INC., whose address is 1624 Seminole Rd. SE, EAST GRAND RAPIDS, MI 49506, and headquartered in Grand Rapids, Michigan. Consultant certifies that the entity identified in this agreement as the consultant is properly licensed in accordance with PA299 of 1980 and will supply evidence of licensure prior to contract execution. Consultant further represents that it did not:

4.1.1

Employ or retain for a commission, percentage, brokerage, contingent fee, or other consideration, any firm or person (other than a bona fide employee working solely for FIRST ROW, INC.) to solicit or secure this agreement;

4.1.2

Agree, as an express or implied condition for obtaining this contract to employ or retain the services of any firm or person in connection with carrying out the agreement; or,

4.1.3

Pay or agree to pay any firm, organization or person (other than a bona fide employee working solely for FIRST ROW, INC.) any fee, contribution, donation or consideration of any kind for, or in connection with, procuring or carrying out this agreement;

Except as here expressly stated (if any):

4.1.4

The CONSULTANT acknowledges that this certificate is to be furnished to the Federal Aviation Administration, U.S. Department of Transportation, in connection with this agreement involving participation of Airport Improvement Program (AIP) funds, and is subject to applicable State and Federal laws, both criminal and civil.

4.2 – Certification of Sponsor

4.2.1

The Sponsor certifies through the Chairperson of the Airport Authority that the above consulting firm or his representatives has not been required, directly or indirectly as an express or implied condition in connection with obtaining or carrying out this agreement to:

4.2.2

Employ or retain, or agree to employ or retain, any firm or person, or

4.2.3

Pay, or agree to pay, to any firm, person, or organization, any fee, contribution, donation, or consideration of any kind:

Except as here expressly stated (if any):

4.2.4

The Sponsor acknowledges that this certificate is to be furnished to the Federal Aviation Administration, U.S. Department of Transportation, in connection with this agreement involving participation of Airport Improvement Program (AIP) funds, and is subject to applicable State and Federal laws, both criminal and civil.

4.3 – Guidelines and Policies for Land Acquisition Related Activities

4.3.1

The Consultant shall follow, insofar as applicable and reasonable and as approved by the Sponsor, current guidelines and policies for land acquisition related activities set forth by the Sponsor, the Sponsor's agent, and other participating governmental agencies in effect at the time of work herein provided is started. Those currently in effect and applicable to this contract are: AC150/5100-37B, 5100-38C, 5100-17, CFR 49 Part 24, FAA Land Acquisition Checklists, FAA Land Acquisition Guidelines, and any applicable MDOT Guidelines and Checklists related to work necessary for land acquisitions, appraisals, review appraisals, relocations, condemnations, and Exhibit "A" property maps. In the event any guidelines or policies change after the Consultant has completed that portion of the work to which a particular policy may apply, and in the event the Consultant is required by the Sponsor to make revisions to completed work to meet revised policies, the Consultant shall be entitled to additional compensation as provided under Article 4.5 – Changes in Work. In the event the Sponsor elects to accept the work which conforms to policies in effect, the Consultant will complete the work as outlined in the original scope without additional compensation, and is relieved of any changes required to meet the revised policies.

4.3.2

Guidelines, policies, specifications, special conditions, contract documents, and requirements developed by the Sponsor, Sponsor's Agent, or other participating governmental agency and required to be incorporated in the final plans and documents shall not be the responsibility of the Consultant. All liability to third parties, for loss or damage as a result of claims, demands, costs, or judgments arising out of activities, to be carried out by the Sponsor in the performance of this contract shall be the responsibility of the Sponsor, and not the responsibility of the Consultant, if the liability, loss, or damage is caused by or arises out of, the action or failure to act on the part of the Sponsor, or any elected or appointed officer, employee or agent of the Sponsor, provided that nothing herein shall be construed as a waiver of any governmental immunity that has been provided to the Sponsor, or any elected or appointed officer, employee or agent of the Sponsor by statute or court decision.

4.4 – Ownership of Documents

4.4.1

Original documents shall be delivered to and become the property of the Sponsor. Original basic notes, sketches, changes, drawings, partially completed drawings, computations, quantities and other data shall remain in the possession of the Consultant but shall be made available, upon request, to the Sponsor without restriction or limitation of their use.

4.4.2

In the event any of the above documents are revised by the Sponsor, the nameplates of the Consultant will be removed and the Consultant will be released and held harmless of any subsequent liability which may arise from the reuse of these documents.

4.5 – Changes in Work

4.5.1

By mutual acceptance of both the Sponsor and the Consultant, changes in work from that work herein provided, including changes in original policies and guidelines and reviews/updating of project work may be accomplished by amendment to this Agreement. The amendment shall

describe the change in work scope, the adjustment in fixed fee herein provided by a fixed dollar amount for each negotiated change order and estimated change to the original or adjusted estimated contract time for each amendment. Each amendment must be approved prior to execution and must be signed and dated by the Sponsor, by the Sponsor's Agent, and the Consultant. Payment shall be made after all approvals and signatures have been obtained.

