

CENTRAL WISCONSIN JOINT AIRPORT BOARD MEETING
Conference Room B – East Terminal Upper Level, Mosinee, Wisconsin
February 21, 2020, 8:00 a.m.

- 1) Call to Order by Chair Jim Zdroik at 8:00 a.m.
 - a) Pledge of Allegiance
- 2) Approval of Minutes of the January 17, 2020 Board Meeting
- 3) Public Comment Period: 15-minute time limit
- 4) Review and Possible Action on Small Purchase Provisions Resolution
- 5) Review and Possible Action on Air Carrier Incentive Program Resolution
- 6) Review and Possible Action on Permanent Utility Easement Resolution
- 7) Review and Possible Action on 2020 State Funded Projects Resolution
- 8) Staff Reports
 - a) Director Report
 - i) Statistics – January 2020
 - ii) Flight Schedule
 - iii) Rental Car Update
 - iv) Legislative Update
 - v) Aviation Conference Opportunities
 - vi) Air Service Quarterly Performance Report
 - vii) Other Items of Interest
 - b) Operations and Maintenance Report
 - i) Hiring Update
 - ii) Winter Operations
 - iii) Other Items of Interest
 - c) Financial Reports
 - i) Revenues and Expenses – January 2020
 - ii) Other Items of Interest
 - d) Project Reports
 - i) Passenger Boarding Bridge Project
 - ii) Runway 17/35 Reconstruction Design Update
 - iii) Other Items of Interest
- 9) ROLL CALL VOTE TO GO INTO CLOSED SESSION pursuant to Wis. Stat. 19.85(1)(c) For the purpose of considering employment, promotion, compensation or performance evaluation data of any public employee over which the governmental body has jurisdiction or exercises responsibility
- 10) MOTION TO RETURN TO OPEN SESSION (No Roll Call vote needed). Discussion, Possible Action and/or Announcements from Closed Session Item

11) Adjournment

12) Next Meeting Date: March 20, 2020 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
CENTRAL WISCONSIN AIRPORT TERMINAL
Conference Room B – East Terminal Upper Level, Mosinee, Wisconsin
January 17, 2020 - 8:00 a.m.

Airport Board:	Jim Zdroik, Chair John Durham Jeff Zriny Dave Ladick	Sara Guild, Vice Chair Leonard Bayer – Excused Lonnie Krogwold
Staff:	Brian Grefe, Airport Director Dave Drozd, Finance Julie Ulrick, Badging Coordinator	Mark Cihlar, Planning & Development James Olson, Dir. of Operations & Mnt. David Trombley, Maintenance Supervisor
Visitors:	Randy Van Natta, Becher Hoppe	

Meeting called to order by Chair Zdroik at 8:00 a.m.

Motion by Zriny, second by Ladick to approve the minutes of the December 20, 2019 board meeting. Motion carried unanimously.

Public Comment Period: None

Review and Possible Action on TNC Policy and Agreements:

Ride share companies Uber and Lyft have been operating at CWA for about a year and staff has been working with the parent companies to get them on terms similar to current ground carriers. Ride share operations reduce revenues for parking, taxi cabs and rental cars. Negotiations have been taking place and all parties have tentatively settled on a \$1.00/trip fee. ***Motion by Krogwold, second by Durham to approve the TNC operating policy and agreement and to direct the Airport Director to execute the contracts. Motion carried unanimously.***

Review and Possible Action on Concourse Design Submittal Items:

The concourse renovation project is slated to begin Monday where crews will begin demo work. Staff and the Business Advisory Committee have put a lot of effort into reviewing design plans and finishes. Samples of various finishes were displayed for the board to review and provide feedback on. Staff was directed to make final decisions on product finishes and to take architect recommendations into consideration.

Staff Reports:

Director Report – Brian Grefe:

Statistics – The December 2019 statistical report shows enplanements with a 6.2% increase on the month and a 13.1% increase on the year. Total operations were relatively flat with a 3.6% increase on the year. Cancellations ended high with a 21.7% increase on the year from winter weather events throughout December. The forward looking schedule for 2020 looks to have additional increases in seats planned. Monthly load factors ranged from 73.0% to 84.5%.

Flight Schedule – Delta is on their winter schedule with two MSP flights until mid-March. United’s third flight will be back mid-February.

Ascension Spirit Update – Crews are still working on foundations and the project is moving along nicely. Spirit flights will positively affect operations and landing fees, including fixed wing flights of patients.

Legislative Update – The House has passed an updated version of the PFAS bill that will provide an exemption for airports’ use in firefighting foam. The bill is expected to see strong opposition in the Senate and at the White House. Airports are mandated under federal regulation to use the firefighting foam and there are no approved alternatives.

A congressionally mandated independent report on airport infrastructure funding and financing calls for raising the federal cap on PFCs to \$7.50 for originating passengers and indexing it for inflation. AAAE and airports around the country have been urging Congress to raise the PFC cap and take other steps to help airports build critical infrastructure projects.

The White House Council on Environmental Quality has released a proposed rule that would rewrite the National Environmental Policy Act regulations with the aim of speeding up infrastructure project reviews. AAAE will be developing comments in response to the proposed rule by the March 10, 2020 comment period deadline.

Other Items of Interest – Due to high demand, another TSA PreCheck event has been scheduled for the week of February 24-28, 2020.

Operations and Maintenance Report – James Olson:

Hiring Update – It has been difficult finding qualified applicants to fill open positions and some qualified applicants have not followed through on the hiring process. Schedule changes have been made to cover gaps in coverage.

Winter Operations – Winter operations have been going well with no flight cancelations due to runway conditions.

Other Items of Interest – The new compact loader is onsite and has been doing a great job. Maintenance crews are pleased with its usefulness.

Financial Reports – Dave Drozd:

Revenues and Expenses – The preliminary revenue report for December ends the year at 110.5% of budget. Parking has done well at 99.5% with PFCs at 126.5% due to increased enplanements. The CFC account ends high at 142.4%.

Preliminary disbursements for December end at 99.4% of budget with several weeks of invoices outstanding. Expenses did fairly well with frequent winter snow and ice events early in the season. Final pre-audit revenue and disbursement reports will be available at the February meeting.

Project Reports – Mark Cihlar:

Passenger Boarding Bridge Project – JH Findorff has been pushing bridge work forward and crews are working diligently to resolve remaining issues. Bridge heating work is near completion and all four bridges are 100% operational. Punch list and warranty items continue to move forward. CWA maintenance staff has been training on repair procedures.

Other Items of Interest – Wisconsin Public Service (WPS) is looking to update a current utility easement for the Spirit hangar development. The existing easement has a transformer listed that has been relocated. WPS is looking to update and revise the easement, which will be up for approval next month.

The next regular session of the board is scheduled for February 21, 2020 at 8:00 a.m.

9:16 a.m. Motion by Durham, second by Zriny to adjourn. Motion carried unanimously.

Julie Ulrick, Recording Secretary



Agenda Item Summary

Airport Board Meeting Date: February 21, 2020

Agenda Item Title: #3) Review and Possible Action on Small Purchase Provisions Resolution

Staff Responsible: Brian Grefe, Airport Director

Background: The airport follows the Marathon County Procurement Code, and staff have found that the current \$30,000 threshold for small purchase procurement is limiting their ability to make purchases in an efficient and effective manner. Marathon County Corporation Counsel, Scott Corbett, has explained to staff that this threshold was set in the early 1990's, and has not been adjusted since then. At the time, this threshold was intended to differentiate regular operations and maintenance purchases from larger infrastructure projects.

This threshold has not kept up with inflation, and no longer meets the original intension of the ordinance. One example of this is in the purchase of vehicles. In 1990, the MSRP of a 2-door ¾ ton 4x4 pickup was under \$15,000, well within the \$30,000 limit of a small purchase. In 2020 a similar pickup can have a base MSRP of \$33,000 and with basic options can easily exceed \$40,000.

Staff are now having to bid out, or purchase on national cooperative purchasing contracts, items that used to fall under small purchase procurement. In some cases, national contracts cost more than local suppliers can offer if staff could purchase off quotes. Bidding and RFP's take up valuable staff time, and open the airport up to the risk of costly protests when staff determine that the low price is not in the airport's best interest.

Raising the threshold for small purchase procurement would save the airport time and money by addressing these issues.

Timeline: This requested change will have to be considered by the Marathon County Finance Committee before it can be considered by the full Marathon County Board. The process to make any changes will likely take several months.

Financial Impact: Any increases to the small purchase procurement threshold will save staff time in the procurement process. In some cases where national cooperative purchase contracts are available, small purchases can cost less than the bid prices on these contracts.

Contributions to Airport Goals: This is in alignment with the 2020 goal to Address Staffing Shortages by making the procurement process more efficient and using less staff time for regular operations and maintenance purchases.

Recommended Action: Airport staff recommends approval of the resolution requesting Marathon County to consider increasing the small purchase procurement threshold to \$75,000 and include an automatic escalator to account for inflation.

