

June 24, 2019
REGULAR BOARD MEETING
Chair John Shaski

Board Members Present: John Shaski, Greg Ward, Victor Celentino, Debbie Groh, Daniel Schiffer and Jordan Leaming (4:39 pm)

Ex-Officios Present: Joe Brehler & Robert Showers

Management, Staff and Employees Present: Wayne Sieloff, Dale Feldpausch, Rob Benstein, Karissa Weight, Corey Rees, Eric Patrick, Ron O'Neil, Steve Ball and Bonnie Wohlfert

Members of the Public Present: Margaret Schiffer; Chris Reed, Avflight; Andon Pogencheff

CALL TO ORDER & ROLL CALL

1. John Shaski, Chair, called the Regular Board Meeting of the Capital Region Airport Authority to order at 4:30 p.m. with a quorum present.

APPROVAL OF MINUTES

- a. Greg Ward moved the Board approve the minutes of the April 22, 2019 Regular Board meeting.
- b. The motion passed unanimously.
- c. Greg Ward moved the Board approve the minutes of the April 22, 2019 Closed Session.
- d. The motion passed unanimously.
- e. Victor Celentino moved the board approve the minutes of the May 9, 2019 Budget Public Hearing and Special Board Meeting.
- f. The motion passed unanimously.

COMMUNICATIONS & SPECIAL ITEMS

1. None

PUBLIC COMMENT

1. None

REPORTS & RECOMMENDATIONS FOR ACTION

#19-14 Award of Contract for the purchase of one Multi Task Snow Removal Vehicle

- a. Greg Ward moved the Capital Region Airport Authority Board approve the award of one MB2 Multi Task Snow Removal Vehicle with plow and specified options contract to M-B Companies, Inc. in an amount not to exceed \$817,104.49. The Authority will utilize a competitively solicited cooperative contract for this purchase. The Authority authorized the President - CEO or designee to sign all documents on behalf of the Authority.
- b. Victor Celentino asked about the funds for this purchase and Wayne Sieloff explained that no FAA funds will be used. This purchase is included in the equipment capital program and will use local funds from fiscal years 2019 and 2020. The Authority will be utilizing a competitively solicited cooperative contract held by Sourcewell. Debbie Groh inquired about the life expectancy of the vehicle and Ron O'Neil reported it is 25 years.
- c. The motion passed unanimously.

#19-15 Award Part 1 of a contract for architectural/engineering and related services for improvements to Closed Circuit Television (CCTV) system and associated systems and facilities at the Capital Region International Airport

- a. Daniel Schiffer moved the Capital Region Airport Authority Board award the initial contract (Part 1) for architectural/engineering and related services for improvements to CCTV and associated systems and facilities to Faith Group, LLC in an amount not to exceed \$270,832.00 and authorized the President – CEO or designee to sign all documents on behalf of the Authority.
- b. Victor Celentino inquired about the number of respondents and their location. Rob Benstein stated that the RFQ was advertised on the flylansing.com website and was also sent to companies known to have completed similar projects at other airports. Wayne Sieloff added that this is a specialized area and also noted that Prein & Newhoff is subconsultant on the Faith Group LLC team. Victor also asked about AECOM being deemed non-responsive. Rob Benstein explained that they had exceptions with contract language related to standard of care. Our attorney reviewed and was comfortable with the contract language.
- c. The motion passed unanimously.

#19-16 Amendment of Capital Region Airport Authority Bylaws

- a. Debbie Groh moved the Capital Region Airport Authority Board approve amending the first paragraph of Article III, Section 2 of the Capital Region Airport Authority's bylaws to read as follows:
"The officers shall be elected at the regular meeting of the Board in July. If a regular meeting of the Board is not anticipated in July, then the officers shall be elected at the regular meeting of the Board in June. Officers shall take office immediately upon election."
The Board authorized the President – CEO or designee, to sign all documents on behalf of the Authority.
- b. The motion passed unanimously.

REPORTS**Ron O'Neil, Director of Facilities & Infrastructure**

Presented an overview of the following areas:

- International Trash Incinerator – Evaluating the operations and cost; discussed new stack test air evaluation federal requirement; shared new operating permit requirement and potentially additional equipment; and discussed limited disposal facilities in Michigan and few transporters.
- Storm Water/Glycol Retention Pond – Current Cargo Apron Expansion Project is the last expansion the pond can accommodate; pond is pumped 3-4 times per winter season at approximately 1.2 million gallons per pumping; annual cost to operate and manage levels is \$130,000; a study will be conducted in the future to determine options to expand retention and/or alternative treatment systems.
- Fleet and Equipment Plan – A plan has been developed to replace fleet equipment over the next 12 years at an estimated cost of \$12.4 million; plan includes assigning additional and better equipment to Mason once it is no longer used at LAN.
- Snow Removal Equipment – 19 pieces of equipment within the fleet with a total replacement cost is \$4.2 million; due to high quality preventative maintenance program, the life expectancy of each piece of equipment has been extended 10 years beyond the manufacturer's recommended useful life.
- Terminal Mechanical Systems, Passenger Loading Bridges and Conveyances – Discussed Air Handlers, Chillers, Hot Water Boilers, Passenger Loading Bridges and Escalators/Elevators in need of replacement due to equipment age along with the HVAC mechanical system's cost to operate compared to new equipment.

