

John Shaski Chairman

Victor Celentino

Yvette Collins

Debbie Groh

Matthew Lantzv

Daniel Schiffer

Nicole Noll-Williams, C.M. President - CEO

August 22, 2022 REGULAR BOARD MEETING

Chair John Shaski

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

Ex-Officio Present: Kam Washburn, Mark Mudry

Management, Staff and Employees Present: Nicole Noll-Williams, Rob Benstein, Katherine Japinga, Steve Gonzalez, Steve Ball, Blake Roy, and Bonnie Wohlfert

Members of the Public Present: Drew Seguin, Randy Malville and Bob Pena, Ingham County; Mark Breukink and Dan Kehoe, Mead & Hunt

CALL TO ORDER & ROLL CALL

- John Shaski, Chair, called the Regular Board Meeting of the Capital Region Airport Authority to order at 4:31 p.m. with a quorum present.
- 2. Yvette Collins led, and all recited the Pledge of Allegiance.

APPROVAL OF MINUTES

- Victor Celentino moved the Board approve the minutes of the July 25, 2022 Regular Board Meeting.
- 2. The motion passed unanimously.

COMMUNICATIONS & SPECIAL ITEMS

1. None

PUBLIC COMMENT

- 1. Terry Lutz, KTEW Hangar and Aircraft Owner shared his presentation "A Different Perspective on Crosswinds", attached.
- 2. Randy Mayville, Ingham County Commissioner, and pilot/user at Mason, expressed his support for the north south safety runway at Mason. He is happy to have Debbie Groh and Daniel Schiffer on the board to represent Mason. He believes the definition of critical aircraft in the master plan is incorrect. Many users at Mason have small aircraft and have invested a lot of blood, sweat, and tears into them. He noted that Charlotte, Grand Ledge, Hastings, Ionia, Owosso, and a few others have crosswind runways. Reiterating a comment by Terry Lutz, he agreed that we need to keep a thriving airport and a north south runway would help.

REPORTS AND RECOMMENDATIONS FOR ACTION

#22-25 Ratify execution of Contract Amendment for Construction Administration Services with Mead & Hunt

- a. Victor Celentino moved the Capital Region Airport Authority Board ratify the execution of Amendment 1 for Construction Administration Services with Mead & Hunt for the sum of \$208,025.
- b. Victor Celentino noted that other Authorities have the policy of ratifying contracts or agreements in the event of limited time constraints.
- c. The motion passed unanimously.

#22-26 Ratify execution of Airport Improvement Program Grant Agreement

- a. Debbie Groh moved the Capital Region Airport Authority Board ratify the execution of Airport Improvement Program Grant Agreement No. 3-26-0055-064-2022 in the amount of \$2,780,848.
- b. The motion passed unanimously.

#22-27 Accept State Contract for Airport Improvement Program (AIP) Projects at Capital Region International Airport

- Matthew Lantzy moved the Capital Region Airport Authority Board accept the State Contract
 in support of AIP grant 3-26-0055-064-2022 for the following projects: Rehabilitate Taxiway
 C Phase 2 and Construct Taxiway Phase 2 and authorized the President CEO to sign
 all associated documents on behalf of the Authority.
- b. The motion passed unanimously.

#22-28 Approval of amended FY2023 Capital Budget

- a. Yvette Collins moved the Capital Region Airport Authority Board approve the amended FY2023 Capital Budget as follows: net decrease to mill levy funded capital expenditures in the amount of \$3,340 and a net increase to CARES funded capital expenditures in the amount of \$127,970.
- b. The motion passed unanimously.

REPORTS

Robert Benstein - Financial Report for period ending 6/30/2022

YTD Operating Revenue (page 8)

- Overall, \$230,393 (3.3%) above budget
- Lower airline revenues (United leaving market) and lower parking revenue hurt results
- Higher than expected concession revenue (rental cars) helped results

YTD Operating Expenses (page 10)

- Overall, \$620,082 (6.2%) below budget
- Airport development (cargo study), marketing & advertising (additional media buys) and services (staffing study and on-boarding support of new CFO) hurt results
- Lower maintenance and payroll expenses (vacant positions) helped results

Mason Jewett Field (page 13)

- Operating Income \$18,240 below budget
- Primary factors were higher than expected maintenance costs (ceiling fans in hangar) and lower than expected fuel revenue

Balance Sheet (page 14)

 New items related to leases per Government Accounting Standards Board (GASB) – leases are assets and deferred revenues are liabilities.

Cash and Investments (page 15)

 CARES Reserve is just over \$10 million. We have a few hundred thousand left to draw down on CARES grant, and then we will begin drawing down CRRSA funds.

Mason Fuel Revenue Discussion

For FY2022, we had \$205,764 in fuel sales with a cost of \$204,519, or net revenue of \$1,245. For budgeting purposes, we planned to sell fuel at \$0.68 above cost - \$0.50 per gallon profit plus \$0.18 per gallon to cover maintenance costs. Our process for pricing fuel is to stay within lowest five airports within a 40-mile radius. At times, this caused us to price fuel below what was budgeted (less than \$0.68 above cost). Going forward, we will review/adjust our fuel prices every 2 weeks versus just doing it when we purchase a load of fuel. This should allow us to be more responsive to market conditions.

