

MICHIGAN AERONAUTICS COMMISSION

Minutes of Meeting
Mackinac Island, Michigan
September 10, 2014

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 Mission Point Resort, Mackinac Island, Michigan, on Wednesday, September 10, 2014, commencing at the hour of approximately 10:30 a.m.

Members Present

Pete Kamarainen, Chairman
Roger Salo, Vice Chairman
J. David VanderVeen, Commissioner
Rick Fiddler, Commissioner
Laura Mester, Designee – MDOT
BG Len Isabelle, Designee – MDMVA
Scott Heather, Designee – MDNR
Dave Brickey, Legal Counsel
Mike Trout, Director

Members Absent

Russ Kavalhuna, Commissioner
Capt. Mike Caldwell, Designee – MSP

Staff Present

Carol Aldrich
Kelly Badra
Dave Baker
Judy Baker
Randy Coller
Kelly Crannell
Jennifer Forbes
Mark Grennell
Rick Hammond
Tom Krashen
Chip Kraus
Mark Noel
Shelly Rathbun
Steve Schultz
Linn Smith
Mike Soper
Anu Taneja
Rachelle Thorn
Mary Kay Trierweiler

Also Present

Matt Barresi, Gaylord Regional Airport
John Barsalou, Bishop International Airport
Tami Beseau, Chippewa County Int'l. Airport
Larry Bowron, City of Battle Creek
Patrick Bubin, East Jordan
Robert Buchanan
Cheryl Bush, Michigan Business Aviation Association
Brad Butcher, Sidock Architects
Douglas Conciatu, Ray Community Airport
Vincent DesJardins, Southwest Michigan Regional Airport
Michael Duker, Grosse Ile Municipal Airport
Ron Engel, Mead & Hunt
Delphine Fairbanks
Paul Fullerton, Mackinac County Airport
John Hatfield, Michigan Business Aviation Association
Eric Jaroch, Roscommon County Airport
Mark Johnson, Livingston Co.-Spencer J. Hardy
Kelly Jost, C&S Engineers, Inc.
David Joye, RS&H, Inc.



Keith Kaspari, Capital Region Airport Authority
Gary Kellan, Oscoda – Wurtsmith Airport
Kevin Klein, Cherry Capital Airport
Bob Kohler, C&S Engineers, Inc.
Jim Koslosky, Prein & Newhof
Linda Ludema, West Michigan Regional Airport
Ron Ludema, West Michigan Regional Airport
Cliff Maine, Barnes & Thornburg
Kent Maurer, Jackson County – Reynolds Field
Billi McRoberts, Alpena County Regional Airport
Clint Nemeth, QoE Consulting
Jay Orwin, Michigan Business Aviation
Association
Daniel Otto
Tara Paksi, Michigan Business Aviation
Association
Karl Randall, Oakland County Int'l. Airport
Casey Ries, QoE Consulting
Brian Ryks, Gerald R. Ford International Airport
Theresa Samosiuk, Wayne County Airport
Authority
Robert Selig, Capital Region Airport Authority
Lee Scherwitz, Southwest Michigan Regional
Airport
Kelly Smith, Delta County Airport
John Strehl, Antrim County Airport
Erich Thiel, RS&H, Inc.
Miles Weaver, W. K. Kellogg Airport
Cody Welch, Price's Airport
Steve Wellman, Jackson County – Reynolds Field
Craig Williams, Bishop International Airport

I. OPENING REMARKS

The September 10, 2014 Michigan Aeronautics Commission (Commission) Meeting was called to order by Chairman Pete Kamarainen at 10:30 a.m.

Chairman Kamarainen welcomed all those present. He asked everyone to rise, and the Pledge of Allegiance was cited.

Roll call was taken. Commissioners Russ Kavalhuna and Mike Caldwell were absent.