RESOLUTION No. R-03-20
SMALL PURCHASE PROVISIONS
BY
Central Wisconsin Joint Airport Board

WHEREAS, Marathon County and Portage County, Wisconsin hereinafter referred to as the Joint Airport Board, each being a municipal body corporate of the State of Wisconsin, is authorized by Wis. Stat. §114.11 (1973), to acquire, establish, construct, own, control, lease, equip, improve, maintain, and operate an airport, and

WHEREAS, the Joint Airport Board operates and maintains the Central Wisconsin Airport (CWA), Marathon County, Wisconsin, and

WHEREAS, the Joint Airport Board follows procurement provisions as set forth in the Marathon County Code of Ordinances, and

WHEREAS, the Joint Airport Board recognizes that regular operations and maintenance expenses have steadily increased over the past 20 years, and

WHEREAS, the Small Purchase Procedure identified in Sec. 3.05(3) of the Marathon County Code of Ordinances set a threshold of \$30,000 for small purchases, and

WHEREAS, this \$30,000 threshold has not been adjusted for inflation since its initial adoption and is no longer sufficient for the acquisition of regular operations and maintenance expenses, and

THEREFORE, BE IT RESOLVED, that the Joint Airport Board requests Marathon County to consider changing Sec. 3.05(3) of the Marathon County Code of Ordinances to increase the small purchase procurement threshold to \$75,000 and include an automatic escalator at least every five years to account for inflation.

DATED this 21st day of February, 2020

CENTRAL WISCONSIN JOINT AIRPORT BOARD



Agenda Item Summary

Airport Board Meeting Date: February 21, 2020

Agenda Item Title: #5) Review and Possible Action on Air Carrier Incentive Program Resolution

Staff Responsible: Brian Grefe, Airport Director

Background: On October 19, 2018, the Joint Airport Board selected Leibowitz and Horton Airport Management Consultants as an on-call financial services consultant for the Central Wisconsin Airport. On August 16, 2019, the Joint Airport Board signed a work order agreement with Leibowitz and Horton Airport Management Consultants to establish an Air Service Incentive Program, update rates and charges, and create new airline contracts at the Central Wisconsin Airport. The attached Air Service Incentive Program is the first deliverable under the work order. The airport director requested this work to be complete by the February 2020 board meeting in order to be prepared for the Mead and Hunt Air Service Development Conference in early March.

Timeline: The Federal Aviation Administration's Air Carrier Incentive Program Guidebook states that any incentive program should not be longer than two years except under special circumstances. This Central Wisconsin Airport Air Service Incentive Program would be effective on the date of Joint Airport Board Signature and effective for two years. A new Air Service Incentive Program may be established at any time in the future. Any airline wishing to participate in this program will need to file an application with airport staff.

Financial Impact: The financial impact to the airport will vary depending on participation in the program. New entrants and additional destination could have facility fee and/or landing fee waivers. Also, a qualifying carrier may be offered a maximum of \$30,000 in advertising and marketing costs, not to exceed \$60,000 for two or more routes. Fee waivers and marketing incentives under this program will be funded from non-airline revenue. The essence of this program is to generate additional business and airport revenue over time. Even so, depending on participation, the airport expects to see increased revenues immediately through parking revenue, PFCs, and other commission based revenues.

Contributions to Airport Goals: This organizational goal was identified as part of an airport rates and charges goal set by the Joint Airport Board in August of 2018.

Recommended Action: Airport staff recommends to approve the Central Wisconsin Airport Air Carrier Incentive Program Resolution.

RESOLUTION No. R-04-20
Air Carrier Incentive Program
BY
Central Wisconsin Joint Airport Board

WHEREAS, Marathon County and Portage Counties jointly own and control the Central Wisconsin Airport and its associated facilities located in Marathon County Wisconsin; and

WHEREAS, the airport is governed by the Central Wisconsin Joint Airport Board established under an intergovernmental agreement pursuant to §66.0301, §114.11(5) and §114.14(1), Wis. Stats.; and

WHEREAS, Section 23.60 (1) of the General Code of Ordinances of Marathon County authorizes the Joint Airport Board to establish rates and charges for all certified scheduled and nonscheduled air carriers; and

WHEREAS, 49 U.S.C. §47107(1) and 64 Fed. Reg. 7696 (Revenue Use Policy) and the FAA's Air Carrier Incentive Program Guide allows for the establishment of an Air Service Incentive Program at the airport.

NOW, THEREFORE, the Joint Airport Board resolves as follow;

1. To approve the Central Wisconsin Airport Air Service Incentive program
2. That all Airport personnel are hereby authorized to take all actions necessary to effectuate this policy.
3. This program is effective this 21st day of February, 2020, and shall remain open for enrollment for a period of two (2) years.

DATED this 21st day of February, 2020

Joint Airport Board

CENTRAL WISCONSIN AIRPORT
AIR SERVICE INCENTIVE PROGRAM

In order to increase competitive service and to enhance air service from Central Wisconsin Airport, the Central Wisconsin Joint Airport Board offers an Air Service Incentive Program (“Program”). Under this Program, any Qualifying Carrier providing new qualifying service to destinations may be offered temporary reductions in specified Airport fees and charges and may be offered marketing assistance, subject to the availability and limits of the Airport’s approved budget.

1. Definitions.

- A. Airport means the Central Wisconsin Airport (CWA) located in Marathon County, Wisconsin.
- B. Application means the written request to participate in the Program submitted by a Qualifying Carrier that complies with the requirements of Section 4.C of this Program.
- C. Central Wisconsin Joint Airport Board (Joint Airport Board) means the Airport’s governing body established under an intergovernmental agreement pursuant to Section 66.0301, Wis. Stats.
- D. Destination Airport means an airport with an IATA code.
- E. Facility Fees means the amounts payable by a Qualifying Carrier to the Airport for use and occupancy of space and facilities in the Terminal, including to the extent applicable , ticket counter and associated queuing space, terminal hold rooms, operations office space, baggage storage space, joint/common space rent, terminal equipment, shared use fees. Facility Fees do not include Passenger Facility Charges (PFCs).
- F. Incumbent Air Carrier means an air carrier that is currently serving CWA with scheduled service.
- G. Landing Fees means amounts payable to the Airport by a Qualifying Carrier for the privilege of landing an aircraft at the Airport.
- H. New Entrant means a Qualifying Carrier that has not, in the last twelve months prior to the application for incentive per Section 4.C served the Airport either directly or indirectly through one of its subsidiaries, or an airline that operates at the Airport solely as an affiliate of an Incumbent Air Carrier is not eligible to participate in the New Entrant Incentive Program.
- I. New Route means a nonstop round trip flight between CWA and a destination airport that, at the time of service announcement, does not have nonstop scheduled service to CWA nor has nonstop service been publicly announced or schedules filed by another carrier. A new Route may also be defined as a nonstop round trip flight between CWA and a destination airport that currently only maintains scheduled service on a seasonal basis.
- J. Participating Airline means a Qualifying Carrier that is participating in the Program.
- K. Program means the Air Service Incentive Program.
- L. Qualifying Carrier means a certificated air carrier that has executed a CWA Airport Use and Lease Agreement with the Joint Airport Board (“Agreement”). A Qualifying Carrier must be current on its rents, fees and other charges payable to the Airport. A Qualifying Carrier may be either a New Entrant or an Incumbent Air Carrier operating at the Airport.

2. **Program Qualifications and Incentives.**

A. New Entrant Qualifications. A New Entrant that:

- (1) Initiates and maintains round trip scheduled air service to Destination Airport(s) from the Airport with not less than eight (8) departures per month on average for twelve(12) consecutive months to at least one Destination Airport from the date of commencement of operations at the Airport ("Minimum Departure Requirement") and
- (2) Complies with the terms, conditions, and covenants of this Program and its Agreement shall be offered:

a. Facility Incentives.

- (i) A Qualifying Carrier that meets the qualifications set forth in paragraph 2.A shall be offered a waiver of all facilities fees payable by the Qualifying Carrier to the Airport under its Use and Lease Agreement for a period of twelve (12) months from the effective date of such Agreement.
- (ii) Expressly excluded from the Program are (a) amounts paid to another carrier operating at the Airport to sublease or use terminal space and/or equipment leased by such other carrier at the Airport or (b) other fees such as badge fees, finance charges, penalties, employee parking, etc.

b. Landing Fee Incentives.

A Qualifying Carrier that meets the qualifications set forth in paragraph 2.A shall be offered a waiver of Landing Fees for a period of twelve (12) months from the date it first initiates service at CWA.

c. Marketing Introduction Program.

As described in Section 3.

- d. If New Entrant does not meet the Minimum Departure Requirement it may, at the discretion of the Joint Airport Board, be required to reimburse a proportion of the incentive program expense equal to the number of the months in the first twelve (12) month period New Entrant falls below the Minimum Departure Requirement.

B. New Route Qualifications. A Participating Airline that:

- (1) Initiates service from CWA to any New Route as determined by the Airport Director of the Airport and operates the New Route a minimum of eight (8) times a month for a period of not less than one (1) year from service inception; and
- (2) Complies with the terms, conditions, and covenants of this Program and its Agreement shall be offered:

a. Landing Fee Incentives.

A Qualifying Carrier that meets the qualifications set forth in paragraph 2.A shall be offered a waiver of Landing Fees for a period of twelve (12) months from the date it first initiates service at the Airport.

b. Marketing Introduction Program.

As described in Section 3.

c. Marketing Incentive.

A Qualifying Carrier that meets the qualifications set forth in paragraph 2.B may be offered a maximum of \$30,000 in advertising and marketing costs for year one (1), for a total amount not-to-exceed- \$60,000 for two (2) or more routes announced simultaneously.