4.6 – Delays in Extensions

4.6.1

Changes in the estimated time schedule as may be required by the Sponsor or the Consultant shall be in writing, setting forth the reason for delay or extension, and the estimated time adjustment necessary or as provided in Article 4.5 – Changes in Work.

4.7 – Insurance and Liability

4.7.1

The Consultant will maintain Workmen's Compensation, Professional Liability, Property Damage, and Public Liability Insurance and file certificates with the Sponsor.

4.8 – General Compliance with Laws

4.8.1

Unless otherwise specified, this Agreement shall be governed by the Law of Michigan of the principal place of business of the Sponsor. The Consultant agrees to comply with all Federal, State, and Local laws applicable to the work.

4.9 – Assignment of Antitrust Rights

With regard to claims based on goods or services that were used to meet the Consultant's obligation to the Sponsor or the Sponsor's Agent under this Contract, the Consultant hereby irrevocably assigns its right to pursue any claims for relief or causes of action for damages sustained by the State of Michigan or the DEPARTMENT due to any violation of 15 USC, Sections 1 - 15, and/or 1984 PA 274, MCL 445.771 - .788, excluding Section 4a, to the State of Michigan or the DEPARTMENT.

The Consultant 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 the DEPARTMENT with regard to claims based on goods or services that were used to meet the consultant's obligation to the DEPARTMENT under this Contract due to any violation of 15 USC, Sections 1 - 15 and/or 1984 PA 274, MCL 445.771 - .788, excluding Section 4a, to the State of Michigan or the DEPARTMENT as a third-party beneficiary.

The Consultant shall notify the Sponsor if it becomes aware that an antitrust violation with regard to claims based on goods or services that were used to meet the Consultant's obligation to the Sponsor or the Sponsor's Agent under this Contract may have occurred or is threatened to occur. The Consultant shall also notify the Sponsor or the Sponsor's Agent if it becomes aware of any persons 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 Consultant's obligation to the Sponsor or the Sponsor's Agent under this Contract.

4.10 – Subletting, Assignments and Transfer

4.10.1

The Sponsor and the Consultant each binds himself, his partners, successors, assignees, and legal representatives to the other party to this Agreement and to the partners, successors, assignees, and legal representatives of such other party with respect to all covenants of this

Agreement. The Consultant shall not assign, sublet or transfer his interest in this Agreement without the written consent of the Sponsor.

4.11 – Consultant’s Endorsement

4.11.1

The Consultant shall seal and sign all final plans and specifications furnished to the Sponsor.

4.12 – Disputes

4.12.1

All disputes concerning a question of fact in connection with work not disposed of by agreement between the Sponsor and the Consultant shall be settled through standard court actions.

4.13 – Responsibility for Claims and Liability

4.13.1

The Consultant shall save harmless the Sponsor, Sponsor’s Agent, FAA or other governmental agencies from all claims and liability due to negligence of the Consultants or its subcontractors.

Article 5 – Miscellaneous

5.1

This Agreement represents the entire and integrated Agreement between the Sponsor and the Consultant and supersedes all prior negotiations, representations or agreements, either written or oral. This Agreement may be amended only by written instrument signed by both the Sponsor and the Consultant. Nothing contained in this Agreement, nor the performance of the parties hereunder shall inure to the benefit of any third party.

5.2

Unless otherwise specified, this Agreement shall be governed by the laws of the State of Michigan.

5.3

If any provision of this Agreement is held invalid, the remainder of this Agreement shall not be affected, thereby, such remainder would then continue in force provided it conforms to the terms and requirements of applicable law.

5.4

Unless otherwise specified, this agreement shall incorporate all provisions of Attachments “A”, “B”, “C”, “D”, “E”, & “F”.

IN WITNESS WHEREOF, the parties hereto have fixed their hand this day and date first written above.

ACCEPTED BY THE SPONSOR

Witness: _____

Manistee Blacker Airport Authority
Sponsor

Route 1, 2323 Airport Road
Street Address

Manistee, MI 49660
City, State & Zip Code

BY: _____
Authorized Representative of Sponsor

ACCEPTED BY THE CONSULTANT

Witness: _____

Prein&Newhof
Consultant

3355 Evergreen Drive, NE
Street Address

Grand Rapids, MI 49525
City, State & Zip Code

BY: _____
Authorized Representative of Consultant

SCHEDULE OF ATTACHMENTS

- Attachment "A" -
Appendix "A" - Prohibition of Discrimination in State Contracts
Appendix "B" - Civil Rights Act of 1964....Contractual Requirements
- Attachment "B" - Additional Provisions
- Attachment "C" - Cost Breakdown (c-1 and c-2)
- Attachment "D" - Sketches
- Attachment "E" - Scope of Work/Services
- Attachment "F" - Non-Construction Contract Requirements
- Attachment "G" - Prime Consultant Statement of DBE Subconsultant Payments
- Attachment "H" - Evidence of real estate license (copy of license or list of licenses)

