
SPECIAL MEETING – TUESDAY, SEPTEMBER 10, 2019 – 3:00 P.M. – COMMISSIONERS ROOM 231, HENRY A. SKEWIS ANNEX, MARQUETTE, MI 49855.

1. CALL TO ORDER – SALUTE TO THE FLAG – PLEDGE OF ALLEGIANCE.

Call to Order by Chairperson Gerald O. Corkin at 6:00 p.m. – Room 231 Henry A. Skewis Annex, Marquette. Salute to the Flag followed by the Pledge of Allegiance.

- Present: Comm. DePetro, Comm. Adamini, Comm. Nordeen, Comm. Alholm & Chairperson Corkin.
- Absent & Excused: Comm. Derocha

2. APPROVAL OF THE MINUTES

3. PROCLAMATION, PRESENTATIONS AND AWARDS

4. APPROVAL OF THE AGENDA:

Board action: Comm. Adamini moved to adopt the agenda as presented. Second by Comm. Alholm. Motion adopted (5-0)

5. PUBLIC COMMENT: Chairperson Corkin opened the meeting for public comment.

- **David Dodge, Envoy employee** for over 32 years, voiced his concerns about high paying jobs leaving this area. Please consider approving the request to expand hangar 665, if this doesn't happen Envoy may end up leaving the area due to size constraints for the aircraft. This decision greatly impacts our lives!

There being no further public comment this portion of the meeting is closed.

6. REVIEW OF CLAIMS AND ACCOUNTS

7. PUBLIC HEARING

8. PRIVILEGED COMMENT

9. INFORMATIONAL ITEMS

10. ACTION ITEMS:

a. FAA & MDOT Agreements for Grant #3-26-0153-4419

Scott Erbisch, Administrator, spoke concerning the following: At the previously scheduled County Commissioners meeting, Sawyer Airport staff updated the County Board of Commissioner on the status Federal Aviation's Administrations (FAA) Military Airports Program (MAP) grant. This grant, if approved will be the beginning of a several phase project that is designed to expand hangar 665. This expansion would allow the current Envoy operation to expand their operation into ever larger aircraft, namely the ERJ 175.

At the time of the previous meeting, there was uncertainty and concern with county exposure and limited commitments from other parties. The State of Michigan was committed to the first year of the project, leaving Marquette County with a potential \$1,571,837 in a local grant match.

With the need to reduce the financial exposure for Marquette County, staff has worked and continues to work through alternate funding avenues. The State of Michigan, Aeronautics was contacted about the urgency of the situation and was able to commit in writing to provide matching funds up to \$785,918.50 to complete the expansion of hangar 665. (Attached) This commitment provides a substantial reduction to the local community to provide matching dollars for the federal portion.

Staff has been communicating with the local Director of Operations with Envoy Airlines with intentions to garner some corporate support for the project. The progress on these conversations currently has been slow with little success, but further conversations continue with hope to provide some level of corporate participation.

Staff continues to work closely with the FAA to investigate Passenger Facility Charge (PFC) eligibility on all of the proposed projects.

Funding this project remains a serious concern with a total estimated financial exposure at \$979,331 and if approved, the project costs may vary from the original estimates. This amount does not reflect the 10% federal reimbursable share, approximately 1.2 million that will be refunded as each individual grant is closed out.

Locally funding will need to address three separate areas:

- Local match for the federal grants
- Local only project items
- 10% reimbursable federal share

Proposed local funding breakdown:

- 2019 Local Match \$61,066 - Airport Fund
- 2020 – 2022 Local Match to include the Local only portion \$918,265 - Delinquent Tax Fund

(Passenger Facility Charges (PFC's) collected on these projects would be repaid to the Delinquent Tax Fund)

- 10% reimbursable federal share \$1,176,433.10 – General Fund Reserve (Federal Reimbursement would be returned to the General Fund Reserves)

**Comm. Nordeen joined the meeting.*

Comm. Nordeen questioned where the County portion was coming from & how much currently is paid by Envoy for the space? Questioned the lease agreement and if there would be any changes coming? Would have preferred waiting until next year and resubmit then; to make this decision and not be rushed.

Comm. Alholm responded that the County did not pick the time line, but the FAA determined that for us; and not sure what next year would bring if Sawyer would even be considered next year.

Steve Rodgers spoke to the question of the lease increase per square ft. stating that Envoy would not consider increasing their price per square ft., however they would entertain extension of lease agreement with this grant passage.

Comm. Adamini spoke to Mr. Rodgers regarding the hiring of 20 new mechanics making their employee numbers well over 200.

Mr. Rodgers stated there was a substantial raise just given to the employees as well, based on the geographical location and many other factors. Envoy has been very pleased with the employees thus far.

Chairperson Corkin stated that the contract that was made for .50 cents a square ft. was over 20 years old; that was when there was nothing at Sawyer and it was offered by the County to have an airport at Sawyer.