II. COMMISSION BUSINESS

A. Chairman Kamarainen asked if there were any revisions to the minutes of the meeting on July 23, 2014. There were none. He entertained a motion and support to approve the minutes as written. The motion was moved by Commissioner David VanderVeen and supported by Vice Chairman Roger Salo to approve the minutes as written. **All voted in favor.**

B. Chairman Kamarainen asked Mr. Dave Baker to present the airport sponsor contracts.

1. Padgham Field, Allegan
 2. Atlanta Municipal Airport, Atlanta
 3. Atlanta Municipal Airport, Atlanta
 4. Atlanta Municipal Airport, Atlanta
 5. W. K. Kellogg Airport, Battle Creek
 6. Charlevoix Municipal Airport, Charlevoix
 7. Coleman A. Young Municipal, Detroit
 8. Dowagiac Municipal Airport, Dowagiac
 9. Ewart Municipal Airport, Ewart
 10. Oceana County Airport, Hart/Shelby
 11. Oceana County Airport, Hart/Shelby
 12. Lakeview Airport-Griffith Field, Lakeview
 13. Lakeview Airport-Griffith Field, Lakeview
 14. Manistee County-Blacker, Manistee
 15. Presque Isle County/Rogers City Airport, Rogers City
 16. Chippewa County International Airport, Sault Ste. Marie
 17. Three Rivers Municipal, Dr. Haines, Three Rivers
 18. Cherry Capital Airport, Traverse City
- Supplemental Transfers Requiring Action**
19. Gratiot Community Airport, Alma

Chairman Kamarainen asked if there were any further comments or questions on the sponsor contracts. Hearing none, he entertained a motion and support to approve the 19 contracts. The motion was moved by Vice Chairman Salo and supported by Commissioner Rick Fiddler to approve the contracts. **All voted in favor.**

A list of the sponsor contracts can be viewed in full on the Michigan Aeronautics Commission Web page at www.michigan.gov/aero under QuickLinks.

Mr. Baker presented two additional supplemental transfers both being Romeo State Airport, Romeo. He explained the process for each transfer. **No Commission action is required.**

Chairman Kamarainen thanked Mr. Baker for his report.



- C. Chairman Kamarainen asked Director Mike Trout to present the proposed amendment to the Bylaws.

Director Trout reported that during the last Commission meeting on July 23, 2014, a proposed amendment to the Bylaws was presented. It was recommended that Article VI be amended to designate the Commission chair as the chairperson of the Executive Committee.

Article VI Section 6.1(a) currently states that the immediate past chair of the Commission will ordinarily serve as the chair of the Executive Committee. It is unclear how long and for what purpose the Bylaws designated the immediate past chair as chair of the Executive Committee. Discussion with staff and Executive Committee members has been unanimous as to the practicality of designating the current chair of the Commission as chair of the committee.

In addition, it seemed an appropriate time to clarify the responsibilities of the committee, thereby, adding "agenda items, and other issues."

ARTICLE VI

Standing Committees of the Commission

Section 6.1 (a). Executive Committee. This committee shall be composed of three commissioners, at least two of whom shall be appointive. The ~~immediate past chairperson~~ **CHAIR** of the Commission will ordinarily serve and act as presiding officer. ~~If there is no immediate past chairperson, the chairperson of the Commission shall designate the chairperson of the Executive Committee.~~ The committee is responsible for making recommendations to the Commission for special studies, **AGENDA ITEMS, AND OTHER ISSUES.**

According to Article XI of the Bylaws, amendments may be made "by a majority of the Commissioners after at least one regular meeting in advance to consider the proposed amendments in written form." It was recommended that the Commission take the occasion of the July meeting to discuss and deliberate the proposal and plan a final vote on the amendment at the September meeting of the Commission.

Chairman Kamarainen asked if there were any further questions and/or comments regarding the proposed amendment. Hearing none, he entertained a motion and support to approve the amendment. The motion was moved by Commissioner VanderVeen and supported by Commissioner Len Isabelle to approve the amendment to the Bylaws. **All voted in favor.**



D. Chairman Kamarainen asked Mr. Steve Schultz to present the contract renewal.

Automated Weather Observation System Maintenance

1. Mason County Airport, Ludington

Mr. Schultz presented and provided information regarding the renewal.

