

**OSCODA-WURTSMITH AIRPORT AUTHORITY
BOARD OF DIRECTORS
January 21, 2021 Meeting Minutes**

In an effort to mitigate potential spreading of Corona Virus, this meeting was conducted remotely utilizing Zoom Meeting Service.

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
ANN RICHARDS	PRESENT
JOHN SWISE	PRESENT
MIKE MUNSON	PRESENT
DAVE DAILEY	ABSENT

OTHERS PRESENT

GARY KELLAN – AIRPORT MANAGER
JACK BROWN – ASSISTANT AIRPORT MANAGER
BRENDA MCNEILL- ADMINISTRATIVE ASSISTANT
PATRICIA ALVORD- OSCODA PRESS
GREG SCHULZ
DOUG WELTON – ANDERSON TACKMAN AUDITOR (Audit Portion)
KAREN ARNOLD – T&K ARNOLD (Audit Portion)

III. ADOPTION OF AGENDA

Chairman Boyat called for adoption of the meeting agenda.

Mr. Beliveau made a motion to adopt the agenda as presented. Mr. Munson supported the motion. No further questions or comments. Motion carried by voice vote.

IV. APPROVAL OF MINUTES – December 10, 2020 Regular Meeting

Chairman Boyat called for a motion to approve the December 10, 2020 meeting minutes.

Motion made by Mr. Munson to approve the December 10, 2020 meeting minutes as presented. Mr. Swise supported the motion. No further comments. Motion carried by voice vote.

V. Financial

A. FY 2020 Financial Audit Presentation

Mr. Douglas Welton, of Anderson, Tackman & Company, PLC, present findings of their FY 2020 financial audit for OWAA. A copy of the Auditor's written report and financial statements were provided to the Board.

Mr. Welton provided a synopsis of the Airports financial position for 2020 and provided an opportunity for comments and questions. The Airport Authority received an unmodified opinion-the highest form of audit opinion that can be received.

Mr. Munson made a motion to accept the FY 2020 financial audit report. Ms. Richards supported the motion. Mr. Beliveau, Yes, Ms. Richards, Yes, Mr. Munson, Yes, Mr. Huebel, Yes, Mr. Swise, Yes, Mr. Boyat, Yes. Motion carried.

B. FY 2020 Federal Income Tax Report

The services provided by Anderson, Tackman & Company, PLC include translating Airport Authority's financial statements into Internal Revenue Service income tax reporting and electronic filing procedures. Mr. Kellan sought authorization to work with Anderson, Tackman & Co., to finalize and file the resulting annual income tax report with the Internal Revenue Service.

Mr. Swise made a motion to authorize Staff to work with Anderson, Tackman & Co, to finalize and file the resulting annual income tax report with the Internal Revenue Service. Mr. Huebel supported the motion. Ms. Richards, Yes, Mr. Munson, Yes, Mr. Huebel, Yes, Mr. Swise, Yes, Mr. Beliveau, Yes, Mr. Boyat, Yes. Motion carried.

C. Financial Activities Report – December 2020

Mr. Huebel and Mr. Kellan reviewed bank statements and financial transactions during the month of December 2020. A listing of bills processed for payment during December, totaling \$177,831.84, was provided to the Board. Mr. Kellan noted that there were some substantial one-time expenses in the total. Those payments included renewal of the Airport's Commercial Insurance Policy and executing the purchase of a previously approved 2021 four-wheel drive pickup truck.

Mr. Munson made a motion to accept the December 2020 financial activities report - - which includes payment transactions totaling \$177,831.84. Mr. Swise supported the motion. Mr. Swise, Yes, Mr. Beliveau, Yes, Ms. Richards, Yes, Mr. Munson, Yes, Mr. Huebel, Yes, Mr. Boyat, Yes. Motion carried.

D. FY-2021 – 1st Quarter Budget Report: and

E. FY 2021 – 2nd Quarter Budget Amendments - Resolution 2021-01

Budget reporting matrices for demonstrating revenue and expenditure activities during the first quarter of FY 2021 (10/1/2020 through 12/31/2020) were provided to the Board. Mr. Kellan recommended two-line item adjustments within the General Fund budget.

1. Increase the line item for general staff expense for medical prescription reimbursements from \$500 to \$1,500 per year.
2. Increase the line item for supplies and services – Insurance from \$80,000 to \$80,700.

Additionally, Mr. Kellan recommended a number of line-item amendments within the Capital improvements budget - - which are summarized as follows:

Revenue:

1. Reduce the line item for Grant – MDOT AERO from 175,000 to \$0.00. Subsequent FY 2021 budget adoption, MDOT- Aero paid out the subject grant during FY 2020.
2. Add \$165,000 to the OWA-LDFA Contributions line item. The OWA LDFA will be reimbursing \$165,000 to OWAA as 50% of the costs demolishing Building No. 5006.

Expenses

1. Increase the Building Demolition line item by \$165,000 for payment to the Building 5006 demolition contractor. This expense is a carry forward from FY 2020.
2. Increase the FY 20-line items associated with Taxiway ‘E’ Rehab-Phase 1 Construction.

