

MICHIGAN AERONAUTICS COMMISSION

Minutes of Meeting
Lansing, Michigan
January 25, 2018

Pursuant to Section 31 of Act 327 of the Public Acts of 1945, the Commissioners of the Michigan Aeronautics Commission met at the Aeronautics Building, 2700 Port Lansing Road, Lansing, Michigan, on Thursday, January 25, 2018.

Members Present

J. David VanderVeen, Chairman
Russ Kavalhuna, Commissioner
Roger Salo, Commissioner
Rick Fiddler, Commissioner
Laura Mester, Designee – MDOT
Maj. Gen. Len Isabelle, Designee – MDMVA
Capt. Joe Gasper, Designee – MSP
Jim Shell, Legal Counsel
Mike Trout, Director

Members Absent

Pete Kamarainen, Vice Chairman
Kevin Jacobs, Designee – MDNR

Staff Present

Kelly Badra
Dave Baker
Judy Baker
Bryan Budds
Jennifer Forbes
Hilary Hoose
Elyse Lower
Pauline Misjak
Mark Noel
Sue Payne
Brigitte Pricco
Linn Smith
Betsy Steudle
Anu Taneja

Also Present

Mike Borta, QoE Consulting
Larry Bowron, City of Battle Creek
Nate Granger, Foth Infrastructure & Environment, LLC
Bob Leisenring, Mead & Hunt, Inc.
Phillip Johnson, Prein&Newhof
Kelly Jost, C&S Engineers, Inc.
Keith Newell, Grosse Pointe
John Strehl, Antrim County Airport
Jeff Tripp, Muskegon County Airport
Miles Weaver, City of Battle Creek

I. OPENING REMARKS

The January 25, 2018 Michigan Aeronautics Commission (Commission) Meeting was called to order by Chairman J. David VanderVeen at 10:00 a.m.



Chairman VanderVeen welcomed all those present. He asked everyone to rise, and the Pledge of Allegiance was cited. Immediately following, Chairman VanderVeen asked for a moment of silence in memory of former Wayne County Airport Executive Sean Brosnan.

Roll call was taken.

II. COMMISSION BUSINESS

A. Chairman VanderVeen asked if there were any revisions to the minutes of the meeting held on November 8, 2017. There were none. He entertained a motion to approve the minutes. The motion was moved by Commissioner Russ Kavalhuna and seconded by Commissioner Roger Salo to approve the minutes as presented. **All voted in favor.**

B. Dave Baker presented the Air Service Program Grants and Airport Sponsor Contracts.

- Air Service Program Grants
 1. Willow Run Airport, Detroit
 2. Delta County Airport, Escanaba
 3. Bishop International Airport, Flint
 4. Gerald R. Ford International Airport, Grand Rapids
 5. Houghton County Memorial Airport, Hancock
 6. Ford Airport, Iron Mountain Kingsford
 7. Gogebic Iron County Airport, Ironwood
 8. Kalamazoo/Battle Creek International Airport, Kalamazoo
 9. Capital Region International Airport, Lansing
 10. Manistee County – Blacker Airport, Manistee
 11. Sawyer International Airport, Marquette
 12. Muskegon County Airport, Muskegon
 13. Oakland County International Airport, Pontiac
 14. MBS International Airport, Saginaw
 15. Chippewa County International Airport, Sault Ste. Marie
 16. Cherry Capital Airport, Traverse City

- Airport Sponsor Contracts
 1. Gratiot Community Airport, Alma
 2. Atlanta Municipal Airport, Atlanta
 3. Beaver Island Airport, Beaver Island
 4. Wexford County Airport, Cadillac
 5. Tuscola Area Airport, Caro
 6. Gogebic Iron County Airport, Ironwood
 7. Gogebic Iron County Airport, Ironwood
 8. Schoolcraft County Airport, Manistique
 9. Mount Pleasant Municipal Airport, Mount Pleasant
 10. Mount Pleasant Municipal Airport, Mount Pleasant
 11. Mount Pleasant Municipal Airport, Mount Pleasant



Chairman VanderVeen asked if there were any further comments or questions. Hearing none, he entertained a motion to approve item Nos. 1 – 16 of the Air Service Program Grants and item Nos. 1 – 11 of the Airport Sponsor Contracts. The motion was moved by Commissioner Kavalhuna and seconded by Commissioner Len Isabelle to approve the grants and contracts as presented. **All voted in favor.**

(Due to potential conflicts of interest, Commissioner Fiddler abstained from voting on Air Service Program Grant No. 4, Gerald R. Ford International Airport, Grand Rapids; and Chairman VanderVeen abstained from voting on Air Service Program Grant No. 13, Oakland County International Airport, Pontiac.)

