

MINUTES

Monday, November 16, 2015
10:00 A.M.

Manistee County Blacker Airport
Conference Room

Members Present: Paul Schulert, Chair; Brook Shafer, Vice-Chair; Doug Bell; Mark Bergstrom; Alan Marshall; Dale Picardat; and Thom Smith

Members Absent: None

Others Present: Barry Lind, Airport Director; Russell Pomeroy, Airport Treasurer (left at 10:15 A.M.); and Rachel Nelson, Airport Authority Secretary

Paul Schulert, Chair, called the meeting to order at 10:00 A.M. Roll was taken by the Secretary. Mr. Schulert requested that voting on the Airport Director contract and Orchard Beach Aviation contract be added to the agenda.

There was a motion by Mr. Shafer, supported by Mr. Smith, to approve the meeting agenda with the addition of voting on the Airport Director contract and Orchard Beach Aviation contract. Motion carried by unanimous vote.

There was no public comment.

The Chair 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, October 19, 2015.

There was a motion by Mr. Picardat, supported by Mr. Shafer, to approve the Airport Authority regular meeting minutes of Monday, October 19, 2015, as presented. Motion carried by unanimous vote.

The Authority next reviewed the October 2015 Accounts Payable Report (APPENDIX A). Mr. Pomeroy explained that the Cryotech payment is for deicer for the runways, the State of Michigan payment is for the storage tank licensing and the noncommunity water supply fee, the West Coast Farm Service payment is for a service call on the tractor, and the Piper McCredie Agency payment is for adding the new tractor to the insurance.

There was a motion by Mr. Shafer, supported by Mr. Smith, to approve the October 2015 Accounts Payable Report and authorize payment of the outstanding invoices totaling \$36,439.30.

A roll call vote was taken:

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

Nays: 0

Absent: 0

Motion carried

The Authority also reviewed the October 2015 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 October 2015 Financial Statement. Motion carried by unanimous vote.

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

Mr. Pomeroy stated that the end of the year information is still being finalized. He will have a revised September 2015 report and budget amendments at next month's meeting.

The Executive Committee provided copies of the proposed Airport Director contract (APPENDIX D), and Orchard Beach Aviation contract (APPENDIX E). It was noted that in section 7 of the Airport Director's contract, it should say "Three Thousand Five Hundred Dollars", not "Three Thousand Four Hundred Dollars". It was noted that the Airport Director contract includes changing the Airport Director's purchasing power from \$1,000 to \$3,000.

There was a motion by Mr. Shafer, supported by Mr. Bergstrom, to approve the Airport Director Agreement with Barry J. Lind, including changing "Four" to "Five" in section 7, effective October 1, 2015, and to authorize the Airport Authority Chair to execute the agreement.

A roll call vote was taken:

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

Nays: 0

Absent: 0

Motion carried

There was a motion by Mr. Bergstrom, supported by Mr. Smith, to approve the Fixed Base Operator Agreement with Orchard Beach Aviation, Inc., effective October 1, 2015, and to authorize the Airport Authority Chair to execute the agreement.

A roll call vote was taken:

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

Nays: 0

Absent: 0

Motion carried

The Budget Committee did not meet.

The Bylaws Committee presented the proposed changes to the Airport Authority Bylaws as provided last month (APPENDIX F).

There was a motion by Mr. Bell, supported by Mr. Picardat, to change section 3.2 of the bylaws to read as follows:

Three members of the Airport Authority Board may, but need not 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 and approved by the County Board of Commissioners. Three (3) additional members of the Board shall be at large members who are residents of Manistee County.

A roll call vote was taken:

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

Nays: 0

Absent: 0

Motion carried

There was a motion by Mr. Shafer, supported by Mr. Smith, to change section 3.3 of the bylaws to read as follows:

Airport Authority Board members shall be appointed to a term of three (3) years. The terms of at least two (2) members of the Authority shall expire each calendar year. Members appointed to an un-expired term shall be appointed only for the remainder of the un-expired 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 to the remainder of the unexpired term.

Any vacancies will be filled by appointment of the County Board of Commissioners within 60 days.

A roll call vote was taken:

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

Nays: 0

Absent: 0

Motion carried

There was a motion by Mr. Shafer, supported by Mr. Picardat, to change section 3.5 of the bylaws to read as follows:

An Authority Board member who has more than four (4) absences from regular Authority Board meetings within any twelve (12) month period shall be considered to have officially resigned from the Board.

A roll call vote was taken:

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

Nays: 0

Absent: 0

Motion carried

There was a motion by Mr. Shafer, supported by Mr. Smith, to change section 4.4 of the bylaws to read as follows:

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

A roll call vote was taken:

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

Nays: 0

Absent: 0

Motion carried

There was a motion by Mr. Bell, supported by Mr. Marshall, to change section 5.4 of the bylaws to read as follows:

The Chairperson may call a special meeting of the Board at any time, and shall upon request of three (3) members of the Board, call a special meeting of the Board. Written notice of the date, time, place and purpose of any special meeting of the Board shall be given at least two (2) days previous thereto, delivered personally, or by mail to each member of the Board at the last known address of the member of the Board as appears on the record of the Authority. If mailed said notice shall be deemed to be delivered when deposited in the United States Government Mail so addressed

with postage fully paid. In addition, if mailed, members of the Board shall also be notified by email and phone.

A roll call vote was taken:

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

Nays: 0

Absent: 0

Motion carried

There was a motion by Mr. Shafer, supported by Mr. Bergstrom, to change section 12.2 of the bylaws to read as follows:

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 a majority of the total Board members.

A roll call vote was taken:

Yeas: 5 (Bell; Shafer; Picardat; Marshall; Bergstrom)

Nays: 2 (Schulert; Smith)

Absent: 0

Motion carried

Mr. Lind reported that there were no airport incidents. Mr. Lind presented a report on airfares which compares flights from Manistee, Traverse City, Grand Rapids, and Muskegon for travel in December 2015 (APPENDIX G). Mr. Lind presented information on airplane passenger numbers for 2015 as well as the previous five years (APPENDIX H). Mr. Lind noted that the airport has the best performance in the State of Michigan!

Mr. Lind stated that unlike previously reported, there is not an Airport Zoning Ordinance in effect. Instead, there is a local (Manistee Township) overlay that was put in effect about 20 years ago and needs to be updated. Mr. Lind is planning to work with Rob Carson, Manistee County Planner, to see if it makes sense to do the full Airport Zoning Ordinance. The State has a standard document that it could be based on. Mason County moved to full Airport Zoning in 2012.

Mr. Lind is still working on gathering the materials requested by the FAA in response to the FAA grant/sponsor update process. Airport Legal and Ford Stone, County Prosecuting Attorney, have met to clarify Mr. Stone's concerns. Mr. Lind plans to get a response to the FAA before Thanksgiving.

A response was received from the 2014 projects contractor regarding the remaining issues prior to the projects being closed out. A draft response is being reviewed by Mr. Saylor. Mr. Lind is cautiously optimistic that this will be wrapped up soon based on similar issues that occurred in Mason County.

A draft design for the hangar expansion/door repair was received last week, which was about a month later than anticipated. The plans have been submitted to the State for code reviews. Feedback was sent to the engineer last week with minor questions and corrections. Prein & Newhof is handling the FAA review process, and Mr. Lind is unsure of the status of that process.

Mr. Lind reminded the Airport Authority that Orchard Beach Aviation recently hired an administrative assistant, which has allowed many projects to move forward. Some of the projects include getting a quote for sidewalk repairs, having the parking lot and ramp lighting fixed, the fuel tank being cleaned this week (which should be done every 10 years, but hasn't been done since the tank was installed 18 years ago), having the snow blower tires filled with foam (as recommended by the manufacturer so they last longer), an orange segmented circle being painted around the windsock, getting the snow fence installed, purchasing runway deicer, and having repairs done to the tractor. Mr. Lind explained that the tractor was only purchased 1 ½ years ago and should still be under warranty, but the company that it was purchased from has gone out of business. The nearest company is now in Big Rapids, and they won't cover transportation for the repairs, which is rather costly. Therefore, it was better to have a local company work on the repairs to the air conditioning and radio.