3. Marketing Introduction Program.

The Joint Airport Board will provide a variety of public relations, media strategies and advertising opportunities to promote the Airport's new air service for business and leisure passengers. The Airport's marketing incentive program is tailored to the characteristics of each specific route and the carrier providing the new service. It is primarily directed at maximizing exposure to the local media and travel and tourism trades. The Airport will utilize its advertising program to supplement the airline's key advertising message with advertising in the Airport terminal and on the Airport website.

4. General Provisions.

A. Incentives Non- Transferable. Incentives under this Program may not be transferred or assigned to another air carrier, except a carrier that succeeds to substantially acquire all of the Qualifying Carrier's assets by merger or acquisition.

B. Effective and Expiration Date. This Program is effective on the date formally adopted by the Joint Airport Board ("Effective Date"), and shall remain open for enrollment for a period of two (2) years. To qualify for incentives under this Program, the New Entrant or Participating Airline must apply for incentives from the Airport and commence operations on the route within two (2) years of the Effective Date of this Program.

C. Application. An air carrier must submit a written request to participate in this Program with the following:

(1) A request to participate in the Program shall identify the new route(s) and schedule the New Entrant or Participating Airline plans to operate, including the proposed date of initial service for each route.

(2) A New Entrant must demonstrate that the carrier meets the requirements of the Program.

(3) If a Participating Airline's Agreement expires, or is terminated, for any reason, its right and entitlement to incentives under the Program will automatically terminate as of the date of expiration or termination without notice.

D. Notices. In order to ensure ongoing compliance with the terms and conditions of the Program, the Participating Airline shall give the Airport Director written notice of any change in its scheduled operations to or from the Airport no later than the date such schedule change is published in the Official Airline Guide or similar publication media.

E. Duplication of Incentives. A Participating Airline may qualify to receive incentives under both the New Entrant and the New Route programs; provided however an air carrier that is qualified in both shall be entitled to only one set of the marketing incentives described in Section 3. A Participating Airline may not receive incentives under other or additional incentive programs the Joint Airport Board may adopt in the future while it is still receiving incentives under this Program. If a Participating Airline qualifies for incentives under some other or additional incentive program the Joint Airport Board may adopt in the future, it must elect the program in which it wishes to participate.

F. Subject to Applicable Law. The Program is subject to all applicable laws, statutes, rules, regulations (including, but not limited to, Federal Aviation Regulations set forth in Title 14 United States Code of Federal Regulations) and the provisions of any agreement between Marathon and Portage Counties or the Joint Airport Board and the United States concerning the financing, operation or maintenance of the Airport. The Joint Airport Board may, without incurring any liability to Participating Airlines, amend or terminate the Program, including any payments or fee discounts under the Program, upon the advice of its legal counsel, if it is necessary to comply the requirements of applicable law, and agreements with the United States.

G. Funding of Incentives. Fee waivers and marketing incentives under this Program are funded from non-airline revenue.

5. **Default and Remedies.**

A. Default. Each of the following shall be a default by a Participating Airline and a material breach of the Program:

(1) The Agreement of the Participating Airline expires or is terminated for any reason.

(2) A New Entrant ceases flight operations at the Airport sooner than one year after commencement or fails to continuously operate eight (8) departures per month to at least one (1) destination at any time during the twelve (12) month period commencing on the date of commencement of service at the Airport.

(3) A Participating Airline fails to initiate service on the New Route, ceases to operate the New Route for a period of fourteen (14) consecutive days or longer; or fails to continuously operate a New Route a minimum of sixteen (16) flights (8 inbound: 8 outbound) each month for a period of not less than one (1) year from service inception.

(4) A Participating Airline fails to timely submit any report required by the Joint Airport Board or fails to keep, perform, or observe any other term or condition of the Program, and fails to cure such failure within ten (10) days after the receipt of written notice from the Joint Airport Board specifying the failure.

(5) A default under its Agreement.

B. Remedies of Joint Airport Board. In the event of a default by a Participating Airline, the Participating Airline's participation in the Program and all incentives under the Program will terminate. Termination of incentives arising out of a cessation of air service or failure to operate a New Route shall be effective as of the date the Participating Airline first ceased flight operations at the Airport, or first ceased to operate the New Route, as applicable. In addition, the Participating Airline may be required at the discretion of the Joint Airport Board to reimburse any incentives received under the Program.



Agenda Item Summary

Airport Board Meeting Date: February 21, 2020

Agenda Item Title: #6) Review and Possible Action on Permanent Utility Easement Resolution

Staff Responsible: Mark Cihlar, Assistant Airport Director – Planning and Development.

Background: CWA has several utility easements on airport property. One existing utility easement in an area designated for General Aviation development needs to be extended to serve the Ascension Wisconsin Spirit Medical Transport hangar, as well as potential future hangars in this area. CWA staff have been working with Wisconsin Public Service (WPS) to plan for utilities in this area.

The proposed utility easement runs east along the south side of Flightline Dr. as far as the east side of the access road named Aviation Way.

If approved by the Central Wisconsin Joint Airport Board, the easement will have to be approved by the Marathon County Board and the Portage County Executive to become final.

Timeline: WPS is will install new utility services to the Ascension hangar after this utility easement is approved.

Financial Impact: This easement has no financial impact to the airport.

Contributions to Airport Goals: This is in alignment with CWA's Capital Improvement Plan.

Recommended Action: Airport staff recommends approval of the permanent utility easement for Wisconsin Public Service and forward to the Marathon County Board and Portage County Executive for final approval.

R-01-20
RESOLUTION
Central Wisconsin Airport Permanent Utility Easement

WHEREAS, Marathon County and Portage County, Wisconsin hereinafter referred to as the Joint Airport Board, each being a municipal body corporate of the State of Wisconsin, is authorized by Wis. Stat. §114.11 (1973), to acquire, establish, construct, own, control, lease, equip, improve, maintain, and operate an airport, and

WHEREAS, the Joint Airport Board desires to develop or improve the Central Wisconsin Airport (CWA), Marathon County, Wisconsin, and

WHEREAS, Wisconsin Public Service (WPS) provides electrical utility service to facilities located at CWA, and

WHEREAS, WPS is adding new utility services to general aviation development on CWA property, and

WHEREAS, the new utility locations are compatible with the intended use of CWA property as identified in the airport master plan, and

NOW, THEREFORE, BE IT RESOLVED that the Central Wisconsin Joint Airport Board resolves and ordains as follows:

Electric Underground Easement by and between the Joint Airport Board and Wisconsin Public Service affecting Parcel Identification Number (PIN) 251-2707-342-9998 and 251-2707-342-9999 is hereby approved.

Dated this 21st day of February, 2020.

CENTRAL WISCONSIN JOINT AIRPORT BOARD

ELECTRIC UNDERGROUND EASEMENT

THIS INDENTURE is made this _____ day of _____, _____, by and between **Marathon County, Wisconsin and Portage County, Wisconsin, municipal corporations, as joint tenants, ("Grantor")** and **WISCONSIN PUBLIC SERVICE CORPORATION**, a Wisconsin Corporation, along with its successors and assigns (collectively, "Grantee") for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Grantor, owner of land, hereby grants and warrants to, Grantee, a permanent easement upon, within, beneath, over and across a part of Grantor’s land hereinafter referred to as "easement area" more particularly described as follows:

Part of the Parcel described in Marathon County Register of Deeds Volume 29 on page 389, recorded as Document Number 587047; and also Volume 234 on page 126, recorded as Document Number 589118, being part of the Northeast Quarter of the Northwest Quarter (NW1/4-NW1/4), and also part of the Northeast Quarter of the Northwest Quarter (NE1/4-NW1/4); all in of Section 34, Township 27 North, Range 7 East, **City of Mosinee, County of Marathon, State of Wisconsin**, as shown on the *attached Exhibit "A"*.

Return to:
Wisconsin Public Service Corp.
Real Estate Dept.
P.O. Box 19001
Green Bay, WI 54307-9001
Parcel Identification Number (PIN)
251-2707-342-9998,
251-2707-342-9999

1. **Purpose: ELECTRIC UNDERGROUND** - The purpose of this easement is to construct, install, operate, maintain, repair, replace and extend underground utility facilities, conduit and cables, electric pad-mounted transformers, manhole, electric pad-mounted switch-fuse units, electric pad-mounted vacuum fault interrupter, concrete slabs, power pedestals, riser equipment, terminals and markers, together with all necessary and appurtenant equipment under and above ground as deemed necessary by Grantee, all to transmit electric energy, signals, television and telecommunication services, including the customary growth and replacement thereof. Trees, bushes, branches and roots may be trimmed or removed so as not to interfere with Grantee's use of the easement area.
2. **Access:** Grantee shall have the right to enter on and across any of the Grantor’s property outside of the easement area as may be reasonably necessary to gain access to the easement area and as may be reasonably necessary for the construction, installation, operation, maintenance, inspection, removal or replacement of the Grantee’s facilities.
3. **Buildings or Other Structures:** Grantor agrees that no structures will be erected in the easement area or in such close proximity to Grantee's facilities as to create a violation of all applicable State of Wisconsin electric and gas codes or any amendments thereto.
4. **Elevation:** Grantor agrees that the elevation of the ground surface existing as of the date of the initial installation of Grantee's facilities within the easement area will not be altered by more than 4 inches without the written consent of Grantee.
5. **Restoration:** Grantee agrees to restore or cause to have restored Grantor's land, as nearly as is reasonably possible, to the condition existing prior to such entry by Grantee or its agents. This restoration, however,

does not apply to any trees, bushes, branches or roots which may interfere with Grantee's use of the easement area.