Mr. Kellan noted that both of the recommended line-item adjustments are basically carrying forward financial activities that did not get completed during FY-2020.

Mr. Beliveau made a motion to accept the FY 2021 1st Quarter Budget Report. Mr. Munson supported the motion. Mr. Munson, Yes, Mr. Huebel, Yes, Mr. Swise, Yes, Mr. Beliveau, Yes, Ms. Richards, Yes, Mr. Boyat, Yes. Motion carried.

Mr. Munson made a motion to approve the proposed budget adjustments via adoption of Resolution 2021-01. Ms. Richards supported the motion. Mr. Huebel, Yes, Mr. Swise, Yes, Mr. Beliveau, Yes, Ms. Richards, Yes, Mr. Munson, Yes, Mr. Boyat, Yes. Motion carried.

F. OWA-LDFA 2020 Semi-Annual Report

Mr. Kellan reported that Oscoda-Wurtsmith Airport – Local Development Finance Authority (OWA-LDFA) had recently conducted a public information meeting for reporting FY 2020 activities. After satisfying all applicable public notification requirements, OWA-LDFA received no public comments or correspondence about the semi-annual report. Likewise, there was no comments or concerns noted from members of the OWA-LDFA Board and that Board formally accepted FY 2020 report.

In preparation for this meeting, members of the Airport Board were provided with copies of the OWA-LDFA semi-annual report. Mr. Kellan provided a summarized description of OWA-LDFA financial activities during FY 2020. Members of the Airport Board offered no discussion, comments, or questions.

VI. Current Business

A. Reschedule the February 18, 2021 Meeting Time

Mr. Kellan noted that the February meeting of OWAA is scheduled to start at 10:00 a.m. on Thursday, February 18, 2021. He then stated that the Michigan Airports Conference is scheduled for February 17th & 18th, 2021. Therefore, the second day of conference creates a scheduling conflict. The conference will be conducted remotely, and the second day is scheduled to finish by 1:00 p.m. Mr. Kellan sought approval to move the OWAA meeting start time to 1:30 p.m. on February 18, 2021.

Mr. Munson made a motion to reschedule the February 18, 2021 meeting to start at 1:30 p.m. Mr. Swise supported the motion. Mr. Beliveau, Yes, Ms. Richards, Yes, Mr. Munson, Yes, Mr. Huebel, Yes, Mr. Swise, Yes, Mr. Boyat, Yes. Motion carried.

B. USAF Mobility Guardian 2021 Exercise at OWA

Mr. Kellan reported that the United States Air Force (USAF) is preparing to conduct an exercise named 'Mobility Guardian 2021'. This military exercise is scheduled for May 14th – 26th, 2021. In support of Mobility Guardian 2021, representatives of the USAF Air Mobility Command (USAF-AMC) have identified Oscoda-Wurtsmith Airport as a potential location for establishing a temporary base of operations. This topic was added to the meeting agenda for initial discussion and as a place holder in preparation for any action decisions that might be proposed.

Mr. Kellan reported that event planners originally estimated approximately 100 – 150 military personnel would be temporarily assigned to Oscoda-Wurtsmith Airport. During more recent discussions, that estimate has increased to 300 – 350 military personnel. The exercise would also include six (6) air to air tanker refueling aircraft conducting missions from Oscoda-Wurtsmith Airport.

Mr. Kellan also reported that the USAF-AMC would bring their own military fire-fighting personnel and equipment in case there is ever need for emergency aircraft rescue and firefighting. This firefighting capability would include extinguishing agents. Representatives of USAF- AMC have provided copies of Air Force directives asserting that the use of firefighting foam is only authorized - -as needed for emergency response purposes only.

Mr. Kellan stated that he was not looking for any action decision during this meeting. This information was provided to introduce the topic and to seek discussion and questions from members of the Airport Board - -in preparation for additional discussion during a future meeting.

Mr. Boyat added he had participated in a telephone phone meeting that took place the day before with Mr. Kellan, Mr. Huebel, and the Airport Attorney. Mr. Boyat said the Airport Attorney felt there were still more questions to be asked and wanted to make sure the Airport Board was aware that there would be firefighting foam.

Mr. Munson added that as a member of the RAB Committee, his concern was how members might react when it is discussed that the Air Force will be using firefighting foam.

Mr. Beliveau asked Mr. Kellan if the language regarding the fire- fighting foam could be put into a contract, i.e., they would not use it unless it was imperative. Mr. Beliveau also requested the contract contain an agreement that the containment, clean up and removal is completed by the Air Force should they have to use the foam. Mr. Kellan said he that Mr. Beliveau's comments would be included in the special use permit agreements.

Mr. Beliveau also asked how Covid19 rules and regulations might affect this event and what assurances the Airport might receive as it relates to inviting or encouraging a large group of

people to utilize the economy of the town. Mr. Boyat and Mr. Munson agreed. Ms. Richards asked if there would be times when the group or groups of people would have down time to utilize the local community. Mr. Kellan said these types of questions will be asked.