Overall, air service continues to be good. October had no canceled flights, which makes six months in a row without a cancellation. October passenger numbers were up 2%, but November is tracking like October, which was flat. Future bookings are weaker than expected.

Mr. Lind stated that the State is updating their 2001 Air Service Policy Plan. A consultant was hired about 2 years ago, and a draft was completed in July, but not released until September. The draft plan is essentially a plan about EAS (Essential Air Service) in the State of Michigan, but Mr. Lind feels that it does not support EAS or small Michigan airports and the communities they serve. He felt it recommends waiting for EAS to go away and replacing it with bus service to the nearest airport, and that inaccurate data was used. Mr. Lind submitted 10 pages of comments and feedback on the plan, and attended the Aeronautics Commission meeting in Lansing last week. The Commission also received comments from Escanaba. The Commission had intended to approve the plan, but based on the feedback received, tabled it until the January meeting to respond to the feedback and solicit additional feedback. There is now an official comment period and it's on their website. Of the 17 commercial airports in Michigan, 9 are EAS. Michigan has more EAS airports than any other state, except Alaska.

Upcoming marketing promotions include a Crystal Mountain Senior Ski School promotion, a Cyber Monday promotion, and a Winter Solstice promotion. The intent is to have one promotion per month during the winter. The marketing plan for FY 2016 has been completed and includes a referral/frequent flyer program, connecting fares, partnerships, local efforts, and continued digital/radio/broadcast ads.

There has been no progress regarding the billboard contracts or tree cutting. Mr. Lind has been receiving conflicting information on the township's and tribe's roles with the septic issue.

There being no further business to come before the Authority, the meeting was adjourned at 12:00 noon.

Respectfully Submitted,

Rachel Nelson, Airport Authority Secretary

Visit: www.manisteecountymi.gov to view Calendar of Events, County Board Agendas/Minutes, Committee Meeting Minutes, Airport Authority Minutes (under More Departments and Services), etc.

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MANISTEE COUNTY BLACKER AIRPORT

OCTOBER 2015 ACCOUNTS PAYABLE

CHECK #	VENDOR NAME	AMOUNT
	BARRY LIND	\$ 3,400.00
	CONSUMERS ENERGY	\$ 1,556.35
	A T & T	\$ 24.07
	MICHCON (DTE ENERGY)	\$ 34.98
	MIKA MEYERS BECKETT & JONES	\$ -
	LAW WEATHERS	\$ 913.00
	ACE HARDWARE	\$ 719.84
	FASTENAL	\$ 292.87
	WAHR HARDWARE	\$ 4.99
	DIRECT TV	\$ 111.98
	WEST COAST FARM SERVICE	\$ 535.00
	BLARNEY CASTLE	\$ 989.08
	PIPER MCCREDIE AGENCY	\$ 253.00
	MANISTEE TIRE	\$ 197.50
	CRYOTECH	\$ 3,579.21
	NAPA AUTO PARTS	\$ 224.38
	PRIMARY AIRPORT SERVICES	\$ 201.00
	STATE OF MICHIGAN	\$ 327.21
	TOTAL	\$ 13,364.46
	ADVERTISING INVOICES	
	MANISTEE CHAMBER OF COMMERCE	\$ -
	CADILLAC AREA CHAMBER OF COMMERCE	\$ -
	RIGHTSIDE DESIGN, LLC	\$ 2,761.77
	WKLA RADIO	\$ -
	MIDWESTERN BROADCASTING (WTCM RADIO)	\$ -
	ORCHARD BEACH AVIATION	\$ 1,291.57
	TOTAL	\$ 4,053.34
	ORCHARD BEACH AVIATION	\$ 19,021.50
	REGULAR HOURS 279 @ 16.50	4,603.50
	MAINTENANCE HOURS 132 @ 16.50	2,178.00
	PART 139 LABOR	12,200.00
	INTERNET	40.00
	GRAND TOTAL	\$ 36,439.30

MANISTEE COUNTY BLACKER AIRPORT

OCTOBER 2015 REVENUE & EXPENSES				BUDGET REMAINING		92%
INCOME:	PREVIOUS MONTH	CURRENT MONTH	YEAR-TO DATE	ANNUAL BUDGET	BALANCE \$	%
FEDERAL GRANT - AEAS	\$272,640.00	\$ 215,846.00	\$ 215,846.00	\$2,328,104.00	\$2,112,258.00	91%
HANGER RENTAL	\$ 2,100.00	\$ 2,100.00	\$ 2,100.00	\$ 31,000.00	\$ 28,900.00	93%
LANDING FEES - PUBLIC CHARTERS	\$ 18,382.10	\$ 18,382.10	\$ 18,382.10	\$ 220,585.00	\$ 202,202.90	92%
LANDING FEES - GENERAL AVIATION	\$ 234.00	\$ 63.00	\$ 63.00	\$ 750.00	\$ 687.00	92%
AUTO RENTAL SPACE	\$ 2,282.44	\$ -	\$ -	\$ 6,000.00	\$ 6,000.00	100%
OFFICE RENT	\$ 1,065.00	\$ 1,065.00	\$ 1,065.00	\$ 13,500.00	\$ 12,435.00	92%
COUNTY OF MANISTEE	\$ 9,583.00	\$ 9,583.00	\$ 9,583.00	\$ 115,000.00	\$ 105,417.00	92%
STATE REIMB-MARKETING	\$ -	\$ -	\$ -	\$ 20,000.00	\$ 20,000.00	100%
PASSENGER FACILITY CHARGES	\$ -	\$ -	\$ -	\$ 22,500.00	\$ 22,500.00	100%
FUEL SALES	\$ 1,711.56	\$ 836.84	\$ 836.84	\$ 11,000.00	\$ 10,163.16	92%
SIGN LEASE	\$ -	\$ -	\$ -	\$ 4,000.00	\$ 4,000.00	100%
MISCELLANEOUS	\$ 12.00	\$ 12.00	\$ 12.00	\$ 6,000.00	\$ 5,988.00	100%
TOTAL INCOME	\$308,010.10	\$ 247,887.94	\$ 247,887.94	\$2,778,439.00	\$2,530,551.06	91%

EXPENSES:

AEAS CONTRACT-PUBLIC CHARTER:	\$272,640.00	\$ 215,846.00	\$ 215,846.00	\$2,328,104.00	\$2,112,258.00	91%
PERSONNEL - MANAGEMENT	\$ 3,400.00	\$ 3,400.00	\$ 3,400.00	\$ 42,000.00	\$ 38,600.00	92%
PERSONNEL - OP & MAINT	\$ 19,674.50	\$ 18,981.50	\$ 18,981.50	\$ 240,000.00	\$ 221,018.50	92%
DUES & FEES	\$ -	\$ -	\$ -	\$ 1,000.00	\$ 1,000.00	100%
SUPPLIES	\$ 459.80	\$ 292.87	\$ 292.87	\$ 2,000.00	\$ 1,707.13	85%
UTILITIES	\$ 1,552.23	\$ 1,743.31	\$ 1,743.31	\$ 29,000.00	\$ 27,256.69	94%
FUEL	\$ -	\$ 989.08	\$ 989.08	\$ 9,000.00	\$ 8,010.92	89%
REPAIRS & MAINTENANCE	\$ 2,144.15	\$ 5,260.92	\$ 5,260.92	\$ 17,000.00	\$ 11,739.08	69%
CONTRACTED SERVICES	\$ -	\$ 201.00	\$ 201.00	\$ 1,200.00	\$ 999.00	83%
LEGAL	\$ -	\$ 913.00	\$ 913.00	\$ 6,000.00	\$ 5,087.00	85%
AUDIT	\$ -	\$ -	\$ -	\$ 3,100.00	\$ 3,100.00	100%
ADVERTISING	\$ 5,604.55	\$ 4,053.34	\$ 4,053.34	\$ 40,000.00	\$ 35,946.66	0%
TELEPHONE	\$ 24.11	\$ 24.07	\$ 24.07	\$ 500.00	\$ 475.93	95%
TRAVEL	\$ -	\$ -	\$ -	\$ 500.00	\$ 500.00	100%
INSURANCE	\$ -	\$ 253.00	\$ 253.00	\$ 22,000.00	\$ 21,747.00	99%
TRAINING (FIRE FIGHTER)	\$ -	\$ -	\$ -	\$ 2,000.00	\$ 2,000.00	0%
EQUIPMENT	\$ -	\$ -	\$ -	\$ 8,535.00	\$ 8,535.00	0%
BOOKKEEPING	\$ -	\$ -	\$ -	\$ 3,000.00	\$ 3,000.00	100%
PFC EXPENSES	\$ 9,786.05	\$ -	\$ -	\$ 22,500.00	\$ 22,500.00	100%
MISCELLANEOUS	\$ -	\$ 327.21	\$ 327.21	\$ 1,000.00	\$ 672.79	67%
	\$315,285.39	\$ 252,285.30	\$ 252,285.30	\$2,778,439.00	\$2,526,153.70	91%