Chairman Kamarainen asked if there were any further comments or questions on the contract renewal. Hearing none, he entertained a motion and support to approve the contract. The motion was moved by Vice Chairman Salo and supported by Commissioner Fiddler. **All voted in favor.**

III. REPORTS

A. Chairman Kamarainen asked Director Trout to give his report.

Director Trout welcomed everyone. He began his report by highlighting some of the accomplishments under the leadership of Chairman Kamarainen. Over the past year, Chairman Kamarainen put an emphasis on education. The Office of Aeronautics (Aero) was able to hold the Teachers Workshop once again, which was a great success. The Commission met at MIAT last spring to hold their meeting there and take a tour of the facility. Aero was able to develop a mobile app displaying the Michigan Airport Directory. We were able to partner with the Michigan Business Aviation Association during “Legislative Day at the Capitol” and the Michigan Association of Airport Executives during the winter and fall conferences. We continued working on our committees and met regularly. Director Trout thanked Chairman Kamarainen for his leadership and a great year.

Director Trout presented a chart describing Michigan’s Aviation Fuel Consumption for 2000 to 2013 stating that fuel sales continue to drop. The red line represents Avgas and the blue line Avjet. Fuel sales may have come up a little, but is it still well below from where it was ten years ago. This is the trend . . . Efficiency of aircraft is affecting fuel sales.

Director Trout talked about legislation that is being proposed and explained the three bills being linked together:

- Revenue – HB 4571
 - Percent of wholesale cost
 - 1 percent @ \$3.00 = \$0.03/gallon
 - \$8,000,000

- Relief – HB 4572
 - Current 6 percent sales tax reduced
 - Sales tax based on retail price
 - 1 percent @ \$3.50 = \$9,000,000



- GF Replacement – HB 4677
 - Earmark portions of sales tax to School Aid Fund
 - Tie-barred to HB 4572

He spoke about the impacts of the bills:

- Current
 - Excise tax = \$0.03/\$0.015
 - 6 percent sales tax @ \$3.50 (retail) = \$0.21
 - Total for airlines = \$0.225/gallon
 - Total for others = \$0.24/gallon
- New Structure
 - HB 4571 – 4 percent excise tax @ \$3.00 (wholesale) = \$0.12 (minimum amount proposed by legislation)
 - HB 4572 – eliminate or reduce sales tax
 - HB 4677 – fill gap in School Aid Fund

Director Trout recognized and congratulated Ralph Sims, Air Service Specialist, Planning and Development Section, Office of Aeronautics, for 40 years of state service.

Director Trout announced that the Office of Aeronautics was recognized with the NASAO Newsletter Award for having the premier aviation newsletter this year entitled “e-Michigan Aviation.” This is a huge team effort. He particularly recognized Tom Krashen as editor of the newsletter. Director Trout commended and congratulated all Aero staff for such a noteworthy accomplishment. The newsletter can be view on Aero’s Web site at www.michigan.gov/aero.

Chairman Kamarainen thanked Director Trout for his report.

Director Trout’s report can be viewed in full on the Michigan Aeronautics Commission Web page at www.michigan.gov/aero under QuickLinks.

- B. Chairman Kamarainen asked Vice Chairman Salo to report on the General Aviation Committee.

Vice Chairman Salo reported that the General Aviation Committee met on August 20, 2014. The committee received a membership application from Joe Hass. Mr. Hass is very active in Southeast Michigan RC Clubs and was an exhibitor and presenter at last year’s Teacher Workshop. Mr. Hass was unanimously accepted as a new member.

During the committee meeting, Commissioner Dave VanderVeen presented his recent study of general aviation activity trends and business travel at the Oakland County International Airport and statewide. The committee agreed that the next step should be a meeting with industry experts to discuss possible opportunities and methods to



effectively market general aviation and air travel. Examples could be getting more young people involved in aviation, marketing the benefits of piloting and aircraft ownership to support both business and pleasure, and promoting the benefits of air charter to business travelers.

