

CENTRAL WISCONSIN JOINT AIRPORT BOARD MEETING
Conference Room B – East Terminal Upper Level, Mosinee, Wisconsin
September 12, 2023 - 8:00 a.m.

2022-2024 Board Members: Chair Dave Ladick - Portage County, Vice Chair Chris Dickinson - Marathon County, Julie Morrow - Portage County, Becky Buch - Marathon County, Tom Seubert - Marathon County, Lon Krogwold - Portage County, Kurt Kluck - Marathon County.

Mission Statement: *Provide premier access to the world through aviation and be a catalyst for economic growth in our communities.* **Vision Statement:** *To be the airport of choice for central and northern Wisconsin.*

The monthly meeting of the Central Wisconsin Joint Airport Board will have the option for members and the public to call-in via telephone conference. Airport Board members and the public may join the meeting by calling 1-469-480-4192 and enter Conference ID 586 086 871#. The conference line will be open to calls five (5) minutes prior to the meeting start time listed above.

- 1) Call to Order by Chair Ladick at 8:00 a.m.
 - a) Pledge of Allegiance
- 2) Approval of Minutes of the August 8, 2023 Board Meeting
- 3) Public Comment Period: 15-minute time limit
- 4) Review and Possible Action on the 2024 CWA Annual Budget
- 5) Review and Possible Action on Amended and Restated Air Service MRG Agreement MRG Agreement
- 6) Staff Reports
 - a) Director Report
 - i) Annual FAA Certification Inspection
 - ii) Air Service Update
 - iii) Statistical Report
 - iv) Flight Schedule
 - v) Legislative Update
 - b) Financial Reports
 - i) Revenues and Expenses
 - ii) Budget Comparison
 - c) Operations and Project Reports
 - i) Update on ATC Tower Project
 - ii) Update on Runway Shift Project
 - iii) Update on Airport Operations
 - d) General Aviation Updates – Central Wisconsin Aviation
- 7) Adjournment
- 8) Next Scheduled Meeting Date: October 10, 2023 at 8:00 a.m.

Any person planning to attend this meeting who needs some type of special accommodation to participate should call the County Clerk's Office at 715-261-1500 or e-mail infomarathon@co.marathon.wi.us one business day before the meeting.

CENTRAL WISCONSIN JOINT AIRPORT BOARD MEETING MINUTES

CENTRAL WISCONSIN AIRPORT TERMINAL

Conference Room B – East Terminal Upper Level, Mosinee, Wisconsin

August 8, 2023 - 8:00 a.m.

Airport Board:	Dave Ladick, Chair Lonnie Krogwold Becky Buch Thomas Seubert	Chris Dickinson, Vice Chair – via phone Kurt Kluck Julie Morrow
Staff:	Brian Grefe, Airport Director Julie Ulrick, Badging Coordinator	Mark Cihlar, Assistant Airport Director Dave Drozd, Finance Director
Visitors:	Karl Kemper, Becher Hoppe Stephanie Nikho, Mead & Hunt Michael Puerner, Marathon Co. Corporation Counsel	Rick Miller, Central Wisconsin Aviation Evan Barrett, Mead & Hunt – via phone
Handouts:	July Statistical, Revenue and Expense Reports, Budget Comparison Report	

Call to Order: Meeting called to order by Chair Ladick at 8:00 a.m.

Approval of Minutes: *Motion by Morrow, second by Krogwold to approve the minutes of the July 11, 2023 board meeting. Motion carried unanimously.*

Public Comment Period: None.

Review and Possible Action on Fixed Base Operator Agreement Amendment with Central Wisconsin Aviation:

The Central Wisconsin Joint Airport Board and Central Wisconsin Aviation entered into a new operating agreement beginning January 1, 2023. A new provision in the 2023 contract was to add a fuel facility recovery fee to offset the airport's cost of maintaining the fuel farm. The airport owns the fuel farm that is used by the FBO. In order to keep the FBO and ultimately the airport financially competitive, airport staff and FBO management agreed to meet to discuss lowering the FBOs operating expenses. The amendment proposed today eliminates the fuel facility recovery fee, reduces the fuel flowage fee to \$0.05 per gallon, and caps the total fuel flowage fee amount to \$35.00 for commercial service aircraft. The effective date, if approved, will be October 1, 2023. ***Motion by Kluck, second by Seubert to approve the lease amendment to the 2023 Central Wisconsin Aviation operating agreement. Motion carried unanimously.***

Review and Possible Action on Terminal Area Master Plan:

Evan Barrett with Mead & Hunt recapped the four initial Terminal Area Master Plan concepts developed and each concept's advantages and disadvantages. Concept #3 became the preferred concept with the most number advantages for the airport, general aviation and the fixed base operator and with no real disadvantages. Comments from the public and stakeholders were reviewed as well as cost comparisons of each of the four concepts. Near-term implementation planning includes building a transient hangar and a new general aviation terminal. The current terminal baggage makeup area could be considered for an expansion sooner than initially anticipated to accommodate the upcoming Avelo air service that will utilize larger aircraft. Mid and long-term implementation plans include a new snow removal equipment and operations facility, a T-hangar rehabilitation project, air carrier apron reconstruction/reconfiguration, including a deicing area, and new general aviation hangars. A sustainability statement was developed that may be tracked, which is a criteria for federal funding and will be beneficial in applying for competitive funding. Approval of a concept does not obligate the airport to move forward with any part of the concept and any intended project would need board approval when the time comes. ***Motion by Kluck, second by***

Morrow to approve Concept 3 as the preferred alternative of the Terminal Area Master Plan. Motion carried unanimously.

Staff Reports:

Director Report – Brian Grefe:

Air Service Update – Avelo Airlines will begin year-round direct air service to Orlando, FL (MCO) on October 5th. They will be flying two flights per week with an added third flight per week around holidays. Bookings to date have been doing excellent, which was anticipated from market data analysis. Staff went through a process to add Las Vegas as a qualifying destination to the SCASD grant. American added a third flight in July and may pull back one flight on certain days in fall.

Statistical Report – ATC operations for July are down 12.9% on the month, with enplaned passengers up 23.6% on the month. Load factors were high with 94.0% for American and Delta saw an increase at 85.0%.

Flight Schedule – Delta remains at two daily flights and American’s schedule is working very well, but indicated they will be pushing back the last flight departure to around 6:00 p.m.

Travel Survey – Mead & Hunt is compiling data from a business travel survey that was sent out and the survey response was strong. The data will be used in talks with Delta to bring back the Detroit route. The state is conducting an economic impact study that would provide additional data.

Financial Reports – Dave Drozd:

Revenues and Expenses – July revenues ended at 25.76% of budget, but some of the July revenues were posted to August. August will reflect the correct revenue figures. Expenses for July end at 31.58% of budget. CARES funding will be entered for payroll, utilities and operating supplies to close out the grant for the upcoming federal fiscal year end. Approximately \$2 million in CARES Act funding remain.

Budget Comparison – The budget comparison report shows year over year revenues down 4.81% and expenses up 7.04%, leaving a revenue deficit of \$338,389 year-to-date. CARES Act funding is not included in the comparison report.

Operations & Project Reports – Mark Cihlar:

Update on ATC Tower Project – Bids were received for the tower rehabilitation project and they came in significantly higher than estimates. The grant application for the project was submitted to the FAA, however, staff will be looking for cost saving opportunities with the contractor before remaining financing is determined.

Update on Runway Shift Project – The runway shift project is moving along and work on the existing Taxiway Bravo crossing at Runway 8/26 is complete and the taxiway has been reopened. The runway and taxiway extension on the east end of Runway 8/26 is also complete and crews are working on sawing and sealing the joints. Later this month they will be grooving the extension and soon will be able to reopen the runway with a displaced threshold.

Update on Airport Operations – Airport staff has been preparing for the annual FAA inspection. FAA inspectors will be reviewing electronic records for Part 139 compliance this week and will physically be onsite later this month. Post-inspection, maintenance staff will begin winter preparations.

The FAA regional office notified airport staff that FAA headquarters personnel are interested in making an onsite visit to physically see an ongoing construction project in the region. The regional office indicated the runway shift project at CWA would be a good option for them. FAA headquarters personnel are planning a site visit the end of this month to see the construction project in person and to discuss the airport’s experience with FAA design standards and practices. CWA staff welcomes the opportunity to host them.

General Aviation Reports – Central Wisconsin Aviation:

Central Wisconsin Aviation's search for a mechanic continues, but recently several mechanics from outside the area have shown interest and the candidates are looking to relocate to the area.

