

MINUTES

KALAMAZOO COUNTY AERONAUTICS BOARD OF TRUSTEES MEETING

MARCH 14, 2007

ITEM 1. Call to Order: The meeting was called to order at 8:05 by Chairman Gil Collver

ITEM 2. Roll Call: Members in attendance – Gil Collver, Bill Duggan, John Jones, and Kevin McGrath

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

Staff Present: Clifton Moshoginis, Thom Canny, Ron Shutler, Karen Wolff, and Lynn St. Clair

ITEM 3. Citizen Comments: No citizen comments were offered.

ITEM 4. By-laws Discussion: A copy of the By-laws Consideration paper was distributed. Mr. Duggan felt the key section was the quorum. Mr. Collver added they had a concern with 3 of 7 being able to carry a vote. It was suggested that a quorum of 4 be established so business can be accomplished. In past experience, a majority of a board had not constituted a quorum.

Mr. Canny provided each member with an updated strike-through version which included the proposed changes. Mr. Duggan noted that the suggested change to 4 Trustees constituting a quorum had been included in the latest version.

Under Section 5, Removal from Office, Mr. Collver felt the By-laws should be in agreement with the County Resolution establishing the Aeronautics Board. Mr. Canny said that is easy to adjust. There was some discussion concerning compensation since the By-laws' statement was different than the Resolution. Mr. Canny said the comments received from the members suggested "Shall serve without compensation".

Mr. Jones said, regarding Section 7, Conflict of Interest, Mr. Moshoginis could develop a form for each member to list any other Board we may be serving on. Mr. Collver noted that a statement could be made that a person is abstaining due to a potential conflict. Mr. Canny said that is what the law requires, and he reviewed the disclosure information. Mr. Canny said there are times when the law doesn't require an abstention, however for appearances sake it may be wise to abstain, as in the case of a spouse's involvement. Where a member may be

employed by a company involved with the airport, but the person does not have a controlling interest, in that case you could vote, or offer an explanation and not vote.

Under Section 10, Special Meetings, Mr. Jones thought the Chairperson and three Trustees sounded reasonable to call a special meeting. Mr. Collver added then at least 3 could make a voting quorum when there are 4 or 5 present. Mr. Canny said that brings you back to “the majority of those present”:

Mr. Collver said the terms writing and minutes are used, and felt that one term or the other should be used. Mr. Canny explained that writing is a term of information, minutes is a sub set of writing. Writings can be contracts, notes to the Board, etc.

Mr. Canny said that with regard to Article III, Section 2, a Trustee may resign as an officer and remain a member of the Aeronautics Board. Mr. Jones asked about Article III, Section 3. Mr. Canny felt that section could be eliminated entirely. There was further information concerning the removal of an officer. In response to a question from Mr. Collver, Mr. Canny stated the section relates to how the Aeronautics Board would remove a Chairperson or Vice-Chair. He said he would advocate to remove that section. At a point where the feeling was to remove the Chair or Vice-Chair, the Director would bring it to the attention of the County Board that this person is not fulfilling his duties. They can be removed as Chair or Vice-Chair and remain a Trustee. In further discussion, Mr. Canny said he would strike this section. Mr. Collver spoke about the current vacancy due to a resignation. Mr. Canny said concerning the vacancy the County Board will replace a Trustee, but that person will not automatically be the Vice-Chair. The Aeronautics Board would fill that position.

Under Article IV, Section 3, Mr. Jones said the highlighted procedure is what is currently practiced. Gil has appointed a budget committee. Mr. Canny said Section 1 talks about Chair appointments, and members and Chair appointments. The committee may 1) have no Chair; 2) Board Chair may appoint a committee chair; or 3) the committee makes the selection. Having the Board Chair appoint a committee chair moves things along. He added that the by-laws can be changed if a section doesn't work well. Mr. Collver felt that the Board Chair selecting a committee chair works well. Mr. Collver mentioned standing committees, such as a budget committee, and a nominating committee. Mr. Canny noted the County budget process which simplifies what the Aeronautics Board may have to do. Mr. Moshoginis said members have already volunteered to assist with the budget. Mr. Collver felt this serves several purposes, it assists management, coordinates it for the Board, and aids as a watchdog means for discussion. If it is determined later, that it's not needed then it can be eliminated. He would also like to leave the nominating committee.

There being no further discussion, Mr. Canny will provide a new version of the By-laws for possible action at the next meeting.

