

**February 28, 2022**  
**REGULAR BOARD MEETING**  
Chair John Shaski

**Board Members Present:** John Shaski, Victor Celentino, Debbie Groh, Matthew Lantzy, Daniel Schiffer, and Yvette Collins

**Ex-Officio Present:** Kam Washburn, Mark Mudry (arrived at 4:38)

**Management, Staff and Employees Present:** Nicole Noll-Williams, Rob Benstein, Katherine Japinga, Ron O'Neil, Steve Ball, Blake Roy, Steve Gonzalez, Sunil Khetarpal

**Members of the Public Present:** David Groh, Bob Pena, Stephanie Ward, Mark Breukink

**CALL TO ORDER & ROLL CALL**

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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.
2. All recited The Pledge of Allegiance.

**APPROVAL OF MINUTES**

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1. Yvette Collins moved the Board approve the minutes of the January 22, 2022 Regular Board Meeting/Retreat.
2. The motion passed unanimously.

**COMMUNICATIONS & SPECIAL ITEMS**

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1. None

**PUBLIC COMMENT**

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1. David Groh, a hangar owner/tenant at Mason Jewett Field spoke in support of keeping Runway 1-19 on the Draft Mason Jewett Field Airport Layout Plan.
2. Bob Pena, an Ingham County Commissioner, made two requests of the Board:
  - a. Provide a meditation area/chapel in the terminal building; and
  - b. Provide a \$2,000 contribution to the (Ingham County) Fair Foundation

**REPORTS AND RECOMMENDATIONS FOR ACTION**

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**#22-03 Signatory Authority of President - CEO**

- a. Yvette Collins moved the Capital Region Airport Authority Board confirm the authority of Nicole Noll-Williams, as President – CEO of the Authority, to execute any contract, conveyance, or other instrument, including federal and state documents, grants, and contracts, on behalf of the Authority in accordance with the Board Policy or as otherwise authorized by the Board. In addition, the Capital Region Airport Authority hereby ratifies all contracts, conveyances, or other instruments, including federal and state documents, executed by Nicole Noll-Williams, as President – CEO of the Authority, on behalf of the Authority in accordance with the Board Policy or as otherwise authorized by the Board.
- b. The motion passed unanimously.

**#22-04 Appointment of Sunil Khetarpal as Capital Region Airport Authority Board Treasurer**

- a. Matt Lantzy moved the Capital Region Airport Authority Board appoint Sunil Khetarpal as the Capital Region Airport Authority Board Treasurer in accordance with Article III, Section 1 of the Authority By-Laws.

- b. The motion passed unanimously.

**#22-05 Ratify Execution of Concessions Rent Relief Airport Rescue Grant**

- a. Debbie Groh moved the Capital Region Airport Authority Board ratify the execution of Concessions Rent Relief Airport Rescue Grant No. 3-26-0055-063-2022 in the amount of \$143,048.
- b. *On July 8, 2021, the Airport Authority submitted to the Federal Aviation Administration (FAA) an application for a Concessions Rent Relief Airport Rescue Grant. The purpose of this grant is to provide relief from rent and Minimum Annual Guarantee (MAG) obligations to eligible airport concessionaires at the Capital Region International Airport. On February 4, 2022, the FAA issued Grant No. 3-26-0055-063-2022 in the amount of \$143,048.*

*The FAA required the grant to be executed no later than February 15, 2022. CRAA Board Policy, Section 200.05 D. states, "In the event of limited time constraints, or other situations requiring the urgent execution of a contract or agreement requiring Board approval, the President – CEO may sign on behalf of the Authority with the prior knowledge and consent of the Chair of the Board and legal review by the Authority's attorney. The agreement will then be presented to the Board for ratification at the next regularly scheduled Board meeting." Legal counsel has reviewed this agreement, and the Board Chair consented to the President - CEO executing the agreement on behalf of the Authority, which was done on February 7, 2022.*

- c. The motion passed unanimously.

**#22-06 Accept Mason Jewett Field Airport Layout Plan Development Alternatives**

- a. Daniel Schiffer moved the Capital Region Airport Authority Board accept the proposed Mason Jewett Field Airport Layout Plan development alternatives and authorized the Mason Jewett Field Airport Layout Plan to be submitted to MDOT/FAA for approval.
- b. Discussion: Debbie Groh asked why Runway 1-19 is being excluded from the Airport Layout Plan update. What are our intentions; are we going to sell the land? Ms. Groh also mentioned that Mason Jewett Field will be receiving \$159,000 per year in Bipartisan Infrastructure Law (BIL) funding; this new program is more lenient for projects other than capital.

In response to Debbie's initial comments, Nicole Noll-Williams stated that we will never receive federal funding for this runway, and this has been an item for discussion for many years and it's time to move forward and take action. Step #1 in the process is removing the N-S runway from the ALP, and from there deciding on next steps – selling the land, etc.

Debbie expressed further concern with removing the N-S runway from the ALP because it's not hurting anyone to keep it on or costing any money to keep it on, and there is no point/real benefit to taking it off.

Victor Celentino stated that the Board tried to address this issue 19 years ago. He asked if we are ever going to build the N-S runway?

After Victor's comment about the board trying to address this issue 19 years ago, Nicole Noll-Williams commented that it goes back to funding from the FAA, and the simple fact is that we will not be getting any money for a N-S runway, and asked Stephanie Ward from Mead & Hunt to provide further information.