6. **Exercise of Rights:** It is agreed that the complete exercise of the rights herein conveyed may be gradual and not fully exercised until sometime in the future, and that none of the rights herein granted shall be lost by non-use.
7. **Binding on Future Parties:** This grant of easement shall be binding upon and inure to the benefit of the heirs, successors and assigns of all parties hereto.
8. **Easement Review:** Grantor acknowledges receipt of materials which describe Grantor's rights and options in the easement negotiation process and furthermore acknowledges that Grantor has had at least 5 days to review this easement document *or* voluntarily waives the five day review period.
9. **Limitations:** This easement is subject to the following limitations because the "easement area," described above, is located upon, within, beneath, over and across part of an actively operating regional airport established and managed jointly by political subdivisions of the State of Wisconsin, pursuant to authority granted by the state under Wis. Stats., Chap. 114, and subject to regulation by several other state and federal authorities:
 - a. **Compliance with Federal Aviation Regulations and Security Requirements.** Grantee's access is subject to Federal Aviation Regulations and Federal Airport Security Regulations, including but not limited to 49 CFR Parts 1540 and 1542, and 14 CFR Part 139., and the Grantor's policies as outlined in Grantor's Federal Aviation Administration (FAA) approved Airport Certification Manual and the Transportation Security Administration (TSA) approved Airport Security Plan. Grantee further agrees that any fines levied upon the Grantor or Grantee through enforcement of these regulations because of acts by Grantee's employees, agents, suppliers, guests, or patrons shall be borne by Grantee to the extent said acts contributed to said fines.
 - b. **Interference with Radio and Navigation Aids Prohibited.** Grantor operates a varied spectrum of licensed and unlicensed wireless radio, microwave and IP traffic to provide Navigation Aids and other critical safety services to aircraft and personnel as well as other land-based vehicles and equipment. The stable, reliable and economical delivery of these services has absolute priority over any other uses or operations of the Grantee. Therefore, any interference experienced by Grantor that coincides with Grantee's activities will be presumed to be caused by the Grantee. Grantor reserves the right to demand the Grantee turn off its equipment until all interference problems are resolved. Once a "shut-off" order is delivered to the Grantee, Grantee's equipment must be turned off as soon as possible. Grantee assumes the risk of any interference and any costs, damages or claims that are a result of interference caused by the Grantee will be the responsibility of the Grantee. Grantor also reserves the right to require the Grantee to take any action necessary, in the sole discretion of Grantor, to proactively shield or otherwise prevent Grantee's activities from causing interference.
 - c. **Rules and Regulations of Joint Airport Board.** Grantor shall have the right to adopt from time to time, and to enforce, rules and regulations which Grantee agrees to observe and obey with respect to the use of the airport premises and appurtenances, provided that such rules and regulations shall not be inconsistent with safety, current rules and regulations of the FAA and any future changes prescribed from time to time by the FAA.
 - d. **Protection of Aerial Approaches to Airport.** Grantor reserves the right to take any action it considers necessary to protect the aerial approaches of the airport against obstruction, together with the right to prevent Grantee from erecting, or permitting to be erected, any building, any other structure, or

operating any vehicles or equipment on the easement area, which, in the opinion of the Grantor, would limit the usefulness of the airport or constitute a hazard to aircraft, now or in the future.

- e. Airport Development. Grantor reserves the right to increase the size or capacity of any public aircraft facilities, including but not limited to, runways, hangars, taxi-ways, terminals, navigational facilities or common use portions of the airport, or make alterations thereto or reconstruct or relocate them or modify the design and type of construction thereof or close them or any portions of them, either temporarily or permanently.
- f. Force Majeure. Grantor shall not be responsible to Grantee if the fulfillment of any of the terms of this Easement is delayed or prevented by revolutions or other civil disorders, wars, acts of enemies, strikes, fires, floods, acts of God, adverse weather conditions, legally required environmental remedial actions, or by any other cause not within the control of the Grantor.

[REMAINDER OF PAGE LEFT BLANK]

WITNESS the hand and seal of the Grantor the day and year first above written.

Marathon County, Wisconsin

Corporate Name _____

Sign Name _____

Print name & title _____

Sign Name _____

STATE OF _____)
)SS
COUNTY OF _____)

This instrument was acknowledged before me this _____ day of _____, _____, by the above-named _____

Marathon County, Wisconsin, to me known to be the Grantor(s) who executed the foregoing instrument on behalf of said Grantor(s) and acknowledged the same

Sign Name _____
Print Name _____

Notary Public, State of _____
My Commission expires: _____

This instrument drafted by: Philip Paradies
Wisconsin Public Service Corporation

Date	County	Municipality	Site Address	Parcel Identification Number
January 15, 2020	Marathon	City of Mosinee	100 CWA Drive	251-2707-342-9998, 251-2707-342-9999
Real Estate No.	WPSC District	WR#	WR Type	I/O
1047575	Wausau	2995620	ETMP	6000272

WITNESS the hand and seal of the Grantor the day and year first above written.

Portage County, Wisconsin

Corporate Name _____

Sign Name _____

Print name & title _____

Sign Name _____

STATE OF _____)
)SS
COUNTY OF _____)

This instrument was acknowledged before me this _____ day of _____, _____, by the above-named _____

Portage County, Wisconsin, to me known to be the Grantor(s) who executed the foregoing instrument on behalf of said Grantor(s) and acknowledged the same

Sign Name _____
Print Name _____

Notary Public, State of _____
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Real Estate No.	WPSC District	WR#	WR Type	I/O
1047575	Wausau	2995620	ETMP	6000272

TEMPORARY EXHIBIT "A"

**NOT TO SCALE
FOR REFERENCE ONLY**

****Final Exhibit will be sent for approval at a later date****

12 FOOT WIDE EASEMENT

NORTH



Agenda Item Summary

Airport Board Meeting Date: February 21, 2020

Agenda Item Title: #7) Review and Possible Action on 2020 State Funded Projects Resolution

Staff Responsible: Mark Cihlar, Assistant Airport Director – Planning and Development.

Background:

Project 1 – CWA GA Area Development – CWA1012/SAP-72

In October of 2019, the Joint Airport Board approved a land lease agreement with Ascension WI Spirit Medical Transport for the development of a new hangar on airport property. At the same time, the Board approved a Design Services Contract with Becher Hoppe Associates, Inc. to design airfield improvements in the area to meet this and future general aviation development needs. The design is complete, and bid opening scheduled for 2:00PM on February 20, 2020. This project will rebuild an existing taxiway to current FAA standards, rebuild and extend an existing access road, and relocate the airport fence in the area.

Project 2 – CWA ARFF PPE and Equipment – CWA1009/SAP-72

New state legislation has imposed additional requirements on FAA required testing of Airport Rescue Fire Fighting truck foam systems. The only practical option to meet the FAA requirements under the new state legislation is to install flow meters on the trucks. There are three FAA approved products for this method of testing, with costs ranging from \$35,000-\$55,000. CWA's next FAA required test must be completed in April of 2020. The Wisconsin BOA is looking into options to assist airports in funding these unexpected truck modifications across the state. The BOA recommended amending the current CWA project to include the foam testing equipment in order to complete the work by April of 2020.

In addition to the foam testing system, the bumper turret on fire truck R2 has had to be repaired multiple times in the last several years. Parts are no longer available, and the turret needs to be replaced. According to the BOA, this work falls under the scope of the original project and may also be added to the project, but will be dependent on available funding.

The original project was approved by the Joint Airport Board in May of 2018 in the 2018/2019 CIP. All of the work originally included in the project (Fire suits and rescue tools) were procured in 2019, however the project has not been closed out.

Timeline:

Project 1 – Work is planned to begin in June of 2020, and will be complete by August of 2020.



Agenda Item Summary

Project 2 – The foam testing equipment is being purchased as an emergency procurement to meet the April testing requirement. The bumper turret will be purchased under a separate small purchase procurement action.

Financial Impact: Both projects are being funded with 80% state funds, and 20% local funds. Specific dollar amounts will be presented at the meeting (pending bid open on Feb 20, and additional research on the foam system).

Contributions to Airport Goals: Project 1 is in alignment with the 2020 Goal to Improve Aviation Services/Increase General Aviation Activity.

Recommended Action: Airport staff recommends approval of these projects contingent on State funding.

RESOLUTION No. R-02-20
APPROVING PROJECTS UNDER THE
WISCONSIN BUREAU OF AERONAUTICS
STATE AID PROGRAM
BY

Central Wisconsin Joint Airport Board

WHEREAS, Marathon County and Portage County, Wisconsin hereinafter referred to as the Joint Airport Board, each being a municipal body corporate of the State of Wisconsin, is authorized by Wis. Stat. §114.11 (1973), to acquire, establish, construct, own, control, lease, equip, improve, maintain, and operate an airport, and

WHEREAS, the Joint Airport Board desires to develop or improve the Central Wisconsin Airport (CWA), Marathon County, Wisconsin, and

WHEREAS, the Joint Airport Board approved the petition for state and federal funds for the following airport projects in 2015, and

WHEREAS, the State of Wisconsin Bureau of Aeronautics determined the following projects eligible for state and/or federal funds, and

WHEREAS, the following projects are necessary to meet the existing and future needs of the airport, and

WHEREAS, the following projects have been or will be procured by airport staff in accordance with the procurement code of Marathon County, and

THEREFORE, BE IT RESOLVED, by the Joint Airport Board that the following projects are hereby approved contingent on local, and state funding:

1. CWA GA Area Development – CWA1012/SAP-72
 - a. Taxilane and Access road improvements near Ascension Spirit Medical Transport Hangar
2. CWA ARFF PPE and Equipment – CWA1009/SAP-69
 - a. Additional work to existing project to add foam-testing system to R1 and R2 ARFF trucks and replace bumper turret on R2 ARFF truck.

