

DRAFT

## MINUTES

Monday, December 8, 2014  
10:00 A.M.

Manistee County Blacker Airport  
Conference Room

Members Present: Paul Schulert, Chairperson; Ross Spencer, Vice-Chairperson (via phone); Mark Bergstrom; Alan Marshall (via phone - arrived at 10:05 A.M.); Dale Picardat; Brook Shafer; and Thom Smith

Members Absent: None

Others Present: Barry Lind, Airport Manager; Tamara Buswinka, Alliance for Economic Success (arrived at 10:30 A.M.); Justine McGuire, Manistee News Advocate (arrived at 10:05 A.M.); 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 discussion regarding adding attorney attendance at meetings under new business on the agenda.

**There was a motion by Mr. Bergstrom, supported by Mr. Smith, to approve the meeting agenda, with the addition of attorney attendance at meetings under new business. Motion carried by majority vote (Marshall absent).**

There was no public comment.

The Chairman confirmed that each member had received a copy and had an opportunity to review the minutes from the regular meeting of the Airport Authority held on Monday, November 10, 2014.

**There was a motion by Mr. Bergstrom, supported by Mr. Picardat, to approve the Airport Authority regular meeting minutes of Monday, November 10, 2014, as presented. Motion carried by majority vote (Marshall absent).**

The November 2014 Accounts Payable Report and Financial Statement were not available for review since Mr. Pomeroy had not received all the necessary information from Mr. Lind.

Mr. Lind reported that there were no airport incidents. Mr. Lind presented a report on airfares which compares flights from Manistee, Traverse City, Grand Rapids, and Muskegon for travel in January 2015 (APPENDIX A). Mr. Lind presented information on airplane passenger numbers for 2014 as well as the previous five years (APPENDIX B).

Mr. Lind stated that he received a quote from Straight Fence for \$4,500 to repair the fence that was damaged by snow. He felt that was too high and asked them to remove any unnecessary items, which brought the quote down to \$2,300. Mr. Lind would like to receive three quotes before making a decision.

Progress continues to be slow, but did resume last Friday on the construction projects. Mr. Lind and Mr. Saylor met and drafted a letter to the parties involved stating that the Airport Authority isn't responsible for any of the extra costs. Mr. Lind explained that the pitch of the new section of the building is about 8 inches different from the existing pitch. The eave overhang differs by about one foot. Both of these issues should have been caught by the architect, engineer, and/or builder. The existing building is brown

and the new section is blue. Mr. Lind was told when he chose the color that the entire building would be the new color. Then he was told that grant funds couldn't be used for paint, but there would be savings elsewhere which could cover painting the old section of the building. Due to the issues that have arisen, there are no extra funds now. Mr. Lind stated that he can accept the pitch difference since it's only cosmetic in exchange for Prein & Newhof reimbursing for the painting. There is a minor functional issue with the eve overhang, and this is at a standstill as far as who's responsible. The quote to fix the eve overhang is \$11,000. Prein & Newhof feels this should be \$6,000, and they are willing to cover \$6,000. The \$5,000 difference has not been resolved, but work has continued. It wouldn't make sense for there to be a lawsuit over \$5,000, so there hasn't been a need for the Building Project Committee to meet. There was a construction progress meeting with the State of Michigan on Wednesday, and the State said they can force a resolution by not paying if necessary.

The sand storage project is mostly complete except for the cover. The tree removal will be completed before spring. Mr. Lind is awaiting further proposals for long term direction regarding the hangar expansion/door repair.

The air service schedule is available for booking through mid May 2015. Overall, service continues to be good. There were a few more delays than normal, mostly with winter equipment. The demand for winter is trending well. November was the 3<sup>rd</sup> best November, only missing 2<sup>nd</sup> by 11. Planning has started for the summer 2015 schedule. It's looking like there will be 4 flights per week continuing to Pellston, and that a 30 seat aircraft would be used for all summer flights. The plan is to release the summer schedule in January.