Adjournment: 9:16 a.m. Motion by Morrow, second by Kluck to adjourn. Motion carried unanimously. After adjournment, a non-quorum of board members took part in a tour of the airfield and corporate hangars. No formal board discussion or business was had and no formal action was taken.

Next Scheduled Meeting Date: September 12, 2023 at 8:00 a.m.

Julie Ulrick, Recording Secretary

Agenda Item Summary

Airport Board Meeting Date: September 12, 2023

Joint Finance Meeting Date: September 25, 2023

Agenda Item Title: #4) Review and Possible Action on the 2024 Central Wisconsin Airport (CWA) Annual Budget

Staff Responsible: David Drozd, Assistant Airport Director-Finance

Background:

- The Joint Airport Board is required to prepare an annual budget and submit it to both Finance Committees for approval. This is included in Resolution No. 300 which was approved in 1977.

2024 Budget Notables:

- No county tax levy is requested for 2024.
- Debt service payments total \$532,128.43 for 2024. Of this amount, \$73,484.07 will be paid from Passenger Facility Charge (PFC) fees, and the remaining \$459,128.43 will be paid from the American Rescue Plan Act (ARPA) funding as approved by the Federal Aviation Administration (FAA).
- Federal Capital Projects in 2024 include the following with estimated costs: Ordering a new Airport Rescue and Firefighting (ARFF) truck (\$1 million), an air traffic control tower equipment modernization project (\$1.1 million), the design of a replacement general aviation arrivals and departures building (\$600K), and the construction of a box hangar for large transient aircraft (\$4-\$5 million). Expenses for 2024 include \$400,000 for the local share of the ineligible portion of the large box hangar, and \$180,000 to cover our share of the design costs for a new general aviation arrivals and departure building.
- Local Capital Expenses for 2024 includes the replacement of a pickup truck (\$50,000), new parking lot revenue control equipment for the East Parking Lot (\$60,000), the addition of a compact zero turn mower, a fuel farm backup generator, a loader snowplow, new paint machine, along with the replacement of a zero-turn mower for (\$136,000), and IT network equipment upgrades (\$40,000).
- We are currently fully staffed. No new positions have been requested or budgeted for in 2024. We have budgeted for two potential retirements in 2024.
- The addition of Avelo Airlines will be the biggest change at CWA in 2024. This affordable airline will make the airport more accessible for our current guests and will bring in new guests that have not used the airport before. Early bookings are strong, and data supports additional growth if the Orlando route is supported by our communities. Avelo Airlines has additional aircraft on order and can grow in their strong communities. Parking revenue, concession revenue, and PFC's will be impacted positively.
- American and Delta service will likely be mostly flat in 2024. The pilot shortage has disproportionately affected regional airlines and non-hub airports. Despite strong performance on both, the airlines have been unable to provide CWA with the service needed to meet the demands. Despite this the airport board is aggressively pursuing additional destinations on both American and Delta, including applying for another Small Community Air Service Development Program Grant (SCASDP) or other ways to fund a revenue guarantee to support growth on our legacy carriers.
- Increases in revenue will be largely offset by the rising cost of doing business. Throughout 2024 there will be a deliberate effort to optimize airport finances including adjusting parking rates to stay competitive.
- Expenses for 2024 follow a similar trend as in the past few years as costs of goods and services have gone up significantly, with sizable increase in areas such as utilities, fuel, contracted services, and health insurance as

examples. We are also budgeting an additional \$30,000 for a marketing campaign as part of our approved Small Community Air Service Development Program (SCASDP) for Avelo Airlines.

- As planned in prior years, we will be using our Fund Balance to cover capital expenses in 2024. Total Fund Balance budgeted in 2024 is \$839,491.

Debt Service Update:

- No county issued debt is requested for 2024 and none is anticipated for 2025.
- Both GO Bonds are held by Marathon County. No debt for CWA is held by Portage County.
- Balances for 2025 and beyond (after 2024 payments):
 - 2012 GO Note – 2025-2028 balance \$ 751,500 (of which \$155,109 is PFC eligible)
 - 2015 GO Bond – 2025-2030 balance \$ 1,801,887 (of which \$156,224 is PFC eligible)

CWA Fund Balance Update:

- Unrestricted Fund Balance as of 12/31/2022 (audited): \$ 4,539,314 Increase of \$475,094 over 2021
- Restricted Fund Balance (PFC) as of 12/31/2022 (audited): \$ 657,001 Increase of \$150,272 over 2021
- Current PFC Fund Balance as of 8/31/2023: \$ 864,494
- Total net position increased over \$5.4 million from 2021 to 2022.
- Current net position as of 12/31/2022 is \$75,554,925.

ARPA Airport Grant Funding Update:

- An ARPA Grant in the amount of \$2,209,388 was awarded on August 10, 2021. Approved uses include payroll, utilities, debt service, and service contracts.
- ARPA funding of \$1,621,815.57 will be submitted in 2023 for reimbursement.
- ARPA funding of \$459,128.43 will be used in 2024 for our debt service obligation that year. This final payment will allow this grant to be closed.
- An ARPA Grant in the amount of \$120,900 was awarded to CWA on August 10, 2021, for concessionaire relief. We will be allocating these funds to qualifying tenants in 2023/2024.
- Balances available as of 8/31/2023:
 - ARPA Grant \$ 2,080,940
 - ARPA Grant-Concessions \$ 120,900

CWA Airport Improvement Program (AIP) Project History:

- 2017 - Fuel Farm Rehab/GA Apron/Taxiway C repairs/SRE Loader Mount Blower: \$ 1,316,847
- 2018 - Commercial Apron Repairs/Boarding Bridge Replacement/SRE Snowblower: \$ 5,279,021
- 2019 – Concourse Rehab/Plow, Broom, and Loader purchase/Land Acquisition: \$ 5,966,987
- 2020 – Runway 17/35 Reconstruction/Taxiway B Rehab: \$ 24,166,869
- 2021 – Taxilane E and Flightline Drive/Runway 17/35 Nav aids: \$ 3,158,883
- 2022 – Runway Shift and Lighting Project/Terminal Area Master Plan: \$ 18,857,352
- Total Project Costs: \$ 58,745,959

2023 Items of Interest:

- Avelo Airlines – Avelo Airlines officially announced this summer new air service to Orlando, Florida starting October 5, 2023. This was made possible by a DOT grant. CWA was one of 25 communities in 20 states that received a portion of \$16.9 million dollars. This was announced on August 4, 2022. CWA's grant amount is \$900,000 with the goal of obtaining a low-cost or ultra-low-cost carrier into our market with destinations such as SW Florida, Orlando, or Phoenix AZ. Additional funding sources include Marathon & Portage Counties, in-kind fee waivers, and funds for a marketing campaign. The total package value is just over \$1.5 million.
- Our SCASDP application was amended this summer to include Las Vegas as a destination under the grant with opportunities potentially in 2024.
- Runway 8/26 was closed this spring for the runway shift project. Completion is scheduled this fall for the \$18 million project.
- CWA helped Marathon County Human Resources with the creation of the Pillars of Excellence Leadership Program.
- CWA hosted a triennial mock disaster exercise with local Fire and EMS, as well as our local health care providers.
- CWA received a federal grant of \$608,000 for our air traffic control tower rehabilitation project.
- Terminal Area Master Plan (TAMP) – Preferred alternatives were selected this summer after public hearings and stakeholder meetings. The Airport Layout Plan (ALP) is being updated to reflect this selection.

Timeline:

The 2024 CWA Annual Budget will be presented to the Airport Board on Tuesday, September 12, 2023, and the Joint Finance Committee on Monday, September 25, 2023. Upon approval by both entities at these meetings, each owner county will be presented the CWA Annual Budget for approval as part of their comprehensive annual county budget which takes place in November of each year.

Financial Impact:

No tax levy is being requested in 2024 from either Marathon or Portage Counties. This budget has been reviewed in advance of this meeting with the Finance Directors from both Marathon & Portage Counties.

Contributions to Airport Goals:

- Mission Statement: *Provide premier access to the world through aviation and be a catalyst for economic growth in our communities.*
- Vision Statement: *To be the airport of choice for central and northern Wisconsin.*

Recommended Action: Airport staff recommends approval of the 2024 CWA Annual Budget.