- LAN and TEW Pavement Condition Index – Discussed color coded maps showing the pavement conditions on the airfield per the 2019 Pavement Condition Index study.

Several board members posed questions and comments related to the topics above.

Dale Feldpausch, Vice-President & CFO

Presented financials for period ending April 30, 2019

- Preparing for our upcoming financial audit
- Increased costs related to Cyber Security and Business Interruption insurance
- Provided overview of changes to Financial Statement Classifications on Cash & Investments page

Wayne Sieloff, President & CEO

- Introduced James Williams, new Public Safety Officer. Mr. Williams is a veteran and was a military police officer in the National Guard. He has detective experience dating back to 1991, brings a wealth of experience and will be a great mentor. Mr. Williams was referred to us by Andrew Shelton, a current Public Safety Officer.
- Attended the Customer Experience Management (CMX) Symposium held at MSU on April 24, 2019. The Authority was one of the first ten organizations to join and support MSU in this effort.
- The Capital Brewport VIP Preview Event was held 517 (May 17, 2019) and opened to the traveling public on June 10, 2019. The concessionaire, EMA Enterprises, is doing well. Many thanks to all involved.
- In early stages of evaluating ways to enhance our passenger loyalty program, Top Flight Club. This spring a small group of students at MSU Broad College of Business worked on a project to identify some areas for us to look at as we develop improvements. We are also meeting with our partners, SP+ Parking and EMA Enterprises II, LLC with the overall goal to develop a stronger program. The Top Flight Club member perk of a free non-alcoholic beverage was recently changed to \$2.00 off.
- The LRCC (Lansing Regional Chamber of Commerce) Business Roundtable meets every month at LBWL (Lansing Board of Water & Light). If the board has any topics they'd like conveyed in the network session, please let Wayne know.
- The Lansing Mayor's office is developing a message from the mayor to welcome passengers. The static display will be located just outside the Community Room. Victor Celentino suggested developing a joint message from Ingham County and the City of Lansing. Wayne added that we'd like to also post board member pictures in the terminal and on our website.
- Liz Andrews retired as a full-time travel agent on May 23, 2019. Earlier this year we issued a Request for Interest for travel agencies to operate the travel agency but only Liz submitted a letter of interest. She will continue to be involved and will be supporting and mentoring her travel agent now working at LAN. If you know of a travel agent that may be interested in joining the current travel agent, please let us know.
- The City of Lansing has developed an exploratory committee for corridor improvements to North Grand River Avenue. Wayne and several business owners on the corridor are serving on the committee.
- Attended second Air Service Development Conference, Jumpstart, in Nashville in early June. Met with three airlines that do not currently serve Lansing.
- Peckham's Gateway to Inclusion sculpture to be located on the boulevard is scheduled for unveiling on October 1, 2019.
- Updates to the 10-year CIP (Capital Improvement Program) will be presented at the next board meeting.
- Page 11 of the board report shows the March 2019 overall performance for commercial airlines. All airlines operating at LAN were captured in this report. Page 12 provides more detail for affiliate airlines by route.

OLD BUSINESS

1. None

NEW BUSINESS

1. Election of Officers - Victor Celentino moved the Board elect the following officers:
Chairperson: John Shaski
Vice Chairperson: Greg Ward
2. The motion passed unanimously.
3. John Shaski added that the Treasurer, Dale Feldpausch and Secretary, Bonnie Wohlfert remain in those positions.

PUBLIC COMMENT

1. None

BOARD COMMENTS

1. John Shaski thanked Avflight for their stellar ground crew performance. Even if the flight is delayed inbound it is not delayed outbound thanks to their performance. John commented on the beautiful addition (Capital Brewport) and thanked the whole team for a great job with this project. He congratulated the staff for the smart idea of tapping into the MSU talent for assistance. Referring to page 4 of the board report, John asked about the upward spike in social media in March. Karissa Weight explained that we held some strategic giveaways and it was basketball season. John commented on Allegiant Airline's new service to Florida from Traverse City and encouraged staff to keep telling our story to persuade them back to Lansing.
2. Greg Ward asked how the TSA Precheck event is publicized. Karissa Weight indicated we have a social media campaign planned. Greg also asked about the Capital Farmer's Market and Karissa explained it's a grass roots effort to get the word out about our renovations and service.
3. Wayne Sieloff added that he attended the June 9th Pancake Breakfast in Mason and commented on the terminal landscape improvements and changes to the access control doors. John Shaski suggested holding a board meeting once a year in Mason and Wayne explained that we plan to hold the next board strategy session at Mason in September.
4. Jordan Leaming was thankful and grateful for being able to attend the AAEE Annual Conference & Exposition in Boston recently. He learned a lot about issues facing the industry and is proud of the team we have in place working on the issues.
5. Debbie Groh provided feedback from the Mason tenants after Wayne's attendance at the EAA (Experimental Aircraft Association) Dawn Patrol breakfast. They said he is such a nice man and he stayed the whole time. They'd like to see more of Wayne and are glad someone is listening.

ADJOURNMENT

1. John Shaski moved the meeting be adjourned at 5:58 pm.
2. The motion carried, and the meeting was adjourned.

signed
John Shaski, Chair

signed
Bonnie Wohlfert, Secretary