

**West Michigan Airport Authority
Regular Meeting Agenda**

June 10, 2019

11:30am – 1:00pm

Airport Business Center, 60 Geurink Boulevard, Main Conference Room (Holland)

1. Public Comment
2. Consideration of May 13, 2019 meeting minutes. (Action Requested)
3. Fiscal Year 2020 Insurance Proposal. (Action Required)
4. Bids for Airport Business Center Restroom Improvements. (Action Required)
5. Proposed Revisions to the Purchasing Policy. (Action Required)
6. Discussion Regarding Airport Capacity. (Terry)
7. FBO report.
8. Report on May 2019 Michigan Aeronautics Commission meeting. (Aaron)
9. Financial Reports. (Accept as information.)
10. Other Business:
 - A. Runway painting & crack sealing.
 - B. History Wall.
 - C. Runway/lighting rehab projects.
 - D. Business Development.
11. Next meeting: July 8, 2019, 11:30am, at the Airport Business Center.
12. Adjourn.

If you are not able to attend the meeting, please contact Greg Robinson (g.robinson@wmairportauthority.com) or Aaron Thelenwood (a.thelenwood@cityofholland.com). We must have at least one of the three representatives of each unit of government present at the meeting to attain a quorum. Thank you.

West Michigan Airport Authority

270 South River Avenue, Holland, MI 49423
P (616) 510-2332

Comprising City of Zeeland, Park Township and City of Holland



June 6th, 2019

REPORT 3.

To: West Michigan Airport Authority Board.
From: Greg Robinson, Airport Authority Manager.
Subject: **Fiscal Year 2020 Airport Insurance Proposal**

The Airport Authority annually purchases insurance to cover property, liability, public officials, and workers compensation. The insurance also includes coverage for floods and terrorism. The Authority works through the City of Holland's insurance agent, AJ Gallagher, to obtain quotations and purchase the insurance. For airports, there are limited insurance providers when it comes to property and liability coverages.

A summary of the premium changes and rate analysis are attached to this report. The total premium cost for FY20 is \$25,283 which is a 4.2% increase over the FY19 amount of \$24,260. The premium increase is primarily for property coverage and this is due to an annual built-in inflation factor as well as significant losses experienced in the property marketplace due to the extreme weather and wildfires across the country.

The FY20 budget includes \$26,250 for insurance premiums.

A representative from AJG will attend Monday's Authority Board meeting and this insurance will need to be approved in June so that the policies can be in place by July 1, 2019.

Recommendation

It is recommended that the Board approve the Fiscal Year 2020 insurance proposal as presented.

Attachment: Summary of insurance coverage.

The West Michigan Airport Authority will provide the public with state-of-the-art global air access to strengthen the local economy and improve the area's quality of life.

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March 11, 2019

REPORT 4.

To: West Michigan Airport Authority Board.
From: Greg Robinson, Airport Authority Manager.
Subject: **Bids for Airport Business Center Restroom Improvements**

The Building & Development Committee and the Authority Board have been discussing the need to improve the restroom facilities in the Airport Business Center. There currently are two units within each restroom and there are times when additional units would better meet the needs of those departing from aircraft.

If we were constructing this portion of the building over and money was not an objective, we would have ideally provided four units in each restroom. However, the Committee and Board were working with limited funds for construction of the building and providing the additional units was not made a priority at that time.

The architect for the Business Center, Progressive AE, had designed five concepts for the Committee's consideration to accommodate three or four units. To provide an additional two units in each restroom, the restrooms would either have to be expanded into the lobby or an expansion constructed to the north wall of the building. The cost estimates for these expansions ranged from \$68,200 (interior expansion) to \$117,000 (exterior expansion). At that time, it was estimated that an additional unit could be installed in each restroom (three units total in each restroom) for **an estimated cost of \$29,000.**

As a result of Board discussion on this, Progressive AE was given the direction to prepare construction drawings for an additional unit in each restroom. As staff reviewed Progressive's work, it was recognized that two additional units could be accommodated in the men's restroom. Also, air-hand dryers were bid as alternates for both restrooms.

