

MINUTES

Monday, November 20, 2017
9:00 A.M.

Manistee County Blacker Airport
Conference Room

Members Present: Brook Shafer, Chair; Doug Bell, Vice Chair; Mark Bergstrom; Jeff Dontz (arrived at 10:00 A.M.); Gerry Haw; and Paul Schulert

Members Absent: Barry Peterson

Others Present: Barry Lind, Airport Director; Andy Haw, Public; Brandon Jensen, RightSide Design (9:05 A.M. – 11:15 A.M.); Bob Nelesen, Prein & Newhof (9:45 A.M. – 11:45 A.M.); and Rachel Nelson, Airport Authority Secretary

Brook Shafer, Chair, called the meeting to order at 9:00 A.M. Roll was taken by the Secretary.

Mr. Lind requested that Bob Nelesen from Prein & Newhof be added to the agenda at 10:00 A.M. to discuss the land acquisition project.

There was a motion by Mr. Bergstrom, supported by Mr. Bell, to approve the meeting agenda with the addition of Mr. Nelesen at 10:00 A.M. Motion carried by unanimous vote.

There was no public comment.

Mr. Lind explained the Essential Air Service (EAS) process. The federal program funds air service at small airports. Minimum provisions include 12 flights per week (2 per day on weekdays and 2 total on the weekend), a 2 engine aircraft, and 2 pilots. DOT conducts the carrier selection process and makes the final decision, but the Airport Authority has the opportunity to express their opinion during the comment period. The contract is between DOT and the carrier. Mr. Lind provided examples of recent EAS bids for other airports. Even though the airport has been participating in Alternate Essential Air Service (AEAS) since Frontier left, the standard EAS process is required since that determines how much can be spent for AEAS. With AEAS, there are no minimum requirements, greater flexibility, and the contract is between the Airport Authority and the carrier.

Mr. Dontz arrived at the meeting.

Ideally, the Airport Authority felt that service should be able to handle the peak summer demand, not be with a single engine or 9 seat aircraft, have interline agreements, and have a hub of O'Hare, Detroit, and/or Midway. Schedule, pricing, and reliability are also important.

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 16, 2017.

There was a motion by Mr. Schulert, supported by Mr. Haw, to approve the Airport Authority regular meeting minutes of Monday, October 16, 2017, as presented. Motion carried by unanimous vote.

The Authority next reviewed the October 2017 Accounts Payable Report (APPENDIX A).

There was a motion by Mr. Dontz, supported by Mr. Schulert, to approve the October 2017 Accounts Payable Report and authorize payment of the outstanding invoices totaling \$31,404.44.

A roll call vote was taken:

Yeas: 6 (Shafer; Bell; Bergstrom; Dontz; Haw; Schulert)

Nays: 0

Absent: 1 (Peterson)

Motion carried

The Authority also reviewed the October 2017 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 discussion regarding the landing fees, which have not changed since Mr. House was the Airport Manager.

There was a motion by Mr. Schulert, supported by Mr. Dontz, to approve the October 2017 Financial Statement. Motion carried by unanimous vote.

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

Mr. Nelesen presented Amendment No. 1 to the Agreement for Professional Engineering Service for the land acquisition project (APPENDIX D). DOT has directed the airport to pursue an easement, and then do a separate contract if the landowner would prefer to sell the property.

There was a motion by Mr. Dontz, supported by Mr. Schulert, to approve Amendment No. 1 to the Agreement for Professional Engineering Service between Manistee Blacker Airport Authority and Prein & Newhof for the land acquisition project, and to authorize the Airport Authority Chair to execute the amendment.

A roll call vote was taken:

Yeas: 6 (Schulert; Haw; Dontz; Bergstrom; Bell; Shafer)

Nays: 0

Absent:1 (Peterson)

Motion carried

Mr. Nelesen left the meeting.

None of the committees met this month.

Mr. Lind reported that there were no airport incidents. An "incident" is anything that needs to be reported to the FAA. Mr. Lind presented a report on airfares which compares flights from Manistee, Traverse City, Grand Rapids, and Muskegon (APPENDIX E). Mr. Lind also provided a report with information on airline passenger numbers for 2017 as well as the previous five years (APPENDIX F).

The tree clearing project was completed on November 6, 2017, and 28 trees were removed.

There was an approximate 3% growth in passenger numbers in October compared to last year. There continue to be capacity constraints. 42% of days in October had a sold out flight (13 of 31 days), and 23% of all flights in October were sold out (14 of 62).

The current air service schedule is only extended to February 28, 2018. Public Charters is assuming that CFM will not continue service after that, and is looking at options to fill the rest of the contract period (March 1, 2018 through July 25, 2018). A 2 month extension of the current AEAS contract is being requested to make it easier to procure service through the end of the contract. Public Charters is planning to acquire a 19 seat Beech 1900C to be operated by Ultimate Jet Carriers. This could be supplemented by 30 seat EMB-120s operated by Freight Runners during the summer (4 times weekly to Midway and 4 times weekly to O'Hare). However, Freight Runners will only agree to provide service if it's for the entire summer, so the AEAS extension would need to be permitted.