**Central Wisconsin Airport
2024 Budget Summary**

Revenue	2024	2024	2023 Adopted	2023 Adopted	% CHANGE 23-24
Operating Revenue	\$3,725,000		\$3,073,000		21.22%
Fund Balance Transfer	\$839,491		\$1,600,000		-47.53%
ARPA Act - Payroll/Utilities Reimbursement	\$0		\$524,487		-100.00%
ARPA Act - Capital Outlay	\$0		\$154,000		-100.00%
ARPA Act - Debt Service - Non PFC	\$459,128		\$461,196		-0.45%
Total Revenues		\$5,023,619		\$5,812,683	-13.57%
Less:					
Expenses					
Personnel Expenses	\$2,015,891		\$1,859,787		8.39%
Contractual Services	\$975,000		\$798,000		22.18%
Supplies and Expense	\$535,600		\$568,700		-5.82%
Building Materials	\$53,000		\$53,000		0.00%
Fixed Charges-Insurance	\$119,000		\$112,000		6.25%
Capital Outlay	\$866,000		\$1,960,000		-55.82%
Debt Service - Non PFC	\$459,128		\$461,196		-0.45%
Total Expenses		\$5,023,619		\$5,812,683	-13.57%
Balance		\$0		\$0	

CENTRAL WISCONSIN AIRPORT

2024 Capital Expense Breakdown

CWA Capital Improvement / Non-AIP / Funded by CWA

Motor Vehicle Replacement - Rolling Stock	58191		
<i>Pickup Truck - 1/2 Ton</i>		<u>\$ 50,000.00</u>	\$ 50,000.00
Parking Lot Improvements	58244		
<i>Revenue Control Equipment - East Lot</i>		<u>\$ 60,000.00</u>	60,000.00
IT Equipment and Hardware	58132		
<i>Network Equipment Upgrades</i>		<u>\$ 40,000.00</u>	40,000.00
Other Capital Equipment	58190		
<i>Backup Generator - Fuel Farm</i>		\$ 15,000.00	
<i>60" Zero Turn Mower</i>		\$ 15,000.00	
<i>Paint Machine</i>		\$ 85,000.00	
<i>Loader Snow Plow - 20ft</i>		\$ 15,000.00	
<i>Compact Zero Turn Mower</i>		<u>\$ 6,000.00</u>	
			\$ 136,000.00
Airport Facilities	58277		
<i>Large Box Hangar Construction - Local Share</i>		\$ 400,000.00	
<i>GA Terminal Design - Local Share</i>		<u>\$ 180,000.00</u>	
			\$ 580,000.00
		<u>\$ 866,000.00</u>	<u>\$ 866,000.00</u>

**CENTRAL WISCONSIN AIRPORT
2024 DEBT SERVICE**

Total by Fund

\$	47,085.00	PFC-2012
\$	26,399.07	PFC-2015
\$	181,040.00	605-GENERAL 2012
\$	278,088.43	605-GENERAL 2015
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\$	532,612.50	
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\$	459,128.43
\$	73,484.07
\$	532,612.50
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**American Rescue Plan Act (ARPA)
Passenger Facility Charge (PFC)**

Total by Principal/Interest

2012 PRINCIPAL	\$	200,000.00
2012 INTEREST	\$	28,125.00
2015 PRINCIPAL	\$	245,000.00
2015 INTEREST	\$	59,487.50
TOTAL PRINCIPAL	\$	445,000.00
TOTAL INTEREST	\$	87,612.50
TOTAL	\$	532,612.50
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**Marathon County Budget Report
Central Wisconsin Airport**

Org. Level: CWA Operations Cost Center
Fund: 605 Central Wisconsin Airport Fund
Grant: None / Uncategorized
Program, Project, Debt Issuance: All

2024 Requested Budget Tax Levy
0

Revenues	2023 Modified Budget	2024 Requested Budget	Variance
46340 - 46340 Airport Fuel Flow	55,000	70,000	15,000
46340 - 46341 Airport Fuel Sales	34,000	34,000	-
46340 - 46342 Lease of Airport Land	80,000	100,000	20,000
46340 - 46343 Airport Parking lots, Ramps and Meters	1,050,000	1,200,000	150,000
46340 - 46344 Airport Landing Fees	275,000	260,000	(15,000)
46340 - 46345 Airport Public Charges	1,311,200	1,400,000	88,800
46340 - 46346 Rent of Hangars	190,000	220,000	30,000
46700 - 46724 Advertising Income	27,800	32,000	4,200
48900 - 48900 Other Miscellaneous Revenues	-	360,000	360,000
48110 - 48110 Interest Income	15,000	24,000	9,000
49200 - 49210 Transfer from the General Fund	1,600,000	839,491	(760,509)
49200 - 49260 Transfer from Enterprise Fund	1,185,126	459,128	(725,998)
49400 - 49400 Sale of General Fixed Assets	35,000	25,000	(10,000)
Total	5,858,126	5,023,619	(834,507)

Notes

Top Soil Sales

CWA Fund Balance
2024 ARPA Debt Service

Operating Expenses	2023 Modified Budget	2024 Requested Budget	Variance
50210 - 52130 Accounting and Audit Services	9,000	9,000	-
50210 - 52131 Financial, Banking and Investment Services	-	40,000	40,000
50210 - 52132 Fringe Benefit Admin Overhead	6,000	6,000	-
50210 - 52150 Architectural, Engineering and Planning Services	-	70,000	70,000
50210 - 52192 Other Professional Services	200,000	180,000	(20,000)
50210 - 52198 Marketing and Promotional Services	-	90,000	90,000
50220 - 52210 Water	20,000	24,000	4,000
50220 - 52220 Electric	180,000	225,000	45,000
50220 - 52240 Natural / Propane Gas	40,000	50,000	10,000
50220 - 52250 Telephone, Internet and Cable	23,000	24,000	1,000
50240 - 52310 Road Maintenance Services	10,000	-	(10,000)
50240 - 52409 Motor Vehicles Repairs Services	5,000	5,000	-
50240 - 52420 Machinery/Equipment Maintenance Services	75,000	60,000	(15,000)
50240 - 52443 Elevator Maintenance Contractual Services	-	10,000	10,000
50240 - 52460 Building Repair & Maintenance Services	10,000	10,000	-
50240 - 52470 Building Equipment Maintenance Services	20,000	30,000	10,000

50250 - 52133 Indirect Cost Expense - Workday/Teller/Etc.	-	32,000	32,000	
50250 - 52140 Technology Services	-	90,000	90,000	
50250 - 52164 Contractual Services	-	10,000	10,000	
50290 - 52932 Copier Charges	-	2,000	2,000	
50290 - 52970 Refuse Collection	-	8,000	8,000	
50290 - 52990 Sundry Contractual Services	200,000	-	(200,000)	798,000
50310 - 53110 Postage and Courier	500	500	-	975,000
50310 - 53130 Printing and Forms	3,500	1,000	(2,500)	
50310 - 53141 Small Office Equipment	1,500	1,500	-	
50310 - 53190 Office Supplies	3,000	2,000	(1,000)	
50320 - 53210 Publication Of Legal Notices	500	500	-	
50320 - 53220 Subscriptions	100	100	-	
50320 - 53240 Membership Dues	9,000	9,000	-	
50320 - 53250 Registration Fees/tuition	21,000	21,000	-	
50320 - 53260 Advertising	110,000	15,000	(95,000)	
50330 - 53321 Personal Auto Mileage	500	500	-	
50330 - 53340 Commercial Travel	9,000	9,000	-	
50330 - 53350 Meals	1,100	1,000	(100)	
50330 - 53360 Lodging	8,000	8,000	-	
50340 - 53410 Meeting Expenses	2,000	2,500	500	
50340 - 53440 Household and Janitorial Supplies	18,000	25,000	7,000	
50340 - 53441 HVAC supplies	-	5,000	5,000	
50340 - 53460 Clothing and Uniforms	3,000	3,000	-	
50350 - 53510 Gasoline and Diesel Fuel	90,000	110,000	20,000	
50350 - 53520 Motor Vehicle Parts & Supplies	35,000	35,000	-	
50360 - 53620 Consumable Tools/Supplies	6,000	6,000	-	
50360 - 53623 Shop Equipment-Tools-Supplies	-	15,000	15,000	
50360 - 53630 Machinery and Equipment Parts	30,000	30,000	-	
50360 - 53631 Radio Parts & Supplies	2,000		(2,000)	
50360 - 53650 Plumbing and Electrical Supplies	15,000	15,000	-	
50390 - 53936 Other Supplies	200,000	220,000	20,000	568,700
50420 - 54250 Small Hardware/Wire/Nails	1,000	1,000	-	535,600
50420 - 54290 Other Metal Products	1,500	1,500	-	
50430 - 54390 Other Building Materials	500	500	-	
50450 - 54590 Other Raw Materials	20,000	20,000	-	
50460 - 54610 Electrical Fixtures	5,000	-	(5,000)	
50480 - 54810 Asphalt and Asphalt Filler	25,000	30,000	5,000	53,000
50510 - 55120 Insurance Equipment Premium	12,000	12,000	-	
50510 - 55122 Insurance Auto Liability Premium	5,000	5,000	-	
50510 - 55142 Insurance General Liability	58,000	62,000	4,000	
50510 - 55150 Insurance Boiler Premium	1,000	2,000	1,000	
50510 - 55151 Insurance Building & Contents	13,000	14,000	1,000	

