

**January 22, 2022**  
**REGULAR BOARD MEETING/RETREAT**  
Chair John Shaski

**Board Members Present:** John Shaski, Debbie Groh, Daniel Schiffer, and Yvette Collins  
**Board Members Virtual:** Victor Celentino & Matt Lantzy (*not included for quorum; did not vote*)

**Ex-Officios Present:** Kam Washburn, Mark Mudry

**Management, Staff and Employees Present:** Nicole Noll-Williams, Rob Benstein, Dale Feldpausch, Ron O’Neil, Steve Gonzalez, Blake Roy, Katherine Japinga, Lisa Barna and Bonnie Wohlfert

**Members of the Public Present:** Patrick Maltby & Jan Deyton, Dewpoint; Stephanie Ward, Mead & Hunt; Mike Bown, Landrum & Brown; Bob Pena, Ingham County; Don McNabb, Meredith Crane, and Greg Oslosky, Triterra

**CALL TO ORDER & ROLL CALL**

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1. John Shaski, Chair, called the Regular Board Meeting/Retreat of the Capital Region Airport Authority to order at 9:00 a.m. with a quorum present.
2. All recited The Pledge of Allegiance.

**APPROVAL OF MINUTES**

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1. Debbie Groh moved the Board approve the minutes of the November 15, 2021 Regular Board Meeting.
2. The motion passed unanimously.

**COMMUNICATIONS & SPECIAL ITEMS**

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1. None

**PUBLIC COMMENT**

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1. None

**REPORTS AND RECOMMENDATIONS FOR ACTION**

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**#22-01 Accept State Contract for Taxiway Project at CRIA**

- a. Yvette Collins moved the Capital Region Airport Authority Board accept State Contract 2022-0372 in support of the FAA Airport Improvement Program (AIP) grant 3-26-0055-059-2021 for design engineering services related to the Taxiway C Rehabilitation project and authorized the President – CEO to sign all associated documents on behalf of the Authority. The project will be 100% funded by AIP grant funds in the amount of \$111,940.
- b. The motion passed unanimously.

**#22-02 Ratify application for Economic Development Agency grant including Letter of Commitment for local match**

- a. Daniel Schiffer moved the Capital Region Airport Authority Board ratify the application for an Economic Development Agency grant to fund the design and construction of utilities infrastructure to support the 37-acre Port Lansing Global Logistics site for an estimated total project cost of \$4.4 million, including a Letter of Commitment for the local match of \$880,000.
- b. *The EDA required the application to be submitted by December 31, 2021. CRAA Board Policy, Section 200.05 D. states, “In the event of limited time constraints, or other situations requiring the urgent execution of a contract or agreement requiring Board*

*approval, the President – CEO may sign on behalf of the Authority with the prior knowledge and consent of the Chair of the Board and legal review by the Authority’s attorney. The agreement will then be presented to the Board for ratification at the next regularly scheduled Board meeting.” As part of the application, the Authority was required to submit a Letter of Commitment for the local match, which includes \$810,000 in airport funds plus \$70,000 from an MEDC site readiness grant (previously awarded). This letter was reviewed by legal counsel and signed by both the President - CEO and the Board Chair.*

- c. Nicole shared that Lisa Barna lead the path for this grant application. Dan Schiffer thanked Nicole for recognizing his concern.
- d. The motion passed unanimously.

## **REPORTS**

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John Shaski introduced Patrick Maltby with Dewpoint, the facilitator for the retreat. Patrick explained that he will be keeping the group on track and shared how the bingo game will work using the “Fun Facts” provided by attendees.

### **Development Overview and Update**

Nicole Noll-Williams asked each board member, ex-officio, and staff member to provide a brief introduction and share one of their fun facts. Nicole presented a development overview and update which included current strategic priorities, highlights of CRIA, Mason Jewett, and Port Lansing as well as LAN catchment areas and Lansing’s diverse economy. John Shaski asked about the potential of GM announcing a new battery plant in the area. Nicole stated that CRAA began meeting with them to see how this could grow business travel and cargo; no further insight until the deal happens.

Dale Feldpausch, interim contractor for accounting services/retired CRAA Vice President & CFO, provided an overview related to the financial statement classifications, CARES Cash, Mill Levy comparison between 2019 and 2023, and MERS Retirement. John Shaski commented that the airport is stable due to proper planning in the past.

Nicole continued with information related to airline incentives that are in place, the cargo ramp expansion, site readiness and utility infrastructure project, and roadway improvements/airport access.

Rob Benstein, Vice President & COO, reported on ACIP (Airport Capital Improvement Program) for CRIA and Mason, and the Airport Master Plan Update process.

