

## MINUTES

Monday, September 19, 2016  
10:00 A.M.

Manistee County Blacker Airport  
Conference Room

Members Present: Paul Schulert, Chair; Doug Bell; Mark Bergstrom; Gerry Haw; Alan Marshall; and Dale Picardat

Members Absent: Brook Shafer

Others Present: Barry Lind, Airport Director; Dylan Savela, Manistee News Advocate; 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.

**There was a motion by Mr. Picardat, supported by Mr. Haw, to approve the meeting agenda as presented. 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, August 15, 2016.

**There was a motion by Mr. Bergstrom, supported by Mr. Haw, to approve the Airport Authority regular meeting minutes of Monday, August 15, 2016, as presented. Motion carried by unanimous vote.**

The Chair 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, September 12, 2016. There was discussion regarding section 5.5 of the bylaws and how it relates to phone participation. This is covered under section 5.10.

**There was a motion by Mr. Bell, supported by Mr. Haw, to approve the Airport Authority special meeting minutes of Monday, September 12, 2016, as presented. Motion carried by unanimous vote.**

Mr. Lind requested an update regarding the \$50,000 marketing grant since there were only 45 days to respond. Mr. Marshall will follow-up with Mr. Pomeroy since he was not at the meeting.

The Authority next reviewed the August 2016 Accounts Payable Report (APPENDIX A).

**There was a motion by Mr. Bell, supported by Mr. Picardat, to approve the August 2016 Accounts Payable Report and authorize payment of the outstanding invoices totaling \$31,595.51.**

**A roll call vote was taken:**

**Yeas: 6 (Schulert; Bell; Bergstrom; Haw; Marshall; Picardat)**

**Nays: 0**

**Absent: 1 (Shafer)**

**Motion carried**

The Authority also reviewed the August 2016 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. Picardat, supported by Mr. Bell, to approve the August 2016 Financial Statement. Motion carried by unanimous vote.**

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

None of the Committees held meetings during the last month.

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 (APPENDIX D). Mr. Lind presented information on airplane passenger numbers for 2016 as well as the previous five years (APPENDIX E). It was noted that there would have been 1,374 passengers in August 2015 if the service to Pellston is excluded. Therefore, when comparing apples to apples, there was approximately 2% growth in passenger numbers in August. Mr. Lind noted that there had been some inefficiencies in the TSA process, but they are having monthly meetings now and things have improved.

Mr. Lind attended the fall Michigan Airports Conference earlier in September.

The hangar owned by Ted Arens is currently for sale. The hangar was privately built on airport property and the land is leased, however, ownership does eventually revert to the Airport Authority as set up in the original agreement.

There was no update regarding the FAA grant/sponsor issue. Everything has been submitted, and it's expected to be a 3-6 month approval process.

Mr. Lind reminded the Authority that only the hangar floor work was awarded at the special meeting. The hangar expansion/door repair and roof painting are currently on hold.

The FAA safety area work began on August 29, 2016, and should be completed this week. There have been daily runway closures which have resulted in lost business for general aviation, but have not impacted the airline.

The State Aeronautics Commission approved a grant last week for runway marking. Mr. Lind expects to have the grant agreement by Thursday, and requested that this item be added to the special meeting agenda for September 22, 2016.

There have continued to be air service flight cancelations in August and September. The cancelations have been caused by mechanical issues and the fact that CFM doesn't have a backup plane anymore. The fall/winter schedule is now open through mid November. Public Charters has extended their agreement with CFM for 6 months to allow time to contract with another company. Public Charters intends to have Freight Runners begin providing the flight service in May 2017. It was noted that Freight Runners does have multiple backup planes. The flight schedule can't be published past mid November until CFM and Public Charters have a signed agreement and file an extension and get approval from DOT.

The State has indicated that the marketing grant program should return next fiscal year. It was not funded in the current fiscal year.

