



CAPITAL REGION AIRPORT AUTHORITY

January 22, 2024 REGULAR BOARD MEETING Chair John Shaski

John Shaski
Chairman

Victor Celentino

Yvette Collins

Debbie Groh

Jennifer Jacob

Matthew Lantzy

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

Board Members Present: John Shaski, Victor Celentino, Yvette Collins, Matthew Lantzy, Debbie Groh, and Jennifer Jacob

Ex-Officio Present: Mark Mudry

Ex-Officio Absent: Robert Showers

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

Members of the Public Present: Bob Pena, Ingham County; Keith Simons, Fishbeck; Amber Clark, Meridian Township; Dan Kehoe & Mark Breukink, Mead & Hunt; Lynn Markowski, Avflight; Mike Rudzinski, RS&H

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.
2. John led, and all recited the Pledge of Allegiance.

APPROVAL OF MINUTES

1. Victor Celentino moved the Board approve the minutes of the November 27, 2023, Regular Board Meeting.
2. The motion passed unanimously.

COMMUNICATIONS & SPECIAL ITEMS

1. None

PUBLIC COMMENT

1. Robert Pena, Ingham County, shared a request from Jamie Zimmer, constituent, for the return of the Delta Minneapolis flights from LAN. John Shaski added that when the time is right, LAN will lead a grassroots campaign like they have done in the past with the American DCA slot exemption to encourage the return of the Minneapolis flights. Nicole Noll-Williams suggested encouraging constituents to contact Delta directly with requests for the return of the Minneapolis flights.

REPORTS AND RECOMMENDATIONS FOR ACTION

Amber Clark, Meridian Township – Corridor Improvement Authority (CIA) Tax Increment Financing (TIF) participation proposal

Amber shared the CIA Boundary map and the estimated captures and revenue. The CRAA estimated tax capture with 20% pass through would be \$182,620.

CIA Proposed TIF Plan

- Agree to a pass through for contributing tax jurisdictions
- Development priorities will focus on Meridian mall, enhanced pedestrian safety/accessibility, and public infrastructure
- 20 year duration
- Supports township efforts for redevelopment in-fill projects

- CIA supports highly concentrated uses like mixed-use. Mixed-use projects also receive support from MEDC.
- The township has several development projects to build on the corridor in the next year+
- Suggestion of the Meridian EDC to put effort into support of the redevelopment of Meridian Mall

CIA Proposed TIF Plan Priorities

- Supporting redevelopment projects through market studies, assistance with public infrastructure, marketing, and strategic partnerships
- Create, support and or enhance safety options for non-motorized travel
- Create and implement beautification projects that enhance the visual appeal of the Commercial Corridor
- Support mixed-use development projects to increase housing flexibility while maintaining commercial enterprises.

CIA Proposed Implementation

- 2024 - Research RRFB's Pricing, partner with MDOT to Plan Implementation. Continue meeting with Meridian Mall
- 2026 - Implement RRFB installation. Announce Mall redevelopment
- 2028 - Partner with Haslett Beautification and Meridian Garden Club for a beautification project. Plan for phase II Mall redevelopment.
- 2030 - Install beautification project as planned with garden club
- 2032 - Propose new pedestrian and community enhancement for the Corridor

Debbie Groh asked if this was a new TIF and Amber indicated yes. The 2019 DDA (Downtown Development Authority) is for the Downtown Okemos district and is 100% capture for 20 years.

Mike Rudzinski, RS&H – Master Plan Update

Master Plan Work Products

- Airport Layout Plan (illustrates the plan)
- Technical Report (documents the why and how)

LAN Master Plan Schedule – we are almost halfway through the process (started March 2023 and plan to wrap up April 2025) The first Public Open House meeting is scheduled for January 30 at 4:30 pm.

Focus Areas

- Terminal area and regional access
- Airfield
- Land use and economic development
- Air cargo and support facilities
- Environmental

Forecast Elements

- Commercial Passenger Forecast
- Aviation Operations Forecast

Terminal Area Planning

Assessment of terminal found:

- Well maintained but aging equipment
- Opportunities to 'right-size' functional areas
- Improvements can be achieved within existing terminal area

Four paths to address terminal: No build, Renovate, New build, Hybrid (new/renovation)

Address terminal and regional access

Landside alternatives focus on improving: Safety, Access, Customer Experience

Overall Project Next Steps

- Completion and delivery of aviation demand forecast to FAA for review and approval
- Visioning workshop (1/31) with LAN staff for land use and economic development
- Terminal area alternatives evaluation and selection of preferred
- Define airport facility requirements

REPORTS

Robert Benstein – Financial Report for period ending 11/30/23

Operating Revenue

YTD \$267k (8.89%) over budget

- Airline (\$35k) and Other (\$25k) are lower than budget
- Concessions (\$155k), Land Rent (\$80k), and parking (\$100k) are higher than budget

Operating Expense

YTD \$232k (6.22%) under budget

- Employee Development (\$28k), Equipment (\$44k), Maintenance (\$81k), Payroll (\$157k) and Services (\$41k) are lower than budget
- Utilities, Fuel, Communications expenses (\$132k) are higher than budget

Other Revenue/Expense

YTD \$4.369M over budget

- Grant Revenue (\$1.939M), CFC Collections (\$30k) and Investment Income (\$514k) are higher than budget
- PFC Collections (\$22k) are lower than budget
- Business Development (\$457k) and Depreciation & OPEB (\$1.464M) expenses are lower than budget

