

City of Grand Haven Airport Advisory Board Meeting (Virtual)
January 26, 2021

Meeting Minutes:

Meeting Called to Order – Ben Ennenga, Board Chair: Meeting called to order at 5:40 pm

Roll Call – Chris Kostamo, Board Secretary:

Board Members Present:	Ben Ennenga	(Grand Haven, MI)
	Richard Clapp	(Grand Haven, MI)
	Dale Hagenbuch	(Grand Haven, MI)
	Chris Kostamo	(Grand Haven, MI)
	Earl Bares, Airport Mgr	(Grand Haven, MI)
	Tom Manderscheid, Liason	(Grand Haven, MI)
Guests:	Pat McGinnis, City Manager and Zoom Meeting Host	

First Call to Audience – Ben Ennenga/Pat McGinnis: Board Chair, Ben Ennenga, restated the rules for audience participation in a virtual board meeting. Mr. Jeff Beswick (Grand Haven, MI) called in to state his support for private investment in new hangars. He related his personal interest in a new box hangar and that the City needs to consider lengthening the city-wide 10 year land lease requirement to include, encourage, and permit private investment in new hangars on leased land at the airport. His interest in such an investment would be tempered, he said, dependent on the airport maintaining its current configuration with two crossing runways. Chair Ennenga responded that his questions/comments were pertinent and in need of further discussion.

Airport Manager, Earl Bares then reported on the highlights of the January (virtual) GHAA meeting. Future GHAA meetings will be Zoom meetings for the foreseeable future. A Zoom subscription was purchased by the GHAA for that purpose. The annual Fly-In/Open House is scheduled for June 5, but there will not be the usual pancake breakfast due to COVID restrictions, and it is uncertain if there will be any food service at all. A donated propane tank will be retro-fitted as a grass runway roller. The courtesy car is repaired but insurance (at about \$800 annually) is still a question and the financial feasibility of offering the courtesy car yet this year is being considered.

The EAA Chapter 211 did not have a January meeting and has cancelled meetings for the short-term due to COVID.

Acceptance of November 24, 2020 Board Meeting Minutes – Ben Ennenga: Richard Clapp moved to accept and Dale Hagenbuch seconded acceptance of the November Board minutes. Minutes were accepted unanimously without amendment.

New Business:

Offer new service: Jet A Fuel: Earl Bares reported that Sky Dive Grand Haven has purchased a King Air E-90 for their operations, requiring Jet A type fuel. The existing unused Jet A tank is in need of some repair work but can be brought up to standards for the sale of Jet A. Sky Dive GH's Twin-engine Navajo used about 8000 to 10000 gallons of aviation fuel last year, and Earl estimates the King Air would use about the same amount of Jet A this coming season. There are other users that have interest in Jet A at Grand Haven, including Dr. Ivey and the Coast Guard. Plus, availability of Jet A would encourage corporate/private turbo-prop and small jet aircraft to utilize the airport, though sales to Sky Dive GH alone would justify rehab and updating of the Jet A tank.

A discussion ensued regarding the needed repairs to the Jet A tank, among those items being a new hose and nozzle, a new filter element and water probe, a solenoid valve and POS interface. Total repair costs would run about \$6000, which Earl estimates would be recouped within a year. Tom Manderscheid asked Earl if the tank has been looked at by experts/contractors and Earl said yes, by two separate companies. Earl also brought up an issue regarding venting of the existing fuel tanks. MDOT inspectors had cleared the existing venting on the 100LL tank, but further investigation by Earl has revealed that was in error and actually, the tank venting needs to be revised for an additional \$2000. After a lengthy discussion about the vent requirements, Ben Ennenga asked if these repairs had to be brought to the City to undergo a lengthy bid process. Mr. Manderscheid responded yes, but because of the limited scope and special nature of the repairs, the City needs only two quotes. He stated that the process needs to be expedited so as to not lose Jet A sales and the bid approval can be done within thirty days. He further said that Earl needs to gather all pertinent information, including the 100LL tank venting situation, and get that to the City soon.

Though not on the agenda, Ben Ennenga began a discussion on the topic of building new hangars at the airport. The Advisory Board's job is to make recommendations to City Council. But the Board needs information and answers to a number of questions from City Council. With respect to land leases to private investors interested in building hangars, what is the City's position? And as brought up by Mr. Beswick, will the City extend the 10-year lease limitation to encourage such investment at the airport? City Manager Pat McGinnis said the last time a serious proposal was made, in the final analysis, there was no financial incentive for the City to approve the proposal.

The bottom line on this topic is essentially answering the question: does it make financial sense for both the city and the airport? Further research and discussion is certainly warranted.

Old Business: None

Airport Manager Report – Earl Bares: Airport Manager Earl Bares reviewed his detailed January 2021 report. With respect to his “Hangars” topic, there was another lengthy discussion on what to do about current hangar repairs and what the airport can do to meet demand for more hangar space in the future. As Earl emphasized, we need to have a plan! We need to answer a lot of questions:

- Repair or replace and/or build additional new hangars?
- What is the ROI on new hangars, with or without private investment?
- Could new hangars even be built without private investment?
- Should we repair hangars currently in use as store-and-lock to bring them up to speed for airplane usage? Would that make economic sense?
- Is it possible to go to MDOT/FAA for additional grant money?

Tom Manderscheid emphasized he and Earl are tasked with running the airport without the use of taxpayer dollars. Currently, grant money is used in such a way that safety items are prioritized over other “wants” and while new hangars are always in the Airport Improvement Plan as a future expense item, the fiscal year budgets must expense safety related items first (e.g., tree trimming, rehab of the main runway, and the new beacon). That process pushes money that could be available for new hangars further out in the budget process. Perhaps more grant money could be available and if so, ROI on new hangars would not be as big an issue. But for the City to consider financing such a project, ROI is THE issue!

Administrative Liaison Report – Tom Manderscheid: Mr. Manderscheid reviewed his January 26, 2021 financial report. Notably:

- + 30-60-90 day receivables at zero. Current (as of 1/21/2021) receivables are at \$6669.50, of which all should be collectable.
- + Airport cash fund balance (as of 1/17/2021) is \$143,072.09. The expected balance with grant money input and projected costs should rise to \$221,549. However, repairs D/F hangar row roofs are expected to be \$45,500, with work beginning in July at the start of the new fiscal year.
- + 2021-2022 Capital Improvement Budget (first draft) has been submitted to the City and the O&M Budget will be submitted by month’s end.

Second Call to Audience – Ben Ennenga/Pat McGinnis: Mr. Ethan Beswick (Grand Haven, MI) called with comment regarding new hangars. He said the airport growth is great but the airport is running up against not having enough hangar space to meet demand. He feels the solution is to have private investment which would offer opportunity for revenue from land currently sitting vacant. He said the ten-year lease limit is most likely a “show-stopper” and that the City must consider extensions – that he airport should be included in lease extensions being considered for other City properties.

Pat McGinnis mentioned additional Facebook comments from Jeff Beswick (Grand Haven, MI): The City must extend the lease limit beyond ten years, other airports have accommodated private investment, and there is a need, from his standpoint, to retain the crosswind runway (or he would be less interested in private investment himself).

Adjournment – Ben Ennenga: the meeting was called for adjournment at 7:42pm by Richard Clapp and seconded by Chris Kostamo. Unanimously agreed upon, the meeting was adjourned by Ben Ennenga.

Respectfully submitted,

Chris Kostamo, Secretary