50510 - 55190 Insurance Other Premiums	23,000	24,000	1,000	112,000	119,000
50610 - 56110 Bond Principal	435,000	382,479	(52,522)		
50620 - 56210 Bond Interest	100,663	76,650	(24,013)	535,663	459,128
60000 - 58132 IT Equipment and Hardware - Capital	120,000	40,000	(80,000)		
60000 - 58190 Other Capital Equipment	-	136,000	136,000		
60000 - 58191 Other Capital Equipment-Rolling Stock	190,000	50,000	(140,000)		
60000 - 58220 General Municipal Buildings	50,000	-	(50,000)		
60000 - 58227 Airport Facilities	-	580,000	580,000		
60000 - 58244 Parking Lot Improvements	-	60,000	60,000		
60000 - 58291 Other Capital Improvements	1,600,000	-	(1,600,000)	1,960,000	866,000
Total	4,027,363	3,007,728	(1,019,635)		

Personnel Expenses	2023 Modified Budget	2024 Requested Budget	Variance		
50110 - 51111 Salaries and Wages	1,270,476	1,407,015	136,539		
50110 - 51120 Overtime	56,994	59,295	2,301		
50110 - 51140 Shift Differential	4,368	3,744	(624)		
50110 - 51312 On Call Pay	10,989	11,900	911		
50130 - 51370 Uniform Allowance	7,000	5,950	(1,050)		
50130 - 51390 Other Special Pay	-	1,600	1,600		
50150 - 51510 Social Security	102,750	110,217	7,467		
50150 - 51520 Retirement Employers Share	83,026	93,711	10,685		
50150 - 51541 Dental Insurance	6,650	9,407	2,757		
50150 - 51544 Sick Leave Conversion	22,865	-	(22,865)		
50150 - 51550 Life Insurance	749	4,938	4,189		
50150 - 51560 Workers Compensation	26,996	30,948	3,952		
50150 - 51580 Unemployment Compensation	1,342	1,441	99		
50150 - 51590 Other Employer Contributions	15,606	10,920	(4,686)		
50150 - 51593 Health Insurance	249,976	264,805	14,829		
Total	1,859,787	2,015,891	156,104	1,859,787	2,015,891

**Marathon County Budget Report
Central Wisconsin Airport**

Org. Level: CWA Passenger Facility Charges Cost Center
Fund: 605 Central Wisconsin Airport Fund
Grant: None / Uncategorized
Program, Project, Debt Issuance: None / Uncategorized

2023 Modified Budget Tax	2024 Requested Budget Tax	
Levy	Levy	Variance
0	0	-

Revenues	2023 Modified Budget	2024 Requested Budget	Variance
49200 - 49210 Transfer from the General Fund	74,467.00	\$73,484.07	(982.93)
Total	74,467.00	73,484.07	(982.93)

Notes

PFC Debt Service

Operating Expenses	2023 Modified Budget	2024 Requested Budget	Variance
50920 - 59605 Transfer To Airport Fund	74,467.00	\$73,484.07	(982.93)
Total	74,467.00	73,484.07	(982.93)

Personnel Expenses	2023 Modified Budget	2024 Requested Budget	Variance
50110 - 51111 Salaries and Wages	-	-	-
Total	-	-	-

Marathon County Budget Report

Central Wisconsin Airport

Org. Level: CWA Operations Cost Center

Fund: 605 Central Wisconsin Airport Fund

Grant: GR-004022 Covid Cares Act 2020 CWA

Program, Project, Debt Issuance: None / Uncategorized

2023 Modified Budget Tax	2024 Requested Budget Tax	
Levy	Levy	Variance
0	0	-

Revenues	2023 Modified Budget	2024 Requested Budget	Variance
43200 - 43300 Federal Grants - Other Federal Payments	1,110,659.00	459,128.43	(651,530.57)
Total	1,110,659.00	459,128.43	(651,530.57)

Notes

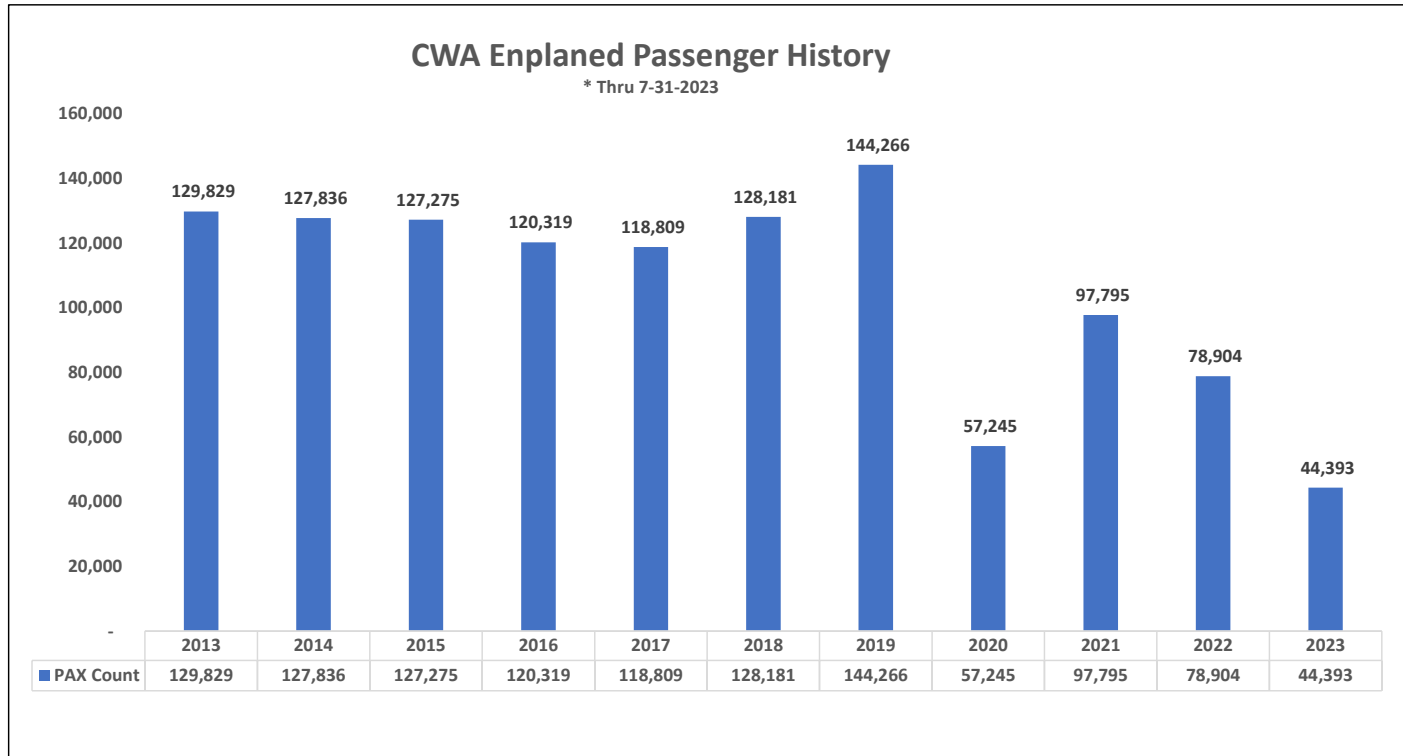
ARPA Funding-Debt Service

Operating Expenses	2023 Modified Budget	2024 Requested Budget	Variance
50920 - 59605 Transfer To Airport Fund	1,110,659.00	459,128.43	(651,530.57)
Total	1,110,659.00	459,128.43	(651,530.57)