The group also discussed possible benefits of encouraging a statewide pilot association and agreed that a separate meeting with committee members was needed to determine specific benefits and likely organizational structures of such a group.

The committee was informed that proclamations from the Governor's Office were forthcoming regarding September as Aviation Month and October 18, as Aviation/Aerospace Teacher Education Day, which is the day of the Teacher Workshop. Committee members were also informed of the new program to place "Welcome to Pure Michigan" signs at airports and updated on the progress at the North Fox Island Airport.

The final item discussed was the request from Mike Trout to have the committee's input on the department's future direction in the areas of hospital heliport licensing, state UAV regulations, and statewide all weather access plan.

Chairman Kamarainen thanked Vice Chairman Salo for his report.

- C. Chairman Kamarainen asked Commissioner VanderVeen to report on the Air Service Committee.

Commissioner VanderVeen reported on behalf of Commissioner Russ Kavalhuna. Members are Russ Kavalhuna (Chairman) Dave VanderVeen (Commissioner), Mike Trout (Commission Director), Carl Muhs (Avflight), Kevin Klein (Cherry Capital Airport), and Phil Johnson (Gerald R. Ford International Airport). George Zimmermann from the Michigan Economic Development Corporation was a committee member, but has retired. The committee is in the process of obtaining a replacement. The coordinator for the committee is Matt Brinker, with Rick Hammond and Rick Carlson as supporting members. All three are from the Office of Aeronautics (Aero).

Trillion Aviation (Trillion) signed a two-year contract to provide air service development assistance to the committee and Aero. During the committee's last meeting held on July 23, 2014, Mr. Brinker presented an overview of the Air Service Development Contract with Trillion. He also provided a review of MDOT's current Policy Plan for Michigan Air Service (PPMAS) and discussed the need for the plan to be updated in response to the continuing evolution of the airline industry.

Mr. Mike Bown of Trillion presented a detailed airline industry overview that included a summary of the unique challenges facing Michigan's air carrier airports. Mr. Bown also highlighted Trillion's proposed approach to updating the PPMAS, including the procurement of airline operational data and development of catchment area analyses for each Michigan market.



Since the July 23 meeting, Trillion contracted with Airlines Reporting Corporation to obtain the necessary airline operational data. Development of the catchment area analyses is underway and is expected to be complete 6-8 weeks.

Chairman Kamarainen thanked Commissioner VanderVeen for his report.

IV. MAC AWARDS OF EXCELLENCE

Chairman Kamarainen provided the background of the MAC awards. This year, there was one individual and one organization award being presented. The individual award was presented to Paul S. Fullerton, Manager, Mackinac County Airport. The organization award was presented to the Michigan Business Aviation Association.

Paul S. Fullerton

Chairman Kamarainen invited Mr. Fullerton to the podium and presented him with the award. The following inscription was read:

In recognition of more than 35 years of service to the citizens of Saint Ignace and Mackinac County, Michigan, as well as Mackinac and Bois Blanc Islands, by providing safe, efficient and valued air service to and from the islands and by advancing aeronautics in Michigan by your daily demonstration of how aviation provides essential services to communities across the state.

On behalf of the Commission, Chairman Kamarainen congratulated Mr. Fullerton for 35 years of excellence. Mr. Fullerton said a few words expressing his appreciation and thanked the Commission for the honor.

Michigan Business Aviation Association (MBAA)

Chairman Kamarainen invited Mr. John Hatfield, MBAA Chair, to the podium and presented the award. The following inscription was read:

In recognition of your commitment to advocating for airport infrastructure, air transport system capacity, security and other issues affecting aviation throughout Michigan; as well as your dedication to general aviation issues at the local, regional and state levels; and working collaboratively to ensure the development and training of future aviation professionals through sponsorship of a variety of aviation scholarships. The beneficiaries of these programs include aspiring pilots, aviation managers and maintenance technicians enrolled in aviation-related college and technical school programs throughout Michigan. Your continued engagement and advocacy ensures the health of business aviation in our state.