DATED this 21st day of February, 2020

Jim Zdroik, Airport Board Chairman, Portage County

CENTRAL WISCONSIN AIRPORT STATISTICAL REPORT
SUMMARY - JANUARY 2019 - 2020

18-Feb-20

	2019 MONTH	2020 MONTH	% CHGE. 19-20	2019 Y-T-D	2020 Y-T-D	% CHGE. 19-20
ACTUAL LANDINGS						
AMERICAN	71	87	22.5%	71	87	22.5%
UNITED	63	66	4.8%	63	66	4.8%
DELTA	106	111	4.7%	106	111	4.7%
CHARTERS	2	1	-50.0%	2	1	-50.0%
TOTAL ACTIVITY	484	530	9.5%	484	530	9.5%
ATCT OPERATIONS	862	883	2.4%	862	883	2.4%
AIRLINE CANCELLATIONS						
AMERICAN	11	2	-81.8%	11	2	-81.8%
UNITED	9	0	-100.0%	9	0	900.0%
DELTA	3	1	-66.7%	3	1	-66.7%
TOTAL CANCELLATIONS	23	3	-87.0%	23	3	-87.0%
ENPLANED PASSENGERS						
AMERICAN	2,888	3,635	25.9%	2,888	3,635	25.9%
UNITED	2,394	2,751	14.9%	2,394	2,751	14.9%
DELTA	4,037	4,692	16.2%	4,037	4,692	16.2%
CHARTERS	245	174	-29.0%	245	174	-29.0%
TOTAL ENPLANED PASSENGERS	9,564	11,252	17.6%	9,564	11,252	17.6%
DEPLANED PASSENGERS						
AMERICAN	2,268	2,728	20.3%	2,268	2,728	20.3%
UNITED	1,893	2,311	22.1%	1,893	2,311	22.1%
DELTA	4,400	4,363	-0.8%	4,400	4,363	-0.8%
CHARTERS	245	174	-29.0%	245	174	-29.0%
TOTAL DEPLANED PASSENGERS	8,806	9,576	8.7%	8,806	9,576	8.7%
AIR FREIGHT - AMERICAN	0	0	0.0%	0	0	0.0%
AIR FREIGHT - UNITED	0	0	0.0%	0	0	0.0%
AIR FREIGHT - DELTA	2,197	2,631	19.8%	2,197	2,631	19.8%
TOTAL AIRFREIGHT - AIRLINES	2,197	2,631	19.8%	2,197	2,631	19.8%
TOTAL AIRFREIGHT -G.AVIATION	149,453	139,009	-7.0%	149,453	139,009	-7.0%
AIRLINES & G.AVIATION-A.FREIGHT	151,650	141,640	-6.6%	151,650	141,640	-6.6%

LOAD FACTOR-CURRENT MONTH	SEATS	PAX	FACTOR
AMERICAN	4,338	3,635	83.8%
UNITED	3,300	2,751	83.4%
DELTA	5,628	4,692	83.4%

Central Wisconsin Airport – Flight Schedule February 21, 2020



<u>Arrivals – Delta</u>				<u>Departures – Delta</u>			
5039	13:04	from DTW	CRJ	5292	06:20	to DTW	CRJ
5111	15:23	from MSP	CRJ	4965	06:50	to MSP	CRJ
4757	20:47	from DTW	CRJ	5039	13:30	to DTW	CRJ
5268	21:00	from MSP	CRJ	5111	15:48	to MSP	CRJ



<u>Arrivals – United Airlines</u>				<u>Departures – United Airlines</u>			
3890	11:20	from ORD	CRJ	4817	06:18	to ORD	CRJ
3810	14:44	from ORD	CRJ	3901	11:50	to ORD	CRJ
3760	20:56	from ORD	CRJ	4848	15:20	to ORD	CRJ



<u>Arrivals – American Eagle</u>				<u>Departures – American Eagle</u>			
3387	09:19	from ORD	ERJ	3788	05:49	to ORD	ERJ
3406	16:00	from ORD	ERJ	3387	09:44	to ORD	ERJ
3541	23:18	from ORD	ERJ	3406	16:25	to ORD	ERJ

Upcoming Charter Schedule

Feb. 10 – Swift Air to Wendover
Feb. 15 – Sun Country to Laughlin

MSP = Minneapolis
ORD = Chicago O’Hare
DTW = Detroit

Total CWA Flights Daily = 10

CWA Legislative Update – February 2020

White House Proposes Spending Cuts in FY 2021 Budget Request, Including Airport Priorities (Source: Airport Alerts, AAAE) February 10, 2020

The Trump Administration today unveiled its FY 2021 budget request, which proposes to cut spending by \$4.4 trillion over the next decade and seeks steep reductions to domestic and social safety net programs that will draw significant opposition on Capitol Hill.

The budget request again proposes to eliminate funding for the TSA law enforcement officer (LEO) reimbursement program and agency staffing of exit lanes, proposals Congress has consistently rejected in the past. The administration is also calling to end additional AIP supplemental funding that Congress has provided in recent years. Although lawmakers are likely to cast a skeptical eye on most of the budget request, we must remain vigilant in communicating airport concerns and priorities to Capitol Hill. AAAE Federal Affairs members can get a full debrief on the budget and specific instructions for helping to address proposed cuts during our webinar on Thursday, February 13, 2:30-3:30 p.m. Eastern. Please email Maribeth Sarnecki for additional details.

Overall, the budget outline seeks a 5 percent cut (\$1.9 trillion) to non-defense discretionary spending and smaller reductions of 2 percent in future years. Notably, the White House has proposed less total non-defense spending in FY 2021 than is allowed by the two-year budget deal lawmakers and the administration agreed to last year. The administration said the cuts are necessary to control spending levels and end federal budget deficits in 15 years.

The House and Senate Appropriations Committees will soon hold myriad hearings on the FY 2021 budget requests for various federal agencies and programs, and lawmakers will work on drafting the annual funding bills in the months ahead. Stay tuned for additional updates and calls to action as the FY 2021 appropriations process moves forward.

Airport Improvement Program

Traditional AIP Funding: The administration is proposing \$3.35 billion for the traditional Airport Improvement Program in FY 2021 - the same as the current funding level. Of that amount, \$119.4 million would go toward personnel costs - a \$3 million increase in FY 2021.

A DOT summary indicates that the extra personnel funding would "support eight new positions for fulfillment of audit requirements related to tax revenues, airport noise solution activities, integration of UAS into airports through policy development and outreach, and improvements to airport compliance with safety regulations."

Under the administration's plan, another \$15 million in AIP funding would go to the Airport Cooperative Research Program and \$40.7 million for Airport Technology Research. Of funding for the latter, the administration is proposing \$1.4 million to "conduct research and develop standards for urban air mobility, as well as two new positions to provide expertise in new and innovative pavement materials testing and to support UAS research specific to airports."

Supplemental AIP Funding: The White House is specifically targeting AIP supplemental discretionary grants for elimination. The final FY 2020 spending package included an additional \$400 million for airport infrastructure projects. Congress has approved almost \$2 billion in supplemental discretionary funds for airports over the past three fiscal years.

The administration suggests that runways and taxiways are in good shape even though the FAA previously indicated that airports have more than \$7 billion in AIP-eligible projects every year. The following is part of the administration's justification for eliminating AIP supplemental discretionary grants:

"The state of repair of airfield infrastructure is good - over 98 percent of the runways at commercial service airports are in excellent, good, or fair condition. The Congress has provided additional unrequested discretionary funding of nearly \$2 billion for AIP since 2018. Given the high state-of-repair for runways and taxiways, the Budget would not continue the discretionary funding for AIP grants. The 2021 Budget supports the authorized level of \$3.35 billion."

The fact that the White House is shining a light on AIP supplemental grants underscores the need for airports to contact their House and Senate lawmakers about why it is so critical that Congress appropriate another round of supplemental discretionary grants for airports in FY 2021.

Funding for Other FAA Programs

Operations: The White House budget plan includes slightly more than \$11 billion for FAA operations - almost \$372 million above the current level. Under the administration's plan, funding for the entire FAA operations account would come from the Airport and Airway Trust Fund. No funding would come from the general fund.

Facilities and Equipment: The administration is proposing to reduce funding for Facilities and Equipment slightly to \$3 billion in FY 2021 - \$45 million less than the amount Congress approved for FY 2020.

Research, Engineering, and Development: The president is proposing to reduce funding for the FAA's Research, Engineering, and Development account by almost \$23 million in FY 2021. Under the president's plan, research funding would decline from approximately \$192.7 million in FY 2020 to \$170 million in FY 2021.