Personnel Expenses	2023 Modified Budget	2024 Requested Budget	Variance
50110 - 51111 Salaries and Wages	-	-	-
Total	-	-	-

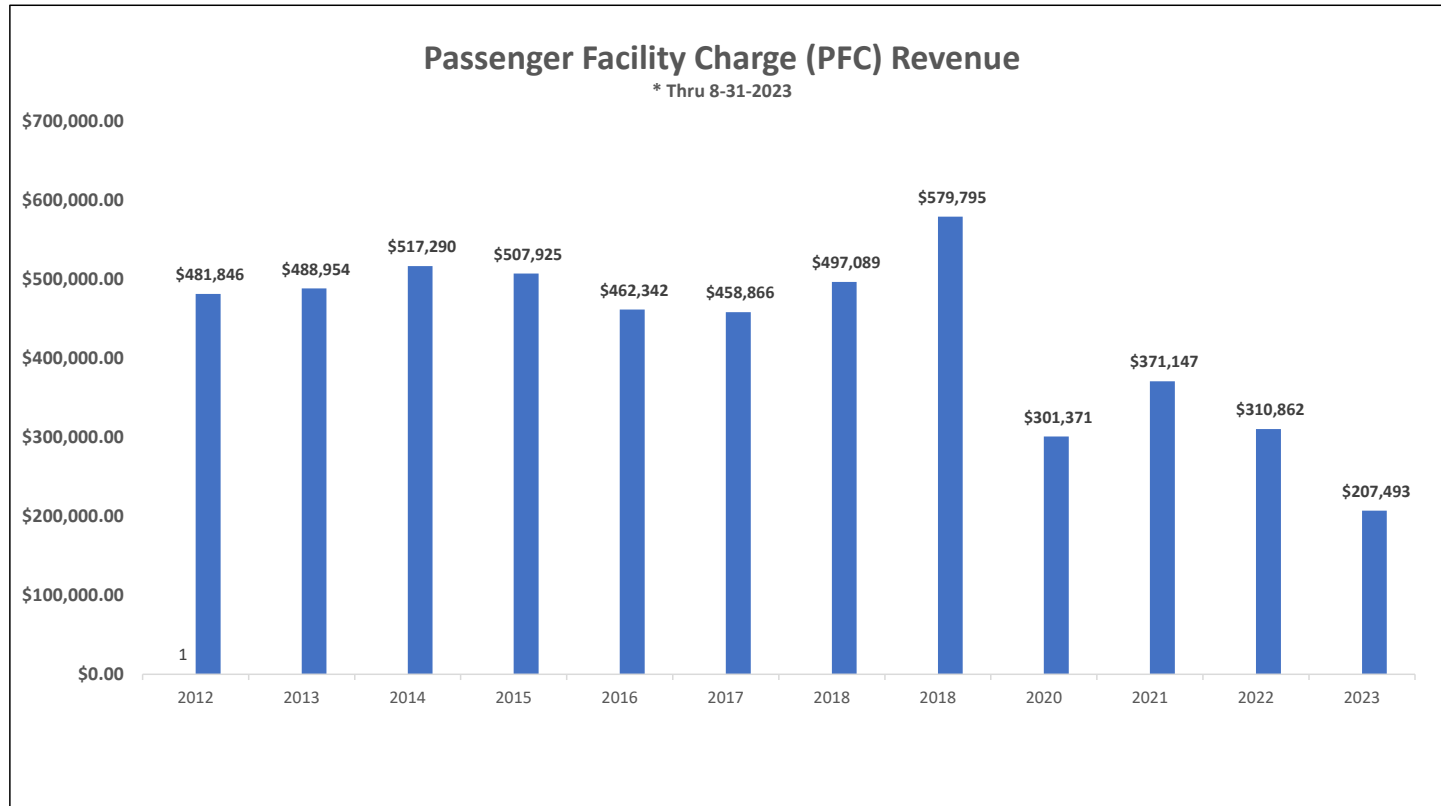
Year	Enplanements
2013	129,829
2014	127,836
2015	127,275
2016	120,319
2017	118,809
2018	128,181
2019	144,266
2020	57,245
2021	97,795
2022	78,904
2023	44,393

* thru 7-31-2022



Year	PFC Revenue
2012	\$ 481,846
2013	\$ 488,954
2014	\$ 517,290
2015	\$ 507,925
2016	\$ 462,342
2017	\$ 458,866
2018	\$ 497,089
2018	\$ 579,795
2020	\$ 301,371
2021	\$ 371,147
2022	\$ 310,862
2023	\$ 207,493

* thru 8-31-2023





Agenda Item Summary

Airport Board Meeting Date: September 12, 2023

Agenda Item Title: #5) Review and Possible Action on Amended and Restated Air Service MRG Agreement

Staff Responsible: Brian Grefe, Airport Director

Background: The nationwide pilot shortage has impacted the Central Wisconsin Airport worse than most commercial service airports because we are served exclusively by regional airlines (for scheduled service). Prior to the reduction in flights, our community was burdened by higher-than-average fares. For 2020, the average airfare was 39% higher than the national average. The current lack of flight options has made this situation worse. Data and research conducted by staff, our air service consultant, and area chambers of commerce prove that our community will support low-cost service to Las Vegas, Orlando, Phoenix, and Ft. Meyers (among others).

On May 9, 2023, the CWA Joint Airport Board approved a Minimum Revenue Guarantee and Air Service Agreement that was crucial in bringing Avelo Airlines service to the Central Wisconsin Airport and non-stop service to Orlando, FL. Since that time Avelo Airlines has expressed interest in flying a route between Las Vegas Airport (LAS) and CWA in addition to the three communities listed. Airport staff worked with the U.S. Department of Transportation to amend the scope of CWA’s Small Community Air Service Development Program Grant to include Las Vegas Airport (LAS). On July 31, 2023, the amendment was agreed to. Las Vegas is now included in the SCASP Grant. The next step is to include LAS in the Air Service MRG Agreement. The proposed amended and restated air service MRG agreement will now include a minimum revenue guarantee and associated marketing program to recruit, initiate and support new, low-fare air service to Las Vegas (LAS), Orlando (MCO/SFB) Phoenix (PHX/AZA) or a Southwest Florida hub airport.

Timeline: The MRG will be effective immediately and expire on January 7, 2028, or three-years of scheduled service, whichever is sooner.

Financial Impact: In accordance with the SCASDP Grant this is the funding plan. The financials have not changed with the addition of Las Vegas:

Total Project Cash Costs:	\$ 1,260,000
Federal Share:	\$ 900,000
State Share:	\$ 0
Local (Non-Airport) Share:	\$ 300,000
Airport Share:	\$ 60,000
<i>*In-Kind Contribution:</i>	<i>\$ 252,800</i>

*Airport Fee Waivers

Contributions to Airport Goals: This effort was specifically identified in the CWA Annual Goals for 2023, “Engage with Airlines to Increase Total Available Seats.”

Recommended Action: Airport Staff recommend approval of the Amended and Restated Air Service MRG Agreement.

Serving Wausau, Stevens Point and the Central Wisconsin Region

Attachment(s) Amended and Restated Air Service Agreement, Amendment 1 CWA DOT OST 2022 0003 0030 SCASDP

AMENDED AND RESTATED AIR SERVICE AGREEMENT

This Amended and Restated Air Service Agreement (this "Agreement") is made and entered into as of this 12th day of Sept, 2023 (the "Effective Date") by and between Avelo Airlines, Inc., a Nevada company with its principal offices at 12 Greenway Plaza, Suite 400 Houston, TX 77046 ("Avelo"), and Central Wisconsin Airport, having its principal place of business at 100 CWA Drive, Mosinee, WI 54455 ("Entity").

WHEREAS, it is of mutual interest and benefit to Avelo and Entity for Avelo, a certified Part 121 air carrier, to operate twice-weekly scheduled round-trip passenger flights between Orlando, Florida (MCO) or Orlando alternative area airport and Mosinee, WI (CWA); and, when the parties further agree, to Southwest Florida area airport, and to Phoenix, Arizona area airport; and

WHEREAS, Avelo and Entity have previously entered into an Air Service Agreement, dated May 9, 2023, and wish to amend and restate said agreement to include twice-weekly scheduled round-trip passenger flights between Las Vegas, Nevada (LAS) and Mosinee, WI (CWA) in the Agreement; and

WHEREAS, Avelo has agreed to operate the flights upon the terms and conditions set forth in this Agreement.