Bids for this project were opened on June 6, 2019 and the following bids were submitted:

BIDDER	BASE BID	OPTIONAL HAND DRYER	TOTAL (BASE + OPTIONAL)	Approx Start.	Approx. Duration.	RANK
Elzinga & Volkers	\$41,510.00	\$1,005.00	\$42,515.00	TBD	2-3 wks.	1
Lakewood Construction	\$39,436.00	\$5,304.00	\$44,740.00	9/2019	6 wks.	2
CL Construction	\$46,000.00	\$2,750.00	\$48,750.00	9/2019	20 days	3

Recommendation

At this time, this report is being presented to the board as information. Pending final review and comments from the Project Architect, the Airport Authority Manager will present a final recommendation to the Board on Monday, June 10th, 2019.

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June 6th, 2019

REPORT 5.

To: West Michigan Airport Authority Board.
From: Aaron Thelenwood, Airport Authority Assistant Manager.
Subject: **Proposed Revisions to the Purchasing Policy**

The Airport Authority’s purchasing policy outlines the procedures and parameters which staff must follow when making purchases on behalf of the Airport Authority as well as how and when staff must seek approval from the Authority Board for purchases.

In the past, the Airport Authority’s purchasing policy has mirrored the City of Holland’s. The primary reason for this is the need for both policies to be compatible as the City of Holland provides contractual financial support services to the Airport Authority. On April 17th, 2019 City Council approved the following Amendments to the City’s Purchasing Ordinance:

<u>Requirements</u>	<u>Prior to May 9, 2019</u>	<u>After May 8, 2019</u>
No PO needed	< \$500	<\$1,000
PO – no quotes		\$1,000 - \$1,499
PO – Quotes	\$500-\$1,999	\$1,500-\$4,999
PO – Competitive Bids	\$2,000-\$10,000	\$5,000-\$20,000
PO – Sealed Bids	Over \$10,000	Over \$20,000

This amendment would only impact the allowable thresholds for each requirement outlined above under the Airport’s purchasing policy. The underlying policy parameters and procedures will remain unchanged.

Recommendation

It is recommended that the Board approve the proposed revisions to the Airport purchasing policy as presented.

Attachment: Proposed Revisions.

West Michigan Airport Authority Purchasing Policy

~~May 28, 2015~~UPDATED JUNE 6TH, 2019

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1. Policy Statement

It is the policy of the West Michigan Airport Authority (WMAA) to set standards and procedures for purchases of all sizes that comply with sound financial management practices. The intent of this policy is to provide a process that ensures good stewardship of resources by maintaining integrity in the process and ensuring to the degree possible that purchases are made in a cost-effective manner while providing the level of quality desired.

2. Standards of Conduct

WMAA employees, officers, agents (i.e. City of Holland or other appointed agents acting on behalf of the WMAA), immediate family members, and committee and Board members:

- a. Are prohibited from participating in the selection, award or administration of a WMAA contract if a conflict of interest, real or apparent is involved;
- b. Are prohibited from soliciting or accepting gifts, gratuities, favors or anything of consequential value from current or potential contractors or parties to sub-agreements that could influence purchasing decisions;
- c. Will remove themselves from the procurement in question if a potential conflict of interest exists.

Small items customarily provided in the course of daily work such as a cup of coffee, a modest lunch, or a basket of holiday fruit, for example, are not considered of significance or value to be construed as presenting a conflict of interest or having undue influence over purchasing decisions if offered by a current or potential contractor.

3. Authority to Purchase

The Airport Authority Manager or other person designated by the WMAA Board shall have the authority to purchase or contract for all supplies, materials, equipment and contractual services needed for WMAA activities. Such purchases can be made without additional WMAA Board approval for all items approved in the annual WMAA budget having a value of less than \$10,000. All purchases exceeding \$10,000 must be approved separately by the WMAA Board regardless of whether the item(s) was approved in an annual budget.

