

John Shaski
Chairman

Victor Celentino

Yvette Collins

Debbie Groh

Matthew Lantzzy

Daniel Schiffer

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

May 23, 2022
**BUDGET PUBLIC HEARING &
REGULAR BOARD MEETING**
Chair John Shaski

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

Ex-Officio Present: Kam Washburn, Mark Mudry

Management, Staff and Employees Present: Nicole Noll-Williams, Rob Benstein, Katherine Japinga, Ron O'Neil, Sunil Khetarpal, Mark Vermillion, Brian Parker, Michelle Stanley, John Wilson, Bob Lillie, Julie Harris, and Bonnie Wohlfert

Members of the Public Present: David Groh, Chris Wilson, Terry Lutz, Bob Pena, Dan Kehoe & Mark Breukink, Mead & Hunt; Drew Seguin, Jennifer Wilson & Family, Tim Martinson, Mark Jacob, Margie Clark, Ron Kendall, Senator Tom Barrett, Eric Patrick, and Lynn Markowski

CALL TO ORDER & ROLL CALL

1. John Shaski, Chair, called the Budget Public Hearing and Regular Board Meeting of the Capital Region Airport Authority to order at 4:32 p.m. with a quorum present.
2. All recited the Pledge of Allegiance.

BUDGET PUBLIC HEARING COMMENT

1. John Shaski stated the Budget Public Hearing notice was published in the Lansing State Journal on Tuesday, May 17, 2022 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 FY2023 budget. No comments were received.
3. John Shaski moved to close the Budget Public Hearing and move into the regular Board Meeting.
4. The roll call vote was: Mr. Celentino, Yes; Ms. Collins, Yes; Ms. Groh; Mr. Lantzzy; Mr. Schiffer, Yes; Mr. Shaski, Yes.
5. The motion passed unanimously.

APPROVAL OF MINUTES

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

COMMUNICATIONS & SPECIAL ITEMS

1. Sergeant Wilson & Officer Lillie Commendation
Steve Gonzalez, Chief of Public Safety, and Nicole Noll-Williams presented Sergeant Wilson the Department of Public Safety Life Saving Award and a letter of commendation for his actions on February 24, 2022. On this date he responded within one minute to the long-term parking lot where a patron was experiencing a full cardiac arrest. Sergeant Wilson began CPR, delivering 3-4 rounds of chest compressions before transferring the patient to a higher level of care via the Lansing Fire Department. Officer Lillie was presented a letter of commendation for his response to the scene from the airfield fire station to assist Sergeant Wilson with the appropriate medical equipment, assisted in coordinating the transfer of the patient and communicating with the patient's wife. Several days later, the Department of Public Safety was notified that the patient survived and was pending release from the hospital.

Steve Gonzalez also recognized Sergeant Wilson's 31 plus years of service and added that he is a leader among his peers and never hesitates to assist others. John Shaski shared that Officer Lillie has 16 years of service and thanked both for their actions.

2. Senator Barrett expressed his appreciation as well and presented Sergeant Wilson with a special tribute from the State of Michigan recognizing his heroic efforts in saving the life of a passenger and for his years of service and dedication. Senator Tom Barrett, Representative Graham Filler, Lt. Governor Garlin Gilchrist, and Governor Gretchen Whitmer signed the tribute.
3. Letter from General Aviation Stakeholders at Mason Jewett Field

PUBLIC COMMENT

1. Randy Maiville, not in his Ingham County Commissioner role but as a private pilot for 39 years and the manager of a small airstrip, expressed his support for the north south runway. He indicated that several small airports have grass strips, and he would like Mason to have this option. Several tenants have small aircraft that they have built or restored themselves. The FAA study uses King Air aircraft which skews the results. He has heard that it would be too much mowing and is too close to the fairground but disagrees because several airports like Midland and Ludington have close fairgrounds. For the safety of small aircraft pilots, he would like the north south runway put back on the Airport Layout Plan. He also thanked the Board/CRAA for trying to maintain lower gas prices.
2. Dr. Mark Jacob shared that he owns 3 or 4 airplanes and built a hangar in Mason. He flies old World War II aircraft and was disappointed to learn that the north south runway was removed from the Airport Layout Plan.

REPORTS AND RECOMMENDATIONS FOR ACTION

#22-09 Budget FY2023 Approval

- a. Victor Celentino moved the Capital Region Airport Authority Board approve the proposed Budget for FY2023 as presented and authorized the President – CEO to execute all documents necessary for budget implementation. Moreover, the Authority Board authorized the President – CEO to certify to Ingham County the necessary mill levy amounts as outlined herein.
- b. The motion passed unanimously.

