

May 18, 2020
BUDGET PUBLIC HEARING &
REGULAR BOARD MEETING
Chair John Shaski

Due to the Covid-19 Pandemic the Board Meeting was held as an Audio/Video Conference (GoToMeeting)

Board Members Present: John Shaski, Greg Ward, Victor Celentino, Debbie Groh, Daniel Schiffer

Board Member Absent: Jordan Leaming

Ex-Officios Present: Joe Brehler & Kam Washburn

Management, Staff and Employees Present: Rob Benstein, Sophie Giviyan, Karissa Weight, Spencer Flynn, Dakota Gamble, Corey Rees, Ron O'Neil and Bonnie Wohlfert

Members of the Public Present: William Brewer, Global Business Resource Group; caller (William), Craig Lyons, Lansing State Journal; Nicole Noll-Williams

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.

BUDGET PUBLIC HEARING COMMENT

1. John Shaski stated the Budget Public Hearing notice was published in the Lansing State Journal on Tuesday, May 12, 2020 and was also available on-line for seven (7) days. The Authority received no requests to view the budget.
2. John asked if any member of the public would like to comment on the proposed FY2021 budget. No comments were received.
3. Greg Ward moved to close the Budget Public Hearing and move into the regular Board Meeting.
4. The roll call vote was: Mr. Celentino, Yes; Ms. Groh, Yes; Mr. Schiffer, Yes; Mr. Ward, Yes; Mr. Shaski, Yes.
5. The motion passed unanimously.

APPROVAL OF MINUTES

1. Debbie Groh moved the Board approve the minutes of the May 4, 2020 Regular Board Meeting and the May 7, 2020 Personnel Committee Meeting.
2. The roll call vote was: Mr. Celentino, Yes; Ms. Groh, Yes; Mr. Schiffer, Yes; Mr. Ward, Yes; Mr. Shaski, Yes.
3. The motion passed unanimously.

COMMUNICATIONS & SPECIAL ITEMS

1. None

PUBLIC COMMENT

1. None

RECOMMENDATIONS FOR ACTION

#20-09 Interim President – CEO Salary Increase

- a. Greg Ward moved the Capital Region Airport Authority Board approve the Interim President – CEO salary increase of \$876.92 to Robert Benstein's base pay and \$876.92 in the form of a stipend.

- b. Greg Ward commented on the decades of experience Rob brings to this leadership role and expressed his appreciation for the guidance he has provided during this challenging time. Other board members agreed with Mr. Ward's remarks.
- c. The roll call vote was: Mr. Celentino, Yes; Ms. Groh, Yes; Mr. Schiffer, Yes; Mr. Ward, Yes; Mr. Shaski, Yes.
- d. The motion passed unanimously.

#20-14 Appointment of members to and duties of Finance Committee

- a. Greg Ward moved the Capital Region Airport Authority establish a Finance Committee for the purpose of providing financial oversight for the organization. The Finance Committee members are:
 - Daniel Schiffer, Finance Committee Chairperson
 - Joe Brehler, Finance Committee Member
- b. The roll call vote was: Mr. Celentino, Yes; Ms. Groh, Yes; Mr. Schiffer, Yes; Mr. Ward, Yes; Mr. Shaski, Yes.
- c. The motion passed unanimously.

#20-15 Budget FY2021 Approval

- a. Victor Celentino moved the Capital Region Airport Authority Board approve the proposed Budget for Fiscal Year 2021 as presented and authorized the President – CEO to execute all documents necessary for budget implementation. Moreover, the Authority authorized the President – CEO to certify to Ingham County the necessary mill levy amounts.
- b. The roll call vote was: Mr. Celentino, Yes; Ms. Groh, Yes; Mr. Schiffer, Yes; Mr. Ward, Yes; Mr. Shaski, Yes.
- c. The motion passed unanimously.

#20-16 Airline Rates and Charges and Operating Requirements Ordinance

- a. Victor Celentino moved the Capital Region Airport Authority Board approve the Airline Rates and Charges and Operating Requirements Ordinance as amended for Fiscal Year 2021. This Rates and Charges Ordinance shall be effective July 1, 2020.
- b. The roll call vote was: Mr. Celentino, Yes; Ms. Groh, Yes; Mr. Schiffer, Yes; Mr. Ward, Yes; Mr. Shaski, Yes.
- c. The motion passed unanimously.

20-17 Consolidated Schedule of Rates & Charges Amendment FY2021

- a. Victor Celentino moved the Capital Region Airport Authority Board approve the Consolidated Schedule of Rates and Charges as amended for Fiscal Year 2021. These Rates and Charges shall be effective July 1, 2020.
- b. The roll call vote was: Mr. Celentino, Yes; Ms. Groh, Yes; Mr. Schiffer, Yes; Mr. Ward, Yes; Mr. Shaski, Yes.
- c. The motion passed unanimously.