NOW, THEREFORE, in consideration of the mutual obligations and undertakings set forth herein, the parties agree as follows:

1. Scheduled Flights.

Beginning October 5, 2023 (the "Service Commencement Date"), Avelo will operate twice weekly, scheduled MCO-CWA-MCO (Orlando, Florida - Mosinee, Wisconsin- Orlando, Florida) air service utilizing Boeing 737 series jet aircraft configured for 147,149 or 189 passengers in single-class seating.

Beginning _____, (the "Service Commencement Date"), Avelo will operate twice-weekly scheduled LAS-CWA-LAS (Las Vegas, Nevada - Mosinee, Wisconsin – Las Vegas, Nevada) air service utilizing Boeing 737 series jet aircraft configured for 147,149 or 189 passengers in single-class seating.

When the parties further agree in writing to begin additional service, Avelo will also operate flights between Fort Myers, Florida, Phoenix, Arizona and Mosinee, Wisconsin under such terms and conditions as the parties may mutually agree upon. The departure and arrival times and days may be modified periodically by Avelo in accordance with its customary scheduling procedures and operational requirements and does not require consent of Entity. Entity will be notified of the schedule and any changes to the schedule as and when finalized by Avelo. Notification of changes shall be greater than seventy-two (72) hours from first departure under such changed schedule.

For purposes of this Agreement,

(i) round-trip flights between MCO and CWA (being, MCO-CWA-MCO) and LAS and CWA (being, LAS-CWA-LAS) are referred to collectively as "Round-Trip Flights",

(ii) each one-way flight between MCO and CWA (originating at either MCO or CWA) or between LAS and CWA (originating at either LAS or CWA) consisting of one take off and one landing operating on a given date is referred to as a "One-Way Flight",

(iii) generically, Round-Trip Flights and One-Way Flights are herein collectively referred to as "Flights",

(iv) the MCO-CWA-MCO route and the LAS-CWA-LAS route are individually herein referred to as a "Market" and collectively, are referred to as, the "Markets",

(v) an aircraft takeoff for each One-Way Flight is herein referred to as a "Departure",

(vi) a "business day" means a day other than a Saturday or Sunday on which the banks in Houston, TX, and Mosinee, Wisconsin are open for the transaction of business of the type required by this Agreement,

(vii) "Revenue Calculations" include any and all information used to calculate the revenue guarantee 1 and any subsequent payment under Sections 8 and 9 of this agreement.

2. *Passenger Services.*

The Flights will operate with Avelo's normal pre-flight and in-flight passenger services. These services include goods and services made available for a fee or charge paid to Avelo by or on behalf of the passenger receiving the service.

3. *Pricing, Promotion, Booking and Sales.*

Avelo will use its reasonable commercial judgment in setting and/or revising seat inventory allocations and retail fare levels offered on the Flights with the objective of maximizing revenue through maximization of the number of passengers on each Flight, in a manner consistent with Avelo's established retail sales strategy as determined from time to time.

Avelo will offer on its website (Aveloair.com) Flights in the Markets on a co-equal basis with Avelo's other scheduled service flights but will not be obligated to engage in other sales, marketing or promotional activity relating to the Flights. Subject to the requirements of Section 5 of this Agreement, Entity shall be free to engage in such marketing and/or promotional activity relating to the Flights as it sees fit, at Entity's sole expense. Avelo's website, telephone call center and airport ticket counters will be the exclusive points-of-sale for passenger bookings on the Flights. Collection of passenger payments, passenger reservation changes, cancellations, and all other aspects of individual passenger transactions, including, but not limited to, baggage fees, seat assignments, change fees, airport baggage sales and fees, will be handled by Avelo in accordance with Avelo's normal practices and policies and the terms of its contract of carriage, which shall apply to all Flights in the Markets.

4. *Term and Termination.*

This Agreement shall be effective as of the Effective Date and shall remain in full force until October 18, 2026, unless terminated earlier in accordance with the provisions of this Agreement.

This Agreement may be terminated by the party specified below (after having given any applicable notice specified below) upon the happening of any of the following events:

- a. By Avelo, if (i) Avelo is unable to obtain the governmental or other approvals necessary to commence the Flights in the Markets or if Avelo reasonably determines, in its sole discretion, that the operating facilities at CWA or MCO are inadequate for Avelo to commence service; or (ii) Entity fails to make any payment when due and does not make such payment within fifteen (15) days after written notice or demand thereof;
- b. By either Avelo or Entity, if the other party is in breach or default under any provision of this Agreement and such other party does not cure such breach or default within 30 (30) days after the non-breaching or non-defaulting party gives written notice to the other party specifying the breach or default.
- c. By either Avelo or Entity if future sales are not meeting expectations no later than forty-five (45) days prior to the inaugural Flight. Avelo shall provide Entity with information necessary in order to make a reasonable determination regarding sales expectations at least seventy-four (74) days prior to the inaugural flight.
- d. By Avelo, with or without cause, upon not less than Sixty (60) days' prior written notice to Entity. The effective date of termination shall be stated in such written notice of termination but not earlier than sixty (60) days following such written notice. If Avelo desires to terminate flights within sixty (60) days, then they may do so by providing written notice of termination to Entity, but not requiring Entity to pay costs incurred for each scheduled departure.

A termination pursuant to Section 4 a (ii) or Section 4 b shall not limit the non-breaching or non-defaulting party's right to pursue or enforce any of its rights under this Agreement or otherwise. The provisions of Section 15 below shall also govern the parties' respective rights and obligations in the instance of termination or expiration of this Agreement.

5. *Advertising and Promotional Materials.*

Entity will request Avelo's written consent prior to any use by Entity (or by any agent, representative or contractor of Entity) of Avelo's name or logo in any advertising, promotion or other material intended to solicit participation in one or more Flights, including but not limited to all such advertising, promotion and other material that may be disseminated electronically. Avelo's consent to such use will not be unreasonably withheld or delayed. Each party shall retain responsibility and liability for the content of all advertising, promotional and other materials that it disseminates, including responsibility and liability for any noncompliance with laws, rules, regulations or policies administered by the U.S. Department of Transportation (DOT).

6. *Operational Authority.*

The Flights will be conducted under the authority of Avelo's air carrier certificate and operations specifications issued by the Federal Aviation Administration (FAA) and its domestic certificate of public convenience and necessity issued by the DOT. Operation of each Flight is subject to applicable laws and the rules, regulations and policies of the FAA, the DOT, the Transportation Security Administration (TSA), and all other cognizant governmental agencies, as such may be amended from time to time. Avelo will at all times have exclusive operational control of each Flight. Except as otherwise stated in this Agreement, all Flights will be operated under the Avelo Terms and Conditions and as all Avelo scheduled service flights.

7. *Irregular Operations*

If in Avelo's regular course of business a need arises to cancel and not reschedule a flight, then Avelo will follow normal company procedures in selecting flights and notifying any reaccommodating passengers. Any flights that are cancelled and not rescheduled will be removed from the revenue reconciliation totals described below.

8. *Revenue Guarantee.*

As an inducement to cause Avelo to enter into this Agreement and maintain a schedule of at least twice weekly, scheduled Flights to the Markets, Entity hereby guarantees to Avelo that each Departure in each Market will produce no less than a specified level of Total Departure Revenue for each Departure as set forth in Schedule A (herein, each a "Schedule" and collectively, the "Schedules" and the specified level of Total Departure Revenue therein, is hereinafter referred to as the "Minimum Departure Revenue"), attached hereto. Flights between Ft. Myers, Phoenix, Arizona and Mosinee, Wisconsin are included and will commence when the parties agree.

For purposes of this Agreement, the determination of whether the Minimum Departure Revenue for a Market has or has not been achieved in any calendar month will be performed semi-annually with respect to operations in the prior six (6) months (as set forth in Section 9 below) and will be based on:

(i) Calculation of the "Actual Departure Revenue" for each Departure. The "Actual Departure Revenue" for each Departure shall be the sum of (A) the total gross airfare amount paid by passengers in connection with the applicable Departure, (B) the non-airfare in-flight revenue for the applicable Departure excluding on board sales of drinks, snacks, and items sold by flight attendants, (C) the third-party ancillary revenue that is derived from the sale of travel products and services to the passengers on the applicable Departure, and (D) less any taxes, impositions, duties and fees included within items (A) through (C);

(ii) Determining the "Average Departure Revenue" for the Market. The "Average Departure Revenue" for a Market shall be the average or mean (being, the total of all Actual Departure Revenue divided by the number of Departures in the Market) of all Actual Departure Revenue for the Market during such prior three (3) calendar months (such average Total Departure Revenue for the Market, the "Average Departure Revenue"); and then,

(iii) Comparing the Average Departure Revenue for the Market for the three (3) calendar month to the Minimum Departure Revenue for the same time and complying with the applicable Schedule for such Market with respect to amounts payable by each party to the other. The parties hereby agree to the payment provisions specified in each Schedule. However, notwithstanding anything in

this Agreement to the contrary, the maximum total payments made by Entity shall not exceed 1.2 million (\$1,200,000) for the two years.