#22-10 Airline Rates and Charges and Operating Requirements Ordinance

- a. Matt Lantzy moved the Capital Region Airport Authority Board approve the Airline Rates and Charges and Operating Requirements Ordinance as amended for Fiscal Year 2023. This Rates and Charges Ordinance shall be effective July 1, 2022.
- b. The motion passed unanimously.

#22-11 Consolidated Schedule of Rates & Charges Amendment FY2023

- a. Debbie Groh moved the Capital Region Airport Authority approve the Consolidated Schedule of Rates and Charges as amended for Fiscal Year 2023. These Rates and Charges shall be effective July 1, 2022.
- b. Victor Celentino asked if the parking rates changed; Nicole responded that the rates did not change.
- c. The motion passed unanimously.

#22-12 Great Lakes Air Ventures Office Space Lease

- a. Yvette Collins moved the Capital Region Airport Authority approve a fifty-five-month office space lease with Great Lakes Air Ventures and authorized the President – CEO, or designee, to sign all associated documents on behalf of the Authority.
- b. The motion passed unanimously.

#22-13 Payment of Civil Penalty to Michigan Department of Environment, Great Lakes, and Energy (EGLE)

- a. Daniel Schiffer moved the Capital Region Airport Authority approve the payment of a \$45,000 civil penalty to the State of Michigan, and authorized the President – CEO, or designee, to sign all necessary documents on behalf of the Authority.
- b. Daniel Schiffer commented on the great negotiating to reduce the penalty. Victor Celentino asked about our options. Nicole explained that the regulations when the incinerator was installed in 2010 were different; the incinerator cannot pass the current regulations/testing requirements, so it was shut down on December 21, 2021. Mark Mudry asked if we are comfortable moving forward. Nicole explained that we have resolved the past penalty and can start with a clean slate. We are working with the appropriate EGLE personnel to determine our best options moving forward.
- c. The motion passed unanimously.

REPORTS

Sunil Khetarpal – Financial Report for period ending 3/31/2022

YTD Operating Revenue

Revenues: Overall higher than budgeted by \$228K.

- Rental Cars – YTD revenues are higher by \$100K than budget.
- Parking, Fuel & Other – YTD revenues are higher by \$203K as Land & Building Rents are higher along with small others.
- Airline – Revenues continue to be lower by (\$75K) because of United departure

YTD Operating Expense

Expenses: Operating Expenses are lower than budgeted by \$485K, Invoice to insurance was sent for recovery of expense for the airplane accident and have been removed from expenses.

- Payroll - Continues to track below budget by \$302K as vacant positions (PSO, Ops Officer), were not filled.
- Supplies - Due to less snow, Snow Removal was lower by \$71K.
- Maintenance - Expenses were lower than budgeted by \$179K.
- Employee Development- Education & Training - Lower than budget by \$41K; will be used in coming months.
- Utilities and Fuel - Lower than budgeted by \$79K.

Balance Sheet

Reserves are trending higher as we continue to draw down the CARES funding.

Victor Celentino asked about the \$74,000 loss due to United leaving on page 7 of the board report. Nicole explained that the 2022 budget will continue to include the lost revenue; the 2023 budget has been adjusted to reflect this revenue change.

John Shaski inquired about the 15% rate of return on page 15 of the board report; Sunil indicated it was a mistake; should be 0.15%.

Victor Celentino asked about the fuel revenue variance on page 12 of the board report. Sunil will investigate the variance and provide the board with a response.

Nicole Noll-Williams, President & CEO

Nicole thanked Steve Gonzales, Sergeant Wilson, Officer Lillie, and Senator Barrett and added that Sergeant Wilson will be retiring June 30, 2022.

She touched on several items in the new CRAA e-Newsletter:

- Lansing airport received \$8.183M in federal spending bill for cargo ramp expansion

- CRAA awarded \$2M in state infrastructure spending bill
- We anticipate Apple Vacations will announce their schedule for next year around the end of July; fuel prices will be a factor.
- LCC Student, Kaylee Spencer, was awarded a \$5,000 scholarship from American Airlines through Women in Aviation International.
- Employee Milestone Anniversaries during Q1 were noted.

The new FlyLansing.com website officially launched on May 17, 2022.

#AirplaneMode Flight Voucher Campaign Giveaway was launched May 16, 2022.

During the covid pandemic, airlines halted pilot hiring, training, and early retirement packages were offered. The mandatory airline pilot retirement age was changed to 65. Bills are currently being drafted requesting Congress to increase the age to at least 67. Major U.S. airlines are trying to hire more than 12,000 pilots this year alone. In addition, the requirement for new airline pilots was increased from 250 hours to 1,500 hours. This was done following the 2009 Colgan Air 3407 crash which tragically killed 49 people on board and one on the ground.

We will temporarily lose one Delta flight due to the pilot shortage in the next month.