A Cyber Monday fare sale was held, and it was the best sales day with over 130 seats sold. For the winter months, the marketing focus is planning for 2015, digital advertising, and outreach to existing customers. The focus in 2015 will be a rewards/referral plan. Conversations have begun about re-branding Public Charters name.

Mr. Saylor drafted a contract for the Coho Bend billboard, and redrafted the Wolverine contract to bring it up to the current rate that Lamar pays.

The builder of the leaking hangar has been contacted by Prein & Newhof and is coming to evaluate the situation.

Mr. Spencer stated that a projector and screen would be valuable equipment to have at the airport for use by the Airport Authority and others who use the conference room. Mr. Lind stated that the room is currently used approximately three times per week by outside groups. Mr. Lind was directed to investigate the costs of a projector and screen. Mr. Marshall suggested asking the groups who use the room what type of equipment they might find useful. It was noted that wifi is already available.

It was noted that it would cost approximately \$200 per month to continue to have Mr. Saylor be present at all Airport Authority meetings. After discussion,

**There was a motion by Mr. Bergstrom, supported by Mr. Smith, to only have Mr. Saylor present at Airport Authority meetings when necessary and requested.**

**A roll call vote was taken:**

**Yeas: 7 (Schulert; Spencer; Bergstrom; Marshall; Picardat; Shafer; Smith)**

**Nays: 0**

**Absent: 0**

**Motion carried.**

Ms. Spencer stated that he and Mr. Schulert spoke to the West Shore Hospital Auxiliary on November 11, 2014. This is the second time they spoke to the group, and many had used the airline service with no complaints. It was also noted that we are a golfing destination.

The Authority continued the strategic planning process with Ms. Buswinka (APPENDIX C). Ms. Buswinka will conduct the stakeholder interviews in January, and come back to the Airport Authority at their February meeting. It was noted that individual Airport Authority member interviews will also be conducted.

With there being no further business to come before the Authority, the meeting was adjourned at approximately 11:25 A.M.

Respectfully submitted,

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Rachel Nelson, Airport Authority Secretary

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**January Travel as of 12/07/14****Best Fares**

	MBL	TVC	GRR	MKG
Atlanta (ATL)	377 WN	450 DL	<b>348</b> AA	394 UA
Boston (BOS)	271 WN	208 AA	<b>186</b> AA	280 UA
Chicago (MDW or ORD)	<b>129</b> P1	336 DL	281 AA	159 UA
Dallas (DFW)	<b>237</b> WN	400 AA	310 UA	310 UA
Denver (DEN)	427 WN	484 AA	<b>323</b> UA	425 UA
Houston (HOU)	447 WN	410 AA	<b>308</b> AA	413 UA
Kansas City (MCI)	<b>217</b> WN	398 AA	353 AA	286 UA
Las Vegas (LAS)	387 WN	436 UA	<b>386</b> AA	406 UA
Los Angeles (LAX)	487 WN	470 UA	<b>392</b> AA	504 UA
Minneapolis (MSP)	<b>325</b> WN	382 AA	398 UA	342 UA
New York Area (NYC)	357 WN	300 DL	<b>248</b> AA	374 UA
Orlando (MCO)	403 WN	328 AA	<b>270</b> DL	416 UA
Philadelphia (PHL)	445 DL	461 AA	<b>227</b> AA	451 UA
Phoenix (PHX)	<b>343</b> DL	386 UA	<b>343</b> UA	364 UA
Portland (PDX)	<b>395</b> WN	518 UA	442 AA	419 UA
San Diego (SAN)	519 WN	442 UA	<b>390</b> UA	538 UA
San Francisco (SFO)	<b>375</b> DL	494 UA	467 AA	416 UA
Seattle (SEA)	461 WN	470 AA	<b>380</b> AA	415 UA
St Louis (STL)	349 WN	252 AA	<b>205</b> UA	366 UA
Washington DC Area (WA)	455 WN	306 DL	<b>212</b> UA	451 UA

Average Fare	\$370.30	\$396.55	\$323.45	\$386.45
Change from last month	\$8.40	\$32.95	\$14.40	\$15.70
Change from two months	-\$5.05	\$40.65	\$7.50	-\$1.70