The 4 year AEAS contract expires on July 25, 2018. Mr. Lind reminded the Authority that the ideal timeline for the EAS/AEAS contract renewal would be as follows:

- November 15, 2017 – DOT issues RFP for EAS Service
- December 31, 2017 – Responses due
- January 1-15, 2017 – Airport Authority reviews bids and decides whether to return to EAS or stay with AEAS
- January 15, 2018 – Submit AEAS proposal to DOT (if that is the decision)
- March 15, 2018 – DOT awards AEAS Contract
- March 31, 2018 – New schedule under new contract published (7/26/18 – 9/30/18)

There will be a Cyber Monday fare sale on November 27th, and a Winter Solstice fare sale on December 21st. There will be a meeting with the Cadillac Chamber in January. The signage project has been submitted to MDOT for approval.

Allan O'Shea of CBS Solar will be at the next meeting to do a presentation regarding offsetting electric expense with the use of solar energy.

There was no update on the Coho Bend billboard or airport zoning. Mr. Lind plans to organize a meeting with the township, county, LRBOI, and MDOT to do training on airport zoning. The Explorer Solutions project is on hold pending county economic development plans in relation to AES, which will be discussed by the County Board tomorrow.

There being no further business to come before the Authority, the meeting was adjourned at 12:05 P.M.

Respectfully Submitted,

Rachel Nelson, Airport Authority Secretary

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MANISTEE COUNTY BLACKER AIRPORT

OCTOBER 2017 ACCOUNTS PAYABLE

CHECK #	VENDOR NAME	AMOUNT
	BARRY LIND	\$ 3,500.00
	CONSUMERS ENERGY	\$ 1,568.72
	A T & T	\$ 36.13
	MICHCON (DTE ENERGY)	\$ 32.30
	MIKA MEYERS BECKETT & JONES	\$ -
	VARNUM LLP	\$ -
	BLARNEY CASTLE	\$ -
	PIPER MCCREDIE AGENCY	\$ -
	GILL-ROYS	\$ 144.93
	NAPA AUTO PARTS	\$ 2,024.13
	MANISTEE TIRE	\$ 98.66
	CUSTOM SHEET METAL & HEATING	\$ -
	BLUE GLOBES LLC	\$ -
	ORCHARD BEACH AVIATION	\$ 304.37
	SPARLING CORPORATION	\$ 80.41
	STATE OF MICHIGAN	\$ 237.22
	PRIMARY AIRPORT SERVICES	\$ -
	TOTAL	\$ 8,026.87
	ADVERTISING INVOICES	
	MANISTEE COUNTY VISITORS BUREAU	\$ 266.38
	MANISTEE AREA CHAMBER	\$ -
	RIGHTSIDE DESIGN, LLC	\$ 1,938.70
	THE CHAMBER (LUDINGTON & SCOTTVILLE)	\$ -
	CADILLAC AREA CHAMBER OF COMMERCE	\$ -
	ORCHARD BEACH AVIATION	\$ 1,626.00
	TOTAL	\$ 3,831.08
	ORCHARD BEACH AVIATION	\$ 19,546.49
	REGULAR HOURS 310 @ 16.50	5,115.00
	MAINTENANCE HOURS 131 @ 16.50	2,161.50
	PART 139 LABOR	12,200.00
	INTERNET	50.00
	TV SERVICE	19.99
	GRAND TOTAL	\$ 31,404.44

MANISTEE COUNTY BLACKER AIRPORT

OCTOBER 2017 REVENUE & EXPENSES

INCOME:				BUDGET REMAINING		92%
	PREVIOUS MONTH	CURRENT MONTH	YEAR-TO DATE	ANNUAL BUDGET	BALANCE \$	%
FEDERAL GRANT - AEAS	\$328,996.00	\$ -	\$ -	\$2,328,104.00	\$2,328,104.00	100%
HANGER RENTAL	\$ 1,650.00	\$ 1,650.00	\$ 1,650.00	\$ 24,600.00	\$ 22,950.00	93%
LANDING FEES - PUBLIC CHARTERS	\$ 18,382.10	\$ 18,382.10	\$ 18,382.10	\$ 222,585.00	\$ 204,202.90	92%
LANDING FEES - GENERAL AVIATION	\$ 234.00	\$ 243.00	\$ 243.00	\$ 1,000.00	\$ 757.00	76%
AUTO RENTAL SPACE	\$ -	\$ -	\$ -	\$ 5,000.00	\$ 5,000.00	100%
OFFICE RENT	\$ 1,065.00	\$ 1,065.00	\$ 1,065.00	\$ 13,500.00	\$ 12,435.00	92%
COUNTY OF MANISTEE	\$ 9,587.00	\$ 9,583.00	\$ 9,583.00	\$ 115,000.00	\$ 105,417.00	92%
STATE REIMB-MARKETING			\$ -	\$ 20,000.00	\$ 20,000.00	100%
MARKETING - PUBLIC CHARTERS	\$ 2,500.00	\$ 2,500.00	\$ 2,500.00	\$ 10,000.00	\$ 7,500.00	0%*
PASSENGER FACILITY CHARGES	\$ -	\$ 3,343.50	\$ 3,343.50	\$ 28,000.00	\$ 24,656.50	88%
FUEL SALES	\$ 1,301.27	\$ 717.92	\$ 717.92	\$ 12,000.00	\$ 11,282.08	94%
SIGN LEASE	\$ -	\$ -	\$ -	\$ 3,750.00	\$ 3,750.00	100%
MISCELLANEOUS	\$ -	\$ -	\$ -	\$ 1,000.00	\$ 1,000.00	100%
TOTAL INCOME	\$363,715.37	\$ 37,484.52	\$ 37,484.52	\$2,784,539.00	\$2,747,054.48	99%