Mr. Rodgers felt it would not be economically feasible to keep Envoy at Sawyer if this didn't pass; due to the phase out of the 50 seat aircraft only 1 of the new planes would fit in the hangar if this grant goes through it would fit 4 airplanes in the hangar making it much for feasible. This decision would give Envoy a future with Marquette County.

Chairperson Corkin thanked Steve Rodgers personally for his hard work over the years keeping an airline at Sawyer; and looks forward to many more years.

Board action: Comm. Alholm moved to approve for signature the FAA MAP Grant and MDOT Sponsor Contract to include the attached FAA and MDOT Resolutions for Grant Agreement No: 3-26-0153-4419 and authorize Chairman Gerald Corkin, Civil Council, and the County Clerk to provide signatures for the grant documents. Second by Comm. Adamini. A roll call vote was taken: Comm. Alholm, Comm. DePetro, Comm. Adamini, Chairperson Corkin. Nay: Comm. Nordeen. Motion adopted (4-1)
Absent: Comm. Derocha

The resolutions are as follows:

RESOLUTION ADOPTING AND APPROVING THE EXECUTION OF THE CONTRACT AGREEMENT BY THE MARQUETTE COUNTY BOARD OF COMMISSIONERS OF MARQUETTE, MICHIGAN, AND THE MICHIGAN DEPARTMENT OF TRANSPORTATION FOR THE PURPOSE OF OBTAINING FEDERAL AND STATE AID FOR THE DEVELOPMENT OF SAWYER INTERNATIONAL AIRPORT UNDER FEDERAL PROJECT NUMBER 3-26-0153-4419.

BE IT RESOLVED by the Board of Commissioners of Marquette County, Michigan:

- Section I. That the Board of Commissioners of Marquette County, Michigan shall enter into a Contract Agreement for the development of Sawyer International Airport, and that such Contract Agreement shall be as set forth hereinafter;
- Section II. That Gerald Corkin, Chairperson of the Marquette County Board of Commissioners is hereby authorized and directed to execute said Contract Agreement on behalf of the County of Marquette, Michigan, and Linda Talsma, Marquette County Clerk is hereby authorized and directed to attest said execution:
- Section III. That the Contract Agreement referred to herein shall be as attached.

Board action: Comm. Alholm moved to adopt the MDOT Resolution Project Number 3-26-0153-4419. Second by Comm. Adamini. A roll call vote was taken: Ayes: Comm. Alholm, Comm. DePetro, Comm. Adamini, Comm. Nordeen and Chairperson Corkin. Nays: None. Motion adopted (5-0) Absent: Comm. Derocha.

RESOLUTION ADOPTING AND APPROVING THE EXECUTION OF THE GRANT AGREEMENT BY THE MARQUETTE COUNTY BOARD OF COMMISSIONERS OF MARQUETTE, MICHIGAN, AND THE U.S. DEPARTMENT OF TRANSPORTATION, FEDERAL AVIATION ADMINISTRATION, FOR THE PURPOSE OF OBTAINING FEDERAL AID FOR THE DEVELOPMENT OF SAWYER INTERNATIONAL AIRPORT, UNDER FEDERAL PROJECT NO: 3-26-0153-4419.

BE IT RESOLVED by the Board of Commissioners of Marquette County, Michigan:

- Section I. That the Board of Commissioners of Marquette County, Michigan shall enter into a Grant Agreement for the development of Sawyer International Airport, and that such Grant Agreement shall be as set forth hereinafter;
- Section II. That Gerald Corkin, Chairperson of Marquette County Board of Commissioners is hereby authorized and directed to execute said Grant Agreement on behalf of the County of Marquette, Michigan, and Linda Talsma, Marquette County Clerk is hereby authorized and directed to attest said execution:
- Section III. That the Grant Agreement referred to herein shall be as attached.

Board action: Comm. Alholm moved to adopt the FAA Resolution Project Number 3-26-0153-4419. Second by Comm. Adamini. A roll call vote was taken: Ayes: Comm. Alholm, Comm. DePetro, Comm. Adamini, Chairperson Corkin. Nays: Comm. Nordeen. Motion adopted (4-1) Absent: Comm. Derocha.

11. LATE ADDITIONS

12. PUBLIC COMMENT: Chairperson Corkin opened the meeting for public comment, none was forthcoming.

13. COMMISSIONER COMMENTS, STAFF COMMENTS AND ANNOUNCEMENTS:

- **Chairperson Corkin** thanked staff for their hard work in pulling together the necessary information for the Special Meeting.

Board action: Comm. Adamini moved to request the State of Michigan partner with Marquette County on this grant project for Sawyer. Second by Comm. DePetro. Motion adopted (5-0)

- **Comm. Nordeen** requested clarification of what Envoy pays per square ft? Answer by Steve Schenden was .47 cents per square ft.

14. CLOSED SESSION

15. ADJOURNMENT: There being no further business to come before the County Board, the meeting was adjourned at approximately 3:23 p.m.

Linda K. Talsma
Marquette County Clerk

Gerald O. Corkin, Chairperson
Marquette County Board of Commissioners