

MICHIGAN AERONAUTICS COMMISSION

Minutes of Meeting

Lansing, Michigan

July 27, 2016

Pursuant to Section 31 of Act 327 of the Public Acts of 1945, the Commissioners of the Michigan Aeronautics Commission, created by said act, met at the Aeronautics Building, 2700 Port Lansing Road, Lansing, Michigan on July 27, 2016, commencing at the hour of approximately 10:00 a.m.

Members Present

Rick Fiddler, Chairman
Russ Kavalhuna, Vice Chairman
Roger Salo, Commissioner
J. David VanderVeen, Commissioner
Laura Mester, Designee – MDOT
BG Len Isabelle, Designee – MDMVA
Capt. Joe Gasper, Designee – MSP
Kevin Jacobs, Designee – MDNR
Dave Brickey, Legal Counsel
Mike Trout, Director

Members Absent

Pete Kamarainen, Commissioner

Staff Present

Judy Baker
Bryan Budds
Steve Houtteman
Elyse Lower
Ryan Markowski
Mark Noel
John Orban
Mary Kay Trierweiler
Hilary Vanderstow
Juan Zapata

Also Present

Mike Borta, QoE Consulting
Pat Frame, RS&H, Inc.
Michael Frezell, MDOT's Office of Communications
Mark Johnson, Livingston Co.-Spencer J. Hardy Airport
Kelly Jost, C&S Engineers, Inc.
Ana Kusmortceva, QoE Consulting
Jim Koslosky, Prein&Newhof
Dan Schiffer, Tailwinds, Inc.
John Strehl, Antrim County Airport
Erich Thiel, RS&H, Inc.

I. OPENING REMARKS

The July 27, 2016 Michigan Aeronautics Commission (Commission) meeting was called to order by Chairman Rick Fiddler at 10:00 a.m. Chairman Fiddler welcomed all those present. He asked everyone to rise, and the Pledge of Allegiance was cited.

Roll call was taken. Commissioner Pete Kamarainen was absent.



II. COMMISSION BUSINESS

A. Minutes of the May 25, 2016 Meeting

Chairman Fiddler asked if there were any revisions to the minutes of the meeting held on May 25, 2016. There were none. He entertained a motion and support to approve the minutes. The motion was moved by Vice Chairman Russ Kavalhuna and supported by Commissioner Dave VanderVeen. **All voted in favor.**

B. Appointment of Nominating Committee

Chairman Fiddler read the process for the election of chairman and vice chairman for the next year.

In accordance with the Michigan Aeronautics Commission Bylaws, Article IV, Sections 4.1 and 4.4, Chairman Fiddler hereby appointed Commissioner Roger Salo to serve with him as the nominating committee to recommend to the Commission, at the next meeting scheduled for September 14, 2016, the persons for consideration for election to the commission chair and vice chair for Fiscal Year (FY) 2016/2017. No motion is required for this action.

C. Request for Approval and Transfer of Appropriated Funds

Chairman Fiddler asked Elyse Lower to present the airport sponsor contracts. Ms. Lower proceeded to explain each contract.

1. Lenawee County Airport, Adrian
2. Beaver Island Airport, Beaver Island
3. Antrim County Airport, Bellaire
4. Southwest Michigan Regional Airport, Benton Harbor
5. Southwest Michigan Regional Airport, Benton Harbor
6. Roben – Hood Airport, Big Rapids
7. Charlevoix Municipal Airport, Charlevoix
8. Charlevoix Municipal Airport, Charlevoix
9. Charlevoix Municipal Airport, Charlevoix
10. Charlevoix Municipal Airport, Charlevoix
11. Charlevoix Municipal Airport, Charlevoix
12. Charlevoix Municipal Airport, Charlevoix
13. Charlevoix Municipal Airport, Charlevoix
14. Cheboygan County Airport, Cheboygan
15. Clare Municipal Airport, Clare
16. Delta County Airport, Escanaba
17. Delta County Airport, Escanaba
18. Delta County Airport, Escanaba
19. Delta County Airport, Escanaba



