

AIRPORT ADVISORY BOARD
Thursday, February 9, 2017 at 8:00 a.m.
Airport Terminal Building – Conference Room

MEETING MINUTES

1. Call to Order

Chairman Veum called the meeting to order with the time being 8:03 a.m.

2. Roll Call

Members Present:	Jim Cloudman	Jerry Jones	Bill Munsell
	Fred Smith	Tom Veum	Terri Wolski

Members Absent: Tom Brown Don Gerrie

Also Present: Larry Putnam, Soo Air/Airport Manager
Oliver Turner, City Manager
Jeff Holt, EDC Executive Director
Tracey Laitinen, EDC Specialist

It was moved by Jones, supported by Smith, to excuse those members absent. The motion carried unanimously.

3. Changes or additions to the Agenda

It was noted that the next meeting is March 9, 2017 not March 13th as it shows on the bottom of the agenda.

4. Approval of Minutes

Moved by Jones, supported by Wolski to approve the minutes of the January 12, 2017 meeting. The motion carried unanimously.

5. Finance Report

YTD TIFA III budget was reviewed and no checks were cut since the previous meeting. A report from the City Treasurer for Fund 101 was reviewed ending January 31, 2017 and expenses were at 61.25% of budget.

It was moved by Munsell, supported by Jones, to receive the reports on file. The motion carried unanimously.

6. Budget Review

The airport budget was reviewed ending 12.31.16. Projected closeout for fiscal 2016-17 was reviewed and Smith inquired about the maintenance fuel line item. Putnam and Turner noted that this is the fuel that is used by Soo Air to clear the runway and mow the grass. In the month of December almost \$1,000 was billed and this brings the total to almost \$2,000. It was noted

that if we exceed \$2,500 the City Manager will review it and approve if necessary. \$2,500 was budgeted but we may be closer to \$4,000 if the snow keeps falling.

An increase to the FBO contract and Airport Manager's wages was discussed. Laitinen, Putnam and Turner previously worked on the budget and discussed options to fund this increase in the amount of \$2,005.00 annually.

Lengthy discussion was had on revenue sources such as decreasing the City's .10 fuel capture per gallon and or increasing hangar fees. If we were to discuss changes to the fuel capture we would need to renegotiate the FBO contract and Putnam did not feel that was necessary at this time.

A better option was to revisit the language in the FBO contract Section 7. It was noted that there had been no adjustment for inflation for the FBO services in the last 3 years. \$2,000 up and above the base rate of \$38,100 can be adjusted annually and would be brought current from 2015.

Then evaluating the same method for the Airport Manager wage that has been constant for the past two years at \$6,000. \$6000 can be adjusted annually and would be brought current from 2015.

Lastly the hangar fees were discussed looking at the pros and cons as well as the current wait list for hangar space. Space at the Chippewa County Airport was evaluated and costs were similar. There was mixed feeling as to whether a large increase every several years or a smaller increase annually was the best way to operate. It was agreed upon to raise the hangar fees \$5/month for all tenants in both buildings which would increase revenue by \$780 annually (13 units x \$5/mo). It was also suggested to do increases annually instead of a large sum every several years to be fair to our customers. This will need to have support from the City Commission to increase user fees for 2017-18.

It was moved by Munsell to increase the hangar fees for all units at the rate of \$5.00 per month starting July 1, 2017. Jones supported the motion.

Yea – Cloudman, Jones, Munsell, Veum

Nay – Smith, Wolski

Motion passed 4 to 2.

It was moved by Jones to increase the FBO Contract Section 7 \$2000 by the rate of inflation as well as the \$6000 Airport Manager fee from 2015 to 2017. Motion supported by Wolski. The motion carried unanimously.

It was noted that this increase will need to be reviewed and approved by the City Manager.

7. Report of activities – refer to handout

Putnam noted that traffic is slow this time this year. Sand was delivered and the SRE building is now repaired. MDOT AERO was due to fly in today for an International Bridge meeting, but will be landing in Kinross instead. Traffic is down 50% from this time last year

- January. 100LL fuel use is down just over 10% from Jan 2016 as well as Jet A -40%. The State Inspector showed up unannounced yesterday and evaluated the underground storage tanks. A favorable inspection is anticipated.

