

MINUTES

**KALAMZOO COUNTY AERONAUTICS
BOARD OF TRUSTEES
REGULAR MEETING
SEPTEMBER 9, 2010**

ITEM 1. Call to Order: Chairperson Collver called the meeting to order at 10:30 a.m.

ITEM 2. Roll Call: Members in attendance - Gil Collver, Dan Hope, John Jones, Greg Kurdys, Dave Tomko and Jim Woodruff.

Staff Present: Cliff Moshogins, Dave Reid, Ann Simmons, Linda Bunting, Lisa Bradshaw and Thom Canny.

Also Present: County liaison Deb Buchholtz.

ITEM 3. Approval of the Board Minutes from August 12, 2010: There being no corrections made to the minutes, the minutes were approved as published.

ITEM 4. Citizen Comments: There were no citizen comments presented.

ITEM 5. Master Plan Update – Mead & Hunt: Mark Breukink from Mead & Hunt gave an overview of the status of the airport master plan. They are working on scheduling a public work shop. The current master plan is from 1999. They are taking a long term strategic look at the plan. He explained that there are three areas that the FAA approves for master plans and those are the forecasts, which are currently being reviewed by the FAA; the critical or design aircraft for the airport and the airport layout plan, which includes any projects that are going to be completed regarding the airport. Currently they are looking at the inventory, the current needs and what needs to be in place to accommodate those needs. They are recommending an additional 1,000 feet of runway. They have recommended that the ARFF and SRE facilities be consolidated. They are identifying future aviation development ideas. They are reviewing through-the-fence operations, long term use and property needs and airfield development alternatives. Mr. Breukink showed the 17/35 primary runway and presented the alternatives in expansion, which included doing nothing, land acquisition, railroad realignment, FAR Part 77 height obstruction over railroad, runway readjustment or the runway would be repositioned from current alignment. The next project steps to be taken are to finalize facility requirements for the FAA's approval, an analysis of alternatives, public outreach and Aeronautics Board approval of the master plan. Mr. Collver inquired about the advisory committee and Mr. Breukink responded that it is working out well so far. Citizen Curt Aardema asked about land use in terms of parking along Portage Road. Mr. Moshoginis stated that the master plan involves federal funding and the areas Mr. Aardema questioned, may not be grant eligible.

ITEM 6. For Consideration:

AIRPORT CONSENT AGENDA ITEMS

A. LEASE EXTENSION – Leisure Limousine – On a motion made by Mr. Woodruff, seconded by Mr. Hope, the lease extension was approved.

AIRPORT NON-CONSENT AGENDA ITEMS

A. LEASE EXTENSION- PNC Bank (ATM Space) - As an employee of PNC Bank, Mr. Tomko was required to read the following disclosure of Conflict of Interest – Agreement with PNC Bank statement:

“On the items for Consideration for the Aeronautics Board’s September 9, 2010 meeting is an agreement from my business enterprise, PNC Bank, a local financial institution. Since I have a conflict of interest as an employee of PNC Bank, I would like to make the following disclosure pursuant to 1968 P.A. 317, as amended:

The parties to this agreement are the Kalamazoo County Aeronautics Board of Trustees and PNC Bank.

The purpose of the agreement is for PNC Bank to provide certain banking services described as follows: Portable ATM Services in the Airport Terminal. The amount of the payment to Kalamazoo/Battle Creek International Airport is \$252.88 per annum. I will not receive a direct financial benefit from this project. The term of the agreement is for three (3) years. No County employees were assigned to this project. I would request that this disclosure be made a part of the official minutes of the Aeronautics Board meeting of September 9, 2010. Please keep in mind that it will take a two-thirds vote of the full Aeronautics Board of Trustees to approve this payment.”

On a motion made by Mr. Jones, supported by Mr. Woodruff, the motion to enter the disclosure into the minutes was approved. Mr. Tomko abstained from approval of the PNC Bank agreement and a roll call was taken. The motion was approved.

B. LOAN AGREEMENT – Air Zoo – Mr. Moshoginis stated that this is a loan agreement with no cost involved with the Air Museum to allow the airport to borrow two locally historical aircraft to be suspended from the new airport terminal’s ceiling. On a motion made by Mr. Woodruff, seconded by Mr. Jones the motion passed.

C. AMENDMENT – Interspace (Clear Channel) - Ann Simmons explained that this is an amendment to the agreement with Interspace Airport Advertising and the airport for advertising revenue percentage. The original agreement was executed April 17, 2008. The amendment removes the minimum annual guarantee (MAG) clause of \$20,000 and increases the percentage fees to thirty-five percent (35%) of the gross revenue derived from the sale of static, backlit poster advertising and advertising space at the facility (originally 30%) and thirty percent (30%) of the gross revenue derived from the sale of video, motion, computer operated, digital and other high-technology or themed specialty display advertising at the facility (originally 25%). The extension exercises the second five year term through April 16, 2018 to allow for a return on the capital investment being made by Interspace Airport Advertising in the new terminal building. The parties agree to conduct a business review meeting within sixty (60) days of the expiration of the first five year term (April 16, 2013) to assess all operational and financial aspects and resources of the advertising program, and make reasonable and good faith efforts to accommodate the desires of the other with regard to implementing any future modifications to the terms and conditions of this Agreement as may be addressed during the business review. All terms and conditions in the original agreement remain in full force and effect. Legal Counsel has reviewed the extension with no objections, and Administration recommends that the extension be approved. On a motion made by Mr. Tomko, seconded by Mr. Jones, the motion was approved.

AERONAUTICS BOARD AGENDA ITEMS

A. ARTS COMMITTEE BUDGET – Mr. Moshoginis stated that a budget of \$425,000 has been recommended to be allotted for art work in the new terminal. This budget is based on research showing that typically 1% of a public project is used for art work. Vice-Chair Jim Woodruff and Aeronautics Board Assistant Secretary Linda Bunting are on the Arts Committee as well as Sondra Phillips (SKP Design), Judy Joliffe and Phil Long (both affiliated with the Kalamazoo Art Institute). Airport public relations representative Blaine Lam (Lam & Associates) and Art Gallery owner Maryjo Lemanski (Water Street Gallery) are also consulting the Arts Committee. A hand out of the budget was distributed to all board members and Mr. Woodruff went over the items to be covered within the budget. The budget is to be approved by the Aeronautics Board; the terminal committee will be responsible for approving all pieces and then forwarded to the Building Authority at their next meeting, Wednesday, October 13 for final review and approval. On a motion made by Mr. Jones, seconded by Mr. Kurdys, the motion was approved.

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

ITEM 8. New Business: There was no new business presented.

ITEM 9. Airport Director's Report: Mr. Moshoginis distributed the monthly terminal report to all members. Mr. Moshoginis mentioned that if anyone would like to tour the new terminal, to arrange a time after 3:30 p.m. Monday through Friday when construction activity typically shuts down.

He included in his board brief two different time frames for the grand opening of the new terminal, April 13 to April 17 or April 20 to April 23. He stated that it appears that the latter part of April may be the best time due to congressional representative's expected calendars.

He stated that there are new ads out for the airport in printed publications.

The new website is being worked on by Lam & Associates. He would like the community relations committee to review it and approve accordingly.

He stated that October 4 has been chosen as the ground breaking date for Skanska to begin the tower project.

ITEM 10. Member's Time: No items were brought forth by the members of the board.

ITEM 11. Executive Session: The board moved into an executive session on a motion made by Mr. Kurdys.

ITEM 12. Adjournment: There being no further business, the board meeting adjourned at 11:40 a.m.