



Alpena County Regional Airport

1617 Airport Road
Alpena, MI 49707
Phone: 989-354-2907
www.alpenaairport.com

15 June, 2022

To: Mary Catherine Hannah, County Administrator

Re: Supplementary Funds Request

Several unbudgeted and emergency items have caused the FY2022 Airport budget to be at a funding shortfall.

For FY 2022 I understood the airport budget would remain the same as 2021, given the CARES Act reimbursements we currently have. As a result, I did not catch a reduction until after the FY2022 budget had been adopted. Line 295-595-920 Natural Gas was reduced from \$27,000.00 in 2021 to \$15,000.00 for 2022.

After discovering the reduction my intent was to do the best I could to cover the funding decrease with my funds available, and address the funding difference in the 2023 budget year.

This is no longer possible due to the occurrence of the unbudgeted and emergency items that are listed below:

- Increased usage of Diesel Fuel because of icing conditions during the 2021-2022 winter has depleted the line 295-595-743.001 to \$2,400.00 for the remainder of the year.
- Liability insurance increased from \$7,865.00 to \$9,080.00
- Repair to the SRE building exterior heat loop, \$1,927.13 (this is a heated track outside the large vehicle doors that prevents ice buildup that could cause the doors to stick shut).
- The new terminal heating system had 3 almost back to back failures due to Trane and Control Systems control circuitry communication issues. \$6,007.80
- The recommendation was made by County Maintenance to switch the terminal heating systems solely to Control Solutions control circuitry. \$7,934.93
- Repair jet bridge maneuver control system. \$2,025.00
- New terminal emergency generator maintenance contract \$2,620.00. The generator is still under warranty; this was considered a prudent step to prevent voiding the warranty by maintaining it ourselves. This generator cost almost \$400,000.00 when delivered.
- Repair runway and taxiway lights after lightning strike \$6,621.33 and counting (this will be submitted for insurance claim, but all the damage has not been discovered as yet). There will be a \$1,000.00 deductible.
- Water main break, \$1,319.68 paid to Alpena Township, pending insurance settlement. There will be a \$1,000.00 deductible.

The total of unbudgeted expenses is \$31,670.87 as of today.

I request the following line items be adjusted with supplemental funding:

295-595-920.000 Natural Gas \$26,000 (based on FY 2021 expenditures for June-December).

295-595-743.001 Diesel Fuel \$8,000.00. This should cover winter expenses in 2022 allowing for the much higher cost of fuel.


295-595-932.000 Building Maintenance \$3,000.00.

295-595-931.000 Equipment Maintenance \$4,600 (generator contract and jet bridge repair)

295-595-803.000 Liability Insurance \$2,000. (deductibles for water main and lightning damage)

These supplemental budget adjustments are reimbursable through CARES Act submissions.

Thank you,

A handwritten signature in black ink, appearing to read 'Steve Smigelski', written in a cursive style.

Steven P. Smigelski

Airport Manager

Alpena County Regional Airport