

MEMO TO: Airport Advisory Board Members

May 9, 2008

FROM: Duane Ellis

SUBJECT: Airport Advisory Board Meeting Minutes – May 8, 2008

An Airport Advisory Board meeting was held at the airport terminal building on May 8, 2008. Chairman, Al Bryan, called the meeting to order at 5:35 p.m. Present at the meeting were: Mike Verleger, Al Bryan, Jerry Elliot, Mark Marshall, John Benzinger, and Duane Ellis. Several representatives from Union Township were also present at the meeting including: Jim Collin, Township Supervisor, Randy Robinson, Building Inspector, and Pat DePriest, Township Assessor.

A general discussion was held with the Union Township representatives concerning the assessment and building inspection process at the airport. Pat DePriest discussed her need to inspect and evaluate private properties that are located on leased land at the airport. These properties are subject to township taxes based upon the assessed value of the building. A discussion was also held concerning the township building inspection process. Since no private construction has happened on the airport in a period of time, this process has not been used. Randy Robinson, Township Building Inspector, indicated that the township will inspect and will require building permits for all private buildings, which are constructed at the airport. Once the building is constructed following this process, the assessor will determine the assessed value for the property for taxation purposes. City-owned structures are not subject to taxation. Therefore, City buildings that are constructed will continue to be reviewed by the City building inspector rather than the township building inspector.

Airport Manager's Report

John reported that fuel sales were relatively strong during the last month, with just less than 4,000 total gallons of fuel sold. John has been in contact with the Township to encourage the final cleanup by Rohde Brothers of the water main construction, which occurred last fall. The area has not been graded properly, and, as a result, water is standing in the construction area. John was advised to coordinate his request with Randy Robinson, Township Building Inspector, who is responsible for coordination of all Township construction projects.

John reported that Jerry Hinsman, who was in the process of establishing an avionics shop at the Mt. Pleasant Airport, has given up on that effort and has decided to move back to Florida. Jerry sold his building to John Jackson, who is in the process of purchasing an aircraft for storage there.

As a follow up to the discussion about taxes on the airport, John indicated that Cadillac has a tax free zone at their airport in order to encourage development at the field. John will contact Cadillac and research the method by which this zone was established, and determined if such a tax free zone could be established at the Mt. Pleasant Airport.

Terminal Building Status

The construction bids for the terminal building expansion and renovation have been received. JBS Contracting, Inc., was the low bidder at \$150,500.00. The bid will be processed through the City Commission on May 12, 2008. Documentation will then be forwarded to the Bureau of Aeronautics for their final review and approval, and for their issuance of the grant for the construction of the terminal expansion. It is anticipated that construction may begin in late June or early July of this year. John is currently finalizing the furnishings section of the terminal building renovation. This section of the project is funded through a \$90,000.00 two percent allocation from the Saginaw-Chippewa Tribe. John will be taking bids for the purchase of the furniture and appliances for the terminal building over the next few months.

Miscellaneous

Mike Verleger reported that he had spoken with the transportation director of the Indian Trails Bus Company concerning the use of the airport terminal as a passenger pickup location. Mike reported that the Indian Trails representative was very interested in exploring the possibilities with the airport. As a minimum, the airport terminal could be established as a second pickup point for passengers in the Mt. Pleasant area.

A general discussion was held concerning the advantages and disadvantages of the establishment of an airport authority for financing and operation of the airport. This is an issue that has been discussed periodically over the years, and the positions of the Township, County, and Tribal governments were discussed concerning the establishment of an authority. Basically each of the other governmental units has not expressed an interest in developing this type of funding mechanism. In their opinion, the current mechanism is working well and the City of Mt. Pleasant is doing a good job in operating the airport.

The meeting of the Airport Advisory Board was adjourned at approximately 7:15 p.m. The next meeting of the Airport Advisory Board will be held at the airport terminal building on Thursday, June 12, 2008, at 5:30 p.m.

DFE/jac
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