EXCESS REVENUE OVER/(UNDER) EXPENDITURES \$ (4,397.36) \$ (4,397.36)

BALANCE ON HAND - AIRPORT FUND

BEGINNING BALANCE 10/01/2015	\$ 198,743.79
OCTOBER RECEIPTS	\$ 285,697.86
SEPTEMBER DISBURSEMENTS	\$ (315,285.39)
	\$ 169,156.26

B-2

MANISTEE COUNTY BLACKER AIRPORT

OCTOBER 2015 BALANCE SHEET

ASSETS	10/31/2015	9/30/2015
CASH	\$ 169,156.26	\$ 198,743.79
CASH - PFC ACCOUNT	\$ 78,872.69	\$ 78,872.69
ACCOUNTS RECEIVABLE		
PUBLIC CHARTERS	\$ -	\$ 36,764.20
ADVERTISING GRANT	\$ 50,000.00	\$ 50,000.00
STATE GRANT	\$ -	\$ -
MISC.	\$ 1,451.84	\$ 2,497.56
TOTAL ASSETS	\$ 299,480.79	\$ 366,878.24

LIABILITIES	10/31/2015	9/30/2015
ACCOUNTS PAYABLE - TRADE	\$ 252,285.30	\$ 315,285.39
ACCOUNTS PAYABLE - COUNTY	\$ -	\$ -
PREPAID HANGER RENT	\$ -	\$ -
TOTAL LIABILITIES	\$ 252,285.30	\$ 315,285.39

FUND BALANCE	\$ 47,195.49	\$ 51,592.85
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TOTAL LIABILITIES AND FUND BALANCE	\$ 299,480.79	\$ 366,878.24
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PASSENGER FACILITY CHARGES COLLECTED THROUGH 10/31/2015	\$ 124,616.23
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)
STATE OF MICHIGAN (TAXIWAY)	\$ 38.92
STATE OF MICHIGAN (T-HANGAR ETC.)	\$ 279.86
JOHNSON DIVERSIFIED SERVICES	\$ (6,800.00)
PFC FUNDS AVAILABLE	\$ 78,872.69

AUTO RENTAL REVENUE BY COMPANY THROUGH 10/31/2015

ENTERPRISE CAR RENTALS	\$ -
MOWERY LEASING & RENTAL	\$ 2,182.52
GWK AGENCY	\$ 100.92
TOTAL	\$ 2,283.44

ORCHARD BEACH AVIATION

October 2015

RENT

OFFICE	\$340.00	
HANGER	\$200.00	
FUEL	\$836.84	
T-SHIRT SALES	\$12.00	(1 @ \$12)
LANDING FEES		
TWIN	\$9.00	(1 @ \$9)
JET	\$54.00	(3 @ \$18)
TOTAL	\$1451.84	

FUEL SALES OCTOBER 2015

100LL 2372.4 Gal

JET 4459.5 Gal

TOTAL 6831.9 Gal

General 1799.8 Gal @ .15 = \$269.97

PublicCharters 1000.0 Gal @ .15 = \$150.00

PublicCharters 2156.6 Gal @ .08 = \$172.53

PublicCharters 0.0 Gal @ .02 = \$0.00

Orchard Beach 1000.0 Gal @ .15 = \$150.00

Orchard Beach 875.5 Gal @ .08 = \$70.04

DIESEL FUEL 9.0 Gal @ \$2.70 = \$24.30

AIRPORT DIRECTOR AGREEMENT

This Agreement, effective October 1, 2015, and continuing for a period of three (3) years, by and between the **Manistee Blacker Airport Authority**, a body corporate, under the provisions of Act 206, Public Acts of 1957, as amended, of the State of Michigan, of 2323 Airport Road, Manistee, Michigan 49660, hereinafter referred to as the "Authority" and **Barry J. Lind**, of 2323 Airport Road, Manistee, Michigan 49660, hereinafter referred to as the "Airport Director".

WITNESSETH:

That for and in consideration of the mutual promises and covenants of the parties hereto, **It Is Agreed**, as follows, to-wit:

1. That the Airport Director is an independent contractor and not an employee of the Authority or the County of Manistee, Michigan, and in providing the services specified hereunder, the Independent Contractor as Airport Director represents that he has no employees, except himself, however, the Airport Director shall either provide a certificate of workers' compensation insurance, with statutory limitations, to cover himself, or, in the alternative, Airport Director shall provide a certificate that, as the sole employee, he is not covered by the Michigan Workers' Compensation Act. Since as an Independent Contractor the Airport Director may employ persons in connection with the services to be rendered under this Agreement, the Airport Director shall, prior to the time services are to be rendered by any employee, during the term of this Agreement, take out and thereafter maintain a certificate of workers' compensation insurance coverage, with statutory limitations, and submit a memorandum of said insurance to the Authority.

2. That the Airport Director assumes the responsibility for the operations at the airport

and shall defend and hold the Authority and the County of Manistee, Michigan, harmless from all damages or injuries to persons or property resulting from his negligence under this Agreement, and the Airport Director agrees to carry sufficient comprehensive general liability coverage to guarantee his responsibility, with limits of coverage in the amount of \$1,000,000.00 and in companies approved by Authority, and the Authority and the County of Manistee, Michigan, shall be named as additional insured under all policies of insurance, copies of which policies shall be submitted to the Authority and Airport Director shall notify Authority, at least thirty (30) days prior thereto, of any material change or cancellation of any insurance policy.

3. The Airport Director represents that he has had sufficient training in order to perform all services to be rendered under this Agreement and shall use his best efforts and skills in performing said services.

4. That the Airport Director shall assume the responsibility to operate and manage the Manistee County Blacker Airport and to do and perform all the duties in and about said airport which a Director would ordinarily do and perform and which may be delegated or assigned to him by the Authority, during the term of this agreement. These duties and responsibilities include but are not limited to the following:

- A) To police the Manistee County Blacker Airport and enforce the approved and published Rules and Regulations of said airport and further at all times, during the continuance of this Agreement to keep said airport property cared for and supervised.
- B) The Airport Director shall secure and maintain all necessary licenses, and shall be responsible for the maintenance of said airport and the equipment thereon. All such licenses shall be filed with the Authority.
- C) The Airport Director or his designee shall attend all regular and special meetings of

the Authority and will report on airport operations as well as the general condition of the airport. The Airport Director will make recommendations to the Authority regarding any needed changes in airport policy and procedures, major repairs or major improvements at the airport. Following such report, the Authority's representatives will act on the Airport Director's recommendations. In the event that an unusual circumstance should arise that would prevent the Airport Director from attending the meeting, the Airport Director will communicate his report to the Authority Chairperson. The Chairperson will present the Airport Director's report to the Authority at the Board Meeting.

- D) Maintain such airport records as may be required by the Authority.
- E) Operate and properly inspect the airport lighting system.
- F) Perform such other duties as may, from time to time, be assigned by the Authority which may reasonably be required for the proper and safe operation and maintenance of said airport.