EXPENSES:

AEAS CONTRACT-PUBLIC CHARTERS	\$328,996.00	\$ -	\$ -	\$2,328,104.00	\$2,328,104.00	100%
PERSONNEL - MANAGEMENT	\$ 3,500.00	\$ 3,500.00	\$ 3,500.00	\$ 42,000.00	\$ 38,500.00	92%
PERSONNEL - OP & MAINT	\$ 19,724.00	\$ 19,476.50	\$ 19,476.50	\$ 235,000.00	\$ 215,523.50	92%
DUES & FEES	\$ -	\$ -	\$ -	\$ 500.00	\$ 500.00	100%
SUPPLIES	\$ -	\$ 304.37	\$ 304.37	\$ 2,000.00	\$ 1,695.63	85%
UTILITIES	\$ 1,515.61	\$ 1,671.01	\$ 1,671.01	\$ 28,000.00	\$ 26,328.99	94%
FUEL	\$ -	\$ -	\$ -	\$ 5,000.00	\$ 5,000.00	100%
REPAIRS & MAINTENANCE	\$ 1,035.07	\$ 2,348.13	\$ 2,348.13	\$ 22,000.00	\$ 19,651.87	89%
CONTRACTED SERVICES	\$ -	\$ -	\$ -	\$ 1,000.00	\$ 1,000.00	100%
LEGAL	\$ 1,386.75	\$ -	\$ -	\$ 2,500.00	\$ 2,500.00	100%
AUDIT	\$ -	\$ -	\$ -	\$ 3,350.00	\$ 3,350.00	100%
ADVERTISING	\$ 3,331.20	\$ 3,831.08	\$ 3,831.08	\$ 50,000.00	\$ 46,168.92	92%
TELEPHONE	\$ 35.98	\$ 36.13	\$ 36.13	\$ 450.00	\$ 413.87	92%
TRAVEL	\$ -	\$ -	\$ -	\$ 500.00	\$ 500.00	100%
INSURANCE	\$ -	\$ -	\$ -	\$ 20,000.00	\$ 20,000.00	100%
TRAINING (FIRE FIGHTER)	\$ -	\$ -	\$ -	\$ 1,000.00	\$ 1,000.00	100%
EQUIPMENT	\$ -	\$ -	\$ -	\$ 4,135.00	\$ 4,135.00	100%
PFC EXPENSES	\$ -	\$ -	\$ -	\$ 28,000.00	\$ 28,000.00	100%
TRANSFER OUT-GENERAL FUND	\$ -	\$ -	\$ -	\$ 5,000.00		
MISC EXP. MCGUINEAS DRAIN	\$ -	\$ -	\$ -	\$ 5,000.00		
MISCELLANEOUS	\$ 350.00	\$ 237.22	\$ 237.22	\$ 1,000.00	\$ 762.78	76%
	\$359,874.61	\$ 31,404.44	\$ 31,404.44	\$2,784,539.00	\$2,743,134.56	99%

EXCESS REVENUE OVER/(UNDER) EXPENDITURES \$ 6,080.08 \$ 6,080.08

BALANCE ON HAND - AIRPORT FUND

BEGINNING BALANCE 10/01/2017	\$ 285,104.55
OCTOBER RECEIPTS	\$ 73,979.57
SEPTEMBER DISBURSEMENTS	<u>\$ (359,874.61)</u>
	<u>\$ (790.49)</u>

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MANISTEE COUNTY BLACKER AIRPORT

OCTOBER 2017 BALANCE SHEET

ASSETS	9/30/2017	9/30/2017
CASH	\$ (790.49)	\$ 285,104.55
CASH - PFC ACCOUNT	\$ 63,263.67	\$ 59,920.17
ACCOUNTS RECEIVABLE		
PUBLIC CHARTERS	\$ 18,382.10	\$ 57,646.30
ADVERTISING GRANT	\$ -	\$ -
STATE GRANT	\$ -	\$ -
MISC.	\$ 1,500.92	\$ 2,075.27
TOTAL ASSETS	\$ 82,356.20	\$ 404,746.29

LIABILITIES	9/30/2017	9/30/2017
ACCOUNTS PAYABLE - TRADE	\$ 31,404.44	\$ 359,874.61
ACCOUNTS PAYABLE - COUNTY	\$ -	\$ -
PREPAID HANGER RENT	\$ -	\$ -
TOTAL LIABILITIES	\$ 31,404.44	\$ 359,874.61

FUND BALANCE	\$ 50,951.76	\$ 44,871.68
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TOTAL LIABILITIES AND FUND BALANCE	\$ 82,356.20	\$ 404,746.29
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PASSENGER FACILITY CHARGES COLLECTED THROUGH 10/31/2017	\$ 167,798.52
STATE OF MICHIGAN (PARKING LOT & T-HANGERS)	\$ (7,625.00)
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)
FORBES SANITATION	\$ (3,000.00)
ORSHAL CONSTRUCTION	\$ (24,575.00)
STATE OF MICHIGAN	\$ (5,000.00)
STATE OF MICHIGAN	\$ (462.70)
STATE OF MICHIGAN	\$ 100.49