Jamie Ridenour joined the CRAA team as an airport security specialist. She previously worked as a Transportation Security Officer at LAN.

RS&H has been selected to provide design engineering services for the cargo ramp expansion and de-icing containment facility projects.

The FAA conducted its annual certification/safety inspection of LAN on April 19, 2022. Three minor discrepancies were noted: two were related to pavement markings, and one was related to an Avflight fuel truck.

TSA requested that barb wire be installed to the top of our perimeter fence in June 2019. This project was completed in April 2022 utilizing in-house maintenance personnel in lieu of a fence vendor, saving the airport approximately \$77,000.

Young Eagle Aviation Days are scheduled for the second Saturday of June, July, and August.

The Dawn Patrol is holding a Pancake Breakfast on June 12, 2022.

Mason Aviation Day is scheduled for August 20, 2022.

John Shaski added that the in-house maintenance personnel has done a wonderful job on several projects, the perimeter fencing, Market Twenty 4 Seven area on the second floor, and the Friendship Room. He loves the new eNewsletter and website. John highlighted several employees celebrating milestone service anniversaries. He commented on the Blind Student Tour hosted at the airport on April 29, 2022; a highly successful and valuable event.

Victor Celentino asked if the FY2023 budget includes plans for a meditation room. Nicole indicated that we are looking at rooms, designs, and possible partnerships with local groups.

OLD BUSINESS

1. None

NEW BUSINESS

1. None

PUBLIC COMMENT

1. Drew Seguin provided the following written comments to be added to the minutes:

I've flown out of Mason since the late 70's. I've had a plane there since 1981 and a hangar since 1999. In that time, I've spent over \$40,000 on land rent, \$25,000 on property taxes, and I've bought 18,000 gallons of fuel. Fortunately, not at \$6.54/gallon.

You should have received our letter about restoring the North/South runway at Mason Airport. We've gathered over 150 signatures in 30 days and of note, nobody who was asked to sign hesitated. I have provided extra copies. If there is a response, I would like a copy, Drew.sequin@ventrex.biz.

I'd like to reiterate some key points in that letter.

- i. The objective of this runway restoration is Aviation Safety.
- ii. This is not a new runway, but rather the restoration of a runway previously taken out of service.
- iii. There was no public review and comment period for the 2/28 recommendation before the resolution made and was voted on. In fact, the only way I was able to see the revised ALP was by asking for it specifically.
- iv. For 19 years we've been trying to get the North/South runway restored. The last administration would not support us in any way, even though we offered to pay for and complete the restoration ourselves. We were told it was not possible.
- v. We have not been able to get an explanation as to how the FAA analysis comes up with runway 10/28 being 98.8% useable. But we've been told on that basis Mason Jewett airport does not qualify for Federal funding.
- vi. Though CRAA is receiving substantial additional funding for Covid-19, to our knowledge none of that money will be made available for this need.

I'm not an airport designer and I don't want to disrespect the work Mead & Hunt has done here but we feel it's important to be clear about what we're asking for.

- a) It would be a turf (grass) runway
- b) Not lighted
- c) No instrument approaches
- d) Closed in winter and when it snows
- e) There are approximately 40 airports in Michigan with this type of alternate runway:
Owosso, Charlotte, Ionia, Houghton Lake, Coldwater, Mt. Pleasant, to name a few.

All of these have turf crosswind runways, unlighted, with no winter operations, etc.

Our proposal is stated in the letter: Give us a year to develop a plan, funding, and resources.

We propose that this Board assemble an inclusive Task Force to collaborate on this opportunity. I and other stakeholders would be happy to serve on it.

Based on the Task Force outcome we will assemble the funding and resources to get the job done. Thank you

2. Margie Clark, Chapter 55 President, asked if the Board/CRAA could offer reduced fuel prices to the pilots that volunteer their time and aircraft on Young Eagle Aviation Days. Local pilots provide area youngsters ages 8 to 17 their first airplane flight free of charge on the 2nd Saturday of June, July, and August each year. Margie also requested that we advertise the events and provide items for their goodies bags.
3. Robert Pena thanked the board for the aircraft viewing area, for being an Ingham County Fair partner, and for looking into options for providing a meditation room at the airport. He asked the Board/CRAA to consider flights to Canada (London, Ontario, Ottawa, Montreal, and Toronto) which Ingham County residents in District 10 has expressed interest in.

BOARD COMMENTS

1. Victor Celentino would like to explore the request to provide reduced fuel prices for the Young Eagles Aviation Days.

ADJOURNMENT

1. John Shaski moved the meeting be adjourned at 5:31 pm.
2. The motion carried, and the meeting was adjourned.

signed

John Shaski, Chair

signed

Bonnie Wohlfert, Secretary