ATTACHMENT "A"

APPENDIX A

PROHIBITION OF DISCRIMINATION IN STATE CONTRACTS

In connection with the performance of work under this contract, the Contractor agrees as follows:

1. In accordance with Act No. 453, Public Acts of 1976, the Contractor hereby agrees not to discriminate against an employee or applicant for employment with respect to hire, tenure, terms, conditions, or privileges of employment, or a matter directly or indirectly related to employment, because of race, color, religion, national origin, age, sex, height, weight, or marital status. Further, in accordance with Act No. 220, Public Acts of 1976 as amended by Act No. 478, Public Acts of 1980, the Contractor hereby agrees not to discriminate against an employee or applicant for employment with respect to hire, tenure, terms, conditions, or privileges of employment or a matter directly or indirectly related to employment, because of a handicap that is unrelated to the individual's ability to perform the duties of a particular job or position. A breach of the above covenants shall be regarded as a material breach of this contract.
2. The Contractor hereby agrees that any and all subcontracts to this contract, whereby a portion of the work set forth in this contract is to be performed, shall contain a covenant the same as hereinbefore set forth in Section 1 of this Appendix.
3. The Contractor will take affirmative action to insure that applicants for employment and employees are treated without regard to their race, color, religion, national origin, age, sex, height, weight, marital status or a handicap that is unrelated to the individual's ability to perform the duties of a particular job or position. Such action shall include, but not be limited to, the following: employment, upgrading, demotion or transfer, recruitment advertising; layoff or termination; rates of pay or other forms of compensation; and selection for training, including apprenticeship.
4. The Contractor will, in all solicitations or advertisements for employees placed by or on behalf of the Contractor, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, national origin, age, sex, height, weight, marital status or handicap that is unrelated to the individual's ability to perform the duties of a particular job or position.
5. The Contractor or his collective bargaining representative will send to each labor union or representative of workers with which he has a collective bargaining agreement or other contract or understanding, a notice advising the said labor union or workers' representative of the Contractor's commitments under this Appendix.
6. The Contractor will comply with all relevant published rules, regulations, directives, and orders of the Michigan Civil Rights Commission which may be in effect prior to the taking of bids for any individual state project.
7. The Contractor will furnish and file compliance reports within such time and upon such forms as provided by the Michigan Civil Rights Commission, said forms may also elicit information as to the practices, policies, program, and employment statistics of each subcontractor as well as the Contractor himself, and said Contractor will permit access to his books, records, and accounts by the Michigan Civil Rights Commission, and/or its agent, for purposes of investigation to ascertain compliance with this contract and relevant with rules, regulations, an orders of the Michigan Civil Rights Commission.
8. In the event that the Civil Rights Commission finds, after a hearing held pursuant to its rules, that a contractor has not complied with the contractual obligations under this agreement, the Civil Rights Commission may, as part of its order based upon such findings, certify said findings to the Administrative Board of the State of Michigan, which Administrative Board may order the cancellation of the contract found to have been violated, and/or declare the Contractor ineligible for future contracts with the state and its political and civil subdivisions, departments, and officers, and including the governing boards of institutions of higher education, until the Contractor complies with said order of the Civil Rights. Notice of said declaration of future ineligibility may be given to any or all of the persons with whom the Contractor is declared ineligible to contract as a contracting party in future contracts. In any case before the Civil Rights Commission in which cancellation of an existing contract is a possibility, the contracting agency shall be notified of such possible remedy and shall be given the option by the Civil Rights Commission to participate in such proceedings
9. The Contractor will include, or incorporate by reference, the provisions of the foregoing paragraphs (1) through (8) in every subcontract or purchase order unless exempted by the rules, regulations or orders of the Michigan Civil Rights Commission, and will provide in every subcontract or purchase order that said provisions will be binding upon each subcontractor or seller.

The Civil Rights Commission referred to is the Michigan Civil Rights Commission.

ATTACHMENT "A"

**APPENDIX B
(Aeronautics)**

**CIVIL RIGHTS ACT OF 1964, TITLE VI - 49 CFR PART 21
CONTRACTUAL REQUIREMENTS**

During the performance of this contract, the contractor, for itself, its assignees and successors in interest (hereinafter referred to as the "contractor") agrees as follows:

