

HOUGHTON COUNTY MEMORIAL AIRPORT MEETING MINUTES

DATE: July 25, 2013 TIME: 4:00 P.M.

LOCATION: HOUGHTON COUNTY MEMORIAL AIRPORT CONFERENCE ROOM

ROLL CALL: Tim Palosaari, Albert Koskela, Tom Tikkanen

ATTENDEES: Dennis Hext, Airport Manager Eric Forsberg, County Controller Dennis Juppe (Primary Airport Services) Mark Osborne, KRC Kirk Hammel, and Karen Anderson.

AGENDA: A motion was made by Tom Tikkanen and seconded by Al Koskela to approve the agenda as presented.

Motion Carried Unanimously

MINUTES: A motion was made by Al Koskela and seconded by Tom Tikkanen to approve the June 26, 2013 regular airport meeting minutes.

Motion Carried Unanimously

BILLS: A motion was made by Al Koskela and seconded by Tom Tikkanen to approve and pay the bills in the amount of \$24,045.45 for the airport and \$5,060.00 for the water and sewer fund.

Motion Carried Unanimously

Roll Call – Tim Palosaari – (YES) – Al Koskela – (YES) – Tom Tikkanen – (YES)

FINANCIAL REPORT: Eric Forsberg, County Controller, presented the Airport and Water & Sewer financial reports for the month of June.

PUBLIC COMMENTS: Kirk Hammel addressed the board regarding the airports policy regarding insurance requirements for aircraft mechanics working on the field. Mr. Hammel felt the policy was restrictive and felt it would be in the best interest of the airport to change the policy. Mr. Hammel asked the Committee to consider removing the insurance requirement for aircraft mechanics to work on the field.

A discussion ensued regarding the purpose of the policy and airport liability if the airport was named in a law suit because of negligence by a mechanic without insurance. The Committee requested that the Airport Manager research the issue further and give a report at the next meeting.

Mark Osborne representing KRC informed the Committee the POR rally drivers will be renting their test course.

OLD BUSINESS:

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NEW BUSINESS:

Agenda Item A, "Riverside Resort & Casino Flight"- Airport Manager Dennis Hext updated the Committee on the Riverside Resort and Casino flight scheduled from Houghton County Memorial Airport (HCMA) to Laughlin Nevada on September 14, 2013. The flight will depart Houghton at 4:20 in the afternoon and will be operated by a 737-800 which seats 159 passengers. The State has agreed to allow HCMA to use \$5,000 from a state marketing grant to market the next two flights. HCMA will also need a passenger boarding ramp for future flights. The estimated cost of the ramp is \$35,000-\$50,000 and is eligible under the AIP grant program. Riverside has priced the inaugural flight at \$275.00 per person round trip. The price includes airfare, lodging and airport transfers.

Agenda Item B, "Proposed Water Rate Increase" – At the June meeting the Committee was advised of a rate increase by Michigan American Water Company by 4.97% beginning June 15, 2013. An audit of the water system rates and the impact that the rate increase would have on the airport water system was conducted. The audit found that consideration should be given to a proposed rate increase to keep up with operating costs. The proposed rate would increase the current rate from \$16.90 per 1,000 gallons to \$17.35 per 1,000 gallons or \$0.45.

A discussion ensued as to the impact a rate increase would have on current customers as well as future growth. It was felt ongoing repairs to system leaks may offset the increase by Michigan American Water Company. A decision was made to table the issue and monitor the effect the increase would have on the systems financial sustainability.

A motion was made by Tom Tikkanen and seconded by Al Koskela to table the item.

Motion Carried Unanimously

Agenda Item C, "Mead & Hunt, Seventh Progress Payment, Construction Inspection and Administration Services, CMX Taxiway A & MIRL, Project R2799300-120408.01, Fed. 3712/C113. – The Airport Manager requested approval to have the Airport Committee Chairman sign invoice 236830 in the amount of \$13,850.32 for submittal to MDOT for processing and payment to Mead & Hunt Engineering for the seventh progress payment, Construction Inspection and Administration Services, CMX Taxiway A & MIRL. The cost is reimbursable using AIP/PFC funds. Sponsor share is 2.5% which is reimbursable using PFC funds.

A motion was made by Tom Tikkanen and seconded by Al Koskela to approve the request.

Motion Carried Unanimously

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Agenda Item D - Water/Sewage Report – The water and sewer report was unavailable for the meeting.

Agenda Item E, "Airline Monthly Statistics." – For the month of June, 2013 SkyWest enplaned 2,067 passengers and deplaned 2,498. Last year in June SkyWest enplanements were 2,131 compared to this year's enplanements of 2,067 a decrease of 64 passengers or 3%. The decrease can be attributed to 11 weather cancellations.

PUBLIC COMMENTS:

NEXT MEETING: The next meeting will be held August 29, 2013 in the airport conference room at 4:00 PM.

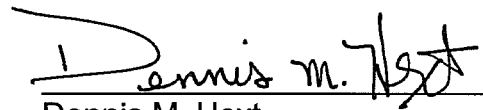
ADJOURNMENT: A motion was made by Al Koskela and seconded by Tom Palosaari to adjourn the meeting at 4:55PM.

Minutes approved by:

Recorded by:



Tim Palosaari
Airport Committee Chairman



Dennis M. Hext
Airport Manager