5. The Authority agrees that when the Airport Director is required to obtain services for the normal operation, maintenance, and/or repair of airport facilities, which are over and above the ordinary and usual duties of the Airport Director, such services will be obtained from an independent entity that has appropriately trained and qualified personnel to perform the services required. Payment for such services will be at a rate agreed upon by the Authority and the company concerned. Maintenance or repair services required which are beyond the capability available at the airport will be obtained by the Airport Director from an appropriate outside source, with prior approval by the Authority if the amount involved exceeds \$3,000.00 or exceeds line item budget allocations. In the event an emergency exists, the Airport Director may exceed the \$3,000.00 limitation in the preceding sentence for a charge not to exceed \$10,000.00, but subject to the Airport Director's prior communication to the Authority Board Members of his intent to incur the charge. Charges for such services will be billed to the Authority by the company or individual concerned

with verification by the Airport Director.

6. The Airport Director shall have all the duties, as well as the privileges which are necessary and proper, for him to manage and operate the airport in an efficient and effective manner.

7. The Authority, in return for such services as listed in paragraph 3 of this Agreement agrees to pay the Airport Director the sum of Three Thousand ~~Four~~ ^{Five} Hundred Dollars (\$3,500) per month for the first year of this Agreement. Subsequent years compensation shall be subject to the parties' negotiation.

8. The Airport Director shall keep the facility open based on a schedule approved by the Airport Authority and in accordance with State and Federal regulations.

9. The parties hereto agree that this Agreement shall be subordinate to the provisions of any existing or future agreement between the County of Manistee and the Authority, (acting as agent for said municipal entity) and the State of Michigan and/or the United States relative to the improvement, operation, or maintenance of the Manistee County Blacker Airport, the execution of which has been or may be required as a condition precedent to the expenditure of state or federal funds for the development of said airport.

10. The Airport Director herewith agrees, notwithstanding any other term or provisions, in this Agreement, that insofar as his respective public and private interests are concerned, the said airport will be operated for the use and benefit of the public on a fair and reasonable basis and without discrimination and in furtherance thereof, the Airport Director specifically agrees with the Authority as follows:

A) That the airport and all of its facilities as well as the proprietary activities

conducted on the airport will be operated without discrimination against any persons or organization occupying space or facilities on said airport and without discrimination against any class of person or persons by reason of sex, race, color, creed, or national origin.

- B) That the Airport Director will furnish services on a fair, equal, and non-discriminatory basis to all users thereof, and will charge only fair and reasonable prices for each unit of service.
- C) That the Airport Director will not on the grounds of sex, race, color, creed or national origin discriminate or permit discrimination against any person or group of persons in any manner prohibited by Title VI of the Civil Rights Act of 1964, as amended, or by Part 21 of the Regulations of the Office of the Secretary of Transportation (D.O.T.), as amended, and it is agreed that the Authority shall have the right to take such action as the Federal Government may direct to enforce this obligation.
- D) That the Airport Director is familiar with Title VI of the Civil Rights Act of 1964, as amended, and with Part 21 of the Regulations of the Office of the Secretary of Transportation (D.O.T.), as amended, and that these shall be embodied and incorporated into this Agreement by reference and are hereby made a part and portion of the same as if they were included herein verbatim.
- E) That in case the Airport Director breaches any of the terms, conditions and covenants of this Agreement, that the Authority will take appropriate action to enforce compliance and/or may terminate this Agreement with the Airport Director and also secure judicial enforcement if in its judgment such action is necessary or advisable.
- F) That the Airport Director will abide by and that he will comply with any further applicable Michigan Aeronautics Commission rules and regulations, FAA regulations and/or Acts of Congress which may hereafter become effective and as the same relate to the airport and its operation and maintenance.

12. This Agreement shall commence on the 1st day of October, 2015, and shall terminate on the 30th day of September, 2018, provided, however, that this Agreement may be terminated by the Authority at any time if the Airport Director, through his actions, is derelict or negligent in

performance of the duties required to be performed by him under this Agreement, is convicted of a felony or other serious crime, is habitually intoxicated, fails, neglects or refuses to carry out directions of the Authority, or otherwise demonstrates by actions of similar magnitude that he is unsuitable to retain the Directorship of the airport. In such event, the Authority shall give the Airport Director thirty (30) days notice in writing of its intention to terminate this Agreement and the specific reasons therefore.

13. It is agreed and understood that this Agreement is between the person of the Airport Director and the Authority, the body corporate empowered to supervise and administer the operation of the Manistee County Blacker Airport, and any change in the persons constituting that entity or in the reassignment of the responsibility for such supervision and administration will not be deemed cause of itself to terminate this Agreement and since said Agreement is between the person of the Airport Director and the Authority, the Airport Director shall not assign or transfer this Agreement to any other person, firm or corporation.

14. Notwithstanding anything contained herein to the contrary, either party may terminate this agreement, for any reason, or no reason at all, by providing ninety (90) days written notice to the other party, said notice to be considered delivered by mailing the same by U.S. mail to the party at the address stated in this Agreement.

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals on the day and year first above written.

Manistee Blacker Airport Authority

By: _____ (Seal)
Paul D. Schulert, Chairman

By: _____ (Seal)
Barry J. Lind

FIXED BASED OPERATOR AGREEMENT

This Agreement Made and Entered Into This ___ day of November, 2015, by and between the Manistee Blacker Airport Authority, a body corporate, under the provisions of Act 206, Public Acts of 1957, as amended, of the State of Michigan, of 2323 Airport Road, Manistee, Michigan 49660, hereinafter referred to as the "Lessor" and Orchard Beach Aviation, Inc., a Michigan corporation of 2323 Airport Road, Manistee, Michigan 49660, hereinafter referred to as the "Lessee".

WITNESSETH:

That in consideration of the mutual promises and covenants of the parties hereto, It Is Agreed, as follows, to-wit:

1. The Lessor herein lets and leases and the Lessee leases from the Lessor, a fixed based operation at Manistee County Blacker Airport at Manistee, Michigan, for a period of 3 years. This Agreement shall commence on the 1st day of October, 2015 and terminate on the 30th day of September, 2018, upon the following terms and conditions.

2. That Lessee is an independent contractor and not an employee of the Lessor or of the County of Manistee, Michigan, and in providing the services specified hereunder, Lessee represents that it has had sufficient training in order to perform all services to be rendered and shall use it's best efforts and skills in performing said services.

3. The Lessee assumes the responsibility for the fixed based operation at the airport and shall defend and hold the Lessor and the County of Manistee, Michigan, harmless from all damages or injuries to persons or property resulting from it's operation, under this Lease, and the Lessee agrees to carry sufficient premises liability, property damages, comprehensive and products liability insurance to guarantee its responsibility, with limits of bodily injury in the amount of \$1,000,000.00, and in companies approved by Lessor, and the Lessor and the County of Manistee, Michigan, shall be named as additional insures under all policies of insurance, copies of which policies shall be submitted to Lessor, and Lessee shall notify Lessor, at least thirty (30) days prior thereto, of any material change or cancellation of any insurance policy. Insurance limits shall be reviewed annually to assure adequate coverage.

4. That Lessee shall employ such persons as may be required in order for Lessee to furnish good, prompt and efficient services, under the terms of this Lease, and Lessee shall be solely responsible for the payment of all wages and fringe benefits to its employees, and all persons so employed by Lessee shall be employees of Lessee and shall not be employees of Lessor or the County of Manistee. Lessee shall be solely responsible for deducting, reporting and depositing all Federal and State taxes in a timely manner as required by law. Lessee shall maintain accurate records of all payroll accounts.

5. That Lessee shall carry Workers' Compensation insurance, with statutory limitations, upon all of its employees and furnish proper certificates of insurance to Lessor.

