



CAPITAL REGION AIRPORT AUTHORITY

John Shaski
Chairman

Victor Celentino

Yvette Collins

Debbie Groh

Matthew Lantzy

Daniel Schiffer

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

July 24, 2023 REGULAR BOARD MEETING Chair John Shaski

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

Ex-Officio Present: Mark Mudry and Robert Showers

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

Members of the Public Present: Michael Reed & Jamie Aitken, TSA; Dan Kehoe, Mead & Hunt; Sarah Finello, RS&H; Bob Pena, Ingham County; and Lynn Markowski, Avflight

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. Matthew Lantzy led, and all recited the Pledge of Allegiance.

ELECTION OF OFFICERS

1. Matthew Lantzy moved the Board elect the following officers for the 2023-2024 fiscal year:
Chairperson: John Shaski
Vice Chairperson: Victor Celentino
2. The motion passed unanimously.

APPROVAL OF MINUTES

1. Debbie Groh moved the Board approve the minutes of the June 26, 2023, Regular Board Meeting.
2. The motion passed unanimously.

COMMUNICATIONS & SPECIAL ITEMS

1. Resolution 23-24, Aircraft Operations in the Unpaved Runway Safety Area at Mason Jewett Field, was removed from the agenda.
2. Resolution 23-26, Accept State Contract for Taxilane Rehabilitation Project, was added to the agenda.

PUBLIC COMMENT

1. None

REPORTS AND RECOMMENDATIONS FOR ACTION

#23-18 Ratify Acceptance of Airport Improvement Program Grant Agreement

- a. Victor Celentino moved the Capital Region Airport Authority Board ratify the acceptance of Airport Improvement Program Grant Agreement No. 3-26-0055-066-2023 for the Cargo Ramp Expansion project in the amount of \$8,183,000.
- b. The motion passed unanimously.

#23-19 Accept AIP Grant for Cargo Ramp Expansion Project – Construction Administration Services

- a. Matthew Lantzy moved the Capital Region Airport Authority Board accept FAA AIP Grant No. 3-26-0055-069-2023 for the Cargo Ramp Expansion Project – Construction Administration

Services in the amount of \$823,818 and authorized the President – CEO, or designee, to sign all related documents on behalf of the Authority.

- b. The motion passed unanimously.

#23-20 Taxilane Rehabilitation Project – Award of Construction Contract

- a. Daniel Schiffer moved the Capital Region Airport Authority Board approve the award of a construction contract for the Rehabilitate Taxilanes 1, 2, 4, 6, and 7 project at Mason Jewett Field to Rieth-Riley Construction Co. in the amount of \$795,228.25 and authorized the President – CEO or designee, to sign all documents on behalf of the Authority.
- b. Victor Celentino asked why the engineer's estimate was off. Rob Benstein explained that bids have been higher all over the state; with all the infrastructure money contractors are busy. For this bid, asphalt and trucking/mobilization were the areas that came in higher. Daniel Schiffer questioned when the engineer's estimate was provided (if prior to 2020, understandable, if not, the bid should be more accurate). Robert Showers suggested discussing the difference with the consultant.
- c. The motion passed unanimously.

23-21 Taxilane Rehabilitation Project – Award of Contract Amendment for Construction Phase Services

- a. Daniel Schiffer moved the Capital Region Airport Authority Board approve a contract amendment with RS&H for construction phase services related to the Rehabilitate Taxilanes 1, 2, 4, 6, 7 project in an amount not-to-exceed \$43,322, and authorized the President & CEO, or designee, to sign all necessary documents on behalf of the Authority.
- b. Victor Celentino asked if this amount was missed in the previous resolution/bid (\$795,228.25). Rob Benstein explained that the construction phase services were not missed; this is another phase and requires a separate contract.
- c. Rob Benstein added that legal counsel has suggested that since grants are now requiring a quicker execution, often times before the next board meeting, they recommend having the board approve the grants during or before the submission of the grant application. The board discussed the suggestion at length. Debbie Groh recommended providing the new process on paper to gain a better understanding.
- d. Matthew Lantzy questioned why CRAA had not been reimbursed for the 2022 AIP funds yet. Rob Benstein explained that the State of Michigan participates in the FAA's State Block Grant Program. Under this program, the State is responsible for administering and disbursing FAA AIP funds for non-primary (e.g., General Aviation) airports. In the past, the state received all of the block grant funds for a fiscal year at once. Since 2022, FAA only issues block grant funds on a project-by-project basis based on actual bids or contract amounts. With respect to the Taxilane Rehab Project at Mason, the project had a program budget of \$555,000. CRAA had \$410,646 of available Non-Primary Entitlement Funds (NPEs) for fiscal years 2019-2021. For some reason, MDOT did not request the 2022 and 2023 NPEs for this project. CRAA needs to start this prior to September so we don't lose our FY2019 funds (there is a 4-year time limit to use the funds). Given this, we are going to proceed with construction and MDOT will request the 2022 and 2023 funds in September (the Michigan Aeronautics Commission meets every other month, and they must approve the transfer of FAA funds to the State). Once these funds are received by the State, they will be available for reimbursement of project expenses.
- e. The motion passed unanimously.

23-22 Accept State Contract for Airport Master Plan Update

- a. Yvette Collins moved the Capital Region Airport Authority Board accept State Contract 2023-0586 in support of the Airport Master Plan project and authorized the President – CEO to sign all associated documents on behalf of the Authority.
- b. The motion passed unanimously.

23-23 Assignment and Amendment of 659B, LLC Lease

- a. Yvette Collins moved the Capital Region Airport Authority Board approve the assignment and amendment of the 659B, LLC Ground Site Lease Agreement and authorized the President – CEO to sign all associated documents on behalf of the Authority.
- b. Yvette Collins asked if the \$126,500 is the total for 27.5 years. Rob Benstein indicated yes.
- c. The motion passed unanimously.

