

MICHIGAN AERONAUTICS COMMISSION

Minutes of Meeting
Grand Rapids, Michigan
September 14, 2011

Pursuant to Section 31 of Act 327 of the Public Acts of 1945, the Commissioners of the Michigan Aeronautics Commission (MAC), created by said act, met at the Amway Grand Plaza in Grand Rapids, Michigan, on Wednesday, July 27, 2011, commencing at the hour of approximately 10:00 a.m.

Members Present

James Collins, Chair
Russ Kavalhuna, Vice Chair
Sidney Adams, Commissioner
J. David VanderVeen, Commissioner
Pete Kamarainen, Commissioner
Dan Atkinson, Designee – MSP
Robert Johnston, Designee – DMVA
Laura Mester – MDOT
Mick Reilly, Legal Counsel
Mike Trout, Director

Staff Present

Carol Aldrich
Kelly Badra
David Baker
Neal Barncard
Rick Carlson
Randy Coller
Jennifer Forbes
Rick Hammond
Leanne Hengesbach
Amanda Hopper
Chip Kraus
Pauline Misjak
Mark Noel
Brian Rochon
Steve Schultz
Linn Smith
Betsy Steudle
Mary Kay Trierweiler
Lorraine White

Members Absent

Scott Heather, Designee – MDNRE

Also Present

Dick Acker, MAAE
Jon Barsalou, Bishop International Airport
Bill Blake, AOPA
Mike Borta, QOE Consulting
Larry Bowron, City of Battle Creek
Cheryl Bush, FPM Foundation
Daniel DiMaria, Willow Run Airport
Dale Feldpausch, Capital City International Airport
Pat Frame, RS&H
Eric Jaroch, Roscommon County Airport
Kelly Jost, C&S Engineers
Keith Kaspari, Marquette/Sawyer
Ron Keil, Lapeer, Dupont-Lapeer
Kevin Klein, Cherry Capital Airport
Bob Koller, C&S Companies
Jim Koslosky, Gerald R. Ford International Airport



Also Present (continued)

Mike Lafferty, Big Rapids Airport
Anela LeFevre, Island Airways
Roger Marks, C2AE
Kent Maurer, Jackson County Airport
John Mayfield, FAA
Billi McRoberts, Alpena County Regional
Cliff Moshoginis,, Kalamazoo/Battle Creek
International Airport
Kathy Noel, Chippewa County
Michelle Plawecki, Wayne County Airport
Authority
Carl Randall, Oakland County International
Airport
Ryan Riesinger, MBS Airport
Dan Sal, Cherry Capital Airport
Robert Selig, Capital City International Airport
Paul Shepter, QOE Consulting
Erich Thiel, RS&H
Frank Thorman, Dupont-Lapeer
Jon Van Duinen, VRS
Steve Wellman, Jackson County Airport

I. OPENING REMARKS

The September 14, 2011, Michigan Aeronautics Commission meeting was called to order by Chairman Jim Collins at 10:00 a.m. Roll call was taken; Commissioner Heather was absent.

Chairman Collins welcomed all to the meeting, asking the audience to sign in.

Chairman Collins briefly stated the background of the Michigan Aeronautics Commission Awards of Excellence. Each year, one individual and one organization is recognized whose innovative contributions have led to significant improvements to facilities, operations, or public relations for aviation in Michigan.

Chairman Collins is proud to announce that the 2011 winner for the individual award is Robert Peckham. He asked Mr. Peckham to join him and Director Trout at the podium.

Chairman Collins outlined Mr. Peckham's achievements in aviation.

Commissioner VanderVeen commented on his many years of knowing Mr. Peckham, and congratulated him on the award.

Director Trout presented the award to Mr. Peckham and read the inscription: "In Recognition of your commitment to aviation and in appreciation for your many years of



service as an icon and true legend in the field of airport engineering for airports throughout the State of Michigan.”

Mr. Peckham said he has enjoyed every minute of working on airports in Michigan. We have one of the greatest states in the nation, and we have one of the greatest airport systems in the nation. He indicated that he always worked as a team, not an individual. He thanked the Commission for the opportunity and honor.

Chairman Collins then announced the winner of the group award goes to the FPM Foundation. He outlined their background, dating back to 1997. Cheryl Bush was present to accept the award on behalf of Mr. Frank Macartney.

Commissioner Collins commented on the organization’s scholarship program and efforts.

Director Trout presented the plaque to Ms. Bush and read the inscription: “In recognition of your enthusiastic advocacy on behalf of aviation in Michigan and your commitment to supporting future aviation leaders and enhancing the growth of business aviation in partnership with the Michigan Aeronautics Commission.”