6. That Lessor leases to Lessee, and Lessee leases from Lessor, during the term of this Lease, for

the usage of Lessee, in the conduction and operation of the services and concessions hereinafter described, the

following facilities located at the Manistee County Blacker Airport, to-wit:

- A. Suitable space in the terminal building for vending machine operation;
- B. Suitable space in the terminal building for a car rental counter (44 sq. feet);
- C. Terminal office space (approximately 144 sq. feet, as described in the diagram attached as Exhibit "A");

together with the non-exclusive right and privilege, to operate the following services and concessions, at the

Manistee County Blacker Airport, in compliance with the minimum standard provisions of the Approved Rules and

Regulations of the Airport, with which Lessee acknowledges it is familiar, or as same may be amended during the

term of this Lease, to-wit:

- 1. Aircraft Charter - Air Taxi Service
- 2. Flight Training Service and Ground School
- 3. Aircraft Rental Service
- 4. Aircraft Sales Service (new and/or used)
- 5. Aircraft Refueling Service
- 6. Specialized Flight Services (including but not limited to aerial applications, photography, advertising and fire patrol)
- 7. Vending Machine Concession

and, in consideration for the right and privileges to occupy and use the above facilities and to operate the above

services and concessions, Lessee shall pay to Lessor on the 1st day of each and every month the following

schedule of fees, to-wit:

- a) Terminal office and vending machine space (to be designated by Lessor) at the following amounts:

10/1/2015 - 9/30/2018 -----\$340.00 per month

during the continuance of the agreement.

- b) A fuel flowage fee as defined by the Airport Authority's fee structure, including those sold to or used by Lessee, the amount to be determined by meter readings taken at the start and ending of business each month (see attachment - for required forms).
- c) Landing Fees at the rate provided by the Airport Authority's Landing Fee Policy.

7. That Lessee shall maintain and operate fuel storage tanks and pumps, located on the airport premises, and Lessee, in the maintenance and operation of this equipment will comply with all rules, regulations and requirements of the Department of Environmental Quality (DEQ) of the State of Michigan, and other governmental entities. The Lessor shall be responsible for all associated licensing and registration fees. Lessee will be responsible to purchase and maintain adequate inventories of aircraft fuel and will pay Lessor a flow fee as described in paragraph 6(b) above.

8. That Lessee will not erect any buildings on the airport premises nor will it alter, change or remodel any buildings without the written consent and approval of Lessor, and, any such consent shall be included as an addendum to this Lease and shall provide rental rate adjustments and other provisions and conditions necessary to reflect a mutually agreed upon change to this Lease.

9. That Lessee will file with Lessor its schedule of fees for airplane services and shall also display its schedule of fees at the leased premises and Lessee will notify Lessor immediately if any changes are made in its schedule of fees for services at said airport.

10. That Lessee will conduct and operate the services and concessions at the airport for the use and benefit of the public on a fair and reasonable basis and without discrimination, and in furtherance thereof Lessee specifically agrees with Lessor, as follows, to-wit:

- a) That all concessions operated on the airport premises will be operated and conducted without discrimination against any person or class of persons by reason of sex, race, color, creed or national origin.
- b) That all services rendered by Lessee will be furnished in a fair, equal and not in an unjust or discriminatory manner to all users thereof and will not, by reason of sex, race, color, creed or national origin, discriminate or permit discrimination against any person or group of persons in any manner prohibited by Title 49, Code of Federal Regulations, (D.O.T.), Part 21.
- c) That Lessee will charge fair, reasonable and not unjust or discriminatory prices for each unit of sale or service, provided, however, that Lessee is allowed to make reasonable and non-discriminatory discounts, rebates and other similar types of price reductions to volume purchases.
- d) That Lessee will operate the services and concessions granted herein with it's own capital and at it's own risk and expenses, and will take out a sales tax license and any other licenses necessary to make full and complete use of the facilities leased.
- e) That Lessee is familiar with Title VI of the Civil Rights Act of 1964, as amended, and with Part 21, of the Regulations of the Office of Secretary of Transportation (D.O.T.) And that Lessee will not by reason of sex, race, color,

creed or natural origin discriminate or permit discrimination against any person or group of persons in any manner prohibited by said Title VI of the Civil Rights Act of 1964 or by said Part 21 of the Regulations of the Office of Secretary of Transportation (D.O.T.)

- f) That the Lessee will abide by and that it will comply with all applicable rules and regulations of the Michigan Aeronautics Commission, the Federal Aviation Administration, Michigan Department of Environmental Quality (D.E.Q.), and/or Acts of Congress which are presently in effect or which may hereafter become effective, as the same relate to the airport and maintenance.
- g) That Lessee will use due care and caution in the use of all facilities leased herein.
- h) That Lessee does hereby covenant and agree as a covenant running with the land that (1) no person by reason of sex, race, color, creed or national origin shall be excluded from participation in, denied the benefits of, or be otherwise subjected to discrimination in the use of said facilities (2) that in the construction of any improvements on, over, or under such land, the furnishings of services thereon, no person by reason of sex, race, color, creed or national origin shall be excluded from participation in, denied the benefits of, or otherwise be subjected to discrimination, (3) that the Lessee shall use the premises in compliance with all other requirements imposed by or pursuant to Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally-Assisted Programs of the Department of Transportation-Effectuation of Title VI of the Civil Rights Act of 1964, and as said regulations may be amended.

11. That Lessor, at its option, may terminate this Lease upon the happening of one or more of the

following, to-wit:

- a) If the rentals, fees, charges or other money payments which the Lessee herein agrees to pay are not paid within fifteen (15) days from the date due, or if Lessee fails to pay creditors with whom Lessee does business.

- b) If the Lessee files a voluntary petition of bankruptcy, makes a general assignment for the benefit of creditors, or is adjudicated a bankrupt.
- c) If any act occurs which operates to deprive the Lessee permanently of the rights, powers and privileges necessary for the proper conduct and operation of it's business.
- d) If the Lessee abandons and ceases to use the premises for a period of thirty (30) days at any one time, except when such abandonment is due to fire, earthquake, governmental action, default of the Lessor, or other cause beyond the control of the Lessee.
- e) If Lessee shall use or permit the use of the premises for any purpose that is not authorized by this Lease or is in violation of any law, rule, regulation to which the Lessee has agreed.
- f) If Lessee is derelict or negligent in furnishing the services and/or operating the concessions which are the subject of this Lease.
- g) If the principal owner of Lessee is convicted of a felony or other serious crime, is habitually intoxicated, fails, neglects or refuses to carry out any lawful directive of Lessor or otherwise demonstrates by actions of similar magnitude that it is unsuitable to retain the operation of a fixed based operation.

12. That Lessee, at it's option, may terminate this Lease upon the happening of one or more of the

following, to-wit:

- a) If a court of competent jurisdiction issues an injunction against the Lessor or any successor body preventing or restraining the use of the airport, or the use of any part thereof which may be used by the Lessee and which is substantially necessary to the Lessee for it's operation, and such injunction remains in force for a period of ninety (90) days or more.

- b) If the leased premises become untenable, in whole or in substantial part, and the Lessor does not proceed as promptly and as reasonably practical with the repairs and rebuilding necessary to restore the premises to its condition prior to the occurrence of the damage.
- c) If the Lessor fails to provide and maintain means for free and unobstructed access to and from the premises so that Lessee can not perform it's obligations under this lease.
- d) If the principal owner of Lessee becomes disabled or in the event it is unable to comply with the terms, conditions and covenants herein set forth or is unable to make full use of the facilities leased.

13. That termination of this Lease, by either party, shall not be effective until thirty (30) days notice of the election to terminate and the specific reason therefor has been provided in writing to the other party. If the reason for termination is a default under this agreement for which termination is authorized, no such termination shall be effective if such cause is cured or remedied during the thirty (30) day period, or if, by its nature, the cause cannot be cured within the thirty (30) days, such termination shall not be effective if the party at fault commences to correct the fault within the thirty (30) days, and proceeds as promptly as reasonably practical to complete the remedy.

14. That notwithstanding restrictions and limitations set forth in the above Paragraph 13, or anything to the contrary contained in this Lease, the Lessor shall have the right, in the event of a breach of any of the non-discrimination covenants by Lessee, to take appropriate action to enforce compliance and/or to terminate this

Lease immediately and to repossess said premises and the facilities thereon, and hold the same as if said lease had never been made or issued.