1. **Compliance with Regulations.** The contractor shall comply with the Regulations relative to nondiscrimination in federally assisted programs of the Department of Transportation (hereinafter, "DOT"), Title 49, Code of Federal Regulations, Part 21, as they may be amended from time to time (hereinafter referred to as the Regulations), which are herein incorporated by reference and made a part of this contract.
2. **Nondiscrimination.** The contractor, with regard to the work performed by it during the contract, shall not discriminate on the grounds of race, color, or national origin in the selection and retention of subcontractors, including procurement of materials and leases of equipment. The contractor shall not participate either directly or indirectly in the discrimination prohibited by section 21.5 of the Regulations, including employment practices when the contract covers a program set forth in Appendix B of the Regulations.
3. **Solicitations for Subcontracts, Including Procurement of Materials and Equipment.** In all solicitations either by competitive bidding or negotiation made by the contractor for work to be performed under a subcontract, including procurement of materials or leases of equipment, each potential subcontractor or supplier shall be notified by the contractor of the contractor's obligations under this contract and the Regulations relative to nondiscrimination on the grounds of race, color, or national origin.
4. **Information and Reports.** The contractor shall provide all information and reports required by the Regulations or directives issued pursuant thereto and shall permit access to its books, records, accounts, other sources of information and its facilities as may be determined by the Sponsor or the Federal Aviation Administration (FAA) to be pertinent to ascertain compliance with such Regulations, orders, and instructions. Where any information required of a contractor is in the exclusive possession of another who fails or refuses to furnish this information, the contractor shall so certify to the sponsor or the FAA, as appropriate, and shall set forth what efforts it has made to obtain the information.
5. **Sanctions for Noncompliance.** In the event of the contractor's noncompliance with the nondiscrimination provisions of this contract, the sponsor shall impose such contract sanctions as it or the FAA may determine to be appropriate, including, but not limited to:
 - a. Withholding of payments to the contractor under the contract until the contractor complies, and/or
 - b. Cancellation, termination, or suspension of the contract, in whole or in part.
6. **Incorporation of Provisions.** The contractor shall include the provisions of paragraphs 1 through 5 in every subcontract, including procurement of materials and leases of equipment, unless exempt by the Regulations or directives issued pursuant thereto. The contractor shall take such action with respect to any subcontract or procurement as the sponsor or the FAA may direct as a means of enforcing such provisions including sanctions for noncompliance. Provided, however, that in the event a contractor becomes involved in, or is threatened with, litigation with a subcontractor or supplier as a result of such direction, the contractor may request the Sponsor to enter into such litigation to protect the interests of the sponsor and, in addition, the contractor may request the United States to enter into such litigation to protect the interests of the United States.

ATTACHMENT "B"
ADDITIONAL PROVISIONS

None.

ATTACHMENT "C" - COST BREAKDOWN

CONSULTANT: Prein&Newhof / FirstROW

AIRPORT LOCATION: Manistee, MI

PROJECT NO.: FM 51-01-LAND

PROPOSED CONSULTANT BUDGET (PER PARCEL)

Parcel No.	Title Commits	Phase I ESA	Preliminary Interview	Appraisal Reports	Review Appraisals	Negotiation	Relocation	Parcel Survey & Exhibit X	Closeout & Exhibit A	Project Management & Meetings	Total
37	\$400	\$2726	\$700	\$4,000	\$1,000	\$2,800	\$2,800	\$1,224	\$1,526	\$6,246	\$23,500
TOTAL											

OUTSIDE SERVICES: See attached.

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ATTACHMENT "C"
ESTIMATED MAN HOUR ASSIGNMENTS AND COSTS

P&N No: 2130677

MANISTEE COUNTY BLACKER AIRPORT
MANISTEE, MICHIGAN
Project No. x-26-xxxx-xxxx
Contract No. FM xx-xx-Cxx
Land Acquisition Services: Parcel 37 (Adamczak)

	PROJECT PRINCIPAL	PROJECT MANAGER	SENIOR ENGINEER	ENGINEER	SURVEYOR	SURVEY CREW	TECHNICIAN	CLERICAL	TOTAL	EXPENSES	AMOUNT PERSONNEL	TOTAL AMOUNT BY TASK
TASK I Project Coordination		8							8	\$ 12,540.00	\$ 312.00	\$ 13,508.66
TASK II Legal Description		1			4		2		7	\$ 463.00	\$ 245.00	\$ 1,223.64
TASK III Title Search & Phase 1 ESA		4	6				20		30	\$ 143.00	\$ 900.00	\$ 2,937.20
TASK IV Sponsor Meetings (2)		16							16	\$ 286.00	\$ 624.00	\$ 2,223.31
TASK V Property Owner Meetings (1)		8							8	\$ 143.00	\$ 312.00	\$ 1,111.66
TASK VI Appraisals										\$ -	\$ -	\$ -
TASK VII Good Faith Offer										\$ -	\$ -	\$ -
TASK VIII Negotiations		4							4	\$ -	\$ 156.00	\$ 484.33
TASK IX Relocation		4							4	\$ -	\$ 156.00	\$ 484.33
TASK X Final Documentation & Exhibit A Update		8		4					12	\$ 198.07	\$ 428.00	\$ 1,526.87
TOTALS -		53	6	4	4		22		89	\$ 13,773.07	\$ 3,133.00	\$ 23,500.00
HOURLY RATES	\$ 68.00	\$ 39.00	\$ 34.00	\$ 29.00	\$ 38.00	\$ 54.00	\$ 27.00	\$ 20.00				
AMOUNT PERSONNEL	\$ -	\$ 2,067.00	\$ 204.00	\$ 116.00	\$ 152.00	\$ -	\$ 594.00	\$ -	\$ 3,133.00			
OVERHEAD	\$ -	\$ 3,714.40	\$ 366.59	\$ 208.45	\$ 273.14	\$ -	\$ 1,087.42	\$ -	\$ 5,830.00			
PROFIT 11%	\$ -	\$ 635.95	\$ 62.76	\$ 35.89	\$ 46.77	\$ -	\$ 182.76	\$ -	\$ 963.93			
TOTAL PERSONNEL CHARGES	\$ -	\$ 6,417.35	\$ 633.35	\$ 380.14	\$ 471.91	\$ -	\$ 1,844.17	\$ -	\$ 9,728.83			
												TOTAL CONTRACT = \$ 23,500.00