Mr. Lind stated that there will be a set of minor changes to approve regarding the tree clearing. Mr. Lind is waiting to hear from Mr. Saylor regarding the Coho Bend billboard. The necessary permit has been received from the Health Department to allow the drain field to be replaced. The taxiway pavement needs to be fixed before winter and Mr. Lind is waiting to hear back from Elmer's on scheduling.

There being no further business to come before the Authority, the meeting was adjourned at 11:30 A.M.

Respectfully Submitted,

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Rachel Nelson, Airport Authority Secretary

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# MANISTEE COUNTY BLACKER AIRPORT

## AUGUST 2016 ACCOUNTS PAYABLE

CHECK #	VENDOR NAME	AMOUNT
	BARRY LIND	\$ 3,500.00
	CONSUMERS ENERGY	\$ 1,272.06
	A T & T	\$ 29.02
	MICHCON (DTE ENERGY)	\$ 66.22
	MIKA MEYERS BECKETT & JONES	\$ -
	VARNUM LLP	\$ 802.90
	ACE HARDWARE	\$ 53.40
	BLARNEY CASTLE	\$ -
	PIPER MCCREDIE AGENCY	\$ -
	BLUE GLOBES, LLC	\$ -
	AUTOMATIC EQUIPMENT SALES & SERVICE	\$ 844.94
	ORCHARD BEACH AVIATION	\$ 739.69
	NAPA AUTO PARTS	\$ 95.79
	PRIMARY AIRPORT SERVICES	\$ 202.05
	<b>TOTAL</b>	<b>\$ 7,606.07</b>
	<b>ADVERTISING INVOICES</b>	
	HERITAGE BROADCASTING (9&10 NEWS)	\$ 720.00
	MACDONALD GARBER BROADCASTING (97.6 THE BULL)	\$ 450.00
	RIGHTSIDE DESIGN, LLC	\$ 1,488.20
	THE CHAMBER (LUDINGTON & SCOTTVILLE)	\$ 250.00
	CADILLAC AREA CHAMBER OF COMMERCE	\$ -
	ORCHARD BEACH AVIATION	\$ 1,010.00
	<b>TOTAL</b>	<b>\$ 3,918.20</b>
	<b>ORCHARD BEACH AVIATION</b>	<b>\$ 20,071.24</b>
	REGULAR HOURS                      372 @ 16.50              6,138.00	
	MAINTENANCE HOURS              100.5 @ 16.50              1,658.25	
	PART 139 LABOR    12,200.00	
	INTERNET    50.00	
	TV SERVICE    24.99	
	<b>GRAND TOTAL</b>	<b>\$ 31,595.51</b>