9. *Revenue Reconciliation and Payment.*

Within the first thirty (30) days of each three (3) month period and with respect to operations in the immediately prior three (3) months, Avelo will prepare and issue the calculations/reconciliations called for in Section 8 above and Avelo will issue a statement to Entity reflecting amounts owed by one party to the other pursuant to the applicable Schedule. The parties shall make such payments as are reflected in such statements no later than by the thirtieth (30th) consecutive day after Entity receives the Avelo statement. Entity shall have the right, upon providing at least five (5) business days prior written notice to Avelo, to conduct at Entity's sole expense, an audit (limited only to the Revenue Calculations, and fuel costs pertaining to Flights) which must be conducted with respect to a Settlement Period no later than within sixty (60) days after receipt of the Avelo statement for such Settlement Period. Avelo further agrees to provide quarterly reports to Entity with certain information in accordance with its guidelines.

10. *Indemnity.*

Avelo agrees to defend, indemnify and hold harmless Entity and its respective officers, directors, employees and affiliates from and against any and all claims, damages, liabilities, losses, proceedings, judgments, costs and expenses (including, without limitation, reasonable attorney's fees) arising solely and directly out of the (i) negligence or misconduct of Avelo with respect to the operation of the Flights during the term of this Agreement, (ii) breach or non-compliance by Avelo (during the term of this Agreement) with its obligations under this Agreement, and/or (iii) breach or non-compliance by Avelo (during the term of this Agreement) with applicable law, rule or regulation pertaining to this Agreement and its performance hereunder. This indemnity shall survive the expiration or termination of this Agreement.

11. *Force Majeure.*

Notwithstanding any other provision of this Agreement, the operation of any Flight is subject to, and neither party shall be liable for, loss, injury, damage or delay in performance of their respective obligation and undertakings hereunder caused by or resulting from any of the following: Act of God; seizure under legal process; sanction; quarantine restriction; fire; fog; flood; weather conditions; unavailability of gate space; airport closure; failure or refusal on the part of any government or governmental agency to timely issue required approvals, clearances, permits or operating authority, or rescission or revocation thereof; damage to or destruction of flight equipment; mechanical difficulties or breakdowns; unavailability of fuel; riots or civil commotions; strikes, lockouts or labor disputes (whether between a party and its employees or between other parties); U.S. military or airlift emergency, or substantially expanded U.S. military airlift requirement as determined by the U.S. Government, which results in unavailability of aircraft; activation of the U.S. Civil Reserve Air Fleet; war or hazard or danger incident to a state of war; or any other act, matter or thing, whether or not of similar nature, beyond the control of a party and which prevents, delays or interrupts the furnishing, operation or performance of such transportation or hotel accommodation, as applicable to a party (individually and collectively, force majeure). In the event force majeure causes cancellation of a Flight, Avelo shall refund to passengers the amount paid to the extent neither the originally intended nor any alternate transportation is provided to them. Avelo may, but does not assume the duty to, accommodate passengers affected by a force majeure on another Avelo flight. In the event, an event of force majeure adversely affects a party's performance hereunder for more than thirty (30) consecutive days, the party whose performance is not affected by such event shall have the right to terminate this Agreement upon written notice to the affected party.

12. *Notices and Communications.*

All notices, demands, requests, consents and approvals by the parties to this Agreement shall be communicated between Avelo and Entity in writing, and delivered by hand, by reputable overnight courier service, or by electronic transmission; *provided*, that in the case of delivery by electronic

transmission, the communication shall be deemed received only upon written confirmation of delivery, including automated electronic confirmation. All such communications shall be addressed as follows:

To Avelo:

Avelo Airlines, Inc.
Attn: _____
12 Greenway Plaza, Suite 400, Houston TX, 77046
Email Address: _____

With copy to:

Avelo Airlines, Inc.
Attn: Notices
12 Greenway Plaza, Suite 400, Houston TX, 77046
Email Address: notices@aveloair.com

To Entity:

Central Wisconsin Airport
Attn: Brian Grefe, Airport Director
100 CWA Drive
Mosinee, WI 54455
bgrefe@fly-cwa.org

13. *Effect of Termination.*

- a. Any termination or expiration of this Agreement shall not affect the parties' respective rights and obligations which have accrued prior to the effective date of such termination, including, without limitation, Entity's obligation to pay Avelo all amounts owing to Avelo as of the effective date of such expiration or termination.
- b. In the event of any termination or expiration of this Agreement for any reason, each party shall pay the other party all amounts owed by such party as of the effective date of expiration or termination, in accordance with the provisions of this Agreement, within five (5) business days after receipt of an invoice from the other party entitled to such amounts.

14. *Governing Law.* Any disputes between the parties hereto with respect to any matters in, arising out of or relating to this Agreement shall be determined in Wisconsin, USA, and shall be governed by the laws of the state of Wisconsin, USA. Both parties hereby consent irrevocably to the jurisdiction of said courts for said purpose.

15. *Assignment.* No party may assign this Agreement or any interest herein without obtaining the prior written consent of all of the other parties.

16. *Entire Agreement and Amendments.* This Agreement supersedes all prior communications, agreements, representations, and understandings between and among the parties, oral or written, with respect to the same subject matter, and fully sets forth the understanding of the parties, including the Air Service Agreement dated May 9, 2023. To the extent consistent with this Agreement, the terms, provisions, and conditions of Avelo's Contract of Carriage as currently published on Avelo's website (www.aveloair.com) are incorporated herein with the same force and effect as if fully set forth herein and shall be applicable to all passengers who fly on the Flights. This Agreement may not be amended or changed except by written amendment executed by the parties hereto.

17. *Expenses.* Each party to this Agreement agrees to be responsible for its own costs, expenses, and charges (including, without limitation, legal fees, advisory fees and accounting fees) in connection with the preparation of this Agreement and the transactions contemplated hereunder.

18. *Counterparts, Delivery by email.* This Agreement may be executed (by email or otherwise) in counterparts, each of which shall be deemed an original, and which together shall constitute one instrument. Delivery of an executed counterpart of this Agreement or of any other documents in

connection with this Agreement by digital, email or facsimile transmission will be deemed as effective as delivery of an originally executed counterpart. Any party delivering an executed counterpart of this Agreement or other document by digital, email or facsimile transmission will also deliver an originally executed counterpart, but the failure of any party to deliver an originally executed counterpart of this Agreement or such other document will not affect the validity or effectiveness of this Agreement or such other document.

19. *Severability.* If a provision of this Agreement is or becomes illegal, invalid or unenforceable in any jurisdiction, the parties agree to consult each other in good faith for an agreed period of time and to take such reasonable steps as the parties are able to take to mitigate or remove such event or circumstance and further, such illegality, invalidity or unenforceability will not affect the legality, validity or enforceability in that jurisdiction of any other provision of this Agreement or the legality, validity, or enforceability in any other jurisdiction of that or any other provision of this Agreement.
20. *Confidentiality.* To the fullest extent permitted by law, the parties shall keep the financial terms and all other terms and conditions of this Agreement, strictly confidential and shall not disclose such information to any third party unless required by applicable law, legal process or as may be necessary to enforce, or defend the enforcement of, this Agreement. In addition, each party (the "Receiving Party") agrees to hold in strict confidence all confidential and proprietary information, either designated by the party disclosing such information to the other party (the "Disclosing Party") as such or under reasonable circumstances to be considered as such, whether inwritten, oral or other form, which it received from the Disclosing Party prior to, or in the course of, this Agreement (collectively, "Confidential Information"). Each party further agrees to use the Confidential Information solely to perform or to exercise its rights under this Agreement, and at a minimum to take all measures necessary to protect against the disclosure or use of the Confidential Information as it takes to protect its own proprietary or confidential information (but in any case, no less than reasonable measures). Confidential Information includes, without limitation, (i) the terms of this Agreement, (ii) flight and accommodations booking information related to the Flights, and (iii) revenue amounts, sources, allocations. Either party may disclose the other party's Confidential Information in response to law, regulation or a valid court order or other governmental action, provided that (a) the Disclosing Party is notified in writing prior to disclosure of the information, and (b) the Receiving Party assists the Disclosing Party, at the Disclosing Party's expense, in any attempt by the other to limit or prevent the disclosure of the Confidential Information.

