

November 19, 2018
REGULAR MONTHLY BOARD MEETING
Chair John Shaski

Board Members Present: Victor Celentino, Debbie Groh, Daniel Schiffer, John Shaski, Jordan Leaming (4:36 pm), Greg Ward (4:40 pm)

Ex-Officios Present: Joe Brehler

Absent: Robert Showers

Management, Staff and Employees Present: Wayne Sieloff, Rob Benstein, Karissa Weight, Eric Patrick, Ron O'Neil, Spencer Flynn, Dakota Gamble and Bonnie Wohlfert

Members of the Public Present: Chris Holman, Dick Baker, Jeff Oesterle, Little Creeks Farm; John Felzke, Felzke Farms; Andon Pogoncheff; Jeff Chenault, WSP; Jeff Stevens, Maner Costerisan; Mark Breukink, Mead & Hunt; Ken Thompson; Chris Buck, Meridian Township; Eric Helzer; Chris Reed, Avflight

CALL TO ORDER

1. John Shaski, Chair, called the Regular Monthly Board Meeting of the Capital Region Airport Authority to order at 4:33 p.m. with a quorum present.

ACKNOWLEDGEMENT OF SERVICE – CHRIS HOLMAN & DICK BAKER

1. John Shaski shared Dick Baker's (18 years) and Chris Holman's (20 years) many accomplishments while serving on the Capital Region Airport Authority Board and presented them with engraved clocks.
2. Victor Celentino presented Chris & Dick with resolutions on behalf of Ingham County and expressed his and the county's appreciation for their great guidance, leadership and service.

APPROVAL OF MINUTES

- a. Victor Celentino moved the Board approve the minutes of the September 17, 2018 Regular Board meeting.
- b. The motion passed unanimously.

PUBLIC COMMENT

1. Chris Holman thanked the Board Members and Board Secretary, Bonnie Wohlfert. He shared the signed Memorandum of Cooperation between Jinan, China and Lansing, Michigan from his recent trip to China. The memorandum includes a recommendation to build a direct flight between Jinan and Lansing.
2. Dick Baker thanked the staff and stated that it has been an honor to serve all these years with two outstanding directors.

COMMUNICATIONS

1. None

REPORTS

1. Auditor's Report for Fiscal Year ended June 30, 2018, Jeff Stevens, Maner Costerisan
 - Audited and issued an unmodified opinion on financial statements. There were no internal controls or compliance issues identified.
 - Emphasis on OPEB (other post-employment benefits) liability change in accounting.
 - The Customer facility charge was new for 2018.

RESOLUTIONS

#18-36 Audited Financial Statements for Fiscal Year ended June 30, 2018

- a. Victor Celentino moved the Capital Region Airport Authority accept the audited financial statements as prepared and presented by the Authority's CPA firm Maner Costerisan for the Fiscal Year ended June 30, 2018. Maner Costerisan has issued an Unmodified Opinion on these financial statements which indicates that the Airport Authority has fairly presented its financial position and has met all government auditing standards in conformity with generally accepted accounting principles.
- b. The motion passed unanimously.

#18-37 Farmland Leases

- a. Victor Celentino moved the Capital Region Airport Authority Board approve a three (3) year farm land lease agreement with the farmers of Authority land located at the Capital Region International Airport (Felzke Farms) and Mason Jewett Field (Little Creeks Farm). These leases begin on January 1, 2019. This resolution authorized the President – CEO, or his designee, to sign all associated documents on behalf of the Authority.
- b. The motion passed unanimously.

