

ECONOMIC DEVELOPMENT ADHOC COMMITTEE

**DRAFT - MEETING MINUTES**

Wednesday, July 12, 2023 – 9:00 a.m.

Howard Male Conference Room

COMMISSIONERS PRESENT: Bill Peterson  
Burt Francisco  
Travis Konarzewski  
Robin Lalonde

OTHERS PRESENT: Mary Catherine Hannah, County Administrator  
Kim MacArthur, Board Assistant  
Anne Gentry, Alpena DDA  
Steve Smigelski, Airport Manager  
Steve Schulwitz, Alpena News  
Ben Young  
Mike Mahler, Economic Development  
Rachel Smolinski, City of Alpena  
Cindy Johnson, City of Alpena

Chair Bill Peterson called the meeting to order at 9:00 a.m.

Pledge of Allegiance to the Flag of the United States of America

Roll Call – All committee members present.

**ADOPT AGENDA**

Motion was made by Commissioner Francisco and supported by Commissioner Lalonde to flip flop the two items on the agenda. Motion carried.

**INFORMATION ITEM:** Anne Gentry from Alpena DDA reported that since the last Economic Development meeting she had presented the proposed service agreement from the County to City Council for review. They had feedback and concerns primarily about the duration of the agreement. In the current agreement the County would only be committed for 5 years. The City would be committed for 30 years. Anne presented the Committee with an example 30-year interlocal agreement. City Council member and Mayor Pro Tem Cindy Johnson said the main concern for the City is the 30 year commitment. If the County opted out, the City would then have to support the entire district and it would take away from the current business owners who contribute and would not be fair. Economic Developer Mike Mahler presented the Committee with a draft spreadsheet showing a financial roadmap with a longer duration. City Manager Rachel Smolinski also agreed that she would like to see a longer duration with the County. Mike will attend the next Finance, Ways & Means Committee meeting on August 8<sup>th</sup> to present more information to the Full Board for their review.

Alpena business owner Ben Young expressed his support for the expansion.

INFORMATION ITEM: Airport Manager Steve Smigelski discussed future airport land use planning:

- Dan Glawe will be doing tree clearing on the airport property at no charge to pulp the wood and use for fuel pellets. He will be opening up 300 feet along the perimeter fence, the west side of Airport Road and trees inside the wire. This will improve safety.
- Presque Isle Electric & Gas would like to install two electric car charging stations at the airport. Steve will be bringing this item to the next Finance, Ways & Means Committee meeting in August for approval.
- The CRTC has an A-10 Warthog that the Air Force does not want back. Once the trees are cleared, they would like to put this in an airplane park and use as an exhibit.
- A new sign will be going up at the entrance.
- The ordering of two new runway plows will be pushed back a year due to runway funding. Loaders for snow removal will be looked at getting replaced as well.
- Rehabilitate Taxiways Echo and Foxtrot. This will be a 2024 design and a 2025 build using AIP funds to fix reflective cracks, joint seal, repair pavement flaws, remark lines and hold short bars.

Administrator Hannah updated the Committee on a meeting discussing the Defense Community Infrastructure Program (DCIP) which is a grant program through the DOD. They give significant grants specifically for infrastructure projects for communities that support military installations. A water project was discussed as a potential grant as the base is at the end of the water supply and has water quality issues and not enough pressure. This project is a massive engineering feat, and we may not have a project ready to start next year. Major Hilco made a strong argument for a taxiway project. RS&H could put together an engineering and design solution to reconfigure and rehab the taxiways and have a plan ready to submit by next spring. If we get an engineering solution, we can apply in 2024 for the taxiway project and in the meantime work on the engineering solution for the water project and if there could be a combination for a water and power substation. Administrator Hannah will reach out to RS&H about pricing on a bigger scope of a taxiway project rather than lifecycle repairs.

- The airport is receiving about \$1 million a year for 4 years due to the Bipartisan Infrastructure Law. Part of the money would be used to construct 2 buildings each with 10 nested T hangars. Each hangar could be leased for \$200 with the potential of \$4,000 per month income for the airport.
- The airport would like to build a new snow removal equipment building that would have roll in and roll out doors with heated sand storage.
- With the remainder of the Bipartisan Infrastructure Law funds the airport would like to build a box hangar. County offices and the head end for fiber optics would be located here. Once they were out of the current SRE building the airport could work something out with the County to use the building for storage. The box hanger could produce revenue by holding G3 jets and charge in excess of \$100 per hour to park inside. A new conference area in the hangar could also generate income. The airport could lease to the army for maintenance and administrative areas. Fixed base operator services would also run out of this building.
- In 2027 they would like to rehab Runway 7/25 and use blacktop instead of concrete.

- Taxiway Delta only runs from Taxiway Echo to the main runway, and they would like to extend it to the end of Runway 7/25. This would be done with discretionary funds if the FAA helps with funding.
- Recycling Center. Once a lease is signed, the airport will be able to charge fair market rate for the amount property the Recycling Center has. The FAA requires fair market leasing.
- Utilities Extension – The County is investing in expanding the water and sewer utilities on the west side of Airport Road.

Administrator Hannah reported the FAA asked for money upfront from the County for the terminal project and \$500,000 was taken from the general fund to meet our contribution with the understanding that it would probably come back to us. We got notification that we are getting a little over \$800,000 back which will have to be receipted back into the airport fund initially. There will need to be an action by the board to move the money from there. Administrator Hannah recommended putting the \$500,000 back into the general fund and leaving \$300,000 in the airport fund.

Administrator Hannah and Airport Manager Smigelski discussed airport fuel sales.

**Next Meeting Wednesday, August 2, 2023 at 9:00 a.m. in the Howard Male Conference Room**

ADJOURNMENT

The meeting adjourned at 10:31 a.m.

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Bill Peterson, Chair

kvm