

**August 18, 2014**  
**REGULAR MONTHLY BOARD MEETING**  
Chris Holman, Chair

**Board Members Present:** Chris Holman, Victor Celentino, Paul Hufnagel, Todd Cook

**Absent:** Troy Brown & Dick Baker

**Ex-Officios Present:** L. Daryl Baker and Robert Showers

**Management, Staff and Employees Present:** Bob Selig, Keith Kaspari, Dale Feldpausch, Nicole Noll-Williams, Gary Bartek, Lisa Adams, Mark Garnsey, Ron O'Neil and Bonnie Wohlfert

**Members of the Public Present:** Jerry Richards, Mannik & Smith Group; Dan Kehoe, Mead & Hunt

**CALL TO ORDER**

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1. Chris Holman, Chair called the Regular Monthly Board Meeting of the Capital Region Airport Authority to order at 4:29 p.m. with a quorum present.

**APPROVAL OF MINUTES**

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- a. Paul Hufnagel moved the Board approve the minutes of the July 21, 2014 Regular Board meeting.
- b. The motion passed unanimously.

**PUBLIC COMMENT**

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1. None

**COMMUNICATIONS**

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1. None

**REPORTS**

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1. None

**RESOLUTIONS**

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**#14-18 Appointment of MERS Officer and Employee Delegate and Alternate**

- a. Victor Celentino moved the Capital Region Airport Authority Board approve Resolution #14-18 approving the appointment of Anne Figueroa as Officer Delegate and Dale Feldpausch as the Alternate as well as certify the election of Jason Cotton as Employee Delegate and Rick Willis as the Alternate for the 2014 Annual Meeting of the Municipal Employees Retirement System (MERS).
- b. The motion passed unanimously.

**#14-19 Acceptance of State Contract No. 2014-0770**

- a. Victor Celentino moved the Capital Region Airport Authority Board approve Resolution #14-19 approving State Contract No. 2014-0770 for an Aeronautical Weather Observation System and associated equipment at Mason Jewett Field and authorized the President – CEO to sign all associated documents on behalf of the Authority.
- b. The motion passed unanimously.

#### **#14-20 LANX, LLC (Dart Container) Sublease Approval**

- a. Victor Celentino moved the Capital Region Airport Authority Board approve Resolution #14-20 authorizing a sublease of a portion of the LANX, LLC hangar and authorized the President – CEO to sign all associated documents on behalf of the Authority.
- b. The motion passed unanimously.

#### **#14-21 Airport Rules & Regulations Amendment – Section 4.05 Revision**

- a. Todd Cook moved the Capital Region Airport Authority Board approve Resolution #14-21 authorizing the amendment to Airport Rules and Regulations, Section 4.05. This revision provides information on the specific fees assessed by the Authority for various Airport uses; defines the reasons for those fees; and includes key references to federal regulations related to the development of airport rates and charges as well as controlling the use of Airport revenues. The President – CEO was authorized to make all approved changes on behalf of the Authority.
- b. The motion passed unanimously.

#### **#14-22 Transportation Study – Improved Access to NE Greater Lansing Metro Area**

- a. Todd Cook moved the Capital Region Airport Authority Board approve Resolution #14-22 authorizing the President – CEO to participate, along with 13 different parties, in the Transportation Study for Improving Access to the Greater Lansing Metro Area. The agreement details the scope of work that would be followed to complete the study in a total amount of \$24,300 with each participating organization paying an equal share in the cost, and authorized the President – CEO to sign all associated documents on behalf of the Authority.
- b. Paul Hufnagel commented on the extensive list of parties involved.
- c. The motion passed unanimously.

#### **#14-23 Sun Country Airlines – Washington DC Revenue Guarantee**

- a. Paul Hufnagel moved the Capital Region Airport Authority Board approve Resolution #14-23 authorizing a one year revenue guarantee, September 1, 2014 to August 31, 2015, in the amount of \$500,000 in support of expanded air service development to Washington Reagan National Airport in Washington DC.
- b. Todd Cook asked if the activity level of 624 landings per year on the analysis is the current schedule. Nicole Noll-Williams replied that it is the same frequency. Bob Selig added that the new flight schedule (started April 28, 2014) has improved route productivity.
- c. The motion passed unanimously.

#### **#14-24 Delta Airlines - Atlanta Revenue Guarantee**

- a. Paul Hufnagel moved the Capital Region Airport Authority Board approve Resolution #14-24 authorizing a one year revenue guarantee, currently planned for April 1, 2015 to March 31, 2016, with Delta Airlines in the amount of \$1 million to support the initiation of air service to Atlanta.
- b. The previous revenue guarantee, in 2006, was discussed. Bob Selig added that having the first class cabin is a breakthrough with the 76 seat aircraft. Also, from a security point of view, we would already have the larger aircraft service in place. Paul Hufnagel added that service to Atlanta would be popular and advantageous.
- c. The motion passed unanimously.

### **MONTHLY REPORT**

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Financial Report: Dale Feldpausch

- Presented financials for period ended June 30, 2014

## **QUESTIONS ON STAFF REPORTS**

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1. Victor Celentino asked if there has been any interest from (airports) up north for direct flights. Bob Selig indicated that there has not. In addition, MDOT Aeronautics has their own flights and the airports up north are also threatened by loss of aircraft.

## **MONTHLY REPORT**

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Report of the President & CEO – Robert Selig (provided a written August Summary)

- Runway Project Complete – On Schedule – Good Job, Keith Kaspari and all involved.
- Activities:
  1. Total passenger activity is down 11% year to date due to reduced international flight schedule, United flights, and charter flight activity as compared to the previous year.
  2. Total cargo has increased year to date by 7%.
- Pilot Shortage / 50 passenger jet elimination remain to be growing issues. Issue highlighted in one-day meeting in Minneapolis. 13 commercial airports in Michigan at risk.
- Delta – United challenging Lansing charter terminal use fees. Nationwide A4A Association effort to attack, Allegiant, Spirit, Sun Country, and other airlines with irregular operations.
- Taxi / Limo development continues:
  1. Greater Lansing Taxi Authority concept. (Cities of East Lansing – Lansing)
  2. Airport Authority Ground Transportation Regulations (taxi, limo, shuttles, busses)
  3. Proposed agreement with UBER. (pre-arranged – reservation type license)
  4. Letter of Agreement with Dean Transportation. (pre-arranged – reservation type license)
- Mason Jewett Evaluation:
  1. Experimental Aircraft Ass. (EAA) holding events.
  2. Mason Aviation Days.
  3. Year-end financials still lacking. Not sure how these events will affect 2015 finances.
  4. No response from City of Mason – Vevay Township on operating lease arrangements that would hopefully reduce operating costs.
  5. Rumors about a private group interested in purchasing the airport but no proposal in writing yet.
  6. The Authority's ability to actually sell is being researched. Early reports indicate that federal restrictions / obligations may make it possible for another governmental agency; not possible for private entity.
  7. May still have to implement Airfield Access Fees by fiscal year-end to bring 2015 to a breakeven status.

## **NEW BUSINESS**

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1. None

## **PUBLIC COMMENT**

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1. None

## **BOARD MEMBER COMMENTS**

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1. None

## **ADJOURN**

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1. Todd Cook moved the meeting be adjourned at 5:25 p.m.

2. The motion carried, and the meeting was adjourned.

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Chris Holman, Chair

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Bonnie Wohlfert, Secretary