ITEM 5. Airport Director's Report - Mr. Moshoginis said statistics have not been provided by the airlines. The number of enplanements and deplanements will be down due to the number of cancelled flights. There were 68 canceled flights, and last month there were 27 flights canceled. The weather caused some airports to close down, so many will experience decreases. March should be better. Mr. Collver asked about the financial impact. Mr. Moshoginis said the airport wouldn't receive those landing fees, and PFCs, but he didn't have a dollar amount. Mr. McGrath said it is very much appreciated that this airport is kept open and operational.

Business Plan – It is expected soon. Mr. Moshoginis has been in touch with Airport Business Solutions to provide updated information. The Board will be sent a copy, then he will schedule a meeting with the Board to review the draft. We may be able to bring it to May's meeting for adoption.

Upcoming Projects - Mr. Moshoginis reviewed the runway shift. Taxiway B South will be moved to the west to provide the FAA's standard 400 ft. separation. Portage will be running a water main across Airport property to provide a more direct connection. Mr. Canny explained the Aeronautics Board will recommend approval to the County Board for the easement. Mr. Moshoginis said the water main installation won't affect our operations. They will bore under taxiways and runways. That should start in June. There was some discussion concerning the length of runway 17/35 and the difficulty in lengthening it. Mr. Ansari asked why this had not been planned. Mr. Moshoginis explained that FAA standards have changed. There was some discussion concerning the largest aircraft that can land at Kalamazoo. Mr. McGrath spoke about aircraft weights and the ability of an aircraft to accelerate. Mr. Moshoginis explained that its 100 ft from centerline to centerline and not moving B-South 100 ft to the west. In response to a question, he said the taxiway will be closed. Aircraft will have to back taxi on the runway. The pre-bid meeting will be held next week.

Mr. Moshoginis mentioned he would like to take photographs of the members to put on the Airport's website.

Mr. Canny reviewed the status of the bankruptcies for Comair, Mesaba, and some of Northwest. Basically there was a couple months those airlines didn't pay. Comair has submitted a reorganization plan, and it has been approved. As an unsecured credit the airport will be given stock. For Northwest and Mesaba, the airport will be receiving a settlement from their reorganization. Some groups have offered between 20% and 95% to buy the Airport's credit, so the payout should be good.

Mr. McGrath asked if Marie Frank had provided feedback on her attendance at the airline conference. Mr. Moshoginis said her information was good. She will either provide a presentation or a report for the Board. The Airport is applying for the Small Community Air Service Development Grant again. We received a previous grant and secured the Delta flight to Atlanta. The program has reduced funding from \$40 million to \$10 million. Mr. Canny said the Airport received \$500,000, and we still have the Atlanta service and the revenue guarantee ended 6 months ago.

Mr. Collver mentioned the wireless application for the new terminal. There are several different ways to bring in the wireless service. He provided the Board with information about the various ways to accomplish the provision. He also said people can pay for the service or it can be free. It may be helpful to survey people about the service. Mr. Jones asked about the cost. Mr. Collver said the initial investment may be \$50,000, then maybe \$300-\$500 per month. Mr. Moshoginis explained the current system, where the Airport receives a percentage of the revenue. The Airport is looking into options for the service. Mr. McGrath spoke about the difficulty when there are 2-3 providers, and explained how his company provides the service.

Mr. Ansari mentioned that the coffee shop was closed. Mr. Moshoginis said the vendors post their hours and advise us. They usually staff for the busy times, but it is difficult for them to pay staff, at a time when there typically is no business. Mr. Canny felt that should improve with the new terminal. We will better coordinate food services and conveniences in the secure area so they don't feel restricted. There was some consideration of local and national vendors.

The members also discussed the possibility of a nice restaurant in the new terminal. One of the issues with a restaurant at the Airport is parking, people don't want to pay for parking, and available spaces becomes difficult at certain times of the year. Mr. Waalkes mentioned the previous restaurant that had a good view of the airfield.

ITEM 6. Members Time - Mr. Collver asked about the liability coverage for the Aeronautics Board. Mr. Canny explained the members are covered under the County Risk Management. The County has a general policy covering all officers and directors. Mr. Collver asked Mr. Canny to prepare a letter advising each member of the coverage. Mr. Canny said he would do that, and added the members are also indemnified by the County except for criminal acts or gross negligence.

ITEM 7. Adjournment - There being no further information for discussion, the meeting adjourned at 9:40 a.m.