Victor Celentino asked about the property tax revenue. Nicole explained that additional funds were in question due to other tax incentives in place, but we finished strong and have no concerns. Victor shared that a 5% increase in property tax revenues are forecasted for next year. He also asked if we have considered any type of concession to increase revenue at Mason. Debbie Groh agreed that the LCC Aviation students could benefit from a concession. Nicole added that the Kipp Road Development on the ALP (Airport Layout Plan) could address the revenue need.

Nicole Noll-Williams, President & CEO

On July 26, 2022, Avelo Airlines announced new service to Orlando beginning October 26, 2022. Lansing is outbooking all of the markets.

The #AirplaneMode Flight Voucher Giveaway Contest ran on social media for 10 straight weeks and included weekly drawings on Facebook as well as cross promotion on our social media channels, and one drawing specifically for Instagram. The campaign brought in a total of just over 251,000 total impressions, nearly 9,500 engagements, and nearly 2,300 official entries.

The TSA PreCheck Pop Up Event at LAN is scheduled for August 29 – September 2, 2022.

Page 3 and 4 of the board report include a sample of responses from guests that share heartwarming memories or meaningful reasons to travel, and many commend the convenience of LAN, its amenities, and the friendliness of LAN staff.

RS&H has started the design process for the Cargo Ramp Expansion Project. The plan is for design to be completed in the 4th quarter 2022, with construction starting in the spring/summer 2023.

The Elevator #3 (passenger screening area) Rehabilitation Project was started on Monday, August 15, 2022. The duration of the project is 3 weeks. Accommodations have been made to facilitate wheelchair access via the Federal Inspection Station.

The Friendship Room Project is in its final stages of construction. Board members can walk through the space following the meeting.

The firetruck at Mason Aviation Day was really enjoyed by the kids in attendance.

We sponsored the ATHENA WIN dinner on August 11, 2022 at the Crowne Plaza.

Nicole presented an airport update at the Eaton County Board of Commissioners meeting on August 17, 2022. She will be presenting to area rotary clubs in the coming months with the Jackson Rotary presentation scheduled for August 24, 2022.

Katherine Japinga will be on next month's board agenda to provide a marketing update.

We will have a new service announcement on August 25, 2022 at 10:00 am; all are welcome to attend the press event.

Daniel Schiffer commented on the great stuff happening in so many areas. Reaching out to the community by presenting at Rotary Clubs helps so many understand what the airport has to offer.

Nicole added that CRAA is continuing to work closely with Ingham ISD (Micki O'Neil) on the new aviation program. Eaton RESA has applied for a grant for roughly \$260,000. The goal is to announce the program in December 2022 and students would start in the fall of 2023

Victor Celentino asked about the delay of the sliding glass wall in the Friendship Room. Nicole indicated that this delay won't affect the project; the glass wall just enhances the potential use of

the space for smaller groups. Victor also asked about the Meditation Room; Nicole reported that we have designs and a potential investor. The room would be located on the second level between gates 7 and 9.

OL	.D BUSINESS		
1.	None		
NE	W BUSINESS		
1.	None		
PU	IBLIC COMMENT		
1.	Service from LAN to MSP; seasonal se connection in Traverse City; Covid testir O' Lanterns Unleashed event to be he	oner, requested staff look into the following requests ervice to Michigan Tech in Houghton with a possible of at the airport; and he asked for support of the Jack ld at the Ingham County Fairgrounds. Debbie Grow I that it was a great event and will be even better this	
2.	Drew Seguin agreed that there may be an opportunity for a concession operator at Masor with the LCC students. He thanked the Authority for bringing the firetruck to Mason Aviation Day; it was well received. He added that Johnny George was also great, as usual. Over 500 attended the event from 84 zip codes as well as 35 planes. Debbie Groh added that the kids just loved the firetruck.		
ВС	OARD COMMENTS		
1.	No additional comments.		
ΑD	JOURNMENT		
	John Shaski moved the meeting be adjoint The motion carried, and the meeting was		
	signed	signed	
-	John Shaski, Chair	Bonnie Wohlfert, Secretary	

A Different Perspective on Crosswinds

Terry Lutz KTEW Hangar and Aircraft Owner

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Certification Standards

- For Part 25 Aircraft (air carrier aircraft):
 - Demonstrate controllability with a 90 deg crosswind measured at 10m height
 - Established for a dry runway
 - Must be <u>at least</u> 20 kts or 0.2V_{SO} whichever higher
 - Need not exceed 25 kts
 - · Usually demonstrated to be higher
- For Part 23 Aircraft (general aviation aircraft)
 - Demonstrate controllability with a 90 deg crosswind measured at 10m height
 - Must not be less than 0.2V_{so}
 - Could be limited by landing gear design, wing configuration, rudder control, NG steering, or TW steering

