

MINUTES

KALAMAZOO COUNTY AERONAUTICS BOARD OF TRUSTEES REGULAR MEETING

APRIL 17, 2008
9:00 am

ITEM 1 Call to Order: Chairperson Gil Collver called the meeting to order at 9:05 a.m.

ITEM 2. Roll Call: Members in attendance – Gil Collver, Bill Duggan, Dan Hope John Jones, Greg Kurdys, David Tomko and Jim Woodruff.

Staff Present: Clifton Moshoginis, Ron Shutler, Karen Wolff, Linda Bunting, Lisa Bradshaw and Marjorie Smith.

Also Present: County liaison Deb Bucholtz-Hiemstra.

ITEM 3. Approval of the March 13, 2008 meeting minutes: There being no corrections, Chairperson Collver approved the minutes as published.

ITEM 4. Citizen Comments: No comments were presented.

ITEM 5. For Consideration

AIRPORT AGENDA ITEMS

A. Terminal Advertising Contract: Mr. Moshoginis explained that this is the Clear Channel – Interspace Airports contract that was presented at the last board meeting. The board had requested at that time to integrate tiered pricing to this contract and as a result of working with Interspace on the pricing, the contract now has the tiered pricing structure in an exhibit to the contract. The term is five years. Mr. Tomko inquired about the extension clauses of all of the contracts and if these are automatic. Mr. Moshoginis explained that this gives the airport the option of not having to go out for RFP's to get a replacement for an existing contract, which takes a lot of time and the extensions do have to go before the board for approval to renew. On a motion made by Mr. Tomko, seconded by Mr. Hope, the motion was approved.

B. Kalamazoo Aviation History Museum Amendment: Mr. Moshoginis explained that this is a lease amendment for ground being used by the museum that is the property of the airport. He mentioned that the summary distributed to the board gives the history of this contract with the museum. The property is 113,370 square feet. There

were clauses in the original contract to evaluate the square footage cost and the cost could have gone up over a period of time. However the cost was never raised. Mr. Moshoginis stated that currently the cost is at 32 cents per square foot and previously it was 10 cents per square foot. He explained that to bring them up to the level that this board established for cost, it would be a significant increase for them at this time. The amendment will give them a 10-year period to bring them up to the level they should be. He stated that the amendment was reviewed by legal counsel and met approval and he did not want to triple their cost in one year in an effort to be fair. On a motion made by Mr. Jones, seconded by Mr. Duggan, the motion was approved.

C. Adams Outdoor Advertising Agreement: Mr. Shutler explained that this contract was presented to the board in August of last year. This is a renegotiation for 20% of Adams' gross revenue for a 10-year contract with four extensions. The language allows for this to be changed to a digital ad board. Mr. Hope expressed a concern with the consistency of their advertising effecting revenue for the airport if there is no clause in the agreement regarding a minimum revenue requirement. Mr. Moshoginis stated that if they do not advertise they could be terminated given 30 days notice. Mr. Collver asked if the airport should go back to Adams to insert a clause in the contract stating a minimum revenue requirement. Mr. Hope asked if the airport could negotiate with Adams to insert a clause that there will be extensions, however they are not automatic. On a motion made by Mr. Hope to approve the agreement with removal of the automatic clause, seconded by Mr. Tomko, the board moved to approve the contract with the automatic extension removed.

AERONAUTICS BOARD AGENDA ITEMS

ITEM 6. Unfinished Business – Mr. Hope inquired as to the status of the Adopt-A-Watt program. Mr. Moshoginis stated that there has been no change and he feels that there is still a lack of sponsorship due to the cost.

ITEM 7. New Business – Mr. Tomko suggested that the board might want to clarify what the boards' expectations are as far as monetary impact of contracts with the airport and perhaps the board should insert key clauses in contracts in general regarding gross revenue. Mr. Moshoginis stated that the format of these contracts originated from the county, however they can be changed. Mr. Jones suggested that the board might want to clarify the board's expectations to airport staff so that the staff does not have to keep going back and renegotiating contracts. Mr. Collver suggested the board might want to form a committee to handle these contract issues. All agreed that this would assist the staff in negotiating contracts more efficiently.

ITEM 8. Airport Director's Report – Mr. Moshoginis stated that the Market Share Report for March has not been audited to date but he will email the reports to the board once they are audited.

He stated that there is an Air Service and Retention Committee meeting today and Northwest Airlines is giving a presentation to the committee.

Mr. Moshoginis stated he will be traveling to Washington, D.C. either in late April or early May in an attempt to finalize current funding for the new terminal project.

Mr. Moshoginis will be attending a luncheon on April 22 with Southwest Michigan First and the governor will also be in attendance.

ITEM 9. Members' Time – Mr. Collver inquired about the status of the Stakeholder Meetings. Mr. Moshoginis responded that RS&H is still waiting on some questionnaires that are out regarding input of the new terminal. They are compiling all information and will meet with the committee. They will also be visiting a list of community entities to discuss their wishes with architects regarding a theme for the new terminal. All of these processes, along with the timeline, are based on funding. Mr. Collver expressed that he was impressed with the congeniality at these meetings between the various tenants in the airport.

Mr. Collver stated that he, Mr. Duggan and Mr. Kurdys will meet to set up objectives and ideas for the terminal committee.

ITEM 10. Adjournment: On a motion made by Mr. Collver, seconded by Mr. Jones, the meeting adjourned at 10:25 a.m.