

MINUTES

KALAMAZOO COUNTY AERONAUTICS BOARD OF TRUSTEES REGULAR MEETING MAY 14, 2009 10:30 am

ITEM 1. Call to Order: Chairperson Gil Collver called the meeting to order at 10:35 a.m.

ITEM 2. Roll Call: Members in attendance – Gil Collver, Bill Duggan, John Jones, Greg Kurdys, Dave Tomko and Jim Woodruff. Board member Dan Hope was present via speaker telephone.

Also Present: County Liaisons Deb Buchholtz-Hiemstra and Nasim Ansari.

Staff Present: Clifton Moshoginis, Ron Shutler, Linda Bunting, Jay Waalkes, Karen Wolff, Thom Canny and Lisa Bradshaw.

ITEM 3. Approval of the April 16, 2009 Board Minutes: There being no changes made to the minutes, on a motion made by Mr. Woodruff, seconded by Mr. Jones, the minutes were approved.

ITEM 4. Citizen Comments: Representatives from Skanska, the construction management (CM) firm hired for the new terminal were introduced to everyone. They are Jason Kopp, Vice President, Terry Parrott, Project Executive and Eric Ferguson, Field Operations Manager.

ITEM 5. Terminal Design/Construction Update – RS&H: Mr. Altan Cekin, aviation architect from RS&H and Ms. Connie Turner, interior design representative went over the latest interior renderings for the new terminal with three dimensional computer drawings showing with the lobby, ticket area. Some highlights presented were rubber flooring being placed behind the ticket counter, upper level tile and a wood fixture suspended from the ceiling, the carpeting and lounge seating in the meeter/greeter area, possibly a wood ceiling in the concession area (as the budget allows), tile on the elevator tower, the bathroom floor material, tiles for the bathroom, the vanity sink tile, bathroom sinks, laminate for the vendor areas, outside benches, holdroom seating and furnishings for the board room, administration reception area. Ms. Turner indicated that Herman Miller, a local company in Holland, Michigan has been chosen for the hold room seating. They presented a 360 degree rendering of the upper level, exit area, deplaning area and the lighting. Mr. Cekin stated that the rendering ideas came from a series of meetings with stake holders, TSA, airlines and car rental companies. The baggage screening layout was presented and there will be four airline offices with a common area corridor exiting to the airside.

ITEM 6. For Consideration:

There were no items for consideration presented..

ITEM 7. Unfinished Business: There was no unfinished business presented.

ITEM 8. New Business: Mr. Woodruff requested an update as to the future of the old terminal. Mr. Moshoginis stated that at this point, he does not want to put much capital into it and it could possibly be a candidate for demolition. The FAA air traffic control tower employees will still be in the old building until possibly 2013. He also stated that there has been some interest in the building by companies that may want to put capital into renovating the building, which would obviously be considered. Mr. Woodruff inquired if demolition is included in the budget and Mr. Moshoginis said it is not. Mr. Collver asked if the heat and electric is separate from the building and the tower. Mr. Moshoginis stated that he does not think so but the FAA pays for the space they occupy and the utilities for their area. Mr. Collver stated that the airport will need to plan ahead for this and Mr. Moshoginis stated that it is part of the master plan process.

ITEM 9. Airport Director's Report: Mr. Moshoginis informed everyone that the market share report is being reviewed and will be distributed via email.

Mr. Moshoginis stated that Mead and Hunt is currently finishing up a passenger demand report and they will meet with the air service retention committee on May 21 and Mr. Moshoginis will distribute it to the full board.

He stated that with regard to FAA funding for the new terminal project, he is waiting to find out what funds will be used to assist the airport. They may use discretionary funding, which will ease the timeline; however they are still progressing with the stimulus timeline in mind. He stated that he has provided costs, sources of income, cash flow milestones and a timeline to the board. He stated that RS&H and Skanska are working very closely together in terms of the funding timeline overlaid with a cash flow and that would be presented to the board when finished. He also stated that Mr. Shutler is working on an application for additional funding for the inline baggage system with the Department of Transportation (DOT) and the Transportation Security Administration (TSA).