Infrastructure

Budget documents suggest that the administration is seeking \$1 trillion for infrastructure investment over the next decade. However, the White House is clearly focused on highways, bridges and other surface transportation projects rather than airport infrastructure:

"The Budget proposes a historic 10-year, \$810 billion reauthorization of surface transportation programs, including highway, transit, rail, highway safety, and hazardous materials safety programs, including important reforms to provide critical investments in the Nation's transportation infrastructure," White House budget documents say. "The Budget includes an additional \$190 billion for additional infrastructure investments, across a range of sectors, for a total of \$1 trillion in infrastructure investment."

The administration's approach contrasts with a broader plan put forward by House Democrats. Last month they unveiled a \$760 billion infrastructure framework that calls for raising the federal cap on local Passenger Facility Charges to an unspecified amount and indexing it for inflation. The Democrats' plan proposes investing \$30 billion in airport and airway infrastructure with an emphasis on funding for sustainability and noise projects.

Small Community Programs

Contract Towers: The administration's budget does not include a specific dollar amount for the popular Contract Tower Program. The final FY 2020 spending measure included \$170 million in dedicated funding for the Contract Tower and Contract Tower Cost-Share programs - a \$2 million plus-up from the previous year. Currently, 256 airports in 46 states participate in the program.

Essential Air Service: The administration's budget request includes \$141.7 million in appropriated funds for the EAS program - \$20.3 million less than the current level. Coupled with an estimated \$153 million from overflight fees, the overall funding level for EAS would be approximately \$294.7 million in FY 2021. If enacted into law the White House plan would reduce overall EAS funding by almost \$17.8 million.

As part of its justification for reducing funding for the program, budget documents argue that EAS is an "outdated program, designed 40 years ago to be a temporary program to mitigate potential impacts from airline deregulation." It goes on to say that "many EAS flights are not full and have high per-passenger subsidy costs."

The White House is continuing to propose reforms to: "limit EAS eligibility to communities receiving subsidized service in 2020; increase the subsidy cap from \$200 to \$250 per passenger for communities located within 210 miles of a large or medium hub airport; eliminate the subsidy waiver for this requirement;" and require "a 10 percent cost share for communities that do not meet certain eligibility requirements."

Small Community Air Service Development: The administration is not requesting any funds for the Small Community Air Service Development Program. The FY 2020 spending bill included \$10 million for the program with funding coming from the AIP account.

Unmanned Aircraft Systems

UAS Integration: The administration is proposing \$65.3 million from the Operations account to "safely integrate UAS into our Nation's busy airspace. The budget also addresses the need for enhanced security to defend against UAS threats and the growth in Counter-UAS systems."

UAS Traffic Management System/Remote ID: The administration is requesting \$48.6 million for "the development and deployment of the automated UAS Traffic Management (UTM) system." As part of that request, budget documents indicate that the FAA will "begin infrastructure and implementation work on Remote Identification of UAS to ensure the NAS operations continue to remain safe."

UAS Research: The administration is also proposing \$24 million from FAA's Research account for UAS. According to budget documents that research will focus on "beyond visual line of sight operations; safety data collection; unmanned air carrier operations; emerging issues related to UAS operations, concepts, and technology; and supporting the development of new rules and regulator standards."

Miscellaneous

Community Noise Engagement: According to a DOT summary, the administration's request includes \$4.3 million to "support locally held community roundtables composed of stakeholders from the community, airport management, government officials, and industry to develop solutions to concerns involving noise. Of the total increase, \$1.3 million will be used by staff offices for direct public engagement."

Commercial Space: The administration is proposing \$44 million for Commercial Space to "speed the processing of licenses and approvals, streamline regulatory requirements, and keep pace with industry demands for products and services while continuing to advance the safe integration of space operations into the airspace system."

NextGen: The FY 2021 budget request includes \$996 million for NextGen. The administration indicated that the request is "consistent with previous funding levels and reflects the priorities identified in the NextGen Advisory Committee for improving traffic flow."

Department of Homeland Security

The administration is proposing a discretionary budget of \$49.7 billion for the Department of Homeland Security in FY 2021, including funding for the Transportation Security Administration and U.S. Customs and Border Protection. After factoring in the Secret Service, which this budget proposes to transfer to the Department of Treasury in 2021, the request is \$1.6 billion or 3.2 percent above the final FY 2020 spending level. This funding increase reflects the administration's priorities to strengthen security at the border and enforce existing immigration laws.

Transportation Security Administration

The administration is proposing a total discretionary appropriation of \$8 billion to support TSA, including a \$1 increase in the aviation passenger user fee in FY 2021. After factoring out fees, TSA's net appropriations request is \$4.094 billion, or \$900 million below the FY 2020 enacted spending level, with several proposals that would shift agency costs to airports.

Law Enforcement Officer (LEO) Reimbursement Grants: The budget does not request any funding for LEO reimbursement grants (-\$46 million). Supporting documents note that "This incentive is no longer necessary as state and local jurisdictions have had plenty of time to adjust and provide resources." The document further notes that "As State and local jurisdictions already pay the majority of law enforcement costs, discontinuing this program would not place an undue financial burden on these entities."

TSA Staffing of Exit Lanes: The budget does not request any funding for TSA to staff exit lanes (-\$84 million) and instead "proposes to shift the responsibility of staffing exit points in secure areas of airports to the responsibility of airport operators."

Visible Intermodal Prevention and Response (VIPR): The budget does not request funding for the 31 VIPR teams in FY 2021 (-\$59 million). The budget notes that because "State and local law enforcement agencies already monitor and maintain jurisdiction in these areas, the VIPR teams' efforts are duplicative

and unnecessary. In addition, VIPR team performance measures fail to articulate program effectiveness, and lack demonstrable results."

Aviation Passenger Security Fee: As noted, the budget proposes a passenger security fee increase of \$1, from \$5.60 to \$6.60 per a one-way trip in FY 2021, and plans an additional increase in FY 2022 that would raise the fee to \$8.25 per one-way trip. This proposed fee increase has consistently been rejected by Congress in the past.

Transportation Security Officers (TSOs): Overall, the budget assumes 1,068 fewer TSOs in FY 2021 as compared to FY 2020. While the request includes 726 new TSO positions at high volume airports to support a 4 percent increase in anticipated traffic, it also calls for reducing 1,794 TSO positions at exit lanes. The budget also notes that the agency will delay hiring for the new positions until the last quarters of the fiscal year. Further, to save money, the agency is discontinuing providing full-time benefits to new part-time TSOs.

TSO Pay and Morale Incentives: The budget requests \$35 million for two new merit-based initiatives designed to address TSO pay and morale issues. The first of these initiatives, called the TSO Career Progression, will provide a 3 percent pay increase (\$11.3 million) to screeners who are able to demonstrate higher skill levels in the most difficult alarm resolution scenarios at the checkpoint. The second initiative will fund annual pay increases (\$23.6 million) for TSOs who demonstrate service longevity.

Retention Incentives for TSOs: The budget reduces retention incentives offered to TSOs by \$46.4 million, assuming the merit-based initiatives will reduce the agency's reliance on retention incentives. Currently, TSA provides retention incentives at locations that experience challenges with recruiting new employees and the incentives are used to retain TSOs in high cost of living and other locations where TSA could not compete with salaries offered on the open market.

Computed Tomography (CT): The budget proposes \$29 million for 30 new computed tomography (CT) units to be deployed at the nation's highest risk airports. This is a dramatic reduction in funding for new CT units compared to the 320 machines funded in FY 2020.

Credential Authentication Technology (CAT): The budget requests \$2.3 million to purchase and deploy 109 additional Credential Authentication Technology machines and "finish the nation-wide deployment of this documentation and ID verification technology that is critical to screening passengers entering the checkpoint."

Biometrics: The budget requests \$2 million to fund TSA's biometrics program at PreCheck lanes in Atlanta. These facial matching biometric machines will be fielded with CAT machines.

Threats from Unmanned Aircraft Systems: To address emerging threats, the budget requests \$3 million and 28 additional positions to support high-priority TSA and DHS joint efforts to counter threats from Unmanned Aircraft Systems (UAS), such as drones, that pose a threat to transportation security and potential disruption to air traffic operations. With this funding, TSA plans to conduct no fewer than four enhanced joint vulnerability assessments at the largest domestic hub airports (Core 30 airports) and other airports determined as high-risk; provide 24/7 UAS/C-UAS watch and incident management; vet UAS operators certificates to identify potential threats; and conduct other support activities.

Janitorial Services and Utilities: While the FY 2020 spending bill eliminated funding for janitorial services at TSA checkpoints, the budget will continue to pay for utilities at 165 airports' passenger and baggage checkpoint locations in FY 2021.

Screening Partnership Program (SPP): The budget proposes \$205 million for SPP airports, which is \$22 million less than the amount provided in the final FY 2020 spending bill. TSA states that the proposal reflects reduced contract costs and is not expected to impact screening performance or security effectiveness.