Chairman Kamarainen stated that on behalf of the Commission, he is pleased and honored to present the award to MBAA. Mr. Hatfield said a few words stating that it is with great honor he accepts the award on behalf of a large group of people. He introduced members who were



present: Cheryl Bush, Rick Fiddler, Roger Salo, Dave VanderVeen, Cliff Maine, Chad Piper, and Jay Orwin. He commended their business partner GCSI (Governmental Consulting Services, Inc.), specifically Steve Young and Tara Paksi, for taking MBAA's cause and help put it in action. Mr. Hatfield accepted the award and thanked the Commission.

V. ELECTIONS

Chairman Kamarainen announced that his term as chairman has come to an end. He spoke of the nominating procedure. He stated that in accordance with the Michigan Aeronautics Commission Bylaws, he along with Commissioner VanderVeen nominated the offices of chairman and vice chairman of the Michigan Aeronautics Commission for a one year term beginning immediately upon election.

For the Office of Chairman: Roger Salo

For the Office of Vice Chairman: Rick Fiddler

Chairman Kamarainen entertained a motion and support to approve the nominations as presented. The motion was moved by Commissioner VanderVeen and supported by Commissioner Scott Heather to appoint Vice Chairman Salo as Chairman and Commissioner Fiddler as Vice Chairman. **All voted in favor with Vice Chairman Salo and Commissioner Fiddler abstaining.**

VI. PASSING OF THE GAVEL

Director Trout commended Chairman Kamarainen for his dedication to the Michigan Aeronautics Commission and presented him with an honorary plaque congratulating Chairman Kamarainen on a successful year.

Chairman Kamarainen stated that he appreciates working with the Commission and Aero staff and thanked everyone for a great year.

Chairman Kamarainen handed over the gavel announcing and congratulating Roger Salo, the new Michigan Aeronautics Commission Chairman.

VII. COMMITTEE ASSIGNMENTS

The new Chairman Salo thanked Commissioner Kamarainen for his service during the past year and expressed his appreciation for his leadership on the GA Committee. He stated that he is honored to be elected as the Commission Chairman and looks forward to working with everyone in the very near future.

In accordance with the Bylaws, Article VII, Special Committees, Chairman Salo announced the reestablishment of the following committees and reappointments of the respective chairs:



- General Aviation Committee
 - Reappointment of Committee Chair: Pete Kamarainen
- Air Service Committee
 - Reappointment of Committee Chair: Russ Kavalhuna

VIII. COMMISSIONER COMMENTS

Chairman Salo asked if any of the commissioners would like to make a comment.

Commissioner VanderVeen commented that the Environmental Protection Agency is now considering aviation emission regulations and that it will probably be a year or two before the Federal Aviation Administration generates specific guidelines. Commissioner VanderVeen suggested that this development needs to be closely monitored.

Chairman Salo thanked Commissioner VanderVeen for his comment. There were no other comments

IX. PUBLIC COMMENT

Chairman Salo asked if anyone would like to make a public comment.

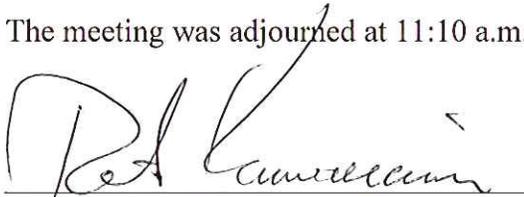
Tom Krashen, Office of Aeronautics, commented that the aviation community in Michigan lost a very good friend. Randal Mack, who was the pilot for Mead & Hunt, passed away Friday, September 5. Mr. Krashen stated that it was quite devastating for all. On behalf of all of the pilots, Aero staff, and Commission, he offered sympathy to his family.

Chairman Salo thanked Mr. Krashen. There were no other comments.

CLOSING

The next Michigan Aeronautics Commission meeting is scheduled for Wednesday, November 12, 2014, in the Aeronautics Building, 2700 Port Lansing Road, Lansing, Michigan.

The meeting was adjourned at 11:10 a.m.


Peter J. Kamarainen, Chairman


Michael G. Trout, Director

Dated: 11.12.14