OUT OF POCKET EXPENSES	ITEM I	ITEM II	ITEM III	ITEM IV	ITEM V	ITEM VI	ITEM VII	ITEM VIII	ITEM IX	ITEM X	Total Expenses
COMMERCIAL CARRIER VEHICLE MILES	\$ -	\$ -	\$ 280	\$ 520	\$ 280	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
MILES X \$0.585	\$ -	\$ 143.00	\$ 143.00	\$ 286.00	\$ 143.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 715.00
NUMBER OF PEOPLE DAYS	\$ -	\$ 4.0	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 320.00
PEOPLE DAYS X \$80.00	\$ -	\$ 320.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 320.00
MATERIALS & SUPPLIES	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 198.07	\$ -	\$ 198.07
FirstROW	\$ 12,540.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 12,540.00
TOTAL	\$ 12,540.00	\$ 463.00	\$ 143.00	\$ 286.00	\$ 143.00	\$ -	\$ -	\$ -	\$ -	\$ 198.07	TOTAL EXPENSES \$ 13,773.07

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FIRST ROW COST QUOTE (2-14-14)

MANISTEE AIRPORT

Parcel #	Title	Prelim Interview	Appraisal Report	Appraisal Review	Negotiations	Relocation Determination	Relocation Services	Project Mgmt	Overhead	TOTAL
Adamczak	\$400	\$700	\$4,000	\$1,000	\$2,800	\$1,050	\$1,750	\$840	INCL	\$12,540

NOTES:

This estimate is based on the purchase of one improved parcel that will also require relocation services for an owner occupied residence.

Project Management includes items such as: status meetings, general administration of subcontractors, working through PA 116 issues, if any.

Preliminary Interview, Negotiations, Relocation and Project Management functions are based on \$70/hour.

This Cost Quote does not include the Airport's attorney's fee for assistance, if needed or staking and tree tagging, if needed.

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Attachment D



Attachment D

Manistee County Property Search

Parcel 07-135-006-00



Close This Window

Manistee County Parcel Information for 2013 Assessment Year
Manistee Township, Manistee County

Owner Name(s): ADAMCZAK ROBERT

Owner Address: 4947 RIVER RD
MANISTEE, MI 49660



Parcel Address: 4047 RIVER RD

Property Information

Property Class: 101 - AGRICULTURAL IMPROVED

School District: 51070 - MANISTEE

Current Homestead %: 100%

Current Assessment: \$75,200

Current S.E.V.: \$75,200

Current Taxable Value: \$17,423

Last Year's Assessment: \$77,300

Last Year's S.E.V.: \$77,300

Last Year's Taxable Value: \$17,015

Property Sale Information

Sale Date	Sale Amount
4/3/2012	\$0.00
4/1/1987	\$0.00

Tax Roll Description

W 1/2 OF NW 1/4 OF NW 1/4, + SW 1/4 OF NW 1/4 SEC 35 T22N R16W 59.5 A*M/L

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ATTACHMENT "E"

**SCOPE OF SERVICES
LAND ACQUISITION: PARCEL #37
MANISTEE COUNTY BLACKER AIRPORT**

I. PROJECT DESCRIPTION

This agreement covers all reasonable and anticipated costs, as described below, to accomplish the land acquisition of parcels E37 (Adamczak) located near the Manistee County Blacker Airport for obstruction removal purposes. This agreement does not include any costs for work that may be required if negotiations are unsuccessful, legal proceedings commence or if condemnation is pursued. This agreement also does not include acquisition work on any other parcel except that listed above without written authorization and contract amendment from the Sponsor.

The project shall be prepared in accordance with the approved Airport Layout Plan and the associated Environmental Document and with the Federal Aviation Administration (FAA) guidelines established in the FAA Advisory Circular's.

II. GENERAL PROJECT SCOPE

Task I - PROJECT COORDINATION

This task consists of all work related to the management and oversight of the land acquisition process. This includes Subconsultant selection, management, payment and general oversight to ensure compliance with all regulations. This task shall also include regular project update reports to both the MDOT project manager and the Sponsor throughout the acquisition process to communicate the status of the work.