Examples of Crosswind Limits

Part 25 Aircraft:		
King Air 200	25kt	
Gulfstream 6	50 25kt	
CRJ-900	27kt	
B737-400	35kt	
B757/767	40kt	
B777	38kt	
MD-11	35kt	
A320	33G38kt	
A330	32G40kt	

Part 23 Aircraft:	
Carbon Cub	12kt
C-152	12kt
C-172	15kt
Archer III	18kt
SR22T	21kt

Using 0.2V_{SO}: Luscombe 8A 8kt RV-8 10kt

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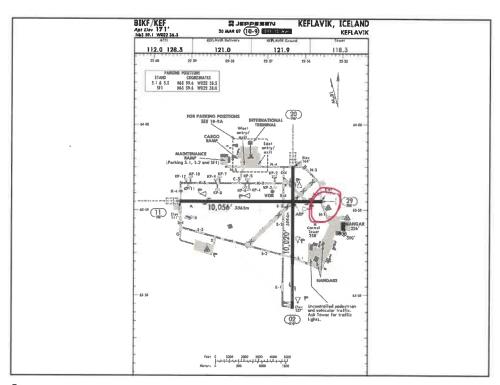
Crosswind Testing Large Transports

- Until July 31, 2013 all large Boeing and Airbus aircraft were crosswind tested at Keflavik, Iceland
 - Two runways crossing at 90 degrees
 - Each runway is 10,000' long
 - · Very high winds from late November to early March
 - Meteorology can predict the winds in advance
 - · Winds are "laminar" without a storm threat
 - Smooth conditions, no low clouds, good visibility
 - · The crosswind runway is used for testing
 - The upwind runway becomes the safety runway

Demonstrating 56kts in the A380



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Crosswind Testing Accident



All flight testing was stopped in late 2015

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Commercial Operations Were Increasing at Keflavik Annual passenger traffic at KEF airport 9.0M 8.0M 7.0M 6.0M 5.0M 4.0M 3.0M 2.0M 1.0M 0.0M 2000 2005 2010 2015 Annual passenger traffic at KEF airport. See source Wikidata query &

Restarting Crosswind Tests at BIKF

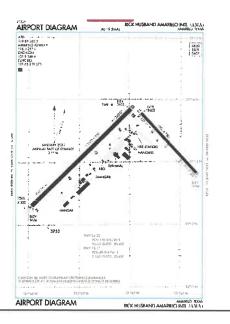
- Negotiations began at the diplomatic level
 - With the Iceland Ambassador to the US in Washington
 - With the Iceland Ambassador to France in Paris
 - With the Canadian Ambassador to Iceland in Reykjavik
- A face-to-face meeting was held at the Keflavik Airport with the major manufacturers
- Formal procedures were put in place
 - · Specific approval for all aircrew
 - Testing limited to "bank times" at Keflavik
 - · No night or autopilot testing

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In the Meantime.....

Boeing Needed To Test The B777-9 For Crosswind Limits

- Amarillo, Texas
 - Strong winds associated with a deep low pressure system
 - Difficult to predict in advance of deployment for testing
 - Significant turbulence and rain
 - The upwind runway became the <u>safety runway</u>



How Does That Connect with KTEW?

Crosswinds Are Variable Across The Airfield



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How Does That Connect with KTEW?

- \bullet Because certification of Part 23 (GA) aircraft is based on 0.2 V_{SO} , winds at KTEW are frequently out of conservative limits
- Pilots assume additional risk if the wind is variable, either forecast or actual
- Even in good conditions the following scenarios are possible:
 - An airplane disabled on the runway and airborne airplanes are unable to land
 - An airplane is disabled on the runway and visiting airplanes are unable to takeoff

A Community Within a Community

- As users of the Mason-Jewett Airport we try to:
 - Be good neighbors to the community
 - · Fly established patterns, try not to fly over the City of Mason
 - · No unusual flying (high speed passes, etc)
 - · Provide flyovers of football games when asked
 - Young Eagle flying
 - A support network for other users
 - · Help when needed for maintenance, inspections, etc
 - · Share tools when necessary
 - Be good tenants and stewards of the airport
 - · Following CRAA rules
 - · Keeping the grass cut and not leaving junk outside

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We Are More Than That!

- A \$4-5 Million impact on the local economy
- The LCC Aviation Maintenance Technology Program will expand in the future
 - A thriving airport could make airport management a curriculum item for LCC's main campus
- The community takes note of progress and remembers where the support came from – it really does make a difference
- Let's create a path forward rather than taking a step backward

Recommendation

- Allow a one-year time frame to develop a community-based plan to create a N-S <u>safety</u> <u>runway</u> at KTEW
 - An all-aspect initiative to determine
 - · Approved site and runway design
 - Cost
 - · Locate acceptable contractors
 - · Create a timeline for the work
 - Community resources
- Thank You!!