15. That Lessor will provide and pay for heat, water, sewage and electric service to the terminal building, and the Lessee will provide and pay for heat and electric service to the hanger (described in Paragraph 6, sub-paragraph A, aforesaid), and the Lessee will also provide and pay for it's telephone service.

16. That Lessor will maintain and repair the facilities leased herein, excepting those specifically required to be maintained and repaired by Lessee, in a condition suitable and compatible with the purposes and services to be operated therefor.

17. That when employees of Lessee perform maintenance, repair, normal operation and air carrier services (outside of normal operations) in connection with Federal Aviation Administration (FAA) required facility inspections, grass cutting, snow removal, building maintenance and like services, agreed by the parties hereto, which are necessary and required in the operation of the airport, Lessee may invoice Lessor for said services, at the rate of \$16.50 per hour for the first year of this agreement. Subsequent years rate shall be subject to the parties' negotiation. Lessee shall invoice Lessor for the above services in which it shall describe what services were performed, when said services were performed, and by whom said services were performed. The foregoing rate for such services may be adjusted and services reviewed from time to time, during the term of this lease, as may be mutually agreed upon, by the parties hereto, and any adjustment shall have no effect upon the other provisions of this lease.

18. That Lessor reserves the right to further develop or improve the airport and all airport facilities as it deems to be in the best interest of the airport, regardless of the desires and view of the Lessee, and without interference or hindrance from the Lessee.

19. That this Lease shall be subordinated to the provisions of any existing or future agreement between the Lessor and the United States of America (acting through any governmental agency or commission) and/or the State of Michigan (acting through any governmental agency or commission) relative to the fixed based operation, or any other operation at the airport, the execution of which has been or may be required as a condition precedent to the expenditure of federal and/or state funds for the development and improvement of the airport.

20. That nothing herein contained shall be construed to grant or authorize the granting of an exclusive right to provide aeronautical services to the public as prohibited by Section 308(a) of the Federal Aviation Act of 1958, as amended, and the Lessor reserves the right to grant to others the privilege and right of conducting any one or all activities of any aeronautical nature.

21. That in the event any of the provisions, herein set forth, are contrary to the Rules and Regulations of the Federal Aviation Administration, the Michigan Aeronautics Commission or the Manistee County Blacker Airport, such covenants, provisions and agreements shall be null and void, and in the event there are any provisions, which are not included herein, but which are required by the Federal Aviation Administration, the Michigan Aeronautics Commission or the Manistee Blacker Airport Authority, for this type of lease, this Lease

shall be renegotiated by the parties relative to those provisions which may be required to be contained in such type of lease. Further, if any provision of this Agreement is found to be contrary to the law, invalid or unenforceable, that provision shall be considered independent of the remaining terms of the Agreement and shall not invalidate the remaining portions of the Agreement.

22. That in addition to the specific rights and privileges leased, that as long as the Lessee abides by the covenants and agreements set forth herein it shall be entitled to quiet and undisturbed occupancy of the premises and pursuit of its business interests, and shall also be entitled, without further charge, to the general use in common with others of all the public facilities and improvements of a public nature now provided or hereinafter provided at the Manistee County Blacker Airport.

23. It is agreed and understood that this agreement is between the person of the Lessee and the Lessor, the body corporate empowered to supervise and administer the operation of the Manistee County Blacker Airport, and any change in the persons constituting the entity or in the reassignment of the responsibility for such supervision and administration will not be deemed cause of itself to terminate this agreement and since said agreement is between the person of the Lessee and the Lessor, the Lessee shall not assign or transfer this Lease Agreement to any other person, firm or corporation without the written consent of the Lessor.

24. That the term Lessor, as used in this Lease, shall be read as the Manistee Blacker Airport Authority or the County of Manistee as empowered to supervise and administer the operations of the Manistee County Blacker Airport.

IN WITNESS WHEREOF, the parties have hereunto set their hands and seals on the day and year first

above written.

Signed, Sealed and Delivered
in the Presence of:

Manistee Blacker Airport Authority

By: _____

Paul D. Schulert, Chairman

**Orchard Beach Aviation, Inc.
a Michigan Corporation**

By: _____ (Seal)

Barry J. Lind, President

BY-LAWS OF THE MANISTEE BLACKER
AIRPORT AUTHORITY
MANISTEE, MICHIGAN 49660

Adopted October 12, 1998

Amended April 9, 2012

Amended July 14, 2014

Amended _____, 2015

Section One - PURPOSES

- 1.1 The purpose of the Manistee Blacker Airport Authority (hereinafter referred to as the Authority) is to plan, promote, acquire, construct, improve, own and maintain an airport.
- 1.2 To own, lease and operate an airport, including land, landing strip, navigation aids and buildings.
- 1.3 To provide efficient service to all who use the facility.
- 1.4 To initiate and maintain rules and regulations for the operation of the Authority and the airport.

Section Two - MEMBERSHIP

- 2.1 The present membership of the Authority shall consist of the County of Manistee and such other communities as shall join with the Authority at a later date.
- 2.2 Any county, city, township, or incorporated village, may become a member of the Authority upon resolution adopted by its governing body, and acceptance thereof by resolution adopted by a majority vote of the governing body of the Authority.
- 2.3 Any county, city, township, or incorporated village which is now, or hereafter becomes a member of the Authority, may upon request and upon resolution of its governing body, duly accepted by an affirmative vote of two thirds (2/3) vote of the entire governing board of the Airport Authority, may be released from membership in the Airport Authority.
- 2.4 A county, city, township, or incorporated village may not be released from Authority membership until all outstanding obligations of the Authority that have been incurred after the time of the admission to membership of the county, city, township, or incorporated village, and that part of prior obligations as may be agreed to by the Authority and county, city, township, or incorporated village have been paid, or adequate provision has been made for the payment thereof.
- 2.5 The Authority shall make a certified request annually to each county, city, incorporated village, or township which is a member of the Authority for a voluntary millage for the

purpose of planning, promoting, enlarging, extending, acquiring, constructing, improving, owning and operating the necessary land, navigation and building facilities of the airport and to allow implementation of other provisions of the Airport Authority.

- 2.6 The Board of the Authority may levy, within units of government joining the Airport Authority, an ad valorem property tax, to be levied on the taxable property within said units of government, a sum of money to be used to assist in the planning, promoting, acquiring, constructing, improving, owning, maintaining, and operating the landing, navigational, and building facilities necessary thereto of the community airport authorized by Act 312 of the Public Acts, 1982, as amended. The tax rate shall not exceed one (1) mill on each dollar of the state equalized valuation of the unit of government joining the Airport Authority. In computing the total tax to be levied, the assessed valuation of any units of government joining the Airport Authority shall not be used more than once.
- 2.7 The ad valorem property tax shall not be levied unless approved by the majority vote of the qualified electors, voting on the proposition, within the units of government joining the Airport Authority. An approved tax may be levied until the local unit is released from membership in the Authority or until the Authority is dissolved, whichever occurs first.

Section Three - AIRPORT AUTHORITY BOARD

- 3.1 The Authority shall be governed by a Board consisting of seven (7) members, to be appointed by the Manistee County Board of Commissioners.
- 3.2 Three members of the Airport Authority Board ~~may, but need not~~ 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 and approved by the County Board of Commissioners. Four (4) Three (3) members of the Board shall be at large members who are residents of Manistee County. [amended 4/9/12]~~
- 3.3 ~~All members of the Authority Board shall be appointed to a term of three years. To help promote continuity, the terms of at least two members of the Authority shall expire each calendar year. In order that two member terms expire each calendar year, for the five Authority Board members with terms expiring on December 31, 2012, one current or new member shall be appointed for a "one year" term; two current or new members shall be appointed for a "two year" term; and "two" current or new members shall be appointed for a "three year" term. Thereafter, all terms for current or new members shall be for terms of three years.~~
 Airport Authority Board members shall be appointed to a term of three (3) years. The terms of at least two (2) members of the Authority shall expire each calendar year. **Members appointed to an un-expired term shall be appointed only for the remainder of the un-expired 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 to the remainder of the unexpired term.