Fares Pulled 12/07/14 for travel 01/13/15 - 01/20/15

**Best Fares +7 days parking**

	MBL	TVC	GRR	MKG
Atlanta (ATL)	<b>377</b> WN	490 DL	402 AA	429 UA
Boston (BOS)	271 WN	248 AA	<b>240</b> AA	315 UA
Chicago (MDW or ORD)	<b>129</b> P1	376 DL	335 AA	194 UA
Dallas (DFW)	<b>237</b> WN	440 AA	364 UA	345 UA
Denver (DEN)	427 WN	524 AA	<b>377</b> UA	460 UA
Houston (HOU)	447 WN	450 AA	<b>362</b> AA	448 UA
Kansas City (MCI)	<b>217</b> WN	438 AA	407 AA	321 UA
Las Vegas (LAS)	<b>387</b> WN	476 UA	440 AA	441 UA
Los Angeles (LAX)	487 WN	510 UA	<b>446</b> AA	539 UA
Minneapolis (MSP)	<b>325</b> WN	422 AA	452 UA	377 UA
New York Area (NYC)	357 WN	340 DL	<b>302</b> AA	409 UA
Orlando (MCO)	403 WN	368 AA	<b>324</b> DL	451 UA
Philadelphia (PHL)	445 DL	501 AA	<b>281</b> AA	486 UA
Phoenix (PHX)	<b>343</b> DL	426 UA	397 UA	399 UA
Portland (PDX)	<b>395</b> WN	558 UA	496 AA	454 UA
San Diego (SAN)	519 WN	482 UA	<b>444</b> UA	573 UA
San Francisco (SFO)	<b>375</b> DL	534 UA	521 AA	451 UA
Seattle (SEA)	461 WN	510 AA	<b>434</b> AA	450 UA
St Louis (STL)	349 WN	292 AA	<b>259</b> UA	401 UA
Washington DC Area (WA)	455 WN	346 DL	<b>266</b> UA	486 UA

Average Fare	\$370.30	\$436.55	\$377.45	\$421.45
Change from last month	\$8.40	\$32.95	\$14.40	\$15.70
Change from two months	-\$5.05	\$40.65	\$7.50	-\$1.70

Parking Fees for one week are \$0 at Manistee, \$40 at Traverse City, \$54 at Grand Rapids, \$35 at Muskegon

Manistee County Blacker Airport

**Enplaned/Deplaned**

	2009		2010		2011		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	134/126	260	161/107	268
Feb	112/93	205	196/150	346	202/194	396	462/431	893	128/120	248	136/124	260
Mar	149/139	288	216/231	447	225/215	440	112/176	288	162/173	335	191/175	366
Apr	119/140	259	272/255	527	L 147/171 F9 488/389	1193	0/0	0	158/158	316	194/218	412
May	184/180	364	263/302	565	1454/1525	2979	P1 71/58	129	189/189	378	251/255	506
Jun	166/213	379	311/366	677	1206/1342	2548	234/250	484	239/288	527	346/405	751
Jul	388/439	827	521/551	1072	1595/1568	3163	465/467	932	421/409	830	653/659	1312
Aug	429/359	788	482/395	877	1833/1567	3400	497/500	997	391/413	804	672/693	1365
Sep	285/293	578	240/233	473	1332/1234	2566	362/297	659	248/237	485	372/351	723
Oct	282/275	557	270/246	516	1024/1004	2028	150/149	299	229/215	444	342/340	682
Nov	257/269	526	236/242	478	722/715	1437	36/33	69	168/198	366	272/272	544
Dec	228/279	507	194/235	429	674/798	1472	131/138	269	197/200	397		
Total		5522		6764		21992		5908		5390		7189