## MANISTEE COUNTY BLACKER AIRPORT

INCOME:	AUGUST 2016 REVENUE & EXPENSES			BUDGET REMAINING		8%
	PREVIOUS MONTH	CURRENT MONTH	YEAR-TO DATE	ANNUAL BUDGET	BALANCE \$	%
FEDERAL GRANT - AEAS	\$219,972.00	\$ 194,460.00	\$ 1,915,305.00	\$2,328,104.00	\$ 412,799.00	18%
HANGER RENTAL	\$ 1,925.00	\$ 1,925.00	\$ 24,600.37	\$ 31,000.00	\$ 6,399.63	21%
LANDING FEES - PUBLIC CHARTERS	\$ 18,382.10	\$ 18,382.10	\$ 202,203.10	\$ 220,585.00	\$ 18,381.90	8%
LANDING FEES - GENERAL AVIATION	\$ 414.00	\$ 306.00	\$ 1,242.00	\$ 750.00	\$ (492.00)	-66%
AUTO RENTAL SPACE	\$ -	\$ -	\$ 268.60	\$ 6,000.00	\$ 5,731.40	96%
OFFICE RENT	\$ 1,065.00	\$ 1,065.00	\$ 11,715.00	\$ 13,500.00	\$ 1,785.00	13%
COUNTY OF MANISTEE	\$ 9,583.00	\$ 9,583.00	\$ 105,413.00	\$ 115,000.00	\$ 9,587.00	8%
STATE REIMB-MARKETING	\$ -	\$ -	\$ 11,422.26	\$ 20,000.00	\$ 8,577.74	43%
MARKETING - PUBLIC CHARTERS	\$ -	\$ -	\$ 10,000.00	\$ -	\$ (10,000.00)	0%
PASSENGER FACILITY CHARGES	\$ -	\$ 1,867.50	\$ 19,341.00	\$ 22,500.00	\$ 3,159.00	14%
FUEL SALES	\$ 1,903.95	\$ 1,574.84	\$ 9,219.30	\$ 11,000.00	\$ 1,780.70	16%
SIGN LEASE	\$ -	\$ -	\$ 3,600.00	\$ 4,000.00	\$ 400.00	10%
MISCELLANEOUS	\$ 24.00	\$ 48.00	\$ 16,647.92	\$ 6,000.00	\$ (10,647.92)	-177%
<b>TOTAL INCOME</b>	<b>\$253,269.05</b>	<b>\$ 229,211.44</b>	<b>\$ 2,330,977.55</b>	<b>\$2,778,439.00</b>	<b>\$ 447,461.45</b>	<b>16%</b>

## EXPENSES:

AEAS CONTRACT-PUBLIC CHARTERS	\$219,972.00	\$ 194,460.00	\$ 1,915,305.00	\$2,328,104.00	\$ 412,799.00	18%
PERSONNEL - MANAGEMENT	\$ 3,500.00	\$ 3,500.00	\$ 38,500.00	\$ 42,000.00	\$ 3,500.00	8%
PERSONNEL - OP & MAINT	\$ 19,773.50	\$ 19,996.25	\$ 213,037.00	\$ 240,000.00	\$ 26,963.00	11%
DUES & FEES	\$ -	\$ -	\$ 725.00	\$ 1,000.00	\$ 275.00	28%
SUPPLIES	\$ 498.69	\$ 54.73	\$ 2,329.47	\$ 2,000.00	\$ (329.47)	-16%
UTILITIES	\$ 1,421.23	\$ 1,413.27	\$ 24,618.09	\$ 29,000.00	\$ 4,381.91	15%
FUEL	\$ -	\$ -	\$ 4,379.17	\$ 9,000.00	\$ 4,620.83	51%
REPAIRS & MAINTENANCE	\$ 2,672.47	\$ 1,679.09	\$ 31,191.63	\$ 17,000.00	\$ (14,191.63)	-83%
CONTRACTED SERVICES	\$ -	\$ 202.05	\$ 808.20	\$ 1,200.00	\$ 391.80	33%
LEGAL	\$ 723.40	\$ 802.90	\$ 15,442.50	\$ 6,000.00	\$ (9,442.50)	-157%
AUDIT	\$ -	\$ -	\$ 3,250.00	\$ 3,100.00	\$ (150.00)	-5%
ADVERTISING	\$ 3,139.83	\$ 3,918.20	\$ 34,866.02	\$ 40,000.00	\$ 5,133.98	13%
TELEPHONE	\$ 29.83	\$ 29.02	\$ 292.73	\$ 500.00	\$ 207.27	41%
TRAVEL	\$ -	\$ -	\$ 241.38	\$ 500.00	\$ 258.62	52%
INSURANCE	\$ -	\$ -	\$ 19,919.22	\$ 22,000.00	\$ 2,080.78	9%
TRAINING (FIRE FIGHTER)	\$ -	\$ -	\$ -	\$ 2,000.00	\$ 2,000.00	100%
EQUIPMENT	\$ -	\$ -	\$ 946.05	\$ 8,535.00	\$ 7,588.95	89%
BOOKKEEPING	\$ -	\$ -	\$ -	\$ 3,000.00	\$ 3,000.00	100%
PFC EXPENSES	\$ 1,979.00	\$ -	\$ 16,068.05	\$ 22,500.00	\$ 6,431.95	29%
MISCELLANEOUS	\$ -	\$ -	\$ 327.21	\$ 1,000.00	\$ 672.79	67%
	<b>\$253,709.95</b>	<b>\$ 226,055.51</b>	<b>\$ 2,322,246.72</b>	<b>\$2,778,439.00</b>	<b>\$ 456,192.28</b>	<b>16%</b>