Any vacancies will be filled by appointment of the County Board of Commissioners within ~~90~~ 60 days. [amended 4/9/12]

- 3.4 A member of the Airport Authority board shall serve without compensation, but shall be reimbursed for actual expenses incurred in the discharge of official duties. [amended 7/14/14]
- 3.5 An Authority Board member who has more than four (4) absences from regular Authority Board meetings within any twelve (12) month period shall be considered to have officially resigned from the Board. [amended 4/9/12]

Section Four - OFFICERS AND DUTIES

- 4.1 The Board shall elect annually a chairperson and a vice chairperson, who must be members of the Board, a Secretary and a Treasurer who need not be members of the Board. These elections are to be held at the regular Board meeting in January of each year, and newly elected officers shall take office immediately.
- 4.2 Officers shall hold office for a period of one year or until their successors are selected and assume office. [added 4/9/12]
- 4.3 Vacancies for unexpired terms shall be filled in the same manner as the original appointments were made. [added 4/9/12]
- 4.4 The Chairperson, if present, shall preside over all meetings of the Board, and 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.~~ [amended 4/9/12]
- 4.5 The Vice-Chairperson shall perform the duties and exercise the powers of the Chairperson during the absence or disability of the Chairperson.
- 4.6 The Secretary shall cause to be kept, a written or printed record of every meeting of the Board which record shall be public.
- 4.7 The Treasurer shall receive and take charge of all monies belonging to the Authority, and shall deposit them in such bank or banks as the Authority may direct. The Treasurer shall disburse monies only at the direction of the Authority Board. The Treasurer shall report monthly to the Board on the funds under his or her jurisdiction, in a form acceptable to the Board.

- 4.8 The Board shall provide for a system of accounts to be adopted which shall conform to any uniform system required by law or regulation and shall also provide for the auditing at least once yearly of the accounts of the Treasurer of the Airport Authority by competent certified public accountants. The Board shall require of the Treasurer a suitable bond, by a responsible bonding company. [amended 4/9/12]

Section Five - MEETINGS

- 5.1 Public notice of the time, date and place of all meetings shall be given in the manner required by Act No. 267 of the Public Acts of 1976, as amended, being Sections 15.231 to 15.246 of the Michigan Compiled Laws, commonly known and referred to as the Open Meetings Act.
- 5.2 The Airport Authority shall hold a regular meeting each month at a specified time, day and location to be designated by the Chairperson at the annual meeting. A majority of the appointed members shall constitute a quorum.
- 5.3 The regular meeting in January shall be designated as the annual meeting. [amended 4/9/12]
- 5.4 The Chairperson may call a special meeting of the Board at any time, and shall upon request of three (3) members of the Board, call a special meeting of the Board. Written notice of the date, time, place and purpose of any special meeting of the Board shall be given at least two (2) days previous thereto, delivered personally, or by mail to each member of the Board at the last known address of the member of the Board as appears on the record of the Authority. If mailed said notice shall be deemed to be delivered when deposited in the United States Government Mail so addressed with postage fully paid. **In addition, if mailed, members of the Board shall also be notified by email and phone.**
- 5.5 The presence in person of the majority of the appointed members of the Board shall constitute a quorum for the transaction of business at any meeting of the Board, provided that if less than a quorum be present at a meeting, no action shall be taken and the meeting shall be adjourned by operation of law.
- 5.6 The attendance of a member at any meeting shall constitute waiver of notice of such meeting unless such attendance shall be for the express purpose of objecting to the transaction of any business on the grounds that the meeting shall not have been lawfully called or convened.
- 5.7 The business which the Board may perform shall be conducted at a public meeting of the Board held in compliance with Act No. 267 of Public Acts of 1976, as amended, being Sections 15.261 to 15.275, Michigan Compiled Laws, as amended, commonly known and referred to as the Open Meetings Act.

- 5.8 The Board shall keep a written or printed record of each meeting, which record and any other writing, prepared, owned, used, in the possession of, or retained by the Board in the performance of an official function shall be made available to the public in compliance with Act No. 442 of the Public Acts of 1976, as amended, being Sections 15.231 to 15.246 of the Michigan Compiled Laws, as amended, commonly known and referred to as the Freedom of Information Act.
- 5.9 All questions shall be decided by a majority vote of the members of the Board voting thereon, except as otherwise herein provided. Proxy voting shall not be allowed at meetings of the members of the Board.
- 5.10 An Authority Board member shall be allowed to attend any meeting via electronic means, provided all of the participants, including the public, can speak and be heard. Presence of an Airport Authority Board Member via electronic means shall constitute presence *in person* for all purposes provided for in these Bylaws. Attendance by electronic means is dependent upon the Authority having appropriate equipment. [added 4/9/12]
- 5.11 The Chair, with the assistance of the Airport Director or their designee(s), shall prepare an agenda for each meeting and the order of business shall follow in an orderly manner according to the agenda. A designated period for public comment shall be allowed. A time limit for discussion and/or comment may be set by the Chair. [added 4/9/12]
- 5.12 Parliamentary procedure in Authority Board meetings, when needed, shall refer to Roberts' Rules of Order as a guide. [added 4/9/12]

Section Six - COMMITTEES

- 6.1 The Chairperson may appoint, with the approval of the Board, an executive committee consisting of the Chairperson and two (2) other members, to carry on the active administrative duties of the Airport Authority, which executive committee shall hold office at the pleasure of the Airport Authority Board.
- 6.2 The Chairperson, with the approval of the Board, shall appoint other standing or special committees or special advisory committees as the Board deems necessary.

Section Seven - EMPLOYEES AND SERVICES

- 7.1 The Board may employ directly or contract for the services of an Airport Director. The Director shall have charge of the operation of the airport, subject to such written rules, policies and regulations as the Board may enact from time to time. [amended 4/9/12]

- 7.2 The Airport Director shall render reports on the operation and condition of the airport at the time and in the manner prescribed by the Board. [amended 4/9/12]
- 7.3 The Board may also select and employ other officers and employees and engaged services as shall be considered necessary.

Section Eight - FISCAL YEAR

- 8.1 The fiscal year of the Authority shall end on September 30. [amended 4/9/12]

Section Nine - BUDGET

- 9.1 Not later than September 1st of each year, the Board shall have prepared a budget containing an itemized statement of the estimated current expenses and the projected expenses for capital outlay, including the amount necessary to pay the principal and interest of any outstanding bonds or other obligations of the Authority maturing during the ensuing fiscal year or which have previously matured and are unpaid, and an estimate of the estimated revenue of the Airport Authority from all sources for the ensuing fiscal year. [amended 4/9/12]
- 9.2 The Board shall adopt such budget as may be deemed necessary and shall ascertain what appropriations are required from the County of Manistee, and each municipality that may become a member of the Authority, to meet their respective shares of the amount of the budget in excess of the estimated revenues.

Section Ten – APPORTIONMENT

- 10.1 In determining the fair and equitable share of the County of Manistee and each municipality that may become a member of the Authority, the Board shall establish the ratio that the state equalized valuation of each for the year in which the appropriation is required bears to the total state equalized valuation for the year in which the appropriation is required for the county and each municipality that may become a member of the Authority, and use the applicable ratio in determining the amount of appropriation required from the county and each municipality that may become a member of the Authority.
- 10.2 The Board shall also render to each participating county, city and municipality that may become a member of the Authority, on each July 1st, during the operations of the airport a certified report of the operation of the airport. Each report shall state the condition of the finances, the amount of money expended, and the money received from all sources. The Board shall also file a copy of the report with the Michigan Department of Treasury together with any other information the Michigan Department of Treasury may require.