Income Statement Comparison

YTD Operating Income \$628k higher compared to the same period last year

- Operating Revenues \$490k; higher compared to same period last year
- Operating Expenses \$138k lower compared to same period last year

Mason Jewett Field (TEW)

Operating Income \$14,990 over budget

- Operating Revenues \$938 under budget
- Operating Expenses \$15,928 under budget

Debbie Groh referenced page 15 of the board report, institutional listing, and asked about the low rate of return (.15%) for the Dart Bank certificate of deposit. Robert Benstein reported that the CD was recently renewed for 13 months at a rate of 5.25%. Debbie also inquired about the CARES Reserve financial statement classification balance on page 14 of the board report. Robert explained that all CARES grants have been drawn down and closed. The CARES Reserve balance is available to use for capital projects etc.

Nicole Noll-Williams, President & CEO

As 2023 came to a close, the Airport Authority e-newsletter reflected on a busy twelve months and a look back at some memorable moments.

- Locked in our landing from Michigan's capital to our nation's capital! With the help of incredible community members voicing support for this critical route, American Airlines was granted federal regulatory approval for a five-year extension to continue daily nonstop service between #FlyLansing and Washington, D.C., through October 2028. American Airlines also continues to offer daily nonstop Chicago flights from LAN.
- Expanded the services offered by Delta Air Lines, including a new state-of-the-art aircraft upgrade and an additional daily nonstop flight to Detroit to help you connect to 500+ global destinations.
- Introduced new holiday flights with Avelo to help you #FlyLansing home for the holidays this season, and extended the Avelo flight schedule to Orlando through April 2024 for winter and spring break travel.
- Announced our 2024 international schedule through Apple Vacations so you can start planning your nonstop flights to Cancun, Montego Bay, or Punta Cana.
- Supported our local economy. As an economic driver and central hub for imports and exports in the region, we were proud to kick off our Cargo Ramp Expansion project in April. (Check out progress photos here!) When completed in spring 2024, this infrastructure improvement will more than double our capacity, which helps businesses and community members.
- Received \$9.4 million in state funding for roadway improvements to support increased traffic and expanded cargo operations, which is slated to kick off in 2024.
- Invested in the next generation who will impact aviation through the new Aviation Careers Institute (ACI) in partnership with Eaton RESA.
- Thanked our community members for their support with exciting giveaway prizes, including flight vouchers, Yeti tumblers, and backpack coolers through our #PlanesAndPrizes Giveaway and our #LANlovesLansing Giveaway! (Thanks to everyone who commented on our social media giveaways — we love reading your responses!)
- Launched the LAN Visitor Pass Program, allowing non-traveling friends and family to accompany travelers past security to their gate, giving you more time to say goodbye and squeeze in that extra hug.
- Unveiled the J. Chris Holman Conference Room in dedication to a leader who has had an outsized impact on our organization and community.
- Welcomed our soldiers home. We were honored to help families reunite with their beloved soldiers who arrived safely at LAN after a yearlong deployment in Syria. It was our pleasure to be part of this meaningful homecoming, and we are forever grateful for the service and sacrifices made in protecting the freedoms of our country. Thank you to those who have served, to those who continue to serve, and to those we have lost in service.

The Q4/December 2023 e-newsletter was distributed on December 13, 2023 to 25,000 recipients with an open rate of 32.8%.

2025 budget planning is underway by all departments.

CRAA issued a Request for Qualifications (RFQ) for professional engineering services to support the Roadway Improvements Project. Eight firms/teams submitted qualifications which were reviewed and ranked. The top two firms/teams have been invited to participate in the second phase of the selection process, with interviews taking place this week. Thank you, Doug Steffen and Marc Trotter with the Clinton County Road Commission and Matt Lantzy, for their assistance in the process.

Apple Vacations kicks off their 2024 international season to Cancun on Saturday, January 27th.

The Master Plan Update Public Open House is Tuesday, January 30 from 4:30 – 6:00 pm in the Friendship Room.

The next Mason Jewett Field quarterly tenant meeting will be held on Wednesday, February 7th at 5:30 pm.

We will be hosting a TSA Precheck enrollment event March 25-29, 2024.

Welcome to new employees Jimmy Lawson, Terminal Maintenance and Andrew Carr, Airfield Maintenance. Lisa Henthorn, Director of Finance & Administration, will start on February 5th.

OLD BUSINESS

1. John Shaski welcomed new board member Jennifer Jacob and added that he will work on a committee assignment for her. John also thanked Matt Lantzy for his assistance with the request for qualifications for professional engineering services to support the roadway project.

NEW BUSINESS

1. None

PUBLIC COMMENT

1. None

BOARD COMMENTS

1. Victor Celentino advised the board that Robert Pena was appointed as the Ingham County Liaison for CRAA and Robert is also chair of the County Services Committee. Victor added that he and Robert will not be able to attend the CRAA February 26 board meeting due to the Ingham County board meeting being moved to this date. Victor also reminded members that the Personnel Committee meeting will be held January 25 at 4 pm in the Friendship Room.
2. John Shaski congratulated Robert Pena on his appointments.

ADJOURNMENT

1. John Shaski moved the meeting to be adjourned at 5:24 pm.
2. The motion carried, and the meeting was adjourned.

signed

John Shaski, Chair

signed

Bonnie Wohlfert, Secretary