A complete list of grant and contract descriptions can be viewed on the Michigan Aeronautics Commission webpage under “Meetings” and then “Contract Approvals” at www.michigan.gov/aero.

Mr. Baker reported on one supplemental transfer: Muskegon County Airport, Muskegon. **No Commission action was required.**

- C. Director Mike Trout reported on the proposed amendment to the Michigan Aeronautics Commission Bylaws.

During the last Commission meeting on November 8, 2017, a proposed amendment to the Bylaws was presented. It was recommended that Article IV, Section 4.1 be amended to allow for two consecutive one-year terms for the office of chairperson. The Bylaws currently state that two consecutive terms for the same office are not permitted. Below is the recommended language amending Article IV.

ARTICLE IV

The Commission shall elect from among its members a chairperson and a vice-chairperson to serve for one year and annually thereafter shall elect such officers, each to serve until his successor is elected.

Operating Procedures: 4.1

The Commission shall elect annually from its members a chairperson and a vice-chairperson from candidates presented by a nominating committee for a one-year term. Elections will be held during the fifth regular meeting of the normal scheduled six in a calendar year. Two consecutive elective terms for the same office are ~~not~~ permitted. Newly elected officers will begin serving their terms immediately upon election.

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 November meeting to discuss and deliberate this proposal and plan a final vote on the amendment at the January meeting of the Commission.



Chairman VanderVeen asked if there were any further comments or questions on the proposed Article IV amendment. Hearing none, he entertained a motion to approve the amendment as presented. The motion was moved by Commissioner Roger Salo and seconded by Commissioner Rick Fiddler. **All voted in favor.**

III. REPORTS

A. MAC Director Report

Updates

Director Trout provided updates on the following:

- Michigan Unmanned Aircraft Systems (UAS) Task Force
 - The 27-member task force met a number of times last fall. The final report was submitted to the Governor and Legislature in November. The report included several recommendations, which are now being planned for implementation. The full report can be viewed on the “Pilot Resources & UAS” webpage at www.michigan.gov/aero.
- UAS Pilot Program
 - The State of Michigan Department of Transportation (MDOT) submitted its application to participate in the Federal Aviation Administration’s (FAA) UAS Integration Pilot Program. The purpose of the pilot program is for FAA and the selected states to further explore, through partnerships, the roles state government may have to accelerate integration of UAS into the National Airspace System. It is expected that a decision will be made in March as to what states are selected to participate in the program.
- Request for Proposals
 - The Legislature requested that MDOT Office of Aeronautics solicit proposals for third party management of its aircraft fleet (Fiscal Year 2018 Budget Bill, P.A. 107 of 2017). A request for proposals was issued. Staff is currently evaluating one submission, first looking at qualifications and then costs. No decision has been made to date.
- Aviation Fuel Tax Action Plan
 - The Office of Aeronautics was recently notified that Michigan is officially in full compliance in terms of FAA’s Revenue Use Policy. For a long time, FAA was showing a pending status for all states. The State of Michigan MDOT submitted its action plan in December of 2015.
- Michigan Aeronautics Website
 - Aeronautics new website was recently launched and can be viewed at www.michigan.gov/aero. Thanks to Kelly Badra, Hilary Hoose, and Erika Hanses for their many hours of hard work in developing this new website.



State Legislation

- HB 4350/4351 Aviation Equipment – would exempt aircraft parts for repairs and maintenance from sales and use tax.
 - Passed by House; Senate Committee of Finance recommended immediate effect and referred to full Senate.

- HB 5118 UAS Memorandum of Understanding (MOU) with FAA – would require the Michigan Aeronautics Commission, Michigan State Police (MSP), and UAS Task Force to enter in a MOU with FAA; would attempt to allow the enforcement of federal law and rules regarding UAS, or drones, by MSP, local police, airports, and railroads.
 - Currently in House Committee on Communications and Technology.

