

MINUTES

**KALAMAZOO COUNTY AERONAUTICS
BOARD OF TRUSTEES
REGULAR MEETING**

**AUGUST 14, 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, Greg Kurdys, Jim Woodruff, John Jones.

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

Staff Present: Clifton Moshoginis, Ron Shutler, Linda Bunting, Karen Wolff, Marjorie Smith, & Thom Canny.

ITEM 3. Approval of the July 10, 2008 Meeting Minutes: There being no corrections, the minutes were approved as published.

ITEM 4. Citizen Comments: No comments were presented.

ITEM 5. For Consideration:

AIRPORT AGENDA ITEMS

A. One-Year Extension Agreement Commercial Building Services - Ron Shutler presented the terms of an addendum to the airport lease agreement with Commercial Building Services, the cleaning/janitorial provider for the terminal. The specific request is to approve an addendum that is a one-year extension, renewal of the lease agreement. There is no change in the cost of the current agreement, which currently is \$15,033.20 per month or \$180,398.40 per year. The agreement includes 18 hours of janitorial service a day and includes the terminal building, FAA, TSA, Airport Administration, public terminal and a pilot's restroom facility in the general aviation area. They also provide snow removal service on the walkways leading to the terminal during the winter months. This is the final extension before a new bid for this service is required. After some discussion as to the amount of total hours, satisfaction with the service, the total cost and what is included, on a motion made by Mr. Hope, seconded by Mr. Duggan, the motion was approved.

B. Minimum Standards & Rules and Regulations – Mr. Moshoginis explained that these are technical documents for operation on the airport, minimum standards as they apply a minimum threshold for the fixed based operators that want to set up on the airport. These have been in draft form for quite some time. The county attorney has reviewed them and had some input as well as outside legal council. Mr. Moshoginis stated that if the board would like a more in depth explanation of the documents, outside legal council could be brought in to provide that at another meeting.

He stated that minimum standards and rules and regulations are pretty typical, there is nothing unusual or different than how they apply to other airports. With the rules and regulations, if the board chooses to move forward, there is a portion, which includes enforcement that has to go to the county board for approval. Some discussion followed regarding the changes that have been made in the documents and the history of what was included in them in the past. Mr. Moshoginis added that these are working documents that can be modified and changed over time. He stated that the minimum standards follow the guidance that is published by the FAA. Mr. Kurdys mentioned one example of standards included is the smoking policy. Mr. Canny stated that the airport falls under the county smoking policy; however individual tenants who are in control of their areas on airport grounds dictate their own smoking policies. Mr. Collver and Mr. Moshoginis agreed to move the approval of the documents to the October Aeronautics Board meeting.

AERONAUTICS BOARD AGENDA ITEMS

A. Terminal Committee Report – Mr. Collver stated that the committee consists of him, Mr. Kurdys and Mr. Duggan. They have met a few times amongst themselves and with stakeholders to see what their expectations are for the new terminal. Mr. Duggan added that he feels there have been no major issues in terms of what the architects are making available to everyone and feels that is a matter of trying to bring together all of the schemes available or basically two packages. Mr. Kurdys stated that the process that RS&H is using is working well and is obviously something that has been used before. He added that he feels there is some difference in views between the internal stakeholders, the concessions, the aircraft commercial carriers and the general public. He says incorporating these views will most likely be the biggest challenge but he feels that it is moving forward and he feels good about where the process is today. Mr. Collver stated that the differences between the corporate personnel, such as the car rental companies and the local airport personnel would need to be balanced somehow. There were differences in opinion on how the terminal designs will work for them. Mr. Collver interjected that decisions should be based on traveling passengers. A decision was made to place the schematic alternatives on the September 11 Aeronautics Board meeting for evaluation by the entire Board.

ITEM 6. Unfinished Business: No unfinished business presented.

ITEM 7. New Business: No new business was presented.

ITEM 8. Airport Director's Time: Mr. Moshoginis stated that the market share report for July 2008 will be delivered via email as he is still waiting for more information.

He gave an update on the Budget Committee, which consists of Mr. Hope and Mr. Tomko. There have been two meetings regarding the 2009 budget. The goal is to get a draft of the budget for the September board meeting and possibly have it prepared for approval at the October board meeting. There is still work to do on the revenue side. Discussion followed regarding accounts receivable and the revenue side of the budget. Mr. Moshoginis stated the process is fairly antiquated at this point and work is being done to make positive changes to make the process timelier.

Mr. Moshoginis stated that the PFC for September 1 has been approved and the airport is in line to begin paying the debt service with that application.

Mr. Moshoginis made a visit to Washington, D.C. with the Southwest Michigan Alliance, which consists of the City of Portage, City of Kalamazoo, County of Kalamazoo, Western Michigan University, the airport and the Chamber of Commerce. The intent was to both contact and discuss with our legislative delegation issues within this region, as well as at the agency level. He met with the FAA and updated them as to the progress of the design of the terminal and the discretionary funding request that the airport has with them. These are based on the fiscal year. Mr. Moshoginis said the meeting was very positive. Ms. Buchholtz-Heimstra also attended the meeting in D.C., as a representative of Kalamazoo County. She questioned the representatives as to what risk the airport is if it moves forward. The response was to proceed with moving on with a new terminal and she felt it was very positive. Mr. Moshoginis stated that in light of what is happening in the industry currently, the results of this meeting are very positive. He added that Mr. Collver has submitted a viewpoint to the *Kalamazoo Gazette* with regard to the state of the airline industry at this time and it will hopefully be in the paper in the near future.

ITEM 9. Members' Time: Mr. Jones asked if there was any news on the direct flight to Newark, NJ. Mr. Hope responded that he is meeting with the Sky Team, which consists of Northwest, Continental, Delta, Air France and KLM. He said timing is everything. His counterpart's advisory has done a study and unfortunately they found that much of the traffic that was utilizing the shuttle was not necessarily taking the place of the commercial aircraft. It was incremental, i.e. since it was there, people used it.

Mr. Ansari said he has heard about a charter service company starting a new business in town. Mr. Moshoginis stated that due to Pfizer pulling its shuttle service, a lot of talk has been generated about various charters being interested in that aircraft facility. Discussion followed regarding the possibilities for the former Pfizer facility with regards to charter flights. Mr. Moshoginis stated that the assets are available, which generates discussion and interest.

Mr. Collver stated that he is still working on expanding contacts with Battle Creek to make sure that the regional contacts are being covered. He had a meeting with Battle Creek Unlimited and the director of the BC/CAL/KAL, which is the organization responsible for the duty free port of entry. He stated that generally the meeting was a positive one and he had an opportunity to answer any questions they had. He assured them that the board is very concerned with the importance of the regional nature of the Kalamazoo/Battle Creek International Airport, and how it ties in with the name of the airport. Thus, there is a reason that Kalamazoo is looking for their support. He also has a presentation prepared to make to the BC/CAL/KAL board when it can be scheduled for one of their board meetings. Mr. Collver stated he feels that this is a favorable time to build as it brings local businesses income and local businesses are anxious at this time to be competitive. He encouraged all board members to visit venues and gain more exposure for this project. Discussion followed regarding what aspects of the terminal project would attract more business for the airport.

ITEM 12. Adjournment: There being no further business presented, the meeting adjourned 9:56 a.m.