20. Delta County Airport, Escanaba
21. Fremont Municipal Airport, Fremont
22. Gerald R. Ford International Airport, Grand Rapids
23. Gerald R. Ford International Airport, Grand Rapids
24. Gerald R. Ford International Airport, Grand Rapids
25. Gerald R. Ford International Airport, Grand Rapids
26. Houghton County Memorial, Hancock
27. Livingston County-Spencer J. Hardy, Howell
28. Livingston County-Spencer J. Hardy, Howell
29. Ford Airport, Iron Mountain-Kingsford
30. Ford Airport, Iron Mountain-Kingsford
31. Ford Airport, Iron Mountain-Kingsford
32. Ford Airport, Iron Mountain-Kingsford
33. Jack Barstow Airport, Midland
34. Oscoda Co. Dennis Kauffman Memorial Airport, Mio
35. Muskegon County Airport, Muskegon
36. Muskegon County Airport, Muskegon
37. Romeo State Airport, Romeo
38. Chippewa County International Airport, Sault Ste. Marie
39. Chippewa County International Airport, Sault Ste. Marie
40. Chippewa County International Airport, Sault Ste. Marie
41. Chippewa County International Airport, Sault Ste. Marie
42. Chippewa County International Airport, Sault Ste. Marie
43. Sault Ste. Marie Municipal-Sanderson Field, Sault Ste. Marie
44. West Branch Community Airport, West Branch

Supplemental Transfers Requiring Action

45. St. Clair County International Airport, Port Huron

Chairman Fiddler asked if there were any further comments or questions. Hearing none, he entertained a motion and support to approve item Nos. 1 – 45. The motion was moved by Vice Chairman Kavalhuna and supported by Commissioner Len Isabelle to approve the airport sponsor contracts. **All voted in favor.**

Due to a potential conflict of interest, Chairman Fiddler abstained from voting on item Nos. 22-25, Gerald R. Ford International Airport, Grand Rapids.

A complete list of the contracts can be viewed in full on the Michigan Aeronautics Commission web page under “Contract Approvals” at www.michigan.gov/aero.

Ms. Lower presented four supplemental transfers: Dowagiac Municipal Airport, Dowagiac; Mason Jewett Field, Mason; Bishop International Airport, Flint; and Manistee County – Blacker Airport, Manistee. She explained the process for each transfer. **No Commission action is required.**

Chairman Fiddler thanked Ms. Lower for her report.



III. REPORTS

A. MAC Director's Report

Chairman Fiddler asked Director Mike Trout to give his report.

FAA Reauthorization

Director Trout welcomed everyone and began his report stating that H.R. 636 [Federal Aviation Administration (FAA) Extension, Safety, and Security Act of 2016], was signed into law extending authorization for programs and related revenue authorities through Sept. 30, 2017, at current funding levels. Highlighted provisions are listed below.

➤ Aviation Safety Provisions

- Streamlines processes to deploy UAVs during emergencies.
- Prohibits UAV users from interfering with emergency responses with civil penalties up to \$20,000 for those found in violation.
- Creates new processes to detect, identify and mitigate unauthorized operation of UAVs around airports and critical infrastructure.
- Requires the marking of certain towers to improve visibility.
- Requires the FAA to evaluate and update standards for crash-resistant helicopter fuel systems in response to fatal accidents.
- Streamlines and improves air traffic controller hiring process and ensures FAA can better address chronic controller shortages w/experienced candidates.
- Directs FAA to establish a comprehensive and strategic framework to identify and address cybersecurity risks to the aviation system.
- Strengthens mental health screening for pilots.
- Ensures that pilots are sufficiently trained on manual flying skills and how to monitor cockpit automation systems.
- Requires training for flight attendants in recognizing and responding to potential victims of human trafficking.
- Requires FAA to provide quarterly updates to Congress regarding number of incidents involving laser pointers being aimed at aircraft and number of civil or criminal actions taken.

➤ Aviation Security Provisions

- Strengthens security for foreign airports by requiring comprehensive security assessments for all overseas airports serving the United States.
- Authorizes capacity development, training, screening equipment donation, and cargo program certification for overseas airports to bolster security standards for flights headed to the United States from high-risk airports.
- Expands TSA PreCheck program by directing TSA to partner with private sector to develop enhanced enrollment and vetting methods and strengthen security while increasing operational efficiency.



- Tightens access controls and employee vetting standards for aviation workers to secure/sterile areas of airports in order to mitigate inside threat to aviation security.
- Authorizes “Checkpoint of the Future” innovation efforts underway at TSA, authorizes additional TSA Visible Intermodal Prevention and Response teams, and ensures these teams are trained to assist transportation hubs in preparing for and responding to active shooter scenarios.

➤ Additional Provisions

- Reforms and streamlines third-class medical certification process.
- Requires air carriers to provide a refund of paid baggage fees when items are lost or unreasonably delayed.
- Requires airlines to generally ensure that children 13 years of age or under are seated adjacent to an adult or older child traveling with them.
- Takes steps to improve air travel for persons with disabilities by requiring a review of training and best practices by airports and airlines.
- Extends authority for DOT’s Advisory Committee for Aviation Consumer Protection.