All purchases must follow the quotation or competitive bidding requirements set forth in this policy, or for state and federally funded items, the requirements set by the Michigan Department of Transportation/Airports Division (MDOT/AERO) or the Federal Aviation Administration (FAA).

Any contractual services must be approved by the WMAA Board. All contracts related to such services must be signed by the WMAA Board Chairperson, subject to approval as to form by the WMAA attorney.

4. Quotations and Bids

The WMAA Manager or other WMAA Board designee shall:

- a. Obtain a minimum of two (2) written quotations prior to purchasing supplies, materials, equipment or services with an estimated cost between the amounts of ~~\$500-1,500~~ and ~~\$2,000-4,999~~. Purchases under ~~\$500-1,499~~ may be made without quotations;
- b. Solicit competitive bids for purchases of supplies, materials, equipment or services where the estimated cost exceeds ~~\$25,000~~, but is less than ~~\$120,000~~;
- c. Obtain sealed bids and submit these for approval of the WMAA Board for purchases in excess of ~~\$120,000~~.
- ~~d. No purchase orders are required for purchase <\$1,000~~

5. Procedures for Quotations and Bids

- a. The WMAA Manager or other WMAA Board designee shall determine the specifications required for a purchase or contractual service and may confer with other WMAA staff or agents in order to prepare these specifications.
- b. The WMAA Manager or other WMAA Board designee shall determine the extent of advertising or solicitation of sealed bids which may include advertising in an appropriate newspaper or trade publications prior to the deadline for receiving bids. For purchases or services funded by the state and/or federal governments, bid advertising or solicitation shall follow MDOT/AERO and/or FAA requirements.
- c. Competitive bidding shall not be required with respect to contracts for professional services, insurance, banking, and financial services, unless required by MDOT/AERO or the FAA. For purposes of this section, professional services shall mean that the contract for services requires a high degree of individual skill, training, and expertise where the specialized ability or fitness of the individual or company performing such service is required by the WMAA.
 1. Professional services shall be obtained by competitive negotiation to determine that a reasonable price for such services has been obtained.
 2. In any other case where competitive bidding or competitive negotiation is not required by law, MDOT/AERO or the FAA, and either process is clearly not practical or no advantage would result to the WMAA by competitive bidding or competitive negotiation, the WMAA Board may authorize the execution of a contract without either process, subject to approval as to form and content by the WMAA attorney.

- d. All sealed bids shall be accompanied by surety in the form of check, cash or bond in such amount as shall have been prescribed in the notice and/or invitation to bid. The bids shall be opened in public at the time and place stated in the notice and/or invitation to bid. Sealed bids received after the established deadline shall be returned unopened to the bidder submitting the same.
- e. Purchases of items that are unique, noncompetitive, or available only from a sole source may be exempt only from the requirements of sections 4 and 5 of this Policy regarding quotations and bids; however, every effort should be made to obtain alternate sources of supply for such items. Such purchases shall still require the appropriate purchase order and/or contract, and necessary approvals as described in this Policy. The WMAA Manager shall determine whether the purchase is to be considered sole source as described in this section.
- f. The WMAA Board shall have the right to accept or reject any or all bids, unless otherwise directed by MDOT/AERO or FAA requirements. The WMAA Board shall also have the right to waive any informalities/irregularities in the bids, as well as the right to split the award or a bid between two or more bidders. Purchases shall be made from the source from which the lowest responsible bid is received.
- g. The splitting of orders or invoices to avoid certain purchasing thresholds and requirements in this Policy is prohibited.

6. Award of Contracts and Purchases

Contracts and purchases shall be awarded to the lowest responsible bidder. In determining the lowest responsible bidder, in addition to the price, the WMAA Manager and WMAA Board shall consider:

- a. The bidder's ability, capacity and skill to perform the contract or provide the supplies, material, equipment or services required promptly, or within the specified time, without delay or interference.
- b. The character, integrity, reputation, judgement experience and efficiency of the bidder.
- c. The bidder's previous and existing compliance with contracts, purchase orders or services.
- d. The sufficiency of the financial resources of the bidder to perform the contract or provide the supplies, materials, equipment or services.
- e. The availability and adaptability of the supplies, materials, equipment or contractual services to the particular use required.
- f. The bidder's ability to provide future maintenance and service of the contract or purchase.
- g. The number or scope of the conditions attached to the bid by the bidder.

