

# AGAC Meeting: Recap on Airport Governance

September 2, 2020



# Today's Discussion

- AGAC Final Report & Recommendation
- Authority Articles v. Amended Agreement
- Remaining Open Issues
- Stakeholder Input & Key Concerns

# AGAC Final Report & Recommendation

- **AGAC Final Report was adopted on October 29, 2019**
  - The summary of AGAC research and findings on Airport Governance included:
    - TVC Governance History & Background
    - Purpose & Goal of the Committee
    - AGAC Research & Key Findings
    - Stakeholder Values Input/Feedback
    - Recommendation
- **The AGAC recommended that:**
  - Grand Traverse County and Leelanau County pass a joint resolution to form a regional Airport Authority under Michigan Compiled Laws Chapter 259 Sections 137 through 149, otherwise known as the Regional Airport Authority Act.

# Authority Articles v. Amended Agreement, page 1 of 2

Section	Authority – Article ITEMS NEEDED/POSSIBLE	Commission - Amended Operating Agreement ITEMS NEEDED/POSSIBLE
Preamble	X	X
Name and Principal Office	X	X
Incorporating Parties	X	X
Purpose	X	X
Powers	X	X
Perpetual Term	X	X
Dissolution	X	X
Makeup of Governing Board and Selection of Members	X	X
Criteria for Removal of Board Members	X	N/A (removal of County officers prescribed by County Board of Commissioners Act - MCL 46.11(n))
Procedure for Filling Vacancy by Appointing Units	X	X
Requirement for Regular Meetings	X	X
Board and Officer Duties	X	N/A (prescribed by Commission Bylaws)
Employment of CEO/Airport Director	(CEO) by statue	Director by agreement
Audit Committee	X	X
Fiscal Year Definition	X	X
Debt Backed by Full Faith and Credit of Counties	X	X
Acceptance of Grants	X	X
Budget	X	X

# Authority Articles v. Amended Agreement, page 2 of 2

Section	Authority - Articles	Commission - Amended Operating Agreement
<b>Percentage of Counties Contribution if Airport Shortfall/Procedure for Requesting Funds</b>	N/A	X
<b>Conveyance of Airport Property</b>	X (Lease or Full Conveyance)	X (Lease Only)
<b>Zoning Authority</b>	X	Not Available Under Current Michigan Law
<b>Eminent Domain</b>	X (with or without County concurrence)	X (only with action by the Counties)
<b>Super Majority Voting Requirements for Certain Matters (e.g., Debt, Operation of Another Airport, Ordinance Adopting, Removal of CEO/AD)</b>	X	X
<b>Dispute Resolution</b>	Limited Applicability	X
<b>Effective Date</b>	X	N/A (Commission is in effect – necessary to replace and amend existing Agreement and Lease)
<b>Method for Adoption and Amendments</b>	X	X
<b>Expansion of Participants</b>	Not Available	X

# Remaining Open Issues

## Total Estimated Costs for Correcting Property Records/Deficiencies

Item No.	Commission	Modified Commission	Authority
1. Parcel 27	\$62,000	\$62,000	\$45,600
2. AE-14	\$10,000	\$10,000	\$0
3. ROW: Garfield	\$47,400	\$47,400	\$24,300
4. ROW: 3-Mile	\$25,600	\$25,600	\$9,500
5. ROW: S. Airport Rd.	\$27,400	\$27,400	\$24,300
6. TCAPS Soccer Field	\$10,000	\$10,000	\$2,100
7. GRCRC Drainage	\$47,400	\$47,400	\$9,500
8. GT Machine Trans.	\$27,400	\$27,400	\$9,500
9. TCLP Stormwater	\$47,400	\$47,400	\$9,500
10. Marsh Dealership	\$25,600	\$25,600	\$24,300
11. Serra Dealership	\$25,600	\$25,600	\$24,300
12. Historical Easement: Drainage	\$47,400	\$47,400	\$9,500
13. Historical Easement: Utilities	\$47,400	\$47,400	\$9,500
14. Existing Utilities: Water	\$62,000	\$62,000	\$24,300
15. Existing Utilities: Sewer	\$47,400	\$47,400	\$9,500
16. Existing Utilities: Electric (TCLP)	\$62,000	\$62,000	\$24,300
17. Existing Utilities: Electric (Cherryland)	\$62,000	\$62,000	\$24,300
18. AE-Oakwood	\$517,000	\$517,000	\$510,500
19. Industrial Park Drainage Pond	\$62,000	\$62,000	\$9,500
<b>Total by Governance Model</b>	<b>\$1,263,000</b>	<b>\$1,263,000</b>	<b>\$804,300</b>
<b>Potential Litigation</b>	<b>\$500,000</b>	<b>\$500,000</b>	<b>\$50,000</b>
<b>Grand Total</b>	<b>\$1,763,000</b>	<b>\$1,763,000</b>	<b>\$854,300</b>
<b>% of Highest Cost</b>	<b>100%</b>	<b>100%</b>	<b>48%</b>

# Stakeholder Input & Key Concerns

- Reduced liability for Counties, both short-term and long-term
- Public transparency, accountability, and mechanisms for input
- Greater regional perspective
- Greater business focus and efficient operations
- Clear and modernized legislation, including Airport zoning
- Safety mechanisms to protect the Airport for the community
- Promotion of Airport as a regional economic asset
- Provide excellent service to community (e.g., fares, flights, destinations, customer service, community partnership, etc.)

# Discussion

Thank You