PFC FUNDS AVAILABLE	\$ 63,263.67
CAPITAL IMPROVEMENT FUNDS AVAILABLE AS OF 10/31/2017	
SALE OF EQUIPMENT (TRACTOR)	\$ 10,556.58
REIMBURSEMENT FROM STATE (J RANCK ELECTRIC)	\$ 4,400.00
TOTAL	\$ 78,220.25

ORCHARD BEACH AVIATION

October 2017

RENT

OFFICE	\$340.00	
HANGER	\$200.00	
FUEL	\$717.92	
T-SHIRT SALES	\$0.00	(0 @ \$12)
LANDING FEES		
TWIN	\$9.00	(1 @ \$9)
JET	\$234.00	(13 @ \$18)
DAILY HANGERS	\$0.00	(0 @ \$25)
TOTAL	\$1500.92	

FUEL SALES OCTOBER 2017

100LL 1000.0 Gal

JET 4829.9 Gal

TOTAL 5829.9 Gal

 General 2276.6 Gal @ .15 = \$963.95

 PublicCharters 1000.0 Gal @ .15 = \$150.00

 PublicCharters 2236.7 Gal @ .08 = \$178.94

 PublicCharters 0.0 Gal @ .02 = \$0.00

 Orchard Beach 316.6 Gal @ .15 = \$47.49

 Orchard Beach 0.0 Gal @ .08 = \$0.00

DIESEL FUEL 0.0 Gal @ \$2.20 = \$0.00

AMENDMENT NO. 1

TO: Agreement for Professional Engineering Service Dated July 18, 2014.

BETWEEN: Manistee County Blacker Airport Authority

AND


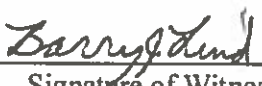
Prein&Newhof

LOCATION: Manistee County Blacker Airport, Manistee, MI

Project: Land Acquisition Approach 28: Parcel 37 (Updated to Parcel 38)

PURPOSE: Establish fees for supplemental services as described in Attachment E – Scope of Work. The fixed fee for the Scope of Work shall be forty-four thousand five hundred dollars (\$44,500.00). A breakdown of the fee is included as Attachment C to this Amendment.

ACCEPTED BY SPONSOR

	11/20/2017	
_____ Authorized Representative	_____ Date	_____ Signature of Witness

ACCEPTED BY CONSULTANT

_____ Christopher J. Cruickshank Corporate Secretary	_____ Date	_____ Signature of Witness
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ATTACHMENT "E"

Scope of Work/Services
Land Acquisition Approach 28:
Parcel 37 (Updated to Parcel 38)
Manistee County Blacker Airport

Background

The Manistee County Blacker Airport Authority undertook a land acquisition project in 2014 for the subject parcel. The process was initiated but not completed due to environmental conditions encountered, landowner coordination, and available funding to complete the project.

Consistent with the original need for the property, the Authority has evaluated its options to determine the best method by which the airport can achieve removal of approach obstructions. The plan will be to generate a Good Faith Offer for an easement acquisition, but also provide an alternate offer to purchase the land fee simple. MDOT Aero has directed the Prein & Newhof team to only provide an amendment for easement acquisition services at this time. If the landowner decides to proceed with fee simple acquisition, a separate amendment will need to be reviewed and approved.

Consistent with this plan, the following items were completed in the original contract Scope of Work: 1) Legal Description of full parcel, 2) Phase 1 ESA, 3) onsite sponsor meetings, 4) property owner information meetings, 5) property owner interview. Please see Task 16 for further information. However, the prior appraisal, review appraisal, and titlework are no longer acceptable and cannot be re-used. Property owner negotiations, good faith offer, relocation determination\assistance, settlement documentation, and Exhibit A update were incomplete tasks for the reasons noted above.

In order to accomplish this plan, the following items will need to be completed: 1) coordination, project management, and Sponsor meetings, 2) land acquisition specialist coordination, including new appraisal, review appraisal, and titlework 3) Easement Exhibit X development, 5) supplemental work to update Airport Exhibit A to FAA standards.

Task 11: Supplemental Land Acquisition Coordination\Management\Sponsor Meetings

This task consists of all work related to the management and oversight of the land acquisition process, and coordination with Sponsor and Sponsor's attorney. This includes Subconsultant management, payment and general oversight to ensure compliance with all regulations and Sponsor goals. This task also consists of: verification of project justification, preparation and attendance at (2) authority meetings to review the project, preparation and attendance at (1) authority meeting to review determination of easement versus fee simple, (1) onsite meeting for landowner coordination, and (1) conference call with the Sponsor. The conference call will be a progress update to fully review project requirements, project status, actionable items, and ensure clear communications during the acquisition process.

Task 12: Supplemental Land Acquisition Services

See attached proposal by 4D Acquisition.

Task 13: Exhibit X Development

Provide field survey to verify existing runway end, identify tree heights and removal areas, and establish approach surfaces. Develop Exhibit X drawing identifying easement area and associated legal description for use in easement acquisition.