**On-time Performance**

	2009		2010		2011		2012		2013		2014	
	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%	88%
Mar	8%/11%	79%	11%/19%	70%	21%/19%	60%	14%/8%	78%	0%/0%	100%	0%/7%	93%
Apr	10%/16%	74%	13%/17%	70%	***	***	***	***	0%/3%	97%	0%/4%	96%
May	2%/10%	88%	12%/10%	78%	3%/25%	72%	0%/10%	90%	0%/6%	94%	0%/4%	96%
Jun	7%/18%	75%	6%/26%	68%	6%/20%	74%	0%/6%	94%	0%/3%	97%	0%/15%	85%
Jul	4%/16%	80%	5%/19%	76%	0%/37%	63%	0%/7%	93%	0%/19%	81%	1%/20%	79%
Aug	2%/12%	86%	4%/5%	91%	0%/36%	64%	0%/8%	92%	2%/16%	82%	1%/19%	80%
Sep	0%/9%	91%	18%/16%	66%	0%/23%	77%	0%/5%	95%	0%/0%	100%	0%/15%	85%
Oct	10%/8%	81%	15%/13%	72%	1%/5%	94%	0%/22%	78%	0%/9%	91%	0%/18%	82%
Nov	3%/10%	87%	16%/16%	68%	2%/11%	87%	0%/5%	95%	6%/6%	88%	2%/19%	79%
Dec	25%/39%	36%	32%/25%	43%	2%/15%	83%	0%/11%	89%	3%/19%	78%		

**MANISTEE BLACKER AIRPORT AUTHORITY  
STRATEGIC PLAN 2014  
Work to Review and Agenda  
December 8, 2014**

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**1. Review of Mission Statement**

**Mission Statement of the Manistee Blacker Airport Authority**  
*Provide high quality and sustainable aviation services and facilities.*

**2. Review of Vision Statement**

**Vision Statement of the Manistee Blacker Airport Authority**  
*The Manistee County Blacker Airport will be instrumental to the economic well being of the region.*

**3. Review of Stakeholder Questions**

You asked to have the questions align with the Values. Please see the following chart.

<b>VALUE</b>	<b>STAKEHOLDER QUESTION</b>
...being good stewards of the public funds.	4. Do you believe the Black Airport Authority is being good stewards of the public funds?
...providing excellent air service to and from Manistee County and the region.	5. Do you use the airport? If not, why?
...maintaining good communication with all of our stakeholders.	6. Do you feel the Airport Authority's communication with you as a stakeholder is what it should be? If not, please offer some advice on how communication could be improved.
...transparency.	7. Do you have any concerns regarding the Airport Authority's transparency? If so, how could transparency be improved upon?
...affordability.	8. Do you feel the airport services are affordable? Services include price of flights, auto rental, leasing prices for hangers, other?
...continuing prosperity of the region.	9. Do you have any ideas about opportunities that could increase the Airport's ability to add to the prosperity of the region?
...providing excellent customer service.	10. Do you have any concerns regarding customer service of the Airport?
...maintaining a distinguished reputation for the services we provide.	11. Do you have any general concerns about the airport?
...our assets.	12. Do you value the airport? If not, why?
	13. If you could give one piece of advice to the Airport Authority what would it be?
<b>You asked to include a question such as: "Would you be willing to financially support the airport?"</b>	<b>LETS TALK ABOUT THIS FURTHER!</b>

**4. Board Interview**

**MANISTEE BLACKER AIRPORT AUTHORITY  
STRATEGIC PLAN 2014  
Opportunities and Challenges  
December 8, 2014**

**Opportunities**

- Ownership and/or issue of authority for governance
- Funding
- Increasing days of service to get to the desired number of passengers annually
- Extending runway
- Capturing more passengers through organic growth and by expanding the services towards destination flights
- Expand general aviation
- Become a hub of general aviation businesses

**Challenges**

- Ownership and/or issue of authority for governance
- Unclear ownership/authority may jeopardize FAA grant opportunities
- Funding to achieve sustainability
- Increasing the number of passengers (need to generate 10,000 passengers over the next 4 years)
- Deterioration of assets- currently need to resurface the runway at approximately \$650,000.00
- Limitation of the north and south runway- limited ability to lengthen thus the airport is restricted to the current class of aircraft
- City of Manistee water well location/extraction issue