Mr. Moshoginis asked the board if the airport wants to hire an Owner's Representative for the terminal project. He stated that right now the status of the progress is somewhat in the middle of the road as to what is needed for the project; he asked if the airport needs a representative to oversee the progress and have authority to make decisions as construction moves along. Weekly meetings are going to be held including representatives from County Administration, the Building Authority and the Terminal Committee. He stated that the Aeronautics Board handles the funding approval in terms of grants and the Building Authority will authorize expenditures and the lines of communication must be open. The Building Authority asked for the Aeronautics Board to please provide recommendations to them on expenditures. Mr. Moshoginis added that the recommendation for the award of the early packages is around June 2 and the Terminal Committee needs to review and concur along with the State and then forward them to the

FAA by June 17. He suggested making a motion to give the terminal committee more authority and Mr. Canny suggested the motion be from the Aeronautics Board to designate the Terminal Committee to have the authority to make recommendations to the Building Authority with regard to contracts. Mr. Jones stated that he feels the Terminal Committee has done an outstanding job keeping the board updated and he is comfortable with the committee having that authority. It was suggested that the Terminal Committee meet more often and prior to the Building Authority meeting. Mr. Woodruff added that any big issues would come back before the full board. Mr. Canny brought up the proposal that the Aeronautics Board authorize the Terminal Committee to make recommendations on expenditures to the Building Authority on the terminal project. On a motion made by Mr. Jones to authorize the Terminal Committee to make recommendations on expenditures to the Building Authority on the terminal project, seconded by Mr. Tomko, the motion was approved. Mr. Collver extended the discussion regarding an owner's representative, stating that he is somewhat ambivalent and his concern is delegating authority to a third person. He stated that he sees the CM as the airport's representative. Mr. Woodruff asked if this is a value issue and what the cost is to hire an owner's representative. Mr. Canny suggested that the value is their knowledge of construction, especially in times when something goes wrong. Mr. Kopp stated that Skanska will need a representative to go to for design answers, field conditions and some kind of owner representative who knows the way to navigate through the airport to get answers. Mr. Joe Jackson from RS&H stated said that it is the responsibility of Mr. Hargrove (RS&H project manager) and Mr. Cekin to protect the owner in terms of design decisions and recommendations. Mr. Hargrove stated that aside from an owner's representative, there is also a Resident Project Representative (RPR) who works as a middle person with the architect and the CM. He stated that in their experience, it works well. Mr. Woodruff asked if the cost of this would be included in the approximate \$11 million being paid for the CM and Mr. Hargrove said it is not included. Mr. Jackson suggested that an RPR may be paid roughly \$175, 000 to \$200,000 in a year. Mr. Ansari stated he thinks this would create another layer and it is not necessary especially when there is already a CM, architect, airport director and a board that can answer these questions. Mr. Collver asked if the board would be willing to start the project without an owner's representative and if a need for one comes up, to address it then. Mr. Tomko pointed out that the airport should have some kind of representative for the CM. Mr. Moshoginis stated that he will have to be involved in it on a daily basis; however someone who is familiar with construction will also be needed. Mr. Hargrove explained that the RPR would come from RS&H and would be a day to day, hard hat person who is familiar with the drawings and design and would not go to the owner for answers as much as an owner's representative would. Mr. Jones stated that he has a problem with paying more money to a third person when the architects and the CM are already receiving a substantial amount. Mr. Duggan stated that he sees Mr. Moshoginis as the ultimate person to go to for any issues that need to be clarified. Mr. Moshoginis stated that he thinks the main struggle with this is the question is it worth the money to hire an additional person. On a motion made by Mr. Duggan to table the decision for now, supported by Mr. Jones, the motion was approved.

ITEM 10. Director of Marketing & Public Relations Update – Vision Statement:
Ms. Karen Wolff stated that in her communications plan, she requested a vision statement for the airport from the board. She recently attended a customer service seminar where

she was reminded how a vision statement is just as important to focus on as a mission statement. She stated that the difference between the two is essentially a mission statement states what the organization wants to do and the vision statement states what they are going to be when they grow up. The vision statement provides the framework to achieve those goals. Mr. Moshoginis stated that this is a part of the strategic and master plans for the airport. Ms. Wolff added that this is pertinent to the customer service plan as well. Mr. Collver asked if he could see some examples of vision statements. Ms. Wolff said she has that information for the board and Ms. Buchholtz-Hiemstra suggested searching other airports on the internet for the information as well.

ITEM 11. Member's Time: No issues were presented by members.

ITEM 12. Adjournment: There being no further business presented, the meeting adjourned at 12:15 p.m.