IN WITNESS WHEREOF, the parties have caused this Agreement to be signed by their duly authorized representatives as of the date first above written.

Avelo Airlines, Inc:

Signed the __th day of _____ 202_.

By: _____

Title: _____

Signature: _____

Entity:

Signed the 12th day of September 2023.

By: David Ladick _____

Title: CWA Joint Airport Board Chair

Signature: _____

Schedule A

Minimum Departure Revenue

Applicable to all Avelo aircraft (Boeing 737-700 with 147 or 149 seats, Boeing 737-800 with 189 seats):

Revenue guarantee per departure from Orlando (MCO) to Mosinee (CWA) - \$21,125

Revenue guarantee per departure from Mosinee (CWA) to Orlando (MCO) - \$21,125

Revenue guarantee per departure from Ft. Myers (RSW) to Mosinee (CWA) - \$21,992

Revenue guarantee per departure from Mosinee (CWA) to Ft. Myers (RSW) - \$21,992

Revenue guarantee per departure from Phoenix (PHX or AZA) to Mosinee (CWA) - \$23,183

Revenue guarantee per departure from Mosinee (CWA) to Phoenix (PHX or AZA) - \$23,183

Revenue guarantee per departure from Las Vegas (LAS) to Mosinee (CWA) - \$24,200

Revenue guarantee per departure from Mosinee (CWA) to Las Vegas (LAS) - \$24,200

**GRANT AWARD AND AGREEMENT BETWEEN THE
U.S. DEPARTMENT OF TRANSPORTATION
AND THE CENTRAL WISCONSIN AIRPORT, ACTING FOR THE
COMMUNITY OF MOSINEE, WISCONSIN, UNDER THE SMALL
COMMUNITY AIR SERVICE DEVELOPMENT PROGRAM
ALN/CFDA 20.930 FAIN: 69A34521400240030
DOCKET #: DOT-OST-2022-0003-0030**

AMENDMENT NO. 1

This Amendment No. 1 to the Grant Agreement dated as of September 15, 2022, between the U.S. Department of Transportation (DOT) and the Central Wisconsin Airport (Sponsor), acting on behalf of the community of Mosinee, Wisconsin, under the Small Community Air Service Development Program (Grant Agreement), is entered into by and between the DOT and the Sponsor and is effective as of the date fully executed by both parties. The Grant Agreement is set to expire on January 7, 2028.

The DOT and the Sponsor hereby agree to amend the Grant Agreement as follows:

Change of Scope. Section C.2 of the Grant Agreement is hereby amended to read as follows: Grant Project: Minimum revenue guarantee (MRG) and associated marketing program to recruit, initiate and support new, low-fare air service to Las Vegas (LAS), Orlando (MCO/SFB), Phoenix (PHX/AZA), and/or a Southwest Florida hub airport.

(1) No Other Modifications. Except for the amendments to Section C.2, described above, this Amendment No. 1 makes no other modifications to the Grant Agreement and all terms and conditions of the Grant Agreement will continue in full force and effect.

(2) Counterpart Signature Pages. This Amendment No. 1 may be executed and delivered in counterparts, each of which will be deemed an original.

**GRANT AWARD AND AGREEMENT BETWEEN THE
U.S. DEPARTMENT OF TRANSPORTATION
AND THE CENTRAL WISCONSIN AIRPORT, ACTING FOR THE
COMMUNITY OF MOSINEE, WISCONSIN, UNDER THE SMALL
COMMUNITY AIR SERVICE DEVELOPMENT PROGRAM
ALN/CFDA 20.930 FAIN: 69A34521400240030
DOCKET #: DOT-OST-2022-0003-0030**

AMENDMENT NO. 1, CONTINUED

IN WITNESS WHEREOF, the DOT and the Sponsor have caused this Amendment No. 1 to be executed by their authorized representatives.

For the Department of Transportation:

Executed this 28th day of July, 2023.

United States Department of Transportation

**BROOKE J
CHAPMAN**

Digitally signed by BROOKE J
CHAPMAN
Date: 2023.07.28 17:33:05 -04'00'

Brooke Chapman
Associate Director
Small Community Air Service Development Program

For the Sponsor:

Executed this 31 day of July, 2023.

(SEAL)

Central Wisconsin Airport
Mosinee, Wisconsin



Signature of Sponsor's Designated Official Representative

BRIAN GREFF
Printed Name

AIRPORT DIRECTOR

**CENTRAL WISCONSIN AIRPORT STATISTICAL REPORT
SUMMARY - AUGUST 2022 - 2023**

08-Sep-23

	2022 MONTH	2023 MONTH	% CHGE. 22-23	2022 Y-T-D	2023 Y-T-D	% CHGE. 22-23
ACTUAL OPERATIONS						
AMERICAN	59	93	57.6%	469	532	13.4%
UNITED	0	0	0.0%	3	0	-100.0%
DELTA	95	62	-34.7%	751	485	-35.4%
CHARTERS	0	2	0.0%	8	11	37.5%
TOTAL ACTIVITY	308	314	1.9%	2,462	2,056	-16.5%
ATCT OPERATIONS	1,119	1,202	7.4%	8,756	8,119	-7.3%
AIRLINE CANCELLATIONS						
AMERICAN	1	1	0.0%	6	11	83.3%
UNITED	0	0	0.0%	0	0	0.0%
DELTA	0	0	0.0%	0	7	100.0%
TOTAL CANCELLATIONS	1	1	0.0%	6	18	200.0%
ENPLANED PASSENGERS						
AMERICAN	2,792	4,285	53.5%	20,994	23,488	11.9%
UNITED	0	0	0.0%	133	0	-100.0%
DELTA	4,005	4,017	0.3%	30,283	28,034	-7.4%
CHARTERS	0	168	100.0%	907	1,341	47.9%
TOTAL ENPLANED PASSENGERS	6,797	8,470	24.6%	52,317	52,863	1.0%
DEPLANED PASSENGERS						
AMERICAN	2,567	4,077	58.8%	20,064	22,300	11.1%
UNITED	0	0	0.0%	74	0	-100.0%
DELTA	3,913	3,808	-2.7%	30,718	27,939	-9.0%
CHARTERS	0	168	100.0%	907	1,341	47.9%
TOTAL DEPLANED PASSENGERS	6,480	8,053	24.3%	51,763	51,580	-0.4%
AIR FREIGHT - AMERICAN	201	0	-100.0%	1,479	1,262	-14.7%
AIR FREIGHT - UNITED	0	0	0.0%	0	0	0.0%
AIR FREIGHT - DELTA	0	0	0.0%	0	0	0.0%
TOTAL AIRFREIGHT - AIRLINES	201	0	-100.0%	1,479	1,262	-14.7%
TOTAL AIRFREIGHT - GENERAL AVIATION	150,220	188,177	25.3%	1,175,487	1,133,598	-3.6%
AIRLINES & GEN AVIATION - AIR FREIGHT	150,421	188,177	25.1%	1,176,966	1,134,860	-3.6%

LOAD FACTOR-CURRENT MONTH	SEATS	PAX	FACTOR
AMERICAN	4,600	4,285	93.2%
DELTA	4,712	4,017	85.3%

Central Wisconsin Airport – Flight Schedule September 12, 2023



<u>Arrivals – Delta</u>				<u>Departures – Delta</u>			
4982	15:16	from MSP	CRJ	5384	06:50	to MSP	CRJ
4934	21:05	from MSP	CRJ	4982	16:05	to MSP	CRJ



<u>Arrivals – American Eagle</u>				<u>Departures – American Eagle</u>			
6213	11:01	from ORD	ERJ	6177	06:10	to ORD	ERJ
6230	17:56	from ORD	ERJ	6213	11:26	to ORD	ERJ
6160	21:31	from ORD	ERJ	6214	18:21	to ORD	ERJ

Upcoming Charter Schedule

Sept 25 – Never Forgotten Honor Flight

MSP = Minneapolis
ORD = Chicago O’Hare

Total CWA Flights Daily = 5