Task II - Legal Description

This task includes the verification of titlework legal description and estimation of metes and bounds description.

Task III - TITLE RESEARCH, PHASE 1 ESA, AND LEGAL DOCUMENTATION REVIEW

This task consists of obtaining and processing title information obtained from the title company. This information includes the clear establishment and confirmation of parcel ownership, and the submission of the standard MDOT questionnaire to the property owner. This task also includes work tasks associated with providing a Phase 1 Environmental Site Assessment (ESA).

Task IV - ONSITE SPONSOR MEETINGS

This task consists of two (2) onsite meetings with the Sponsor to fully review project requirements, project status, actionable items, and ensure clear communications during the acquisition process.

Task V – PROPERTY OWNER INFORMATION MEETING

This task consists of scheduling, conducting and providing two (2) project information meetings for the involved property owner(s). The purpose of these meetings is to communicate to the property owner(s) the project purpose, procedures, lines of communication, and relay all property owner rights. The meetings are to be held after preliminary identification work is completed, and prior to any property appraisal work.

Task VI – PROPERTY APPRAISAL REPORT & REVIEW APPRAISALS

This appraisal task consists of the preparation of detailed appraisal documentation for each parcel by a certified appraiser. This appraisal subconsultant shall follow all required regulations and procedures to complete the appraisal documentation. This task includes the documentation, support and review of all subconsultant work prior to submission to MDOT. After MDOT and the Sponsor have reviewed the appraisal documentation, copies will be submitted to the parcel owner(s). CONSULTANT will administer the proper execution and submission of each required document and provide copies to MDOT for approval prior to submission of appraisals to parcel owner(s).

This review appraisal task consists of a detailed review of the appraisal documents generated in Task VI by a certified review appraiser for completeness, concurrence and compliance with all regulations. CONSULTANT will administer the proper execution and submission of each required document and provide copies to MDOT for approval prior to submission of appraisals to parcel owner(s).

Task VII – GOOD FAITH OFFER DOCUMENTATION

This task consists of developing the Good Faith Offers for each parcel based on the Fair- Market Value suggested by the appraisal/review appraisals and provide copies to MDOT for approval. These documents will be provided to the negotiator for distribution to the property owner(s) and updated to reflect any negotiated terms.

Task VII – PROPERTY OWNER INTERVIEWS AND NEGOTIATIONS

This task consists of providing an independent negotiator to mediate between the buyer and seller and assisting both parties in reaching a satisfactory agreement. The consultant will provide engineering support to the negotiator for basic additional negotiator/owner requested documentation in order to achieve successful negotiations. The consultant will not be responsible for providing unusual services outside of the scope of work or services of an extreme nature unless authorization is received from MDOT and the Sponsor. This work is anticipated to take a minimal level of coordination and document support, should the process break down or involve legal proceedings; those tasks would be considered beyond the scope of this agreement.

Task IX – RELOCATION DETERMINATION & ASSISTANCE

This task consists of preparing all documentation and obtaining all certifications required to process parcel owner(s) relocation in accordance with AC 150 / 5100-17 Change 6.

Task X – SETTLEMENT DOCUMENTATION AND EXHIBIT "A" REVISION

This task consists of preparing all documentation required to process the accepted Good-Faith Offers and Negotiated Settlements. This includes the preparation of supported negotiated settlement documentation for MDOT and final property documents for the parcel. This task also includes work related to updating the airport Exhibit "A" documents to reflect the newly acquired parcel. The updated Exhibit "A" and all supporting documents will be submitted to MDOT for final approval.

ATTACHMENT "F"

NON-CONSTRUCTION CONTRACT

**CIVIL RIGHTS ACT OF 1964, TITLE VI - 49 CFR PART 21
CONTRACTUAL REQUIREMENTS**

During the performance of this contract, the contractor, for itself, its assignees and successors in interest (hereinafter referred to as the "contractor") agrees as follows:

- 1.1 **Compliance with Regulations.** The contractor shall comply with the Regulations relative to nondiscrimination in federally assisted programs of the Department of Transportation (hereinafter, "DOT") Title 49, Code of Federal Regulations, Part 21, as they may be amended from time to time (hereinafter referred to as the Regulations), which are herein incorporated by reference and made a part of this contract.
- 1.2 **Nondiscrimination.** The contractor, with regard to the work performed by it during the contract, shall not discriminate on the grounds of race, color, or national origin in the selection and retention of subcontractors, including procurement of materials and leases of equipment. The contractor shall not participate either directly or indirectly in the discrimination prohibited by section 21.5 of the Regulations, including employment practices when the contract covers a program set forth in Appendix B of the Regulations.
- 1.3 **Solicitations for Subcontracts, Including Procurement of Materials and Equipment.** In all solicitations either by competitive bidding or negotiation made by the contractor for work to be performed under a subcontract, including procurement of materials or leases of equipment, each potential subcontractor or supplier shall be notified by the contractor of the contractor's obligations under this contract and the Regulations relative to nondiscrimination on the grounds of race, color, or national origin.
- 1.4 **Information and Reports.** The contractor shall provide all information and reports required by the Regulations or directives issued pursuant thereto and shall permit access to its books, records, accounts, other sources of information and its facilities as may be determined by the Sponsor or the Federal Aviation Administration (FAA) to be pertinent to ascertain compliance with such Regulations, orders, and instructions. Where any information required of a contractor is in the exclusive possession of another who fails or refuses to furnish this information, the contractor shall so certify to the sponsor or the FAA, as appropriate, and shall set forth what efforts it has made to obtain the information.
- 1.5 **Sanctions for Noncompliance.** In the event of the contractor's noncompliance with the nondiscrimination provisions of this contract, the sponsor shall impose such contract sanctions as it or the FAA may determine to be appropriate, including, but not limited to:
 - a. Withholding of payments to the contractor under the contract until the contractor complies, and/or
 - b. Cancellation, termination, or suspension of the contract, in whole or in part.
- 1.6 **Incorporation of Provisions.** The contractor shall include the provisions of paragraphs 1 through 5 in every subcontract, including procurement of materials and leases of equipment, unless exempt by the Regulations or directives issued pursuant thereto. The contractor shall take such action with respect to any subcontract or procurement as the sponsor or the FAA may direct as a means of enforcing such provisions including sanctions for noncompliance. Provided, however, that in the event a contractor becomes involved in, or is threatened with, litigation with a subcontractor or supplier as a result of such direction, the contractor may request the Sponsor to enter into such litigation to protect the interests of the sponsor and, in addition, the contractor may request the United States to enter into such litigation to protect the interests of the United States.

GENERAL CIVIL RIGHTS PROVISIONS
49 U.S.C. 47123

The contractor assures that it will comply with pertinent statutes, Executive orders and such rules as are promulgated to assure that no person shall, on the grounds of race, creed, color, national origin, sex, age, or handicap be excluded from participating in any activity conducted with or benefiting from Federal assistance. This provision obligates the tenant/concessionaire/lessee or its transferee for the period during which Federal assistance is extended to the airport a program, except where Federal assistance is to provide, or is in the form of personal property or real property or interest therein or structures or improvements thereon. In these cases the provision obligates the party or any transferee for the longer of the following periods: (a) the period during which the property is used by the airport sponsor or any transferee for a purpose for which Federal assistance is extended, or for another purpose involving the provision of similar services or benefits or (b) the period during which the airport sponsor or any transferee retains ownership or possession of the property. In the case of contractors, this provision binds the contractors from the bid solicitation period through the completion of the contract. This provision is in addition to that required of Title VI of the Civil Rights Act of 1964.

ACCESS TO RECORDS AND REPORTS
49 CFR PART 18.36(i)

The Contractor shall maintain an acceptable cost accounting system. The Contractor agrees to provide the Sponsor, the Federal Aviation Administration and the Comptroller General of the United States or any of their duly authorized representatives access to any books, documents, papers, and records of the contractor which are directly pertinent to the specific contract for the purpose of making audit, examination, excerpts and transcriptions. The Contractor agrees to maintain all books, records and reports required under this contract for a period of not less than three years after final payment is made and all pending matters are closed.

RIGHTS TO INVENTIONS - 49 CFR PART 18.36(I)(8)

All rights to inventions and materials generated under this contract are subject to regulations issued by the FAA and the Sponsor of the Federal grant under which this contract is executed.

DISADVANTAGED BUSINESS ENTERPRISES
49 CFR Part 26

Contract Assurance (§26.13) - The contractor or subcontractor shall not discriminate on the basis of race, color, national origin, or sex in the performance of this contract. The contractor shall carry out applicable requirements of 49 CFR Part 26 in the award and administration of DOT assisted contracts. Failure by the contractor to carry out these requirements is a material breach of this contract, which may result in the termination of this contract or such other remedy, as the recipient deems appropriate.

Prompt Payment (§26.29) - The prime contractor agrees to pay each subcontractor under this prime contract for satisfactory performance of its contract no later than ten days from the receipt of each payment the prime contractor receives from the Sponsor or the Sponsor's Agent. The prime contractor agrees further to return retainage payments to each subcontractor within ten days after the subcontractor's work is satisfactorily completed. Any delay or postponement of payment from the above referenced time frame may occur only for good cause following written approval of the Sponsor or the Sponsor's Agent. This clause applies to both DBE and non-DBE subcontractors.

LOBBYING AND INFLUENCING FEDERAL EMPLOYEES
49 CFR Part 20, Appendix A

- (1) No Federal appropriated funds shall be paid, by or on behalf of the contractor, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress, or an employee of a Member of Congress in connection with the making of any Federal grant and the amendment or modification of any Federal grant.
- (2) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an

officer or employee of Congress, or an employee of a Member of Congress in connection with any Federal grant, the contractor shall complete and submit Standard Form-LLL, "Disclosure of Lobby Activities," in accordance with its instructions.