EXCESS REVENUE OVER/(UNDER) EXPENDITURES \$ 3,155.93 \$ 8,730.83

## BALANCE ON HAND - AIRPORT FUND

BEGINNING BALANCE 08/01/2016	\$ 137,173.59
AUGUST RECEIPTS	\$ 209,399.95
JULY DISBURSEMENTS	<u>\$ (253,709.95)</u>
	<u>\$ 92,863.59</u>

# MANISTEE COUNTY BLACKER AIRPORT

## AUGUST 2016 BALANCE SHEET

ASSETS	8/31/2016	7/31/2016
CASH	\$ 92,863.59	\$ 137,173.59
CASH - PFC ACCOUNT	\$ 72,873.15	\$ 71,005.65
ACCOUNTS RECEIVABLE		
PUBLIC CHARTERS	\$ 73,528.40	\$ 55,146.30
ADVERTISING GRANT	\$ 50,000.00	\$ 50,000.00
STATE GRANT	\$ -	\$ -
MISC.	\$ 2,468.84	\$ 2,906.95
<b>TOTAL ASSETS</b>	<b>\$ 291,733.98</b>	<b>\$ 316,232.49</b>
LIABILITIES	8/31/2016	7/31/2016
ACCOUNTS PAYABLE - TRADE	\$ 226,055.51	\$ 253,709.95
ACCOUNTS PAYABLE - COUNTY	\$ -	\$ -
PREPAID HANGER RENT	\$ -	\$ -
<b>TOTAL LIABILITIES</b>	<b>\$ 226,055.51</b>	<b>\$ 253,709.95</b>
<b>FUND BALANCE</b>	<b>\$ 61,152.57</b>	<b>\$ 57,996.64</b>
<b>TOTAL LIABILITIES AND FUND BALANCE</b>	<b>\$ 287,208.08</b>	<b>\$ 311,706.59</b>
<b>PASSENGER FACILITY CHARGES COLLECTED THROUGH 08//31/2016</b>		<b>\$ 144,470.79</b>
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)
PREIN & NEWHOF		\$ (9,786.05)
PREIN & NEWHOF		\$ (10,180.05)
PREIN & NEWHOF		\$ (2,849.00)
JOHNSON DIVERSIFIED SERVICES		\$ (1,060.00)
NORTHERN PUMP SERVICE		\$ (1,979.00)
<b>PFC FUNDS AVAILABLE</b>		<b>\$ 72,873.15</b>
<b>CAPITAL IMPROVEMENT FUNDS AVAILABLE AS OF 08/31/2016</b>		
SALE OF EQUIPMENT (TRACTOR)		\$ 10,556.58
REIMBURSEMENT FROM STATE (J RANCK ELECTRIC)		\$ 4,400.00
<b>TOTAL</b>		<b>\$ 87,829.73</b>

ORCHARD BEACH AVIATION

August 2016

## RENT

OFFICE	\$340.00	
HANGER	\$200.00	
FUEL	\$1574.84	
T-SHIRT SALES	\$48.00	(4 @ \$12)
LANDING FEES		
TWIN	\$54.00	(6 @ \$9)
JET	\$252.00	(14 @ \$18)
DAILY HANGERS	\$0.00	(0 @ \$25)
TOTAL	\$2468.84	

