

MEMO TO: Airport Advisory Board

June 14, 2007

FROM: Duane Ellis

SUBJECT: Airport Advisory Board Meeting Minutes – June 13, 2007

An Airport Advisory Board meeting was held at the airport terminal building on June 13, 2007. Chairman Brent Maxon called the meeting to order at approximately 5:55 p.m. Present at the meeting were Brent Maxon, Mike Verleger, Dr. Alan Bryan, and Duane Ellis. Also present were John Benzinger and Barb Grewe

The minutes of the May 10, 2007 meeting were reviewed and accepted as presented.

John reviewed the Airport Manager's report for May. Fuel sales, while steady, are significantly lower than the same period last year. From January through May of this year, total fuel sales are down approximately 30% from the 2006 levels. John attributes this decline primarily to the high price of fuel. When fuel exceeds \$4.00 per gallon, he has observed a definite reduction in purchases. Currently, aviation fuel is \$3.78 per gallon and Jet A is \$3.84 per gallon. John indicated that he will need to purchase Jet A soon and he expects that the pump price will be \$4.10 to \$4.35 per gallon. The Midwest average for fuel is \$4.20 per gallon for low lead and \$3.98 for Jet fuel. John remains optimistic about future fuel sales because overall corporate operations are increasing. In addition, proposals by the FAA to increase fees for airline operations will continue to fuel the increased level of corporate operations. John noted that the airport funding program AIR21 has been approved by the Congress through the year 2011. This is the funding mechanism that provides construction funds for runway and airport construction.

John reported that Kent Power, which normally has an aircraft based in Midland, has purchased a new twin-engine aircraft and has temporarily based this plane in the City's corporate hangar. The rent for the hangar space that John has agreed upon with Kent Power is \$300.00 per month.

John reported that on June 20th, Silver Ridge will open their entertainment venue and we will then be able to determine how much traffic the entertainers and visitors to this facility generate at the Mt. Pleasant airport.

Gary Hinzman, of Florida, is in the process of moving to Mt. Pleasant where he will open an avionics facility at the airport. His avionics shop will be located in the old city terminal building and he expects to begin work in this

facility as of July 1st. Mr. Hinzman has a thriving avionics business and his services will be a definite asset to the Mt. Pleasant airport. The nearest avionics facilities in Lower Michigan are located in Fremont and Pontiac. It is hoped that by establishing this shop that additional air traffic will utilize Mt. Pleasant in order to receive services from Mr. Hinzman. Gateway Aviation and Mr. Hinzman are working together for the installation of avionics equipment once it has been repaired.

Dr. Al Bryan is in the process of establishing a land lease with the City in the corporate hangar area. The land lease is currently being prepared and the survey has been completed.

Brief discussion was held concerning the awarding of 2% funds to the Union Township East DDA for the installation of a new water main along Airport Road from Isabella Road to the airport terminal building. The Saginaw Chippewa Tribe provided \$130,000 for this construction project. Dr. Bryan reported that the East DDA plans to construct the water main this summer.

John reported that a tree and plaque honoring Bob Gorby have been installed in the planting area near the apron. A ceremony was held to honor Bob's service to the airport and to spread his ashes at the field. The EAA has raised approximately \$2,000 in Bob's honor to be used for the purchase of an AED defibrillator unit. The Airport Board voted to recommend the purchase of the AED and that the City provide additional funds, if necessary, for purchase of the unit, which would be installed in the terminal building.

General discussion was held concerning the status of the future grant funding for the airport and the State's financial status.

The meeting of the Airport Advisory Board was adjourned at approximately 7:00 p.m. The next meeting of the Airport Board will be held at the airport terminal building on Wednesday, July 11, 2007 at 5:30 p.m.

DFE/tb
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