- SB 626/627 Seaplane Operations – would change state law to allow MDOT to regulate the use of inland waters by aircraft; would exclude application of the Natural Resources and Environmental Protection Act to aircraft regulated by the Michigan Aeronautics Commission.
 - Currently in Senate Committee on Transportation.

Michigan legislation can be viewed at www.legislature.mi.gov/.

Statistics

Director Trout reported on the following:

- Fuel Tax Revenue
 - Excise (3¢) FY to Date (Oct. – Dec.)
 - 2018 = \$1,652,964
 - 2017 = \$1,963,229
 - (15.8% decrease)
 - Sales (2%) FY 2017 – to Date
 - Q1 = \$1,838,231
 - (SAF 35% - \$643,381/QAF 65% - \$1,194,850)
 - Q2 = \$1,854,654
 - (SAF 35% - \$649,129/QAF 65% - \$1,205,525)
 - Q3 = \$2,203,688
 - (SAF 35% - \$771,290/QAF 65% - \$1,432,398)
 - Q4 = \$1,642,742
 - (SAF 35% - \$574,960/QAF 65% - \$1,067,782)
 - FYTD Total = \$7,539,315
 - (SAF = \$2,638,760/QAF = \$4,900,555)
- Note: SAF = State Aeronautics Fund
QAF = Qualified Airport Fund*

Awaiting final fiscal year figures.

Awaiting FY 2018 Q1 Report.



- Tall Structure Permits
 - 2017 = 4,497 (369 wind turbines) Year Total
 - 2016 = 3,698 (466 wind turbines) Year Total
- State Aircraft Flight Hours – FY (Oct. – Dec.)
 - 2018 = 189
 - 2017 = 229

Recognitions

- Jeremy Riley, Planning and Development Section – 15 Years of State Service
- Mark Noel, Planning and Development Section – 40 Years of State Service
- Commissioner Fiddler – “Living Legends of Aviation” Nominee
Chairman VanderVeen cited the congratulatory letter addressed to Commissioner Fiddler and commended him on this high honor.

Coming Soon

- Grant Close-Out Process Improvement Kick-Off – January 31, Lansing
- MITA Drone/UAS Workshop – February 5, Okemos
- Airport Conference – February 21-22, East Lansing
- NASAO Washington Legislative Conference – February 28 - March 2, Wash., D.C.
- MAC Meeting – March 28, Lansing
- MBAA Legislative Day – March 14, Lansing State Capitol

Director Trout’s report can be viewed in full on the Michigan Aeronautics Commission webpage under “Meetings” and then “Director’s Reports” at www.michigan.gov/aero.

- B. General Aviation Advisory Committee – No Report
- C. Commercial Air Service Advisory Committee – No Report
- D. Safety Advisory Committee – No Report
- E. UAS Advisory Committee – No Report

IV. COMMISSION COMMENTS

Commissioner Kavalhuna reported on his November trip to Washington, D.C., to attend a meeting regarding the pilot shortage in our nation. The RAND Corporation (an American nonprofit policy think tank) hosted a number of stakeholders for this meeting, described as the National Pilot Source Forum. The consensus at the forum was that there are not enough pilots. Considerable discussion took place among the commissioners on how change could help turn the pilot shortage around. Commissioner Kavalhuna stated that the conversation needs to continue.

Commissioner Isabelle commented that he attended an event (sponsored by Michigan Economic Development Corporation’s Planet M) at the North American International Auto Show. A number of groups for mobility were in attendance. He stated that increasing mobility should be complete mobility, not just ground. Director Trout agreed and stated that the UAS Task Force



discussed the “Planet M” concept and recommended integrating UAS into American Center for Mobility’s overall mission.

V. PUBLIC COMMENTS

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

There were no public comments.

CLOSING

The next Michigan Aeronautics Commission meeting is scheduled for Wednesday, March 28, 2018, 10:00 a.m., Aeronautics Building, 2700 Port Lansing Road, Lansing, Michigan.

The meeting was adjourned at 10:55 a.m.

(approved/signed, original on file)
J. David VanderVeen, Chairman

(approved/signed, original on file)
Michael G. Trout, Director

Dated: March 28, 2018