*Daniel Schiffer left the retreat around 10:45 am during the first break. A quorum was no longer needed.*

### **Mason Jewett Airport Layout Plan Update**

Stephanie Ward with Mead & Hunt provided the Mason Jewett Airport Layout Plan (ALP) Update which included the public information meeting recap, summary of design considerations, alternatives, and recommended development. The next steps are to finalize the ALP in February, submit draft ALP to CRAA Staff for review in early March, and submit to MDOT AERO for review in late March. April – November (estimate) will be for MDOT AERO and FAA Airspace Reviews with the final ALP update complete by December.

John Shaski commented how great it is to have such engaged tenants in Mason. He requested a contact list of all board members, ex-officios, and key CRAA staff. There was a discussion about

transportation options at Mason to support pilots/crew that fly in. Rideshare opportunities like Turo were suggested or posting information at the airport regarding Uber/Lyft.

In order to finalize submission of the Mason ALP, direction and approval from the board is needed regarding whether the crosswind runway will move forward. If the crosswind runway is removed, we will need to work with FAA because it is federal land and once it comes off the plan the airspace is no longer protected. CRAA will confirm the grant funding expectations and required timeline to make decisions and present at the February board meeting.

### **Department Presentations**

Ron O'Neil, Director of Facilities & Infrastructure, reported on the LED lighting and Market Twenty 4 Seven construction projects on the second floor of the concourse. He discussed the aircraft site clean up after the August 24, 2021 jet crash. He touched on other projects such as planned updates to the community room and friendship room, rehabilitation of car rental service centers and phase 1 of the long-term parking lot repaving. Ron also provided details about the incinerator used for burning international trash, such as, annual revenue/expenses, expenditures necessary to bring the incinerator in compliance with new environmental regulations, and alternative options to consider. Incinerator financial data will be provided to the board in order to determine a plan moving forward. Approved capital projects such as loading bridges, boulevard sign replacement, CCTV phase 2 upgrade and terminal interior improvements for LAN were mentioned along with Mason Jewett projects such as crack sealing, airfield painting and fuel farm replacement.

Blake Roy, Operations Manager, explained the role of airport operations and the TSA requirements associated with airport ID badging including the customs and border protection seals. He shared the training levels of the current operations staff and the TSA changes that now require 230+ UPS employees to be badged by the airport. 2022 projects include developing an airport security division, researching/implementing a new airport emergency alerting system, encouraging additional training/professional development for operations officers and continued revisions of all standard operating procedures. In addition, Blake plans to expand the operations officer and wildlife management training programs.

Steve Gonzalez, Chief of Public Safety, provided an overview of his department's authorized personnel and equipment. Body worn cameras are being implemented and he is engaging with mutual aid partners to build those relationships. Steve is assessing the department's budget and will provide recommendations for staffing, training, and equipment. Standard operating procedures are being reviewed and updated as well as in-service training.

John Shaski commented it is good that the team is maintaining relationships with mutual aid partners. He also mentioned how well the first Covid incident was handled early in the pandemic. Victor Celentino asked if there is diversity/cultural training considering this is an international airport. Nicole reported that this has not been done in the past but will be a priority in 2022. Debbie Groh asked who the mutual aid partners are for Mason Jewett and stated that she would like to see a communication plan.

Katherine Japinga, Director of Marketing, recapped several events and openings she coordinated since starting in August. She shared details regarding increased visibility and media engagements with interviews and press releases on topics such as new staff, aircraft incident/crash, precheck enrollment, PFAS investigation, and United Airlines ending service. Social media efforts have increased across all platforms with double and triple-digit growth. Users are most engaged on Facebook and Instagram is experiencing the fastest growth. Website redevelopment is underway with a launch goal of late March/early April. Apple Vacations promotions on billboard, TV and social have been running since December and Apple Leisure Group's marketing department was

utilized for TV footage and billboard layout at no cost. A general awareness campaign for fiscal year 2022 using billboards, TV, radio, digital, social media, and print will be live by the end of January. Additional projects include developing an e-newsletter for external stakeholders, exploring new community partnership opportunities, and increased communication efforts for staff. A formal event at the Fly Lansing Viewport and developing a social media campaign for Mason and Great Lakes Air Ventures partnership with Liberty University are also priorities.