Section Eleven – CONFLICT OF INTEREST [added 4/9/12]

- 11.1 In the event that business being carried out by the Authority Board may have a personal or financial impact on a member of the Authority Board or their immediate family, or any corporation or business of which the Authority Board member is an officer or director, the Authority Board member must disclose the conflict of interest and refrain from voting on the particular item of business.
- 11.2 If any question of whether or not a conflict of interest exists cannot be determined by the Authority Board, then the matter of the question shall immediately be referred to the Authority’s legal counsel for consultation and recommendations.

Section Twelve - AMENDMENTS TO THE BY-LAWS

- 12.1 These By-Laws may be revised or amended at any regular meeting of the Board provided that the members of the Board have been advised at a previous regular meeting that changes in the By-Laws are being contemplated.
- 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)~~ a majority of the total Board members. [amended 4/9/12]

Section Thirteen - ADOPTION

- 13.1 When the By-laws have been revised or amended as outlined above, they shall replace any prior By-laws, rules or regulations and shall become effective immediately.

MANISTEE BLACKER AIRPORT AUTHORITY

BY: _____
Chairperson

BY: _____
Secretary

December Travel as of 11/7/15**Best Fares**

	MBL	TVC	GRR	MKG
Atlanta (ATL)	332 DL	398 AA	260 AA	375 UA
Boston (BOS)	315 WN	368 AA	282 UA	307 UA
Chicago (MDW or ORD)	145 P1	260 DL	283 AA	328 UA
Dallas (DFW)	333 WN	270 UA	214 DL	346 UA
Denver (DEN)	433 WN	358 UA	224 DL	335 UA
Houston (HOU)	359 DL	403 UA	221 AA	468 UA
Kansas City (MCI)	337 DL	410 DL	338 UA	355 UA
Las Vegas (LAS)	435 DL	398 AA	332 UA	421 UA
Los Angeles (LAX)	383 WN	397 UA	360 DL	356 UA
Minneapolis (MSP)	242 DL	261 UA	197 DL	209 UA
New York Area (NYC)	313 WN	328 DL	184 DL	269 UA
Orlando (MCO)	359 DL	372 UA	200 UA	275 UA
Philadelphia (PHL)	227 WN	400 UA	218 UA	357 UA
Phoenix (PHX)	373 WN	392 UA	332 UA	447 UA
Portland (PDX)	481 WN	470 AA	418 UA	465 UA
San Diego (SAN)	451 WN	448 UA	374 AA	447 UA
San Francisco (SFO)	383 WN	432 UA	414 UA	437 UA
Seattle (SEA)	472 WN	424 AA	362 AA	403 UA
St Louis (STL)	355 WN	263 UA	160 DL	223 UA
Washington DC Area (WA)	329 DL	314 DL	184 DL	269 UA

Average Fare	\$352.85	\$368.30	\$277.85	\$354.60
Change from last month	\$17.85	-\$23.10	\$6.65	\$33.65
Change from two months	-\$25.35	\$4.35	-\$31.50	-\$7.65
Fares Pulled 11/7/15 for travel 12/09/15 - 12/16/15				

Best Fares +7 days parking

	MBL	TVC	GRR	MKG
Atlanta (ATL)	332 DL	438 AA	314 AA	410 UA
Boston (BOS)	315 WN	408 AA	336 UA	342 UA
Chicago (MDW or ORD)	145 P1	300 DL	337 AA	363 UA
Dallas (DFW)	333 WN	310 UA	268 DL	381 UA
Denver (DEN)	433 WN	398 UA	278 DL	370 UA
Houston (HOU)	359 DL	443 UA	275 AA	503 UA
Kansas City (MCI)	337 DL	450 DL	392 UA	390 UA
Las Vegas (LAS)	435 DL	438 AA	386 UA	456 UA
Los Angeles (LAX)	383 WN	437 UA	414 DL	391 UA
Minneapolis (MSP)	242 DL	301 UA	251 DL	244 UA
New York Area (NYC)	313 WN	368 DL	238 DL	304 UA
Orlando (MCO)	359 DL	412 UA	254 UA	310 UA
Philadelphia (PHL)	227 WN	440 UA	272 UA	392 UA
Phoenix (PHX)	373 WN	432 UA	386 UA	482 UA
Portland (PDX)	481 WN	510 AA	472 UA	500 UA
San Diego (SAN)	451 WN	488 UA	428 AA	482 UA
San Francisco (SFO)	383 WN	472 UA	468 UA	472 UA
Seattle (SEA)	472 WN	464 AA	416 AA	438 UA
St Louis (STL)	355 WN	303 UA	214 DL	258 UA
Washington DC Area (WA)	329 DL	354 DL	238 DL	304 UA

Average Fare	\$352.85	\$408.30	\$331.85	\$389.60
Change from last month	\$17.85	-\$23.10	\$6.65	\$33.65
Change from two months	-\$25.35	\$4.35	-\$31.50	-\$7.65

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

	2010		2011		2012		2013		2014		2015	
	Out/In	Total	Out/In	Total	Out/In	Total	Out/In	Total	Out/In	Total	Out/In	Total
Jan	GL 212/145	357	GL 201/169	370	F9 523/366	889	134/126	260	161/107	268	188/162	350
Feb	196/150	346	202/194	396	462/431	893	128/120	248	136/124	260	207/191	398
Mar	216/231	447	225/215	440	112/176	288	162/173	335	191/175	366	217/216	433
Apr	272/255	527	GL 147/171 F9 488/389	1193	0/0	0	158/158	316	194/218	412	240/254	494
May	263/302	565	1454/1525	2979	P1 71/58	129	189/189	378	251/255	506	346/356	718
Jun	311/366	677	1206/1342	2548	234/250	484	239/288	527	346/405	751	406/478	912
Jul	521/551	1072	1595/1568	3163	465/467	932	421/409	830	653/659	1312	1016/1050	2066
Aug	482/395	877	1833/1567	3400	497/500	997	391/413	804	663/685	1348	889/787	1676
Sep	240/233	473	1332/1234	2566	362/297	659	248/237	485	391/312	703	390/378	768
Oct	270/246	516	1024/1004	2028	150/149	299	229/215	444	338/335	673	349/346	695
Nov	236/242	478	722/715	1437	36/33	69	168/198	366	275/266	541		
Dec	194/235	429	674/798	1472	131/138	269	197/200	397	295/293	588		
Total		6764		21992		5908		5390		7728		

On-time Performance

	2010		2011		2012		2013		2014		2015	
	Cancel/Delay	On-time										
Jan	23%/22%	55%	15%/38%	48%	12%/8%	80%	0%/15%	85%	0%/14%	86%	2%/27%	71%
Feb	13%/32%	55%	15%/28%	58%	6%/11%	83%	6%/16%	78%	9%/3%	88%	9%/9%	82%
Mar	11%/19%	70%	21%/19%	60%	14%/8%	78%	0%/0%	100%	0%/7%	93%	0%/9%	91%
Apr	13%/17%	70%	***	***	***	***	0%/3%	97%	0%/4%	96%	3%/5%	92%
May	12%/10%	78%	3%/25%	72%	0%/10%	90%	0%/6%	94%	0%/4%	96%	0%/18%	82%
Jun	6%/26%	68%	6%/20%	74%	0%/6%	94%	0%/3%	97%	0%/15%	85%	0%/13%	87%
Jul	5%/19%	76%	0%/37%	63%	0%/7%	93%	0%/19%	81%	1%/20%	79%	0%/32%	68%
Aug	4%/5%	91%	0%/36%	64%	0%/8%	92%	2%/16%	82%	1%/19%	80%	0%/14%	86%
Sep	18%/16%	66%	0%/23%	77%	0%/5%	95%	0%/0%	100%	0%/15%	85%	0%/16%	84%
Oct	15%/13%	72%	1%/5%	94%	0%/22%	78%	0%/9%	91%	0%/18%	82%	0%/2%	98%
Nov	16%/16%	68%	2%/11%	87%	0%/5%	95%	6%/6%	88%	2%/19%	79%		
Dec	32%/25%	43%	2%/15%	83%	0%/11%	89%	3%/19%	78%	0%/15%	85%		

APPENDIX H