FUEL SALES AUGUST 2016

100LL                    2598.1 Gal

JET                        11288.8 Gal

TOTAL                    13886.9 Gal

General                5814.4 Gal @ .15 = \$872.16  
PublicCharters        1000.0 Gal @ .15 = \$150.00  
PublicCharters        4000.0 Gal @ .08 = \$320.00  
PublicCharters        1485.4 Gal @ .02 = \$29.71  
Orchard Beach         1000.0 Gal @ .15 = \$150.00  
Orchard Beach         587.1 Gal @ .08 = \$46.97

DIESEL FUEL            3.0 Gal @ \$2.00 = \$6.00

**October Travel as of 9/18/16****Best Fares**

	MBL	TVC	GRR	MKG
Atlanta (ATL)	252 WN	299 DL	237 DL	481 UA
Boston (BOS)	303 WN	285 DL	214 DL	412 UA
Chicago (MDW or ORD)	129 P1	296 AA	97 AA	346 UA
Dallas (DFW)	297 WN	321 UA	187 AA	337 UA
Denver (DEN)	329 WN	321 DL	288 WN	369 UA
Houston (HOU)	329 WN	321 UA	340 WN	345 UA
Kansas City (MCI)	337 WN	299 UA	286 UA	323 UA
Las Vegas (LAS)	388 DL	363 DL	297 DL	425 UA
Los Angeles (LAX)	393 DL	363 UA	324 UA	359 UA
Minneapolis (MSP)	201 WN	291 UA	220 AA	484 UA
New York Area (NYC)	273 DL	299 DL	269 UA	403 UA
Orlando (MCO)	321 WN	251 DL	220 DL	231 UA
Philadelphia (PHL)	281 WN	205 DL	240 AA	323 UA
Phoenix (PHX)	411 WN	377 UA	310 AA	365 UA
Portland (PDX)	444 WN	383 UA	329 AA	389 UA
San Diego (SAN)	545 WN	407 DL	368 UA	461 UA
San Francisco (SFO)	327 WN	363 UA	350 AA	389 UA
Seattle (SEA)	371 WN	403 DL	386 DL	383 UA
St Louis (STL)	355 WN	261 DL	234 AA	241 UA
Washington DC Area (WA)	217 WN	237 DL	213 AA	237 UA
Average Fare	\$325.15	\$317.25	\$270.35	\$365.15
Change from one month	-\$28.95	-\$23.90	-\$22.05	-\$8.70
Change from three months	-\$41.25	-\$64.25	-\$13.10	-\$33.60
Fares Pulled 9/18/16 for travel 10/12/16 - 10/19/16				

**Best Fares +7 days parking**

	MBL	TVC	GRR	MKG
Atlanta (ATL)	252 WN	339 DL	291 DL	516 UA
Boston (BOS)	303 WN	325 DL	268 DL	447 UA
Chicago (MDW or ORD)	129 P1	336 AA	151 AA	381 UA
Dallas (DFW)	297 WN	361 UA	241 AA	372 UA
Denver (DEN)	329 WN	361 DL	340 WN	404 UA
Houston (HOU)	329 WN	361 UA	394 WN	380 UA
Kansas City (MCI)	337 WN	339 UA	340 UA	358 UA
Las Vegas (LAS)	388 DL	403 DL	351 DL	460 UA
Los Angeles (LAX)	393 DL	403 UA	378 UA	394 UA
Minneapolis (MSP)	201 WN	331 UA	274 AA	519 UA
New York Area (NYC)	273 DL	339 DL	323 UA	438 UA
Orlando (MCO)	321 WN	291 DL	274 DL	266 UA
Philadelphia (PHL)	281 WN	245 DL	294 AA	358 UA
Phoenix (PHX)	411 WN	417 UA	364 AA	400 UA
Portland (PDX)	444 WN	423 UA	383 AA	424 UA
San Diego (SAN)	545 WN	447 DL	422 UA	496 UA
San Francisco (SFO)	327 WN	403 UA	404 AA	424 UA
Seattle (SEA)	371 WN	443 DL	440 DL	418 UA
St Louis (STL)	355 WN	301 DL	288 AA	276 UA
Washington DC Area (WA)	217 WN	277 DL	267 AA	272 UA
Average Fare	\$325.15	\$357.25	\$324.35	\$400.15
Change from one month	-\$28.95	-\$23.90	-\$22.05	-\$8.70
Change from three months	-\$41.25	-\$64.25	-\$13.10	-\$33.60
Parking Fees for one week are \$0 at Manistee, \$40 at Traverse City, \$54 at Grand Rapids, \$35 at Muskegon				