Lisa Barna, Business Development Manager, shared details regarding a U.S. Economic Development Administration (EDA) grant for the Site Readiness and Utility Infrastructure Development Project that was submitted in December. This grant (if awarded) would help CRAA create 13 shovel-ready parcels of land for development on airport-owned land, near the Port Lansing building. Tailwind LLC is now operating the Capital Brewport, a full-service restaurant and bar. KOM Cycling is a new tenant in the Port Lansing building and Ameriflight is now leasing the CRAA hangar. Lisa is also developing an annual tenant survey to help build relationships and give tenants the opportunity to share likes, dislikes, and concerns. John Shaski asked if Ameriflight is relocating staff for these new positions. Staff didn't have this information; John added that it would be great to highlight that people are coming to Lansing (UPS growth also) and tie this into a story, so others come. John asked about engagement with other economic development organizations. Lisa stated that she is reaching out to several partners (LEAP & MEDC) and is hearing this space is one of the region's best "developable" land.

#### **Industry Trends and Air Service Development**

Mike Bown, Landrum & Brown, shared industry trends and air service/air cargo developments. Mike reported where LAN was in late 2019 compared to now for air service, the impact Covid has had on the industry and what 2023 and beyond may look like. Recent carrier meetings and planned activity for 2022-23 as well as incentives and subsidies were discussed. Ultra-low-cost carriers like Sun Country, Allegiant, Frontier and Spirit continue to experience most of the industry growth as leisure travel bounced back more quickly. Business travel demand continues to be particularly weak, although some airlines expect 2022 to be much stronger. LAN "leakage" has been generally in a tight range for a while with moderate improvement in 2018-2019. The pilot shortage continues to be a major issue exasperated by furloughs/retirements during Covid. Delta has indicated that they plan to bring MSP (Minneapolis) service back, but delays are tied to pilot shortages. Upcoming Routes Americas airline meetings include Delta, United, American, Allegiant, Sun Country, Breeze and Southwest Airlines.

LAN is a relatively large air cargo market in the north central region and is comparable to that offered in much larger cities. LAN is an important market to UPS (United Parcel Service) regionally, as UPS' only other large operation nearby is DTW (Detroit). Current UPS facilities at LAN appear to be stretched, particularly as expected growth takes place. Recommended steps include initiating a meeting with UPS to conduct a more intensive study to determine their facility needs. In addition, continue communications with other air cargo carriers including Amazon and Federal Express.

#### **PFAS Update**

Don McNabb, Meredith Crane, and Greg Oslosky with Triterra provided a Per- and Poly-fluoroalkyl Substances (PFAS) summary of investigation activities. CRAA was awarded a grant from MDOT to investigate PFAS in August 2020. The scope of work included assessment of drinking water, surface water, sediment within drains (waterways), soil impact, and ground water impact. Sampling activities were based on the use of PFAS in three areas: Area A, east of ARFF facility, cleaning, and maintenance of equipment; Area B, runway training/testing area; and Area C, equipment fire area (use of PFAS on fire). Drinking water is non-detect for PFAS constituents with wells tested in 2018, 2019, 2020 and 2021. Surface water testing has been conducted with

exceedances in some areas. Sediment testing was conducted but there is no established criteria in Michigan. Soil and ground water testing has been conducted with exceedances in each area. With no FAA approved alternative to PFAS, this remains a challenge for all airports. State regulations need to be established, along with the money to address the issue. Mark Mudry requested the Triterra presentation be sent to all members.

### **Debrief and Wrap Up**

Nicole wrapped up the retreat with a review of current strategic priorities and asked if additional items should be included. The following were discussed or mentioned.

Parking Lot/Future Discussion items:

- Environmental Focus to include PFOS/PFAS and the incinerator
- Corporate and General Aviation strategy/goal
- International Travel strategy/goal
- Leakage – include plans in business development and marketing to address “leakage”

### **OLD BUSINESS**

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1. None

### **NEW BUSINESS**

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1. None

### **PUBLIC COMMENT**

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1. None

### **BOARD COMMENTS**

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1. Debbie Groh asked if the 5G rollout will affect Mason. Rob Benstein advised there will be no impact at Mason. John Shaski requested an update at a future meeting.
2. John Shaski thanked the board and staff and commented that the retreat was an excellent use of time, well worth it.

Summary of Action Items:

- Mason ALP grant timeline
- Incinerator financials
- Mason emergency contact list (mutual aid partners)
- Board contact list
- Impact of 5G rollout
- Mason tenant feedback
- Triterra presentation, please provide (all presentations were emailed to board members & ex-officios)

### **ADJOURNMENT**

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1. John Shaski moved the meeting be adjourned at 3:53 pm.
2. The motion carried, and the meeting was adjourned.

*signed*

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John Shaski, Chair

*signed*

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Bonnie Wohlfert, Secretary