Task 14: Supplemental Exhibit A Revision

After review and coordination with FAA, additional efforts were required to modify the Exhibit A to allow the acquisition to be completed. These requirements included:

- Obtaining original titlework from legal counsel
- Mapping all airport parcels based upon legal descriptions
- Correcting parcel number assignments on the plan
- Addressing FAA review comments
- Updating the parcel acquisition table
- Generating new legal description for airport boundary

Task 15: Sponsor Credit

The original land acquisition contract had tasks that were and were not accomplished as follows:

The following tasks were completed/utilized in full or partial:

- Task I –PROJECT COORDINATION
- Task II – LEGAL DESCRIPTION
- Task III – TITLE RESEARCH, PHASE 1 ESA, AND LEGAL DOCUMENTATION REVIEW
- Task IV – ONSITE SPONSOR MEETINGS
- Task V – PROPERTY OWNER INFORMATION MEETING
- Task VI – PROPERTY APPRAISAL REPORT & REVIEW APPRAISALS
- Task VII – PROPERTY OWNER INTERVIEWS AND NEGOTIATIONS

The following tasks were not completed/utilized:

- Task VIII – GOOD FAITH OFFER DOCUMENTATION
- Task IX – RELOCATION DETERMINATION & ASSISTANCE
- Task X – SETTLEMENT DOCUMENTATION AND EXHIBIT "A" REVISION

For Prein&Newhof (only), efforts expended against these tasks are summarized as follows:

Original Contract	\$10,960.00
Services Completed\Used	\$8,464.47
Unused\Credit	\$968.66
Services Remain	\$1,526.87

When contacted, the original land consultant (FirstROW) was not able to accommodate the schedule of the current project. The following summarizes the original .

Original Contract	\$12,540
Services Completed\Used	\$7,065
Unused\Credit	\$5,475

The original contract value is then revised to a total of \$17,056.34.

It is also our understanding that a limited portion of the work completed by the original land consultant is no longer eligible due to the time elapsed. These items are:

Titlework	\$400
Appraisal	\$4,000
Review Appraisal	\$1,000
<i>Total Ineligible</i>	<i>\$5,400</i>
<i>Revised Original Contract Value</i>	<i>\$17,056.34</i>
<i>Total Eligible</i>	<i>\$11,656.34</i>

Project: Manistee Airport Parcel 38
Client: Prein & Newhoff
Date: November 7, 2017

Project Understanding

The airport intends to pursue an acquisition related to Parcel 38 which is a ~59 acre parcel improved with a dwelling and multiple barn structures. The site appears to operate as a farm. The approach will be the pursuit of an Avigation Easement, however, a settlement of fee acquisition may be considered. If a fee acquisition is completed, an amendment to this proposal will be required to facilitate additional costs related to relocation benefits (advisory services or others).

Acquisition Services

4D will:

1. Obtain a title search from the title company.
2. Perform preliminary interview with the owner. This information will be used to make an assessment of the owner's eligibility for relocation benefits.
3. Secure the services of a licensed appraiser and review appraiser to provide complete, self-contained, appraisal and review in accordance with their respective proposals. The appraisal will be in before and after format which will conclude the easement value but will also provide the fee value (the before).
4. Prepare offer for avigation easement, easement and other acquisition documents as required for the acquisition.
5. Present offers and perform good faith negotiations (if required) with owners to secure rights and prepare associated Administrative Settlement Requests. If an agreement cannot be reached 4D will prepare an unsecured package and submit it to the client with a recommendation for condemnation.
6. Coordinate closing. (If applicable)
7. Maintain files and document all contact with landowners.
8. Participate in two (2) dedicated meetings with the client, airport and/or MDOT AERO and/or airport legal counsel. Participation in conference calls and informal/drop-in meetings, meetings which occur while in the project area for other project related tasks are included to a reasonable extent.

Deliverables

1. Complete file including: executed documents or unsecured package; contact notes; appraisal; offer; misc parcel information.
2. Monthly progress reports.

Sub-Consultants

- Jeff Kirby, Michigan Appraisal Company – Appraisals
- Michael Tarnow, Northern Michigan Real Estate Consultants – Appraisal Reviews

Schedule

- Estimated as Notice To Proceed (NTP)
 - Complete preliminary interview NTP + 45 days
 - Presentation of Offer NTP + 180 days
 - Closing or unsecured NTP + 240 days

Assumptions and Conditions of Estimate

1. A single parcel will be involved. The acquisition is for an avigation easement however, airport's preference is fee acquisition.
2. Prein & Newhoff will prepare Exhibit X survey drawing to support the proposed schedule.
3. A total of up to four (4) meetings with the owners, in addition to phone calls, emails and mailings, for preliminary interview, presentation of offer and negotiations will be required and have been included in this scope and budget.
4. Environmental assessments are not part of 4D's scope.
5. Relocation services (including advisory services) are not part of 4D's scope. However, a cursory assessment of the seller's potential eligibility for relocation benefits is anticipated.
6. In the event a settlement of fee acquisition is agreed upon an amendment will be required to document and provide relocation benefits which the seller may be entitled.
7. 4D is putting forth an experienced, professional acquisition agent who will utilize proven approaches to secure the necessary rights however, due to the inability to control or forecast the decisions of individual property owners the final result of the acquisition effort cannot be predicted. The file for a property which cannot be secured will be submitted to Client/ Airport as 'unsecured' for further action.
8. Services provided by 4D or sub-consultants after a parcel is submitted as unsecured will be compensated under separate agreement.
9. Closing costs and title insurance fees (if applicable) will be paid by MDOT AERO or the airport directly.