Discussion continued regarding how the community might be affected and or utilized during this time. In general, board members were in support of the event but also posed questions that would need to be asked and brought back to the board.

Mr. Kellan noted that he will be asking the questions that were posed and also encouraged the board to let him know if other questions arise so they may be included in further discussions.

Mr. Beliveau asked if other bases were competing for this activity. Mr. Kellan said he suspected other locations will be part of Mobility Guardian 2021 - including Alpena. , but the air mobility command component is only one component in the overall exercise. Mr. Beliveau asked if that question could also be included.

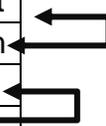
C. SCCA Events – Issue Special Use Permit

Mr. Kellan reported that 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 Alert Apron. The SCCA events have been typically conducted during four weekends each summer. So far, they have identified the weekend of July 29th – August 1st, 2021 for hosting a national event.

Mr. Kellan reminded Airport Board members that OWAA has previously received public comments regarding SCCA events. For reference, meeting information materials included applicable excerpts from past meeting minutes. In summary, OWAA has been previously asked to limit use of the racetrack to the hours between 9:00 a.m. - 7:00 p.m.

Additionally, staff had previously received a telephone call from a nearby resident expressing concerns regarding the number of weekend events and allowing the events to be scheduled during back-to-back weekends. Five SCCA events were conducted during the summer of 2020 and included two sets of back-to-back weekends.

SCCA Club	2020 Event Dates
Saginaw Division	June 19 th – June 21 st
Detroit Division	June 26 th – June 28 th
Saginaw Division	July 24 th – July 26 th
Detroit Division	July 30 th – Aug. 2 nd
Detroit Division	Aug. 21 st – Aug. 23 rd



Mr. Munson suggested establishing “quiet hours” rather than “windows of operations”. Mr. Swise and Mr. Beliveau agreed. Mr. Beliveau said he would not be inclined to restrict their schedule to No back-to-back events as these events do support the community. Mr. Kellan asked Mr. Beliveau if he would like to remove “limiting the total number of events”, Mr. Beliveau agreed.

Mr. Munson made a motion to provide authorization for the Airport Manager to issue Special Use Permits to both divisions of SCCA for hosting racing events during mutually agreeable dates. Said authorization includes the following limitations/conditions:

1. **Quiet Hours between 7:00 p.m. and 9:00 a.m.**
2. **Permit fee of \$1,000 for each event.**

Mr. Swise supported the motion. Mr. Munson, Yes, Mr. Huebel, Yes, Mr. Swise, Yes, Mr. Beliveau, Yes, Ms. Richards, Yes, Mr. Boyat, Yes. Motion carried.

VII. Airport Manager Comments

A. Michigan Launch Initiative

Mr. Kellan reported having a telephone conversation with Mr. Gavin Brown of the Michigan Launch Initiative. Mr. Brown reported Michigan Launch Initiative will be extending their agreements with planning and engineering consultants, BRPH and Kimbley Horn to move into the next phase, which will be to submit application materials to the FAA seeking to secure the Launch Operator Site License. Mr. Kellan’s understanding that the next phase of application will involve increasing detailed analysis of the needs and types of site development will be required.

Mr. Kellan also reported that the site selection for establishing a Command-and-Control Center has not yet been announced. Mr. Kellan reminded the board that OWAA had submitted response to the Request for Information in order to compete for Command-and-Control Center selection. OWA was not selected to compete for the final selection phase.

B. Kalitta Air – Hangar 10

The Engineer and Construction Company is preparing site development plans. Construction is scheduled to commence during early spring.

C. Kalitta Air – Line Maintenance Support Facilities

Mr. Kellan reminded the Board that Kalitta Air is interested in establishing a Line Maintenance Support Facility. Securing FAA approval for the proposed location will require amendments to the Airport Layout Plan. Likewise, developing the former Alert Apron to be utilized in support of spaceport operations will also require amendments to the Airport Layout Plan. Mr. Kellan has asked the Airport's retained consultant - - Mead and Hunt, to provide a fee proposal for amending the Airport Layout Plan in support of both development projects.

X. Public Comments

Greg Schulz – Wished the board good luck working with the USAF in preparation for the Mobility Guardian 21 exercise .

Patricia Alvord – Requested an e-mailed copy of the Audit Report.

XI. Board member comments

Mr. Munson – Reminded the Board that he is the Airport Representative on the RAB Committee. He reported that the Air Force is changing the on-site contractor that implements local environmental response activities.

Mr. Boyat – Reminded the Board Members to sign and return the Conflict-of-Interest forms that had been provided.

IX Review of Bills and Payments

January – Mike Munson

February – Kevin Beliveau

X Adjournment

Mr. Munson made a motion to adjourn the meeting. Support was provided by Ms. Richards. All in favor, the meeting was adjourned by voice vote at 11:14 a.m.

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