

**OSCODA-WURTSMITH AIRPORT AUTHORITY
BOARD OF DIRECTORS
Board Meeting Minutes
March 12, 2020**

I. CHAIRMAN BOYAT CALLED THE MEETING TO ORDER AT 10:00 A.M.

II. ROLL CALL:

KEVIN BOYAT	PRESENT
KEVIN BELIVEAU	PRESENT
ROB HUEBEL	PRESENT
AARON WEED	PRESENT
JOHN SWISE	PRESENT
MIKE MUNSON	PRESENT
DAVE DAILEY	PRESENT

OTHERS PRESENT

GARY KELLAN
BRENDA MCNEILL
ROB EPPERT, ATTORNEY
MARK MILLER
LARY HOLLAND
MARK MILLER
PATRICIA Alvord - OSCODA PRESS

III. ADOPTION OF AGENDA

Chairman Boyat reported Mr. Kellan has requested two additions to the agenda.

- Item F. OWAA Scholarship Interview & Board Recommendation Committee
- At the recommendation of the Airport Attorney, it was suggested to move the Closed Session after Public Comment period.

Mr. Munson made a motion to accept the modified agenda as presented. Mr. Weed supported the motion. No further comments. Motion carried by voice vote.

IV. APPROVAL OF MINUTES - February 13, 2020 Regular Meeting

Chairman Boyat requested approval of the February 13, 2020 meeting minutes.

Motion made by Mr. Weed to approve the minutes of February 13, 2020 as presented. Mr. Beliveau supported the motion. No further comments. Motion carried by voice vote.

V. Financial Business

A. February 2020 – Financial Activities Report

Mr. Weed and Mr. Kellan have reviewed bank statements and financial transactions during the month of February 2020. A listing of bills processed for payment during February, totaling \$135,694.57, was provided to the board.

Mr. Beliveau made a motion to accept the February 2020 financial activities report, which includes payment transactions totaling \$135,694.57. Mr. Dailey supported the motion. Mr. Dailey, Yes, Mr. Beliveau, Yes, Mr. Weed, Yes, Mr. Munson, Yes, Mr. Boyat, Yes. Motion carried.

VI. Current Business

A. Wurtsmith Air Museum – Welcome Home Weekend and WWII Encampment

A letter from the Chairman of Wurtsmith Air Museum (WAM) was provided to the board. The WAM is seeking to secure a Special Event Permit for hosting a community event during the dates of June 26th – 28th, 2020. The proposed event will include a World War II encampment. Also, WAM has secured a commitment from the Yankee Air Museum to provide flights aboard a vintage WW II military transport aircraft - - known as a C-47.

Mr. Dailey made a motion to authorize Airport Manager Kellan to issue a Special Event Permit for Wurtsmith Air Museum to host the proposed World War II themed event from OWA property. Mr. Weed supported the motion. Mr. Beliveau, Yes, Mr. Weed, Yes, Mr. Munson, Yes, Mr. Dailey, Yes, Mr. Boyat, Yes. Motion carried.

B. Sports Car Club of America – Special Event Permits

Mr. Kellan reported the Detroit and Saginaw regional divisions of Sports Car Club of America (SCCA) are again seeking authorization to host racing events at Oscoda-Wurtsmith Airport. As with past years, they wish to utilize the pavements that formerly served as the Bomber Alert Apron. They typically utilize the Alert Apron during four weekends each summer. Currently, the proposed dates include June 5 -7, July 17- 19, July 29 – August 2 and August 21 – 23.

Mr. Dailey made a motion for the Airport Manager to issue Special Use Permits to both divisions of SCCA for use of the Alert Apron for hosting racing events during mutually agreeable dates during the summer of 2020. The proposed permit fee is \$1,000 for each

event. Mr. Beliveau supported the motion. Mr. Beliveau, Yes, Mr. Weed, Yes, Mr. Munson, Yes, Mr. Dailey, Yes, Mr. Boyat, Yes. Motion carried.

C. Iosco Apron Pavement Rehab – Phase II Bid Results

Mr. Kellan informed the Airport Board that the Federal Aviation Administration (FAA) has issued a ‘Notice of Intent’ to award supplemental discretionary funding for 100% of construction costs for resurfacing approximately 50,450 SYDS of Iosco Apron with concrete pavement. With assistance from the Airport Authority’s engineering consultant – Mead & Hunt Inc. designs, specifications and bid solicitation have been completed. The table below summarizes the Engineer’s preliminary cost estimate as compared to the three construction bids received for this project.