#18-38 Award of Construction Contract for the Renovation of the Bar/Restaurant

- a. Jordan Leaming moved the Capital Region Airport Authority Board award, the low bidder, the construction contract for Bar/Restaurant Renovation Project to LJ Trumble Builders, LLC in an amount not to exceed \$598,500.00. This resolution authorized the President and CEO, or designee, to sign all documents on behalf of the Authority.
- b. Victor Celentino asked what the address is for LJ Trumble Builders, LLC and if they use local people. Wayne stated that he didn't have their address but will provide it. He added that our engineering company has worked with LJ Trumble in the past but CRAA has not had prior projects. Victor asked about the large differential between the low and high bidder. Wayne indicated that the airport environment, the requirement to secure tools and the unknown of a bidder may have contributed to the pricing difference. Since the contract doesn't include federal funds with prevailing wage requirements Victor was concerned there is no guaranty of using local workers. Joe Brehler stated that we should pay prevailing wage under the Davis-Bacon Act. Daniel Schiffer added that construction companies are very busy and turning down work. He asked if a performance bond was required and Wayne indicated yes. Jordan Leaming asked if the kitchen equipment will be a fixture of the airport. Wayne stated that all equipment, fixtures and furniture purchased by the airport will become property of the airport. Wayne also reported that the concessionaire, EMA Enterprises, is contributing \$50,000 as a renovation investment fee. Greg Ward asked about the timeline and Wayne stated the construction will begin in January 2019 and is expected to be complete in April 2019.
- c. The motion passed (Mr. Celentino, No; Ms. Groh, Yes; Mr. Leaming, Yes; Mr. Schiffer, Yes; Mr. Ward, Yes; Mr. Shaski, Yes)

#18-39 2824 East Circle Drive Building Sale and Ground Lease; Rescind Resolution 17-30

- a. Greg Ward moved the Capital Region Airport Authority Board authorize the sale of the Authority's building at 2824 East Circle Drive to the State of Michigan, authorized the lease of associated land and rescinded Resolution 17-30 previously approved and related to this matter. This resolution authorized the President – CEO, or designee, to sign and modify, if required by the State of Michigan and/or the Federal Aviation Administration, any and all documents pertaining to this matter.
- b. The motion passed unanimously.

#18-40 Modification of Resolution 18-29 regarding Consumers Energy Utilities Easement at Mason Jewett Field

- a. Victor Celentino moved the Capital Region Airport Authority Board approve modifications to resolution 18-29 approved by the Board on August 20, 2018 to expand and more accurately describe the utilities easement granted to Consumers Energy. This resolution

authorized the President – CEO, or his designee, to sign all associated documents on behalf of the Authority.

- b. The motion passed; as a Consumers Energy employee, Mr. Ward recused himself.

#18-41 Amendment of Capital Region Airport Authority Bylaws

- a. Jordan Leaming moved the Capital Region Airport Authority Board approve amending the Capital Region Airport Authority bylaws last amended on April 15, 2013, to incorporate modifications to provisions related to Board meeting timing and agenda, Board committees, and other miscellaneous items. This resolution authorized the President – CEO, or designee, to sign all documents on behalf of the Authority.
- b. Victor Celentino commented on the change to board meeting scheduling to every other month on the 4th Monday (except December). He questioned if board action is needed each month. Wayne indicated that with better planning by staff, board meetings every other month should suffice. Victor questioned the need to regulate the first public comment to matters pertaining to agenda items only. He agrees to regulate the time to 3 minutes but if the public can only attend the beginning of a meeting, he didn't think we should regulate the comment to matters pertaining to agenda items only. John Shaski suggested revising the Bylaws as follows. Section 8, No. 5, Public Comments (~~pertain~~ing to agenda items only); No. 10, Public Comments (~~pertain~~ing to any items other than agenda items).
- c. Victor Celentino moved to amend the Bylaws as indicated; Greg Ward seconded the motion; the motion to revise the resolution passed unanimously.
- d. The amended motion passed unanimously.