Budget and Boilerplate

Director Trout discussed the Office of Aeronautics (Aero) FY 2017 budget, stating that a projection of total state revenue comes to \$20 million; expenditures are forecast at \$20 million, as well. In reference to the aviation fuel tax reform package passed in 2016, the Department of Treasury is collecting information for the first reporting period (April – June). Aero has communicated with airport managers about the new provision, asking that they share the information with appropriate airport tenants.

He reported on FY 2017 Budget Bill (P.A. 268) boilerplate provisions:

- Amends Section 383 – Aircraft Travel Report. Includes language that requires the Michigan Department of Transportation (MDOT) to report on the status of a reciprocal agreement with the Michigan State Police.
- Continues Section 802 – Legislative encouragement language for MDOT to find other entities or local public agencies to assume ownership and operating responsibility for airports currently owned by the department.
- New Section 803 – Requires MDOT (Office of Aeronautics) to work with the Department of Technology and Management and Budget to solicit proposals for third party management and sale of the department’s aging aircraft.

Cash Balance

Director Trout reported to the Commission of a cash balance concern regarding the State Aeronautics Funds (SAF). The problem is a result of FAA reimbursing grants at 90 percent prior to completion of projects. Michigan pays 100 percent at billing. The time between paying contracts and when FAA recognizes completion of a project can be several years. (This applies only to primary airport grants.) As of July 15, the SAF was \$2.4 million in the



red. FAA is holding over \$10 million in funds as of July 20. Aero is currently paying interest to support the program.

Aero is working with MDOT's Bureau of Finance and Administration to evaluate potential solutions. A recommendation would be to require the airport to deposit the 10 percent local share at the start of a project. The airport would then be reimbursed when the final close-out payment is received from FAA. This will provide incentive to close projects sooner. Director Trout stated that a final decision has not been made and that all options are being explored in an effort to have a solution in place by Oct. 1.

State Owned Airports

Director Trout presented information regarding projects funded (federal/state/local) over the past ten years at two state owned airports. A total of over \$2 million for Canton-Plymouth-Mettetal Airport and \$4 million at Romeo State Airport.

Statistics

Director Trout reported on the following statistics:

- Fuel Tax Revenue – FY to Date (Oct. – May)
 - 2015 = \$4,977,440
 - 2016 = \$3,744,607 (10% decrease from five-year average)
- Tall Structure Permits
 - 2015 = 2,568 (460 wind turbines) Total
 - 2016 = 2,257 (313 wind turbines) Year to Date (Jan. – June)
- State Aircraft Flight Hours – FY to Date (Oct. – June)
 - 2015 = 745.6
 - 2016 = 680.1 (8.78% decrease)
- Registered Aircraft Renewals
 - 2015 = 5,816
 - 2016 = 5,654 (Year to Date)

Congratulations

Director Trout recognized and congratulated the following folks:

- Hilary Vanderstow passed her private pilot ground school at Mason Jewett Field. Hilary is an Analyst in the Project Support Unit, Planning and Development Section.
- Mason Houtteman completed his Eagle Scout (Troop 71) project by painting a 70 foot compass rose at the Ionia County Airport. He was required to see the project through from beginning to end, i.e. design, layout, fundraise, paint, etc. Mason is the son of Steve Houtteman, Environmental Qualify Specialist in the Project Support Unit, Planning and Development Section.
- Mary Trierweiler, Randy Coller, and Neal Barncard were recognized by the Civil Air Patrol with a certificate of appreciation for their great work on the Michigan Airport Directory, Search and Rescue Grid Charts, and Airport Directory sketches, respectively.



- Chairman Rick Fiddler and Commissioner Roger Salo were reappointed to the Michigan Aeronautics Commission with terms expiring in 2020.

Coming Soon

- EAA AirVenture – July 24-31, Oshkosh, Wisconsin
- NASAO Annual Conference – Sept. 10-14, San Antonio, Texas
- MAAE Fall Conference – Sept. 12-16, Gaylord
- MAC Meeting – Sept. 14, Gaylord
- AOPA Fly-In – Sept. 16-17, W.K. Kellogg Airport, Battle Creek
- Airport Management 101 – Sept. 21, Mount Pleasant
- Air Transportation Expo – Sept. 22, Oakland County International Airport, Pontiac

Chairman Fiddler thanked Director Trout for his report.

Director Trout's report can be viewed in full on the Michigan Aeronautics Commission web page under "Director's Updates" at www.michigan.gov/aero.

B. General Aviation Committee

Chairman Fiddler asked Bryan Budds to give the General Aviation (GA) Committee report on behalf of Commissioner Kamarainen.

Mr. Budds stated that the GA Committee met on June 15, 2016, at the Office of Aeronautics in Lansing. The meeting began with a discussion on bringing in new committee members, possibly involving students from Western Michigan University and West Michigan Aviation Academy. The committee will look further into recruiting younger members.