Engineer’s Cost Estimate (Mead & Hunt, Inc.)	Ajax Paving Industries, Inc.	Toebe Construction, LLC	Mark Anthony Contracting
\$ 5,116,527.50	\$ 5,313,134.09	\$ 5,408,304.27	\$ 5,499,252.66

Mr. Kellan explained that the bids listed above are for direct construction costs. Implementing the construction phase will also require support services in the forms of engineering inspection, materials testing and contract administration services. Those support services are to be provided by Mead & Hunt and MDOT-Aeronautics. Utilizing the lowest construction bid offered above, plus related fee quotes from Mead & Hunt and MDOT- Aeronautics - - the estimated construction phase costs are totaled as follows:

Ajax Paving Industries construction contract	\$ 5,313,135
Mead & Hunt construction inspection & admin	\$ 359,895
MDOT Project Administration Fees	<u>\$ 5,500</u>
	\$ 5,678,530

The bidding results, along with additional project information, are now being assembled for submission to the FAA in support of preparing the anticipated grant agreement. The documentation to be provided includes the Engineer’s recommendation to hire the selected construction contractor and the Airport Board’s concurring approval. A copy of the Engineer’s recommendation to hire the lowest bidding contractor – Ajax Paving Industries Inc. is provided with this memorandum. Staff is now seeking concurring approval from the Airport Board for notifying the FAA of OWAA’s intention to award this project to Ajax Paving industries Inc. - - under the condition of first securing all project funding via FAA grant agreement.

Mr. Munson made a motion authorizing Staff to notify the FAA of OWAA’s intention to hire Ajax Paving Industries Inc. for resurfacing project specified sections of Iosco Apron pavements for a contract sum of \$ 5,313,134.09. Such approval remains pending under the condition of first securing FAA funding for implementing the full construction phase

via FAA grant award. Mr. Dailey supported the motion. Mr. Weed, Yes, Mr. Munson, Yes, Mr. Dailey, Yes, Mr. Swise, Yes, Mr. Beliveau, Yes, Mr. Weed, Yes, Mr. Boyat, Yes. Motion carried.

D. Taxiway ‘E’ Pavement Rehab – Phase I Bid Results

Mr. Kellan informed that Airport Board that designs, specifications and bid solicitation have been completed for the first phase of resurfacing a section of Taxiway ‘E’. This project also includes crack sealing and application of paint markings on Taxiways A, B, C & D. Two bids were received for this project. The table below summarizes the Engineer’s preliminary cost estimate as compared to those bids.

Engineer’s Cost Estimate (Mead & Hunt, Inc.)	Pyramid Paving & Contracting Co.	Rieth-Riley Construction Co.
\$ 1,064,180.50	\$ 1,078,447.85	\$ 1,556,525.00

The bids listed above are for direct construction costs. Implementing the construction phase will also require support services in the form of construction inspection, materials testing and contract administration. Those support services are to be provided by Mead & Hunt. Utilizing the lowest construction bid offered above, plus the associated fee quote from Mead & Hunt - - the construction phase costs are totaled as follows:

Pyramid Paving & Contracting Co.	\$ 1,078,447.85
Mead & Hunt construction inspection & admin	\$ <u>92,406.81</u>
	\$ 1,170,854.66

Funding for this project is being secured via grants from FAA administered Airport Improvement Program and MDOT - Aeronautics. As such, there will be cost sharing which includes a local match obligation. Utilizing the lowest construction bid and professional service fee quoted above, the estimated cost sharing is demonstrated as follows:

FAA (90%)	\$ 1,053,769.19
MDOT- Aeronautics (5%)	\$ 58,542.73
OWAA (5%)	\$ <u>58,542.74</u>
Total	\$ 1,170,854.66

The bidding results, along with additional project information, are now being assembled for submission to the FAA and MDOT – Aeronautics in support of preparing the anticipated grant agreement. The documentation to be provided includes the Engineer’s recommendation to hire the selected construction contractor and the Airport Board’s concurring approval. A copy

of the Engineer’s recommendation to hire the lowest bidding contractor – Pyramid Paving & Contracting Co. is provided with this memorandum. Staff sought concurring approval from the Airport Board for notifying the FAA and MDOT – Aeronautics of OWAA’s intention to award this project to Pyramid Paving & Contracting Co. - - under the condition of first securing construction phase funding via FAA and MDOT - Aeronautics grant agreement.

Mr. Weed made a motion to authorization Staff to notify the FAA of OWAA’s intention to hire Pyramid Paving & Contracting Co. for resurfacing the project specified sections of Taxiway ‘E’ for a contract sum of \$ 1,078,447.85. Such approval remains pending under the condition of first securing FAA and MDOT – Aeronautics funding for implementing the full construction phase. Mr. Dailey supported the motion.

E. Mead & Hunt Contracts – Construction Administration Amendments

Mr. Kellan informed the Airport Board that professional service agreements utilized by Michigan airports are prepared in accordance with MDOT – Aeronautics requirements and approval processes. For construction projects, the professional services scope of work includes engineering support from design through construction and close out of projects. The fees are established in two phases. The initial fee is for designing the project and securing construction contractor bids. When a construction contractor has been selected, the professional services agreement is then amended to establish the amount of fees to be paid to the Engineering firm for providing construction project inspection and assistance with construction contract administration. Representatives of MDOT-Aeronautics Engineering, Planning and Project Programming division evaluate engineering consultant fees in support of projects across the State. Therefore, those MDOT personnel have the most relevant experience with evaluating and negotiating professional service fee proposals. The fees being proposed with this contract amendment have been established with assistance from MDOT- Aeronautics personnel.