Cost Estimate

See attached "Project Cost Sheet"

ATTACHMENT "C"
ESTIMATED MAN HOUR ASSIGNMENTS AND COSTS

MANISTEE COUNTY BLACKER AIRPORT
MANISTEE, MICHIGAN
 Project No. Future
 Contract No. FM 51-01-LAND
 Land Acquisition Approach 28: Parcel 37 (Updated to Parcel 38) - Amendment 1

	PROJECT PRINCIPAL	SR. PROJECT MANAGER II	SR. PROJECT MANAGER I	ENGINEER	PLANNER	SURVEY CREW	SENIOR TECHNICIAN	CLERICAL	TOTAL	EXPENSES	AMOUNT PERSONNEL	TOTAL AMOUNT BY TASK
TASK 11 Project Coord/Mgt/Meetings		70	4		12	10		4	100	\$ 672.21	\$ 4,199.50	\$ 13,845.39
TASK 12 Land Acquisition Services		8						6	14	\$ 19,025.00	\$ 460.00	\$ 20,468.06
TASK 13 Exhibit X Development		2	8			24			34	\$ 181.50	\$ 1,833.00	\$ 5,931.77
TASK 14 Supplemental Exhibit A Update		24				40			64	\$ -	\$ 3,410.00	\$ 10,897.45
TASK 15 Sponsor Credit										\$ (6,443.66)	\$ -	\$ (6,443.66)
TASK 16										\$ -	\$ -	\$ -
TASK VII										\$ -	\$ -	\$ -
TASK VIII										\$ -	\$ -	\$ -
TASK IX										\$ -	\$ -	\$ -
TASK X										\$ -	\$ -	\$ -
TOTALS -		104	12		12	74		10	212	\$ 13,435.05	\$ 9,902.50	\$ 44,500.00
HOURLY RATES	\$ 57.00	\$ 42.50	\$ 39.25	\$ 25.50	\$ 32.50	\$ 59.75	\$ 33.00	\$ 20.00				
AMOUNT PERSONNEL	\$ -	\$ 4,420.00	\$ 471.00	\$ -	\$ 390.00	\$ 4,421.50	\$ -	\$ 200.00	\$ 9,902.50			
OVERHEAD	\$ -	\$ 8,071.80	\$ 860.14	\$ -	\$ 712.22	\$ 8,074.54	\$ -	\$ 365.24	\$ 18,083.95			
PROFIT 11%	\$ -	\$ 1,374.10	\$ 146.43	\$ -	\$ 121.24	\$ 1,374.56	\$ -	\$ 82.18	\$ 3,078.51			
TOTAL PERSONNEL CHARGES	\$ -	\$ 13,865.90	\$ 1,477.57	\$ -	\$ 1,223.46	\$ 13,870.61	\$ -	\$ 827.42	\$ 31,084.95			
											TOTAL CONTRACT =	\$ 44,500.00

OUT OF POCKET EXPENSES	TASK 11	TASK 12	TASK 13	TASK 14	TASK 15	TASK 15	TASK 16	TASK 17	TASK 18	ITEM X	Total Expenses
COMMERCIAL CARRIER	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
VEHICLE MILES	978		330								
MILES X \$0.565	\$ 536.80	\$ -	\$ 181.50	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 718.30
NUMBER OF PEOPLE DAYS											
PEOPLE DAYS X \$80.00	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
MATERIALS & SUPPLIES	\$ 135.41										\$ 135.41
P&N (Credit)					\$ (968.66)						\$ (968.66)
4D Acquisition		\$ 19,025.00									\$ 19,025.00
First Row (Credit)					\$ (5,475.00)						\$ (5,475.00)
TOTAL	\$ 672.21	\$ 19,025.00	\$ 181.50	\$ -	\$ (6,443.66)	\$ -	\$ -	\$ -	\$ -	\$ -	TOTAL EXPENSES \$ 13,435.05

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4D Acquisition and Consulting, LLC

Airport Location: Manistee

PROJECT DESCRIPTION: Parcel 38

TASK	PERSONNEL HOURS AND COSTS					
	Agent		Total Hours	Total Personnel Expense by Task	Total Expenses by Task	Total Amount by Task
1. Preliminary Interview & Title	12		12	\$1,423	\$600	\$2,023
2. Appraisal and Review	8		8	\$949	\$6,150	\$7,099
3. Negotiations	60		60	\$7,117	\$1,200	\$8,317
4. Reporting and meetings	10		10	\$1,186	\$400	\$1,586
Total Hours	90		90			
Hourly Rate	\$68.50					
Personnel Subtotal (Hrs. x Rate)	\$6,165					
Overhead (Personnel x 56%)	\$3,452					
Personnel & Overhead Subtotal	\$9,617					
Profit Markup (11%)	\$1,058					
TOTAL:	\$10,675		\$10,675	\$10,675	\$8,350	\$19,025

EXPENSES	TASK 1	TASK 2	TASK 3	TASK 4	TASKS 5&6	TOTAL
Direct Expense						
Field Services (<i>travel, mailings, etc</i>)	\$600	\$150	\$1,200	\$400	\$1,200	\$3,550
Sub Consultant Costs						
Title Commitment						\$0
Appraisal		\$4,500				\$4,500
Appraisal Review		\$1,500				\$1,500
						\$0
TOTAL:	\$600	\$6,150	\$1,200	\$400	\$1,200	\$9,550