Ms. Bush thanked the Commission for the honor on Mr. Macartney’s behalf; it speaks highly on who he is and his commitment to aviation.

Chairman Collins invited the honorees to join us for lunch, following the meeting.

II. COMMISSION BUSINESS

- A. Chairman Collins asked if there were any changes to the minutes from the July 27, 2011 meeting. There were none. Moved by Commissioner Adams and seconded by Commissioner Kavalhuna to approve the minutes of the July 27, 2011 meeting. The motion passed unanimously.
- B. Chairman Collins asked Mr. Dave Baker to present the 10 airport contracts. Mr. Baker reiterated the reason why these are now referred to as contracts instead of grants, which is due to changes in the State Administrative Board.
 - 1. Detroit Metro Airport, Detroit
 - 2. Detroit Metro Airport, Detroit
 - 3. Coleman R. Young Municipal Airport, Detroit
 - 4. Bishop International Airport, Flint
 - 5. Gerald R. Ford International Airport, Grand Rapids
 - 6. Park Township Airport, Holland
 - 7. Tulip City Airport, Holland
 - 8. Kalamazoo/Battle Creek International Airport, Kalamazoo
 - 9. Capital Region International Airport, Lansing
 - 10. Oakland County International Airport, Pontiac



Chairman Collins asked if there were any questions; there were none. Moved by Commissioner VanderVeen to approve items 1 through 9 as reported, to avoid any appearance of a conflict of interest with regard to item #10 for the Oakland County International Airport in Pontiac. The motion was supported by Vice Chair Kavalhuna. The motion carried unanimously.

Moved by Vice Chair Kavalhuna to approve item number 10 as reported; seconded by Commissioner Adams. The motion passed unanimously, with Commissioner VanderVeen abstaining.

III. REPORTS

A. Director's Report

Chairman Collins asked Director Trout to present this report.

Director Trout welcomed the Commission to the conference, also welcoming MDOT Director Kirk Steudle.

He started his presentation by outlining the contents, beginning with the realignment of the Office of Aeronautics from bureau status. He will discuss the budget, upcoming events and recent events.

The realignment focuses on four things, addresses the functions and work associated with producing the best delivery of services possible, it fully utilizes staff and realigns related units to balance responsibilities, it reevaluates our existing structure, and should improve the flow of work. He mentioned a performance audit that was conducted recently; this report of the office addresses some of the feedback from that effort.

He indicated our mission is to promote a safe and efficient state-wide system of airports. Economic development is very important; it should be mentioned in our mission. The quality of life in the community is improved by having airports, particularly in the smaller communities.

Our values are customer services, teamwork, efficiency, quality, continuous improvements, and creating strong partnerships.

Our principles are safety, education, integrity, pride and common sense, relentless positive action and attitude.

Director Trout presented a new organization chart; we still have two Division Administrators, Pauline Misjak and Rick Hammond. The largest change is moving the inspection, safety and compliance functions to the new Safety and Transport Section.



We have been able add a position in our Project Management Section, to replace Mark Dontje, who retired last year. We also are hiring Transportation and Safety Section Manager. He related the importance of that section.

On the budget, our fuel tax amounts are at 83% of our revenue. Flying generates 6% of revenue, aircraft registration fees is the next largest category. As of September 12, 2011, we have collected \$5.2 million in revenue for the current fiscal year.

On fuel tax, August 2010 versus 2011, we are up a little, .5%. Over a five year average we are down; the total collected last year was \$5.4 million, and we are on course to match that figure.

We are still collecting funds from the Metro Airport parking tax, which supports the debt service on the ASAP program. That also leaves an available amount for matching federal funds. At the end of last year we had a balance in the Aeronautics Fund.

In the past three years, 2008 through 2010, over 600 grants were issued. That information was broken down between Tier 1, 2, and 3 airports and showed that 97% of all funds go to the Tier 1.

Recent events included attending the terminal dedication at the Oakland County International Airport. This was attended by many dignitaries; Vice Chair Kavalhuna also attended on behalf of the Commission. He suggested that everyone visit that facility.

The Mio Runway Dedication took place on August 31.

The FAA's continuing resolution is taking us through the end of this year, they are hopeful that a four month extension would take us through January. We will continue to monitor this issue.

Director Trout attended the NASAO conference; adding it was very enlightening to meet other state directors. Thirty-three states, including Guam, were represented. He recognized Mr. Bill Blake from the AOPA who attended, as did NBAA directors. Some of the issues discussed will be made known in future efforts.