#20-18 Acceptance of CARES Act Airport Grant Agreement

- a. Daniel Schiffer moved the Capital Region Airport Authority accept CARES Grant No. 3-26-0055-058-2020 and authorized the President – CEO to sign all associated documents on behalf of the Authority.
- b. Victor Celentino asked if the Authority anticipates receiving any additional grants. Rob Benstein reported that AAAE (American Association of Airport Executives) and ACI (Airports Council International) are lobbying for more money for airports.
- c. Daniel Schiffer asked how the \$30,000 for Mason Jewett Field will be handled. Rob Benstein explained that MDOT (Michigan Department of Transportation) will administer these funds through the Block Grant program.
- d. The roll call vote was: Mr. Celentino, Yes; Ms. Groh, Yes; Mr. Schiffer, Yes; Mr. Ward, Yes; Mr. Shaski, Yes.
- e. The motion passed unanimously.

REPORTS

Sophie Giviyani-Kermani, Director of Finance & Accounting

Presented financials for period ending March 31, 2020

- Daniel Schiffer asked if we have ever considered utilizing a financial manager/investment firm. Sophie Giviyani-Kermani stated that most of the funds/banks have an investment manager.
- John Shaski commented on page 19 of the board report showing a graph of enplaned passengers. February enplanements were 16,637; March 8,876; and April only 496.

Robert Benstein, Interim President & CEO

- Last Friday a COVID-19 positive passenger tried to leave in violation of a Cease and Desist Order issued by the Ingham County Health Department. Airport Public Safety intercepted the passenger while she was checking in for her flight, and she was not allowed to travel. Airport Maintenance coordinated a special cleaning/disinfecting of the area due to potential contamination. All areas of the terminal were open for business within a few hours. Great response by airport staff!
- Customs and Border Protection, CBP has agreed to temporarily reduce staffing at LAN to one officer for the period July – August; this should result in a savings of approximately \$50,000.
- Airline responses to the Department of Transportation, regarding exemptions to Service Obligations, are due today. DOT will likely take a couple weeks to respond.
- Our annual FAA certification/safety inspection is scheduled for June 9-11.

OLD BUSINESS

1. None

NEW BUSINESS

1. Greg Ward provided an update from the Personnel Committee.
 - Internal interviews were completed and external stakeholder surveys have been and continue to be completed.
 - Resolution 20-07 authorized the Personnel Committee to choose a search firm; Global Business Resource Group was selected.
 - Karissa Weight reported that she met with Mr. Brewer this morning and reviewed the job description, candidates and survey results. Mr. Brewer presented the timeline which projects onboarding to occur in early August.

PUBLIC COMMENT

1. None

BOARD COMMENTS

1. Due to a poor audio connection, Debbie Groh submitted questions via email and responses were provided which are attached to these minutes.

ADJOURNMENT

1. John Shaski moved the meeting be adjourned at 5:10 pm.
2. The motion carried, and the meeting was adjourned.

signed

John Shaski, Chair

signed

Bonnie Wohlfert, Secretary

Deb-

Good morning. We could consider the storage of commercial aircraft as an additional revenue stream; however, this would not be appropriate for TEW as the pavement strength there is limited to 12,500 lbs. We would not need to amend Resolution #20-16 to do this. The Consolidated Schedule of Rates & Charges already includes a Remain-Over-Night (RON) fee; in addition, the Airline Rates & Charges Ordinance has a provision for the Authority to provide services "other than the normal use of the terminal and runway and taxiway surfaces." Any additional services such as the storage of aircraft could be negotiated separately.

Robert W. Benstein, A.A.E.

Interim President-CEO

Capital Region Airport Authority
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Resolution #20-14 questions

According to the Bylaws, all committees will be advisory only and no decision or action will be taken with respect to a matter on which a vote of the Board is required to be taken. According to Act No 73, Public Acts of 1970, the Board is responsible for the budget. Staggered three-year term for the Finance Committee is preferable.

Sophie Giviyan

From: DK Groh <debbie.groh@aol.com>

Sent: Monday, May 18, 2020 6:31 PM

To: Bonnie Wohlfert <bwohlfert@craa.com>; schifferdan@gmail.com;
greglward2@gmail.com; jashaski@yahoo.com; jleaming@icloud.com;
vcelentino@ingham.org; jbrehler@sprynet.com; wash@mutualdata.com

Cc: Robert Benstein <rbenstein@craa.com>; Sophie Giviyan <sgiviyan@craa.com>

Subject: Re: CRAA Budget Public Hearing & Board Meeting - Monday, May 18 @ 4:30 pm via GoToMeeting

Hi All,

Here are the questions I was not able to ask due to poor audio connection at the 5/18/2020 CRAA Board Meeting.

1. Resolution #20-16

Earlier this year Mr. Schiffer reported that an airport in Pennsylvania was storing commercial aircraft for an income revenue stream.

Is this something that LAN or TEW could look into as revenue? Could this be added/amended in R#20-16 or does a separate resolution need to be created?

2. Resolution #20-14

Who is responsible for the budget projections...Finance Committee, CFO, CEO or Treasurer? And the Finance Committee works with /reports to whom?

Is the FC term one year? It makes more sense to have the FC term at least two years, perhaps even three years..."*in order to establish long-range financial goals & strategies.*" A one year term just scratches the surface with regards to budget planning and managing risk exposure.

Thanks and stay safe,

Deb Groh