23-25 Appointment of CRAA Officer Delegate and Alternate and Certification of CRAA Employee Delegate and Alternate to the 2023 MERS Annual Meeting

- a. Debbie Groh moved the Capital Region Airport Authority Board appoint Sunil Khetarpal, Vice President – CFO as Officer Delegate and Denise Epling as Alternate for the 2023 Annual Meeting of the Municipal Employees Retirement System (MERS). In addition, the Board certified the election of Julianne Stenger as Employee Delegate and Ronald Shpak as the Employee Alternate for the 2023 Annual Meeting of MERS.
- b. The motion passed unanimously.

23-26 Accept State Contract for Taxilane Rehabilitation Project

- a. Debbie Groh moved the Capital Region Airport Authority Board accept State Contract 2023-0627 for the Rehabilitate Taxilanes 1, 2, 4, 6, and 7 project at Mason Jewett Field and authorized the President – CEO to sign all associated documents on behalf of the Authority.
- b. The motion passed unanimously.

REPORTS

Robert Benstein – Financial Report for period ending 5/31/23

Operating Revenue

The current month is \$48K over budget. Overall YTD is \$609K over budget.

- Airline revenues are lower by (\$4K) for the month, YTD is lower than budget by (\$5K).
- Monthly Parking Lot revenues are higher by \$18K and YTD is higher by \$212K.
- Monthly Concessions (rental cars & restaurant) revenues are higher than budget by \$18K, YTD is higher by \$75K.
- Other revenues are higher by \$2K for the month and YTD is above budget by \$224K.

Operating Expense

The current month is under budget by \$14K, Overall YTD \$163K under budget.

- Employee Development (education & training) is under budget by \$30K YTD.
- Maintenance expenses were under budget by \$39K for the month and YTD is over by (\$81K) due to pavement and HVAC during the year.
- Services are over budget by (\$34K) for the month, YTD is over budget by (\$149K) for Professional Services – customs. (5 flights/week were budgeted and we had 6)
- Payroll is lower than the budget by \$84K YTD on healthcare and vacant positions.
- Supplies are under \$45K YTD.
- Utilities and Fuel – under budget by \$160K YTD.
- Business Development: Over budget by (\$680K) – Airline Incentives

Mason Jewett Field (TEW)

- Revenues were higher than the budget by \$20K due to rent and fuel sales.
- Expenses were lower than the budget by \$10K.

The Grant Revenue YTD variance of \$5,705,669 is a result of drawing down all grant funds.
The Depreciation & OPEB YTD variance of \$3,218,610 is due to the timing of OPEB payments.
The Capital Contributions YTD variance of \$3,278,188 is due to grant money received on closed out assets.

Nicole Noll-Williams, President & CEO

The Aviation Careers Institute operated by Eaton Regional Education Service Agency and located on the second floor of the airport's terminal building will start classes August 21, 2023.

Delta Air Lines will add a third flight between Lansing and Detroit Metro Airport effective September 10, 2023. American Airlines is adding a third flight to Chicago.

On July 20, roughly 40 students from the Mason Public Schools Level UP! Program visited LAN for a tour and discussion with the maintenance department, ARFF, as well as an up-close look inside the Jackson National Life corporate hangar and the opportunity to get on the aircraft and hear directly from one of the JNL pilots.

The CRAA received \$9.4 million in funding in the fiscal year 2024 state budget for vital roadway improvements at LAN. The roadway project will upgrade Port Lansing Road from Global Logistics Drive to Airport Road and Capital City Blvd. as well as Capital City Blvd. from Grand River Ave. to Circle Drive.

OLD BUSINESS

1. Board Committees

John Shaski shared that he will be establishing the following standing committees of the Board.

Facility and Operations Matthew Lantzy, chair
John Shaski, Daniel Schiffer and Robert Showers, members

Planning Daniel Schiffer, chair
John Shaski, Matthew Lantzy and Robert Showers, members

Personnel: Victor Celentino, chair
Debbie Groh, Yvette Collins and Mark Mudry, members

Finance: Yvette Collins, chair
Debbie Groh, Victor Celentino and Mark Mudry, members

Victor Celentino requested that the committees be formalized in writing and to include a board member phone number and email list.

Daniel Schiffer expressed interest in including non-airport staff to enhance the committees. Victor Celentino advised that the board bylaws state that membership of each committee shall be board members. Committees provide recommendations to the full board and are advisory only. Daniel Schiffer recalled the Ingham County Board interviewing the public to be members. Yvette Collins recognized that there are strong opinions on both sides, the bylaws can be changed but we have to abide by the current bylaws now.

NEW BUSINESS

1. None

PUBLIC COMMENT

1. Robert Pena shared that he is part of a bicycle club that visited the Fly Lansing Viewport recently. He also invited board members to visit the Ingham County Fair July 29 – August 5.

BOARD COMMENTS

1. Debbie Groh shared that Mason Aviation Day will be held August 19.
2. Nicole Noll-Williams shared that the Mason tenant meeting is scheduled for August 2, 2023 from 5:30 – 6:30 pm.

3. John Shaski expressed his appreciation for the new Board Members SharePoint site where members can access board minutes, reports, resolutions, reference manual and the budget book.
4. John Shaski commented on the call he had with Jon Ringlein with Maner Costerisan (auditors). Jon could not have been more complimentary of the CRAA staff. John shared that CRAA is in a great position (referencing the balance sheet) and he is happy to be part of it.

ADJOURNMENT

1. John Shaski moved the meeting to be adjourned at 5:44 pm.
2. The motion carried, and the meeting was adjourned.

signed

John Shaski, Chair

signed

Bonnie Wohlfert, Secretary