As described for action items C and D above, OWAA is now preparing to initiate the construction phase for both losco Apron and Taxiway ‘E’ pavement resurfacing projects. Mead and Hunt Inc. has submitted a proposed schedule of fees for their services during construction and closing out for both pending projects - - losco Apron and Taxiway ‘E’ resurfacing. The Mead & Hunt fee proposals have been reviewed and approved by MDOT – Aeronautics. Summary descriptions of the schedule of fees for both projects were provided with meeting information materials. The total amounts are presented as follows:

Mead & Hunt Inc. Fees for Construction Administration & Support Services	
losco Apron Resurfacing	\$ 359,894.68
Taxiway ‘E’ Resurfacing	\$ 92,406.81

Mr. Dailey made a motion to provide authorization for Chairman Boyat and Airport Manager Kellan to sign the proposed amendment to a Contract for Professional Engineering Services with Mead & Hunt Inc. which is dated April 11, 2019. Mr. Munson supported the motion. Mr. Dailey, Yes, Mr. Swise, Yes, Mr. Beliveau, Yes, Mr. Weed, Yes, Mr. Munson, Yes, Mr. Boyat, Yes. Motion carried.

Said contract is for engineering services in support of resurfacing specified portions of losco Apron. The subject amendment allocates a total fee of \$359,894.68 for Mead & Hunt to provide Construction Administration services as set forth within the existing contract.

Mr. Dailey made a motion to provide authorization for Chairman Boyat and Airport Manager Kellan to sign the proposed amendment to a Contract for Professional Engineering Services with Mead & Hunt Inc. which is dated April 11, 2019. Mr. Weed supported the motion. Mr. Dailey, Yes, Mr. Swise, Yes, Mr. Beliveau, Yes, Mr. Weed, Yes, Mr. Munson, Yes, Mr. Boyat, Yes. Motion carried.

Said contract is for engineering services in support of resurfacing specified portions of Taxiway 'E'. The subject amendment allocates a total fee of \$ 92,406.81 for Mead & Hunt to provide Construction Administration services as set forth within the existing contract.

F. Flight School and Aerospace Education Scholarship

Mr. Kellan informed the Airport Board that applications are being solicited for OWAA's annual flight school and aerospace education scholarship. He sought assistance from members of the Airport Board to review applications and meet with applicants. Mr. Munson and Mr. Swise volunteered to participate in the annual scholarship review and award recommendation process.

VIII Airport Manager Comments

Demolition of Buildings 5006 and 5065.

Mr. Kellan reported the project is being advertised for bidding and the pre-bid site visit was being scheduled.

Michigan Launch Initiative

Mr. Kellan reported that it was his understanding that Michigan Aerospace Manufacturers Association (MAMA) is continuing efforts pursuant to securing FAA licensing for Commercial Spaceport operations. Staff has been working with Airport Attorney - - Mr. Eppert to assemble documents and information requested by representatives of MAMA.

IX. Board Member Comments

Mr. Munson informed the Airport Board that he has been working with a teacher from an Oscoda Middle School to provide a tour for students.

Mr. Dailey asked if there has been any discussion regarding the need to secure additional attorney services while responding to the Michigan Aerospace Manufacturers Association interest in establishing spaceport operations at Oscoda – Wurtsmith Airport. Chairman Boyat responded that the topic will be discussed during the closed session.

X. Public Comments

Mr. Mark Miller handed out copies of an article that had been published in Wired Magazine- - which is titled “America’s Spaceport Boom is Outpacing the Need to go to Space”. He indicated that members of the Airport Board and should be aware that some existing spaceports are not being fully utilized.

Mr. Lary Holland informed the Airport Board that he had recently attended a meeting in Alpena regarding the availability of grant funds. He stated that the President of Alpena Community College - - Dr. Don MacMaster spoke about the spaceport opportunity in Oscoda. Mr. Holland stated that the meeting included information about potential funding opportunities from US Department of Commerce – Economic Development Administration (EDA), US Department of Agriculture (USDA) and Michigan Economic Development Corporation (MEDC). Mr. Holland also recommended writing letters to and otherwise communication with key officials so as to continue generating ‘Buzz’ about the spaceport opportunity. He also speculated that development and activity generated from the spaceport is likely to overwhelm the existing Airport executive staff.

XI. Closed Session for Attorney -Client Privileged Correspondence

Mr. Beliveau made a motion to enter into Closed Session for Attorney Client Privilege correspondence and discussion regarding Spaceport development on Oscoda-Wurtsmith Airport properties. Mr. Weed supported the motion. Motion carried by voice vote.

Closed Session adjourned at 11:35 a.m.

XI. Review of Bills and Payments

March- Kevin Beliveau

April- Mike Munson

XII. Adjournment

Mr. Beliveau made a motion to adjourn. Support was provided by Mr. Munson. All in favor, the meeting was adjourned at 11:44 a.m.

Prepared by Brenda McNeill, Administrative Assistant
Respectfully submitted by Gary Kellan, OWAA Board Secretary