#18-42 Meridian Charter Township, Downtown Development Authority (DDA) Plan Amendment

- a. Jordan Leaming moved the Capital Region Airport Authority Board adopt the Meridian Charter Township Downtown Development Authority Plan Amendment which authorized the President – CEO, or the CFO to negotiate and approve a formal written agreement between the Authority, the Township and the Township's DDA containing the property tax gainsharing provision and other provisions to the benefit of the Authority; and directs the Secretary, President – CEO, or the CFO in the event that provisions are not incorporated into a formal written agreement acceptable to the Authority and approved, executed and delivered by the Township and the DDA on or before January 16, 2019, to file the Resolution with the Township clerk to exempt its taxes from capture by the DDA pursuant to the provisions of Act 197.
- b. Chris Buck, Economic Development Director for Meridian Township, and Eric Helzer, Advanced Redevelopment Solutions provided information on the background and purpose of the development and tax increment financing plan being developed by Meridian Township. There was considerable discussion and questions by board members regarding the risk, possibility of additional tax revenue, the approval of the other taxing jurisdictions and the developer involved.
- c. The motion passed; (Mr. Celentino, Yes; Ms. Groh, No; Mr. Leaming, Yes; Mr. Schiffer, Yes; Mr. Ward, Yes; Mr. Shaski, Yes)

MONTHLY FINANCIAL REPORT

Financial Report: Wayne Sieloff, President & CEO presented financials for period ending 9/30/18.

QUESTIONS ON STAFF REPORTS

1. None

REPORT OF THE PRESIDENT & CEO – WAYNE SIELOFF

- Bill McPherson is our newest maintenance employee, onboarded today to replace Paul Weinner as he'll be retiring in mid-December. Bill comes to the CRAA with over 20 years of experience in heavy machine operating and commercial driving.

- Jason Donaldson applied to the CRAA based on a referral from one of our current Maintenance Technicians. He previously spent about 20 years working with Anderson-Fischer & Associates in Mason operating heavy equipment, performing construction, landscaping and snow removal.
- Gary Hufnagel also came to the CRAA based on a referral from a maintenance employee. He has a range of experiences to draw from including excavation, operating heavy machinery, welding, construction, and management of a dairy farm.
- Karissa Weight has been promoted to Director of Talent & Engagement. We currently have three vacancies; two Public Safety Officers and the Project Manager. We anticipate these positions will be filled in the next 60 days.
- Spencer Flynn is a local marketing professional with experience working at a full-service marketing & PR agency, and now the Marketing Manager for CRAA. He's also held roles as a content marketing specialist, audience engagement coordinator and a communications specialist for both business-to-consumer and business-to-business companies. Spencer will report to Karissa.
- Dakota Gamble, Operations Officer, has been promoted to Passenger Experience Manager. This position will focus on touch points for passengers from servicing of aircraft and parking to the terminal modernization. Dakota will be transitioning into his new role over the next few months.
- Kicking off the design of the coffee bar next week.
- Working on a partnership with the Convention & Visitors Bureau to complete a study and conduct focus groups to determine improvements for the first-floor lobby/travel agency/café space.
- We submitted Federal grant requests totaling over 10 million which include replacement of jet bridges, elevators/escalators and a portion of the HVAC (Heating, Ventilation, Air Conditioning) which are all at or beyond their useful life.
- PFAS (Perfluoroalkyl and polyfluoroalkyl substances) information was provided to board members. The CRAA fire department will be replacing its inventory of AFFF (Aqueous Film Forming Foam) with the newer short-chain formulation. The State of Michigan is also in the process of developing an AFFF disposal program.

NEW BUSINESS

1. John Shaski welcomed new board members Debbie Groh and Daniel Schiffer.
2. Since John Shaski is now Chairman, the board moved to elect Greg Ward as the new Vice Chair. The motion passed unanimously.

PUBLIC COMMENT

1. None

BOARD MEMBER COMMENTS

1. Wayne asked the board if there was any conflict with moving the Board Strategy Session scheduled for December 17, 2018 to January 14, 2019. There appeared to be no conflict for board members. The location will be confirmed and provided to board members.
2. Debbie Groh asked for an updated CRAA organization chart and an updated snow removal plan for Mason Jewett Field.

ADJOURN

1. John Shaski moved the meeting be adjourned at 6:09 pm.
2. The motion carried, and the meeting was adjourned.

signed

John Shaski, Chair

signed

Bonnie Wohlfert, Secretary