2020 Joint Airport Board Educational Conference Opportunities

May

3-5 WAMA Wisconsin Aviation Conference - Elkhart Lake, WI

10-13 Annual AAAE Conference and Exposition- Denver, CO

August

6-9 Great Lakes Chapter Annual Conference – Dubuque, IA

September

27-29 National Airport's Conference (NAC) – Savannah, GA

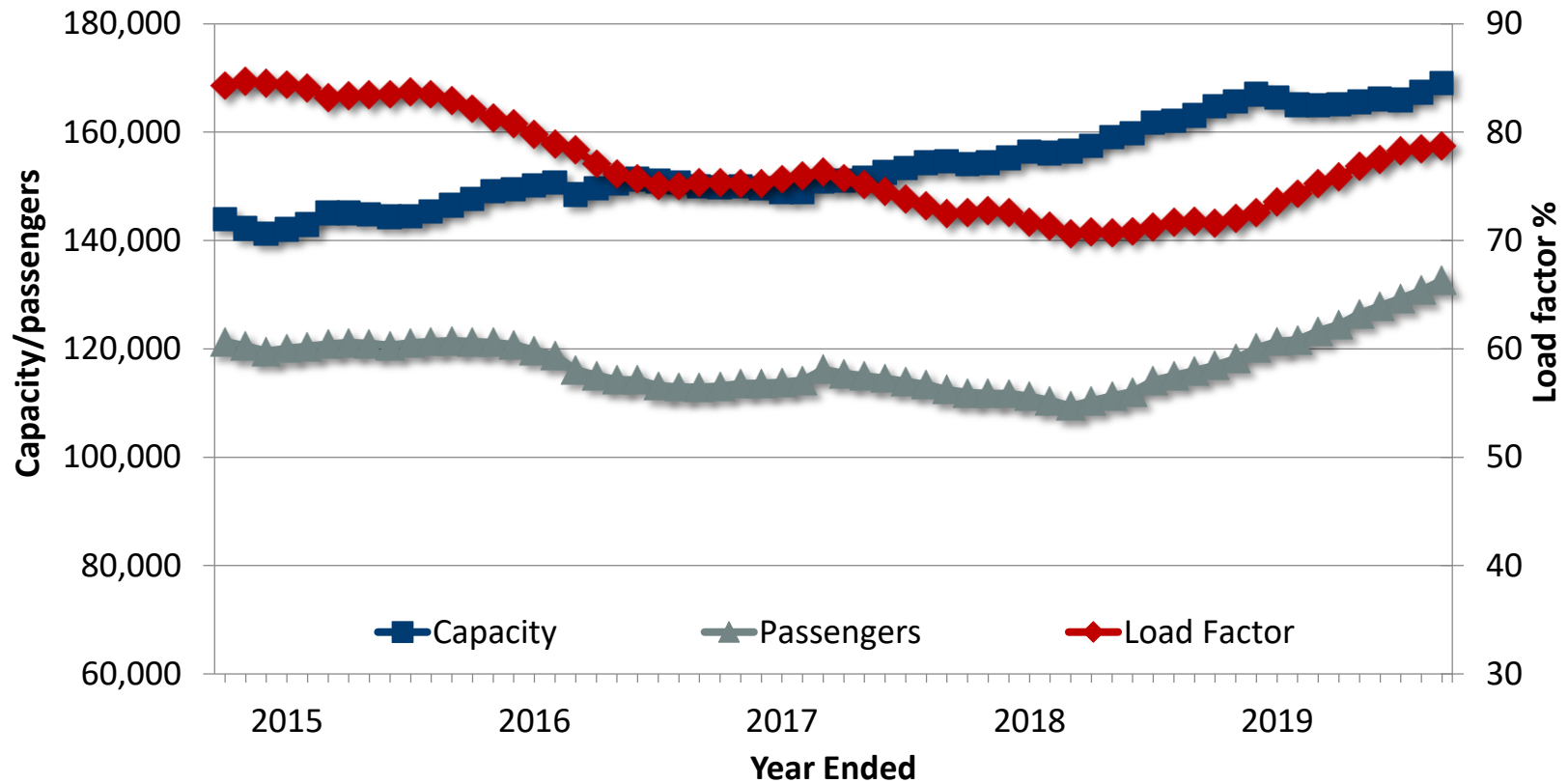


**Central
Wisconsin
Airport (CWA)**

**Quarterly
Performance
Report**

Year Ended Q3 2019

Traffic/Capacity Trends



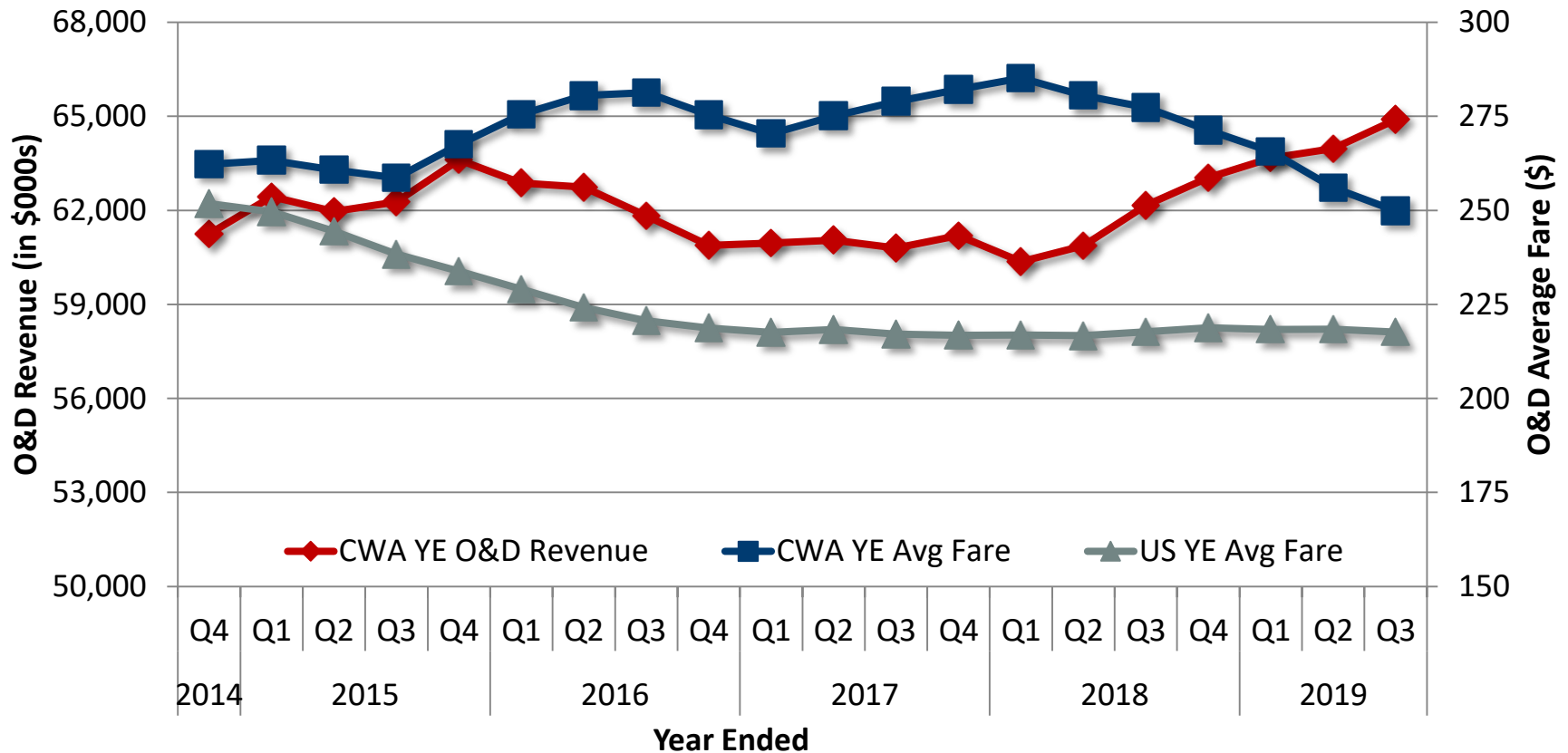
YE September 2019 year-over-year capacity was up 4%, while onboard passengers were up 14%, resulting in the average load factor increasing 10% points.

Top O&D Markets

Rank	Destination	O&D Passengers	O&D Revenue (\$)	Average Fare (\$)	YOY % Change		
					Pax	Rev	Fare
1	Chicago, IL (ORD)	11,045	2,081,720	188	5%	4%	(1%)
2	Orlando, FL (MCO)	8,105	1,720,747	212	35%	31%	(3%)
3	Las Vegas, NV	6,779	1,698,880	251	30%	42%	9%
4	Dallas, TX (DFW)	6,760	1,640,766	243	16%	17%	0%
5	Los Angeles, CA	6,662	1,600,875	240	42%	16%	(18%)
6	Denver, CO	6,652	1,423,244	214	27%	17%	(8%)
7	New York, NY (LGA)	6,626	1,234,302	186	34%	4%	(23%)
8	Phoenix, AZ (PHX)	6,340	1,691,384	267	17%	16%	(0%)
9	Atlanta, GA	6,293	1,561,471	248	27%	9%	(14%)
10	Detroit, MI	6,131	1,342,468	219	(5%)	(6%)	(1%)
11	Boston, MA	6,097	1,238,986	203	5%	(4%)	(9%)
12	Washington, DC (DCA)	5,143	1,051,441	204	37%	15%	(16%)
13	Tampa, FL	5,113	1,026,966	201	37%	19%	(13%)
14	Houston, TX (IAH)	4,716	1,087,807	231	25%	7%	(14%)
15	Fort Myers, FL	4,630	1,047,639	226	15%	10%	(4%)
16	Seattle, WA	4,346	1,143,731	263	11%	3%	(7%)
17	San Francisco, CA	4,212	1,084,849	258	1%	(9%)	(10%)
18	Charlotte-Douglas, NC	4,186	946,280	226	11%	(9%)	(18%)
19	Nashville, TN	4,020	800,611	199	7%	(11%)	(17%)
20	San Diego, CA	3,862	939,445	243	27%	19%	(7%)
Total All Markets		259,726	64,899,031	250	16%	4%	(10%)

