

14 June, 2021

Finance Committee

Re: AGS Contract

With the adoption of Airport Minimum Standards, additional ground services need to be provided. Alpena Ground Services has agreed to purchase the equipment needed to provide lavatory service, ground power, aircraft tug, and a deicing truck. There are also overtime costs, insurance increase, and deicing fluid which must be accounted for.

These services, overtime, and materials will add \$10,000.00 per quarter, taking the quarterly payments from \$85,515.00 to \$95,515.00 (annual cost \$342,060.00 to \$382,060.00).

To facilitate Mr. Bricker obtaining the funding for the additional equipment it is recommended that his current contract, which expires 1 January, 2022, be extended 7 years to 1 January, 2029 (normal contract extension is a 5 year period).

Respectfully



Steven Smigelski
Airport Manager
Alpena County Regional Airport