APPENDIX E

Manistee County Blacker Airport

*Enplaned/Deplaned*

	2011		2012		2013		2014		2015		2016	
	Out/In	Total	Out/In	Total	Out/In	Total	Out/In	Total	Out/In	Total	Out/In	Total
Jan	GL 201/169	370	F9 523/366	889	134/126	260	161/107	268	188/162	350	218/185	403
Feb	202/194	396	462/431	893	128/120	248	136/124	260	207/191	398	226/219	445
Mar	225/215	440	112/176	288	162/173	335	191/175	366	217/216	433	247/240	487
Apr	L 147/171 F9 488/389	1193	0/0	0	158/158	316	194/218	412	240/254	494	258/254	512
May	1454/1525	2979	P1 71/58	129	189/189	378	251/255	506	346/356	718	327/331	658
Jun	1206/1342	2548	234/250	484	239/288	527	346/405	751	406/478	912	427/496	923
Jul	1595/1568	3163	465/467	932	421/409	830	653/659	1312	1016/1050	2066	787/762	1549
Aug	1833/1567	3400	497/500	997	391/413	804	663/685	1348	889/787	1676	740/668	1408
Sep	1332/1234	2566	362/297	659	248/237	485	391/312	703	390/378	768		
Oct	1024/1004	2028	150/149	299	229/215	444	338/335	673	349/346	695		
Nov	722/715	1437	36/33	69	168/198	366	275/266	541	249/266	515		
Dec	674/798	1472	131/138	269	197/200	397	295/293	588	291/295	586		
Total		21992		5908		5390		7728		9611		6385

*Ontime Performance*

	2011		2012		2013		2014		2015		2016	
	Cancel/Delay	Ontime										
Jan	15%/38%	48%	12%/8%	80%	0%/15%	85%	0%/14%	86%	2%/27%	71%	4%/13%	83%
Feb	15%/28%	58%	6%/11%	83%	6%/16%	78%	9%/3%	88%	9%/9%	82%	2%/22%	76%
Mar	21%/19%	60%	14%/8%	78%	0%/0%	100%	0%/7%	93%	0%/9%	91%	0%/13%	87%
Apr	***	***	***	***	0%/3%	97%	0%/4%	96%	3%/5%	92%	0%/13%	87%
May	3%/25%	72%	0%/10%	90%	0%/6%	94%	0%/4%	96%	0%/18%	82%	9%/20%	71%
Jun	6%/20%	74%	0%/6%	94%	0%/3%	97%	0%/15%	85%	0%/13%	87%	3%/17%	80%
Jul	0%/37%	63%	0%/7%	93%	0%/19%	81%	1%/20%	79%	0%/32%	68%	3%/21%	76%
Aug	0%/36%	64%	0%/8%	92%	2%/16%	82%	1%/19%	80%	0%/14%	86%	2%/24%	74%
Sep	0%/23%	77%	0%/5%	95%	0%/0%	100%	0%/15%	85%	0%/16%	84%		
Oct	1%/5%	94%	0%/22%	78%	0%/9%	91%	0%/18%	82%	0%/2%	98%		
Nov	2%/11%	87%	0%/5%	95%	6%/6%	88%	2%/19%	79%	0%/15%	85%		
Dec	2%/15%	83%	0%/11%	89%	3%/19%	78%	0%/15%	85%	5%/19%	76%		