Stephanie Ward stated that the criteria from FAA has continued to restrict these type of funds, and new criteria puts more emphasis on the critical aircraft use. FAA says that there is no need for a N-S runway based on current usage and our current runway supports our needs.

Daniel Schiffer indicated that in the past, he provided sketches and architectural drawings for the N-S runway that would meet State standards and could be built by volunteers; however, nobody ever stepped up with funding. He stated that Runway 1-19 is a dead end and that we should sell the land and put the proceeds to use "inside the fence." Mr. Schiffer also stated that the N-S runway could only be used part time (seasonally).

Debbie Groh stated that opposition to the airport started in 2001 when the owner of Aero Genesis (FBO) wanted to extend the E-W runway across Dexter Trail. She also stated that as a steward of General Aviation, the Board should keep Runway 1-19 on the ALP. Robert Benstein stated that the BIL funding is tied to the Airport Improvement Program, and projects need to be included in the Airport Capital Improvement Program (ACIP). He also stated that Federal funds were not used to purchase the land for the N-S runway.

Debbie Groh moved to amend the motion to the original Resolution, which kept Runway 1-19 on the ALP; there was no support (second).

- c. The motion passed: Ayes – Victor Celentino, Yvette Collins, Matt Lantzy, Daniel Schiffer, and John Shaski; Nays – Debbie Groh.

## REPORTS

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### **Sunil Khetarpal – Financial Report for period ending 12/31/21**

- Sunil introduced himself and mentioned he is focusing on two major projects: End of Year (EOY) FY2022 and the FY2023 budget.
- Car rental revenue is \$100k over budget due to more people using cars to travel during pandemic.
- Airline revenue tracking below budget due to absence of United Airlines.
- Payroll and related expenses are below budget due to open positions.
- Maintenance expenses are currently over budget, but he expects that we will end the year close to budget.
- Professional services are expected to be over budget due to financial, development, and IT consultants, as well as increased janitorial expenses.
- Utility expenses are \$300k over budget, which is due to environmental clean-up fees related to the plane crash. These expenses will be submitted to the aircraft owner's insurance company for reimbursement.
- Through close monitoring of the budget, he is confident that we will report our EOY financial position close to budget.
- The airport team is adjusting 2023 budgets to reflect United Airline's leaving the airport.
- Payroll, environmental, IT security, and computer software demands will continue to drive costs upward.
- With the influx of Federal funding, we are reviewing capital projects to ensure the most efficient and effective use of these funds.

Daniel Schiffer and John Shaski requested that we reference appropriate page numbers in the Board Report when presenting the Financial Report.

Daniel Schiffer asked how CARES funding is accounted for at Mason Jewett Field?

Matt Lantzy asked how long it will take to draw down the CARES grant. Nicole Noll-Williams responded that the Period of Performance is 4 years.

Matt Lantzy asked if increased custodial services will be included in the FY2023 budget?

Victor Celentino asked why Mason Jewett Field fuel revenue is down?

### **Katherine Japinga, 2022 Creative Campaign Update**

Regarding the billboards on 496, John Shaski mentioned that 496 will be under construction this year.

Daniel Schiffer complimented Katherine Japinga regarding our social media posts.

Yvette Collins asked if we do anything with radio?

Nicole added that additional social media giveaway promotions will be developed to provide opportunities for customers to fly LAN. MSU football 50/50 giveaways provided in game promotions with over 60,000 fans. Also, radio media buys have provided opportunities for live interviews.

**Nicole Noll-Williams, President & CEO**

Nicole attended the Routes Americas Conference which is a conference that provides a platform for senior decision makers to meet and discuss the regional's air services (speed-dating with airlines). Nicole was able to arrange meetings with 9 airlines discussing the opportunities and needs of the mid-Michigan region.

- Pilot shortage remains a key concern for all carriers but specifically DL and AA
- AA continues to see improvements with the Chicago service from LAN however business travel to Washington DC is still slow to return
- Meetings with Low-Cost Carriers focused on the opportunities to warm vacation destinations
- Highlighted the Low-Cost Carrier growth in the U.S. due to the growing interest in leisure travel and slow return of business travel

Apple Vacation Charter service continues through April 7th to Cancun and Punta Cana. Seats are limited, however there are still options available.

Mason Jewett Field Mutual Aid partner meeting is tentatively scheduled for 2nd quarter 2022.

Thank you to the entire airport team in managing the winter storms to ensure airlines were able to provide services to and from LAN.

**OLD BUSINESS**

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1. None

**NEW BUSINESS**

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1. None

**PUBLIC COMMENT**

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1. None

**BOARD COMMENTS**

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Victor Celentino asked if the Fair Foundation donation would go through the budget process? He also asked staff to look into the recommendation regarding the meditation room and report back to the Board. Victor also suggested that we review the Board By-Laws with legal counsel as the Open Meetings Act rules have been revised with respect to remote participation and a quorum. Lastly, Mr. Celentino stated that he enjoyed the Board Retreat and being able to hear from multiple staff members.

**ADJOURNMENT**

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1. John Shaski moved the meeting be adjourned at 5:47 pm.
2. The motion carried, and the meeting was adjourned.

signed  
John Shaski, Chair

signed  
Rob Benstein for Bonnie Wohlfert, Secretary