SUMMARY OF COSTS	
Personnel Expenses	\$ 10,675
Expenses	\$ 8,350
BUDGET TOTAL:	\$ 19,025

Invoiced as:	\$3,610 upon completion of Task 1 (Includes task 4)
	\$7,099 upon completion of Task 2
	\$4,158 upon presentation of offers (50% of task 3)
	\$4,158 upon closing or unsecured package (50% of task 3)
	<u>\$19,025</u>

D-9



Tim Davis <tim.davis@4dacquisition.com>

Manistee Airport

1 message

Tim Davis <tim.davis@4dacquisition.com>

Wed, Sep 13, 2017 at 4:25 PM

To: Jeff Kirby <jkirby@michiganappr.com>, jkirby120@gmail.com

Jeff

Per our discussion I will include you in the proposal for the parcel in Manistee at \$4,000. This is for a before and after valuation of an avigation easement on that parcel.

Thank you

tim

*Tim Davis, SR/WA
Project Supervisor / Principal*



*Cell 517-673-0053
Michigan Office:
9253 Onsted Hwy.
Onsted, MI 49265*

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Michael Tarnow, MAI, SRA, AI-GRS



Northern Michigan Real Estate Consultants

413 North Division Street
Traverse City, Michigan 49684
Phone 231-995-8828
mtarnow@nmrec.com www.nmrec.com

September 13, 2017

Tim Davis, SR/WA
Project Supervisor / Principal
4D Acquisition & Consulting, LLC
By email

RE: River Road, Manistee County, MI

Dear Mr. Davis:

Pursuant to your request, we are happy to submit a proposal for a review of the appraisal of the property located at 4047 River Road, Manistee, MI.

The review shall be prepared for you and your associates as client and is for the sole and exclusive use of the client and granting agencies as the intended users of the report. The review is intended to provide a report that is compliant with Michigan Department of Transportation Requirements of Writing Appraisal Reports (Form 633). (This review report format incorporates USPAP Standard 3 criteria as well as MDOT 633 criteria.). I have not provided real estate services regarding the subject property within the last three years.

A technical review of one appraisal report will be provided; the subject site will not be inspected and it is agreed that in the case of the reviewer's disagreement with the appraised value the reviewer will work with the appraiser to come to a value that is agreed to by the reviewer, but the reviewer will not provide a separate appraisal. Attached to this letter is a copy of our Appraiser's Certification which is attached to all reviews prepared by this office. Please review and initial each attached page and return the executed copy to us indicating your acceptance and approval of our Appraiser's Certification.

The estimated completion date of the review is 30 days from my receipt of the appraisal report to be reviewed your acceptance of this proposal.

We will furnish you with two hard copies (if requested) and a pdf copy of the review report. The fee for this appraisal will be \$900 for the review. This fee includes the cost of all expenses that may be incurred in the preparation of the report. Additional time for pretrial conferences, depositions and court time will be billed at \$325 per hour plus expenses including mileage at the then prevailing federal rate.

I will proceed with the preparation of the review upon receipt of a signed copy of this letter and an initialed copy of the Appraiser's Certification. If you have any questions about anything contained in this letter or in any of the attachments, please give us a call.

Sincerely,



Michael Tarnow, MAI, SRA, AI-GRS

Engagement Letter Accepted:  11/20/2017
(client signature) (date)

December Travel as of 11/16/17

Best Fares

	MBL	TVC	GRR	MKG
Atlanta (ATL)	319 WN	350 DL	157 DL	234 UA
Boston (BOS)	339 DL	276 AA	188 DL	297 UA
Chicago (MDW or ORD)	149 P1	333 AA	140 WN	370 UA
Dallas (DFW)	421 DL	368 UA	276 UA	448 UA
Denver (DEN)	367 DL	374 AA	240 MUL	386 UA
Houston (HOU)	343 DL	452 DL	262 MUL	422 UA
Kansas City (MCI)	333 WN	334 AA	263 MUL	338 UA
Las Vegas (LAS)	433 WN	414 AA	281 MUL	410 UA
Los Angeles (LAX)	495 WN	465 AA	390 MUL	404 UA
Minneapolis (MSP)	276 DL	294 AA	211 MUL	229 UA
New York Area (NYC)	396 WN	361 DL	197 DL	290 UA
Orlando (MCO)	317 WN	382 AA	193 AA	248 UA
Philadelphia (PHL)	413 WN	265 AA	245 MUL	390 UA
Phoenix (PHX)	393 DL	496 AA	332 UA	386 UA
Portland (PDX)	527 WN	459 AA	366 MUL	491 UA
San Diego (SAN)	404 WN	445 AA	366 MUL	425 UA
San Francisco (SFO)	518 DL	473 AA	416 UA	410 UA
Seattle (SEA)	559 WN	469 MUL	419 MUL	410 UA
St Louis (STL)	385 WN	280 AA	192 F9	256 UA
Washington DC Area (WA)	303 DL	294 MUL	167 MUL	186 UA

Average Fare	\$384.50	\$379.20	\$265.05	\$351.50
Change from one month	-\$13.00	\$15.70	-\$17.50	\$10.15
Change from two months	-\$9.40	\$67.40	\$0.40	\$15.25