**TRADE RESTRICTION CLAUSE
49 CFR PART 30**

The contractor or subcontractor, by submission of an offer and/or execution of a contract, certifies that it:

- a. is not owned or controlled by one or more citizens of a foreign country included in the list of countries that discriminate against U.S. firms published by the Office of the United States Trade Representative (USTR);
- b. has not knowingly entered into any contract or subcontract for this project with a person that is a citizen or national of a foreign country on said list, or is owned or controlled directly or indirectly by one or more citizens or nationals of a foreign country on said list;
- c. has not procured any product nor subcontracted for the supply of any product for use on the project that is produced in a foreign country on said list.

Unless the restrictions of this clause are waived by the Secretary of Transportation in accordance with 49 CFR 30.17, no contract shall be awarded to a contractor or subcontractor who is unable to certify to the above. If the contractor knowingly procures or subcontracts for the supply of any product or service of a foreign country on said list for use on the project, the Federal Aviation Administration may direct through the Sponsor cancellation of the contract at no cost to the Government.

Further, the contractor agrees that, if awarded a contract resulting from this solicitation, it will incorporate this provision for certification without modification in each contract and in all lower tier subcontracts. The contractor may rely on the certification of a prospective subcontractor unless it has knowledge that the certification is erroneous.

The contractor shall provide immediate written notice to the sponsor if the contractor learns that its certification or that of a subcontractor was erroneous when submitted or has become erroneous by reason of changed circumstances. The subcontractor agrees to provide written notice to the contractor if at any time it learns that its certification was erroneous by reason of changed circumstances.

This certification is a material representation of fact upon which reliance was placed when making the award. If it is later determined that the contractor or subcontractor knowingly rendered an erroneous certification, the Federal Aviation Administration may direct through the Sponsor cancellation of the contract or subcontract for default at no cost to the Government.

Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render, in good faith, the certification required by this provision. The knowledge and information of a contractor is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

This certification concerns a matter within the jurisdiction of an agency of the United States of America and the making of a false, fictitious, or fraudulent certification may render the maker subject to prosecution under Title 18, United States Code, Section 1001.

TERMINATION OF CONTRACT

49 CFR Part 18.36(l)(2)

- a. The Sponsor may, by written notice, terminate this contract in whole or in part at any time, either for the Sponsor's convenience or because of failure to fulfill the contract obligations. Upon receipt of such notice services shall be immediately discontinued (unless the notice directs otherwise) and all materials as may have been accumulated in performing this contract, whether completed or in progress, delivered to the Sponsor.
- b. If the termination is for the convenience of the Sponsor, an equitable adjustment in the contract price shall be made, but no amount shall be allowed for anticipated profit on unperformed services.
- c. If the termination is due to failure to fulfill the contractor's obligations, the Sponsor may take over the work and prosecute the same to completion by contract or otherwise. In such case, the contractor shall be liable to the Sponsor for any additional cost occasioned to the Sponsor thereby.
- d. If, after notice of termination for failure to fulfill contract obligations, it is determined that the contractor had not so failed, the termination shall be deemed to have been effected for the convenience of the Sponsor. In such event, adjustment in the contract price shall be made as provided in paragraph 2 of this clause.
- e. The rights and remedies of the sponsor provided in this clause are in addition to any other rights and remedies provided by law or under this contract.

**CERTIFICATION REGARDING DEBARMENT, SUSPENSION,
INELIGIBILITY AND VOLUNTARY EXCLUSION
49 CFR Part 29**

The bidder/offeror certifies, by submission of this proposal or acceptance of this contract, that neither it nor its principals is presently debarred, suspended, proposed for debarment, declared ineligible, or voluntarily excluded from participation in this transaction by any Federal department or agency. It further agrees by submitting this proposal that it will include this clause without modification in all lower tier transactions, solicitations, proposals, contracts, and subcontracts. Where the bidder/offeror/contractor or any lower tier participant is unable to certify to this statement, it shall attach an explanation to this solicitation/proposal.

**BREACH OF CONTRACT TERMS
49 CFR Part 18.36**

Any violation or breach of terms of this contract on the part of the contractor or their subcontractors may result in the suspension or termination of this contract or such other action that may be necessary to enforce the rights of the parties of this agreement. The duties and obligations imposed by the Contract Documents and the rights and remedies available there under shall be in addition to and not a limitation of any duties, obligations, rights and remedies otherwise imposed or available by law.

July 1, 2004

ATTACHMENT "G"

PRIME CONSULTANT STATEMENT OF DBE SUBCONSULTANT PAYMENTS

ATTACHMENT "H"

EVIDENCE OF LICENSURE PURSUANT TO PA299 OF 1980