8. Old Business.

a. Lighting Improvements

Laitinen and Putnam are still working with Linda Basista of City Engineering and Cloverland to decide on the best plan to light the sign and airport driveway. More information is needed to get an accurate quote from Roy Electric.

b. Runway overlay project

Holt updated the board on the project:

1. *Changes to the construction plans to reflect the comments from Linda Basista. Specifically the comments on the Contractors access to the construction site from Meridian Street.*
2. *Plans and specifications were sent to MDOT-AERO for review on 01/18/17.*
3. *The Engineering Report was sent to MDOT-AERO and Larry Putnam on 01/20/17.*
4. *An email from Jim Reverman was discussed regarding the status of the construction gate. We will update the construction plans to call for a temporary gate.*
5. *We are waiting on the FAAs approval of the P-402 PFC specification. If in the next few weeks we get approval of the P-402 specification from the FAA, Jim Reverman and I discussed the possibility of moving the bid letting to March. Right now we are planning on an April 7th MDOT bid letting. Typically the earlier the letting the better the bids.*
6. *Pre-bid Meeting has been scheduled for March 23, 2017 11am-Noon at the Terminal building.*

Smith inquired about the plan review and changing the airport runway numbers. Putnam noted that this was necessary as magnetic field does shift. QoE will make the final determination if this change is necessary.

c. 350th City Celebration including the airport

Laitinen talked to Mary Jo at Sault Events and she is negotiating with a second balloon company. Laitinen recommended pulling history and photos together so we are all set for the event while things are slow. Wolski said she would check with the Sanderson family. Mike Lussier was mentioned as a potential source of history. Laitinen will check with City Engineering and Planning. Smith will check with the Historical Society. Jones will talk to Grand Traverse Ophthalmology about the photos in their offices. Laitinen noted that we can borrow, scan and return original documents.

d. Aero-med hangar update

Holt reported that he has had regular contact with the organization and that they do think they are coming to our area. The Escanaba project had multiple funding sources that could be mirrored here. WMH and the City Fire Department are on board. Holt noted that the air ambulance did receive BCBS approval. Smith inquired about preparing the property for sale and Holt and Laitinen noted that property descriptions were being formulated for title work in the near future.

9. New Business

a. Open Meeting Act, Ethics & FOIA

Laitinen distributed packets to all members in attendance. Commissioner Gerrie will receive his at a later date. Brown was not in attendance but a packet was placed on his desk for future review.

Turner noted that this was a housekeeping item and an annual reminder to be aware of the Open Meetings Act, City Code of Ethics and the Freedom of Information Act. Turner thanked the Airport Board for their commitment and service. An overview was given of communication including best practices for email communication.

10. Status Reports

TIFA III has not met but a meeting is planned for March 14, 2017 @ 1pm at the Smartzone to review the budget.

ERA summary from 1.9.17 was attached. A Construction Summit is planned for April 4th.

EDC meeting minutes in draft form from 1.10.17 were attached.

11. Other Matters None at this time

12. Informational Reports

Turner noted that the City Commission was focused on the goal setting process. It was noted that Munsell would be a facilitator for the budget work session in April. The City Manager's End of the Year report is available on the City website and included great information about the Visioning Workshops as well as the Disney Planes event. The City Commission did adopt the Capital Improvement Plan. It was noted that the Concierge Program was unveiled at the Feb 6th City Commission meeting by Holt. Turner reported that he has noticed growth and cohesiveness with the Airport Board and that they work well together to solve important issues.

Smith inquired about the plans for the next hangar building. Laitinen noted it was pushed out until after the Taxiway Reconstruction. Laitinen will email the last CIP spreadsheet to Smith after today's meeting. Holt noted that he will be putting the hangar on the CEDS list.

13. Matters Presented by the Public None at this time

14. Next meeting: March 9, 2017

15. Adjournment.

The meeting was adjourned at approximately 8:40 a.m. upon motion of Jones, supported by Wolski. The motion passed unanimously.