Upcoming events include the grand opening of the Southwest Regional Airport Runway Safety Area Improvement, on September 21. All are invited to attend.

An Open House for Sid Adams is scheduled for Thursday, September 22, honoring him for his 25 years of service with Battle Creek Unlimited and the Battle Creek Tax Increment Finance Authority.

Our next meeting is Thursday, November 14 at the Aeronautics Building.



Director Trout mentioned ongoing safety seminars. He gave a description on what is involved. Sixteen were held in 2011, with 750 attendees. He displayed a slide with specifics.

B. Administrative Rules Update

Chairman Collins asked Rick Hammond to present this report.

Mr. Hammond indicated that this issue was tabled at the July meeting. At the May MAC meeting, he informed the commissioners that we had an annual regulatory plan that was due to the Office of Regulatory Reinvention. This was submitted as required. At the time, he told the Commission that no action would be taken to advance the plan without their approval. At the July meeting, the commission requested specific language on the update. There are only two items that were put on the update for the next year.

The first is to update the reference to the Airport Lighting Standard; we referenced federal standards for this item. The other part is to rescind a rule that is a duplicate of what is in the statute. The update is proposed language that we will submit, but we may be forced to specifically reference the advisory circular (155340-24) again. This circular had been updated, so it is no longer applicable; to replace that we needed to specifically reference an advisory circular again, which will be updated at some time in the future. We will try to go with more general language. What is being submitted for approval today is to adopt the plan, advance it, and stay with the general language. However if we must, we will reference specifically the advisory circular that applies to the lighting standards on state licensed airports.

Vice Chair Kavalhuna wanted to inform the Commissioners that he has communicated with Mr. Hammond on the issue; any reservations he had in the past were due to him not quite understanding. Moved by Vice Chair Kavalhuna and supported by Commissioner Adams that Mr. Hammond's request be approved by the commission. All voted in favor.

IV. ELECTIONS

Chairman Collins announced that his term as Chairman ends following this meeting. He thanked Vice Chair Kavalhuna and the other Commissioners for their efforts. He also thanked Commissioner Adams for serving on the nominating committee. He recognized and congratulated Commissioner Adams on his 25 years of service with the Battle Creek Unlimited and the Battle Creek Tax Increment Finance Authority Boards.

In accordance with our by-laws, and pursuant to agreement from the members of the Nominating Committee, comprised of himself and Commissioner Adams, we hereby tender the following nominations for the offices of chairperson and vice chairperson of the Michigan Aeronautics Commission for a one-year the term beginning October 1, 2011. For the office of Chair, Russ Kavalhuna, and for the office of Vice Chair, J. David VanderVeen.



There were no other nominations. Moved by Commissioner Kamarainen and supported by Commissioner Adams to approve the nominations. All voted in favor.

Director Trout asked Chairman Collins to join him at the podium. Speaking to Chairman Collins, he said on behalf of the commission and himself, he thanked Chairman Collins and presented him with a plaque and gavel for his service to the State of Michigan and the commission. He has been a valuable member, and wished him well in the future.

Chairman Collins said it is an honor to be appointed to the commission, and it is an honor to serve as an officer. It has been educational and he hopes that his services have been helpful to the members of the aviation community.

Vice Chair Kavalhuna reciprocated his appreciation for working with him. He mentioned Chairman Collins' tenure as being a judge for 18 years. He discussed his incoming Chairmanship; he looks at the public as being our constituencies, our partners. He reiterated Mr. Peckham's comments saying Michigan is one of the greatest states in our country, and it does have one of the greatest aviation infrastructure systems in our country. He feels this because he was a pilot, and described his background in the field including being an airline pilot. He believes very strongly that everyone on the commission and everyone at the Office of Aeronautics is committed to the mission we have in this state, to keep the aviation infrastructure strong and supported. He hopes to continue his good relationship with Director Trout, and anticipates that will be the case. He would like to see the commission become a little more active; he has some plans on being a little more aggressive in what the commission can do. He urged the public to contact Director Trout on issues to advance your goals in the infrastructure message being drafted.

V. PUBLIC COMMENT

Lee Scherwitz, Director of the Southwest Michigan Regional Airport spoke on the invitation for their runway opening on September 21. This job to complete the runway safety area improvements took over 15 years. This could not have been done without the teamwork of the Office of Aeronautics, the Michigan Aeronautics Commission, and the support from the FAA. He thanked all that were involved in the project.

The meeting was adjourned at 10:50 a.m.

Director

Chairman

Dated _____