Committee member Brad Frederick hosted a successful work gathering on North Fox Island the weekend of June 17. There were approximately 20 planes, with 30 to 40 volunteers helping to spruce up the island. The event was covered in aviation publications.

The committee discussed legislation pertaining to UAV usage in Michigan. Several state legislative measures that would limit UAV operations near bridges, prisons, state legislative buildings and other infrastructure have been proposed and gained some traction in the Senate. One piece of legislation requires the establishment of a state task force to help guide statewide policy regarding drones.

Mr. Budds reported that as part of the committee's goals to become more engaged in the aviation community, the Adopt-An-Airport and Fly Michigan Passport programs were suggested.

- Adopt-An-Airport program (similar to Adopt-A-Highway program) would allow local organizations/groups to engage with their airport managers, helping with clean-ups and landscape maintenance at airports and receive recognition for their hard work.



- Fly Michigan Passport program would recognize pilots that visit a predetermined number of airports in the state of Michigan in an effort to promote aviation, increase flight activity, and allow for recognition of pilots and airports. Each airport would receive a stamp or stickers (in addition to passport books) that they provide to pilots. As pilots visit different airports, they will receive a stamp. Once they receive a certain amount of stamps, gifts such as hats, shirts, flight bags, etc. will be awarded. The awards can be presented at the aviation conferences and receive some media attention for not only the pilot, but the overall system of airports in Michigan. Partnership with the Michigan Association of Airport Executives (MAAE) could make this a very successful program.

Mr. Budds asked for Commission approval for the GA Committee to explore implementing a passport program in conjunction with MAAE.

Chairman Fiddler asked if there were any further comments or questions. Hearing none, he entertained a motion and support to approve the recommendation for the GA Committee to explore implementing a passport program in conjunction with MAAE. The motion was moved by Commissioner Isabelle and supported by Commissioner Kavalhuna. **All voted in favor.**

Chairman Fiddler thanked Mr. Budds for his report.

C. Commercial Air Service Committee – No Report.

IV. PRESENTATION

A. Guidance Documents Update

Chairman Fiddler asked Mr. Budds to present.

Mr. Budds began by stating that this is part of a discussion to involve the Commission and obtain recommendation. He provided background on guidance documents, stating that they contain procedures and processes necessary to conduct business, as well as describe policies of department-wide importance, interest, and impact. There are approximately 24 guidance documents that exist in Aero, which were finalized between 1987 and 2004. Aero staff is undertaking a comprehensive update to ensue applicability.

There are two areas which require priority updates:

- Hospital Heliports/Helistops
 - No current guidance document.
 - Multiple uses of “suitable, appropriate, adequate” in the Aeronautics Code.
 - Need assistance in setting standard for inspections.

- Air Service Program
 - Outdated guidance document exists.
 - Fluctuating appropriation levels have led to program changes.
 - MDOT desires to maximize effectiveness of limited funds.



Mr. Budds reported that Aero staff is asking the Commission to refer these two subject matters to an assigned committee for review and recommendation to revise, update and/or implement guidance documents.

Chairman Fiddler stated that the Aircraft Fleet Operations Task Force, which was reestablished in March of this year, will be renamed the "Safety Committee" and appointed Commissioner Roger Salo as chair of the committee. Chairman Fiddler asked that the Safety Committee review and provide recommendations in implementing guidance documents for Hospital Heliports/Helistops.

Chairman Fiddler asked that the Commercial Air Service Committee (which Vice Chairman Kavalhuna chairs) do the same in updating guidelines and guidance documents for the Air Service Program.

Chairman Fiddler thanked Mr. Budds for his presentation.

V. COMMISSION COMMENTS

Chairman Fiddler asked if any of the Commissioners would like to make a comment.

Commissioner VanderVeen reported that he has received calls concerning loading procedures and restrictions for large cargo operations. As a result from the 747 accident in Afghanistan in 2013, FAA has new procedures/restrictions that places a competitive disadvantage on U.S. carriers. (Click [here](#) to view Advisory Circular.) A couple of companies in Michigan believe they now have unfair competition, particularly with air freighters from Mexico. Commissioner VanderVeen asked if staff would look into this concern. Director Trout stated that Aero will investigate and report back.

VI. PUBLIC COMMENTS

Chairman Fiddler asked if anyone would like to make a public comment. There was no public comment.

CLOSING

The next meeting is scheduled for Wednesday, September 14, 2016, 10:30 a.m., at Treetops Resort, Gaylord, Michigan. The meeting will take place in conjunction with the MAAE Fall Conference.

Chairman Fiddler adjourned the meeting at 11:30 a.m.



Rick Fiddler, Chairman



Michael G. Trout, Director

Dated: Sept. 14, 2016

