

MINUTES

**KALAMAZOO COUNTY AERONAUTICS
BOARD OF TRUSTEES
REGULAR MEETING**

**August 10, 2017
10:30 a.m.**

ITEM 1. Call to Order: Chairperson Gilbert Collver called the meeting to order at 10:31 a.m.

ITEM 2. Roll Call: Members in attendance: Gilbert Collver, Greg Hamelink, James Woodruff, Nikki Miller, David Buskirk, Erik Rankin, and Cecile Mutch arrived at 10:39 a.m.

Staff Present: David Reid, Eric Bjorkman, Amanda Woodin, William Scamehorn, Jessecia Harter, Matt Mattison, and Lance Gary.

Also Present: County Commissioner Liaison Mike Seals, County Assistant Legal Counsel Amber Beebe, Deputy County Administrator - External Services Lisa Henthorn, and Standard Parking Plus Regional Manager Kristen Statler

ITEM 3. Approval of the July 13, 2017 Board Minutes: There being no changes made to the minutes, the minutes were approved as published.

ITEM 4. Citizen Comments: There were no Citizen Comments.

ITEM 5. Customer Facility Charge Discussion Update: Ms. Woodin, touched base again on the possibility of charging a user fee, known as a Customer Facility Charge (CFC), to all rental car customers. A \$1 per day fee will potentially generate \$170,000 annually and will start to build a reserve for the rental car companies, so that an on-site car rental cleaning and service facility can be built. After several minutes of discussion the board agreed to continue to further discuss this topic at a later date.

ITEM 6. Financial Reports: Ms. Woodin reviewed the June 2017 revenue and expense reports. She indicated that through June the total operating revenues were at 50.4% with the car rentals and concessions lagging a bit. She feels that both will catch up throughout the year. She also stated that the operating expenses were at 44.7% before depreciation, which she feels is right on track.

ITEM 7. For Consideration:

AIRPORT CONSENT AGENDA ITEMS

There were no Airport Consent Agenda Items.

AIRPORT NON-CONSENT AGENDA ITEMS

A. Approval of the 2018 Budget – Ms. Woodin is seeking approval of the 2018 budget. She reviewed the 2018 Budget request memo. The memo states the following: Operating revenues will increase by 6.32% due to projected higher passenger counts than used in the 2017 budget. Operating expenses status quo staffing levels, a temporary winter position, a 2% salary adjustment subject to Board of Commissioners 2018 budget negotiations and step increases when eligible. There will be a 3.64% increase in the administration operating expense which includes an amount for contract reviews. There will be a 10.67% decrease in the airfield due to lower fuel expenses, ARFF, and grounds/maintenance expenses. The terminal and security operating expenses will also decrease; however, parking expenses will increase by 4.08% due to the new contract and budget recommendation. The PFC charge will increase by 14.49%. The total 2018 capital budget requested is \$475,500. This includes a \$40,000 de-ice trailer, \$372,500 AIP local share, and security system software and hardware for \$63,000. On a motion made by Mr. Buskirk, supported by Mr. Rankin and Ms. Mutch, the 2018 budget has been approved.

B. Approval of the 2018 Rates & Charges Resolution - Ms. Woodin discussed the 2018 Rates & Charges Resolution. She stated that the resolution has been compared to other airports and the going market rates. She feels that the rates and charges are in line with the other airports; therefore, the 2018 rates and charges will remain the same as the 2017 rates and charges. On a motion made by Mr. Woodruff, supported by Mr. Buskirk, the 2018 Rates & Charges Policy has been approved.

ITEM 8. Unfinished Business: There was no unfinished business.

ITEM 9. New Business: A recommendation was made to cancel the September Aeronautics Board of Trustees Meeting since the majority of the staff will be out of town at a conference. If needed, a special meeting will be called to order. On a motion made by Ms. Mutch, supported by Mr. Rankin, the September Aeronautics Board of Trustees meeting has been cancelled.

ITEM 10. Airport Director’s Report: Mr. Reid presented the following report:

1. Aeronautics Board of Trustees
 - a. New member
 - i. Erik Rankin
 - ii. Been with United for 20 Years
2. Staff Update
 - a. New Equipment Operator
 - i. Matt Mattison

- a. Transferred from an Operations Technician to an Equipment Operator
 - b. New Operations Technicians
 - i. Paul Townsend
 - ii. Sean Rowe
 - c. New Airfield Technician
 - i. Lance Gary
 - a. Transferred from Kalamazoo County's Buildings and Grounds Department
3. Market Share
- a. Behind 2%
 - b. Up 10% first 3 months, down double figures last 3 months
 - c. Delta-rebounded, load factor up 500 from last year
 - d. United-struggling, added seats but load factor went down
 - e. American-load factor went up but operating less seats
4. Air Service Committee
- a. Elite
 - i. Conference call scheduled for August 22nd
 - ii. Discussing direct flight to Sarasota
 - iii. If conference call goes well they will do a site visit
 - b. Air Service Conference
 - i. October 16th-18th
 - ii. Pasco, Washington
 - iii. Planning to meet with Elite and Allegiant Air
5. Grant Updates
- a. Grant approved by FAA
 - i. Scheduled to go through October
 - b. Starting work on 2018 grant
 - i. Will include main runway rehab which will begin Spring 2019
6. Miscellaneous
- a. Air Fair
 - i. Held on July 29th
 - ii. Over 500 people attended
 - iii. Airline giveaways and golf packages
 - iv. Aircraft Displayed
 - v. Positive Event
 - vi. Looking forward to the next one

ITEM 11. Member's Time:

Mr. Hamelink stated that the ramp rehab has been a positive experience and he is very impressed so far. He is very appreciative that the airport worked with Stryker to delay the work by one week. He also mentioned that TSA has been a little deceiving and he would like someone to have a conversation with them to see if they can be a bit clearer.

Mr. Seals wanted to let everyone know that HCS will be moving to the Alcott building in February 2018. He is also hoping that the 911 dispatch center project will be approved and start soon.

Ms. Mutch stated that she met with Delta in Grand Rapids and she feels that there is value in meeting with them here. She stated that they would like to invite Pfizer, Parker, Denso, and Thermo Fisher.

Ms. Miller would like to thank Amanda, Eric, and Jessecia for all of their hard work at the Air Fair.

ITEM 12. Adjournment: There being no further business presented, the meeting adjourned at 12:07 p.m.