- h. The brand, make or type of product being proposed by the bidder and its compatibility with other similar materials or equipment currently owned and operated by the WMAA.

If bids received are for the same total amount or unit price, quality and service being equal, the contract or purchase shall be awarded to the local bidder, if any. In all other cases of tied bids, the contract or purchase shall be awarded to one of the tied bidders by drawing lots in public by the WMAA Manager or WMAA Board. If the contract or purchase is funded by MDOT/AERO or the FAA, then the requirements of these bodies shall govern the circumstance of tied bids.

7. Contracts

- a. The WMAA Manager or WMAA Board designee shall determine which purchases of materials, supplies, equipment and contractual services shall be by contract. All other purchases shall be by purchase order. Contract or purchase orders shall not be required for purchases of less than \$500.
- b. All contracts shall be submitted to the WMAA Board for approval, and upon approval as to form by the WMAA attorney, shall be signed by the WMAA Board Chairperson. Service agreements approved by the WMAA Board as part of the annual budget may be signed by the WMAA Manager, subject to approval as to form by the WMAA attorney.

8. Involvement of the Treasurer

The WMAA Treasurer shall be notified of all contracts and purchases so that the proper accounts can be encumbered. Prior to the contract or purchase, the WMAA Manager, WMAA Board designee, or WMAA Treasurer must certify that there are sufficient funds to defray the amount of the contract or purchase.

9. Emergency Purchases

Notwithstanding any other provision of this article, the WMAA Manager or WMAA Board designee may make emergency purchases where there exists a threat to the ability to operate the airport or airport safety would be compromised without the immediate purchase. If timing will not permit, this purchase can be made without a purchase order.

Emergency purchases shall be made as competitively as is practical under the circumstances. A written determination of the basis for the emergency purchase and for the selection of the particular vendor or contractor shall be filed with the WMAA Board Chairperson and WMAA Treasurer within three (3) days after the purchase is made.

10. Petty Cash

The WMAA will maintain a nominal amount of petty cash to use for small purchases or the reimbursement of purchases under \$200. Either a Petty Cash Issuance Voucher or a

Reimbursement Form must be completed and authorized by the WMAA Manager or WMAA Board designee. Receipts for petty cash purchases must be obtained and signed by the person making the purchase and submitted to the WMAA Treasurer.

11. Credit Card Use.

A credit card may be available to provide authorized staff with a convenient and expedited means for making authorized purchases on behalf of the WMAA for official business. The WMAA Manager or WMAA Board designee must approve those authorized to use a credit card. Those authorized to use a credit card must sign out the card in the established log, along with the intended use and the date of use, and sign the log upon return of the card. All credit card use will be processed as “credit” rather than “debit”. Cash advances in credit cards are prohibited. Credit card purchases must follow the purchasing procedures described in this Policy.

Those authorized to use a credit card are responsible for the protection of the card while in their possession, and shall immediately notify the WMAA Manager or WMAA Board designee if the card is lost or stolen. Receipts for all credit card purchases must be submitted to verify the vendor, item purchased, quantity, and date of purchase.

Credit card purchases are limited to items/services that cost less than \$500, unless approved for higher amounts by the WMAA Manager or WMAA Board designee.

WMAA MONTHLY FBO REPORT

Total Fuel Gallons Delivered	Current Month May-19	One Year ago May,2018	Fiscal Year To Date 10-1-18 to 9-30-19	F/Y to Date Compared 2018
	77,586	68,355	381,164	-7,545
Transplant Flights	0			
Wings Of Mercy Flights	2			
Freight Flights From/To Holland	5			
FREIGHT WEIGHT	12,260#			
NUMBER OF PARTS IF KNOWN	34 skids+50 boxes			