Fares Pulled 11/16/17 for travel 12/12/17 - 12/19/17

Best Fares +7 days parking

	MBL	TVC	GRR	MKG
Atlanta (ATL)	319 WN	390 DL	211 DL	269 UA
Boston (BOS)	339 DL	316 AA	242 DL	332 UA
Chicago (MDW or ORD)	149 P1	373 AA	194 WN	405 UA
Dallas (DFW)	421 DL	408 UA	330 UA	483 UA
Denver (DEN)	367 DL	414 AA	294 MUL	421 UA
Houston (HOU)	343 DL	492 DL	316 MUL	457 UA
Kansas City (MCI)	333 WN	374 AA	317 MUL	373 UA
Las Vegas (LAS)	433 WN	454 AA	335 MUL	445 UA
Los Angeles (LAX)	495 WN	505 AA	444 MUL	439 UA
Minneapolis (MSP)	276 DL	334 AA	265 MUL	264 UA
New York Area (NYC)	396 WN	401 DL	251 DL	325 UA
Orlando (MCO)	317 WN	422 AA	247 AA	283 UA
Philadelphia (PHL)	413 WN	305 AA	299 MUL	425 UA
Phoenix (PHX)	393 DL	536 AA	386 UA	421 UA
Portland (PDX)	527 WN	499 AA	420 MUL	526 UA
San Diego (SAN)	404 WN	485 AA	420 MUL	460 UA
San Francisco (SFO)	518 DL	513 AA	470 UA	445 UA
Seattle (SEA)	559 WN	509 MUL	473 MUL	445 UA
St Louis (STL)	385 WN	320 AA	246 F9	291 UA
Washington DC Area (WA)	303 DL	334 MUL	221 MUL	221 UA

Average Fare	\$384.50	\$419.20	\$319.05	\$386.50
Change from one month	-\$13.00	\$15.70	-\$17.50	\$10.15
Change from two months	-\$9.40	\$67.40	\$0.40	\$15.25

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

		2012		2013		2014		2015		2016		2017	
		Out/In	Total	Out/In	Total	Out/In	Total	Out/In	Total	Out/In	Total	Out/In	Total
Jan	F9	523/366	889	134/126	260	161/107	268	188/162	350	218/185	403	228/211	439
Feb		462/431	893	128/120	248	136/124	260	207/191	398	226/219	445	243/231	474
Mar		112/176	288	162/173	335	191/175	366	217/216	433	247/240	487	289/268	557
Apr		0/0	0	158/158	316	194/218	412	240/254	494	258/254	512	259/286	545
May	P1	71/58	129	189/189	378	251/255	506	346/356	718	327/331	658	411/430	841
Jun		234/250	484	239/288	527	346/405	751	406/478*	912*	427/496	923	445/567	1013
Jul		465/467	932	421/409	830	653/659	1312	1016/1050*	2066*	787/762	1549	849/793	1642
Aug		497/500	997	391/413	804	663/685	1348	889/787*	1676*	740/668	1408	778/742	1520
Sep		362/297	659	248/237	485	391/312	703	390/378	768	458/445	903	488/463	951
Oct		150/149	299	229/215	444	338/335	673	349/346	695	378/353	731	392/365	757
Nov		36/33	69	168/198	366	275/266	541	249/266	515	314/322	636		
Dec		131/138	269	197/200	397	295/293	588	291/295	586	349/358	707		
Total			5908		5390		7728		9611		9362		8739

On-time Performance

		2012		2013		2014		2015		2016		2017	
		Cancel/Delay	On-time	Cancel/Delay	On-time	Cancel/Delay	On-time	Cancel/Delay	On-time	Cancel/Delay	On-time	Cancel/Delay	On-time
Jan		12%/8%	80%	0%/15%	85%	0%/14%	86%	2%/27%	71%	4%/13%	83%	0%/24%	76%
Feb		6%/11%	83%	6%/16%	78%	9%/3%	88%	9%/9%	82%	2%/22%	76%	0%/8%	92%
Mar		14%/8%	78%	0%/0%	100%	0%/7%	93%	0%/9%	91%	0%/13%	87%	0%/7%	93%
Apr		***	***	0%/3%	97%	0%/4%	96%	3%/5%	92%	0%/13%	87%	0%/6%	94%
May		0%/10%	90%	0%/6%	94%	0%/4%	96%	0%/18%	82%	9%/20%	71%	0%/11%	89%
Jun		0%/6%	94%	0%/3%	97%	0%/15%	85%	0%/13%	87%	3%/17%	80%	5%/17%	78%
Jul		0%/7%	93%	0%/19%	81%	1%/20%	79%	0%/32%	68%	3%/21%	76%	3%/44%	53%
Aug		0%/8%	92%	2%/16%	82%	1%/19%	80%	0%/14%	86%	2%/24%	74%	3%/17%	80%
Sep		0%/5%	95%	0%/0%	100%	0%/15%	85%	0%/16%	84%	8%/15%	77%	1%/21%	78%
Oct		0%/22%	78%	0%/9%	91%	0%/18%	82%	0%/2%	98%	0%/8%	92%	0%/11%	89%
Nov		0%/5%	95%	6%/6%	88%	2%/19%	79%	0%/15%	85%	0%/25%	75%		
Dec		0%/11%	89%	3%/19%	78%	0%/15%	85%	5%/19%	76%	3%/23%	74%		