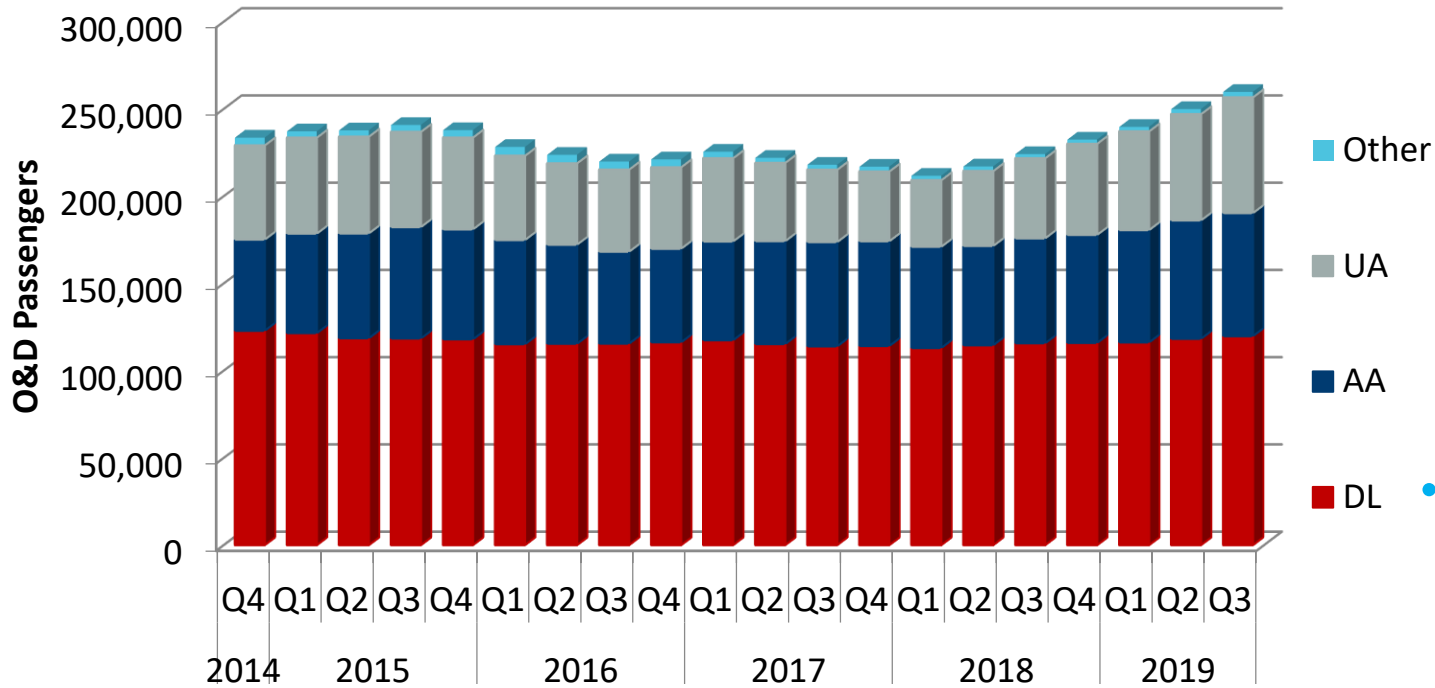
- Overall, passengers and revenue were up 16% and 4%, respectively.
- 15 of the top 20 markets experienced double-digit passenger increases with CWA fares flat or down in all markets except one and down 10% overall.

Revenue/Fare Trends



- CWA fares decreased \$6 to \$250 in the latest year-ended period.
- Fares were \$32 higher than the U.S. average (versus \$38 in the prior period).

O&D Passenger Market Share



- DL is the market share leader with a 46% share.
- DL lost 1% point of share to UA in the latest year-ended period.

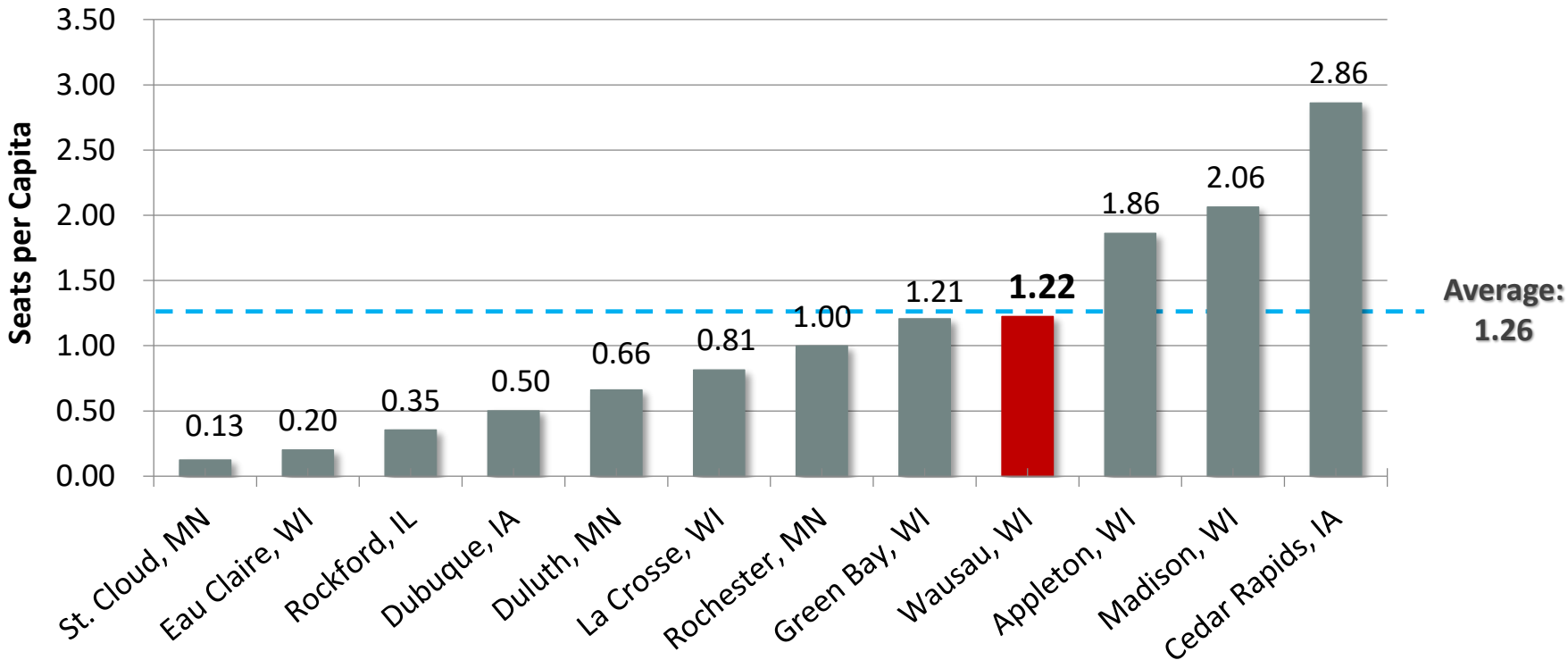
Year	Quarter	Airline Market Share			
		DL	AA	UA	Other
2017	Q4	53%	28%	18%	1%
2018	Q1	53%	27%	18%	1%
	Q2	53%	26%	20%	1%
	Q3	52%	27%	20%	1%
	Q4	50%	27%	22%	1%
2019	Q1	48%	27%	24%	1%
	Q2	47%	27%	25%	1%
	Q3	46%	27%	26%	1%

Forward Looking Schedule

Destination	Airline	YOY Change – Average Weekly Flights/Seats											
		Mar 2020		Apr 2020		May 2020		Jun 2020		Jul 2020		Aug 2020	
		#	Chg	#	Chg	#	Chg	#	Chg	#	Chg	#	Chg
Flights													
Chicago, IL (ORD)	American	20	0	19	1	19	0	19	0	19	0	19	(1)
	United	21	7	20	(1)	20	(1)	21	1	21	2	21	1
Detroit, MI	Delta	13	0	13	0	13	0	13	(0)	13	0	14	1
Minneapolis, MN	Delta	18	(2)	20	0	19	(0)	20	0	20	1	20	0
Total		72	5	73	0	71	(1)	73	1	73	3	74	1
Seats													
Chicago, IL (ORD)	American	994	0	968	35	960	23	957	12	960	0	937	(34)
	United	1,068	350	1,003	(35)	994	(56)	1,050	47	1,050	90	1,050	68
Detroit, MI	Delta	655	11	653	12	632	11	630	(12)	655	11	700	34
Minneapolis, MN	Delta	892	(90)	1,003	12	971	(11)	1,003	23	1,005	56	994	0
Total		3,608	271	3,628	23	3,557	(33)	3,640	70	3,669	158	3,681	68

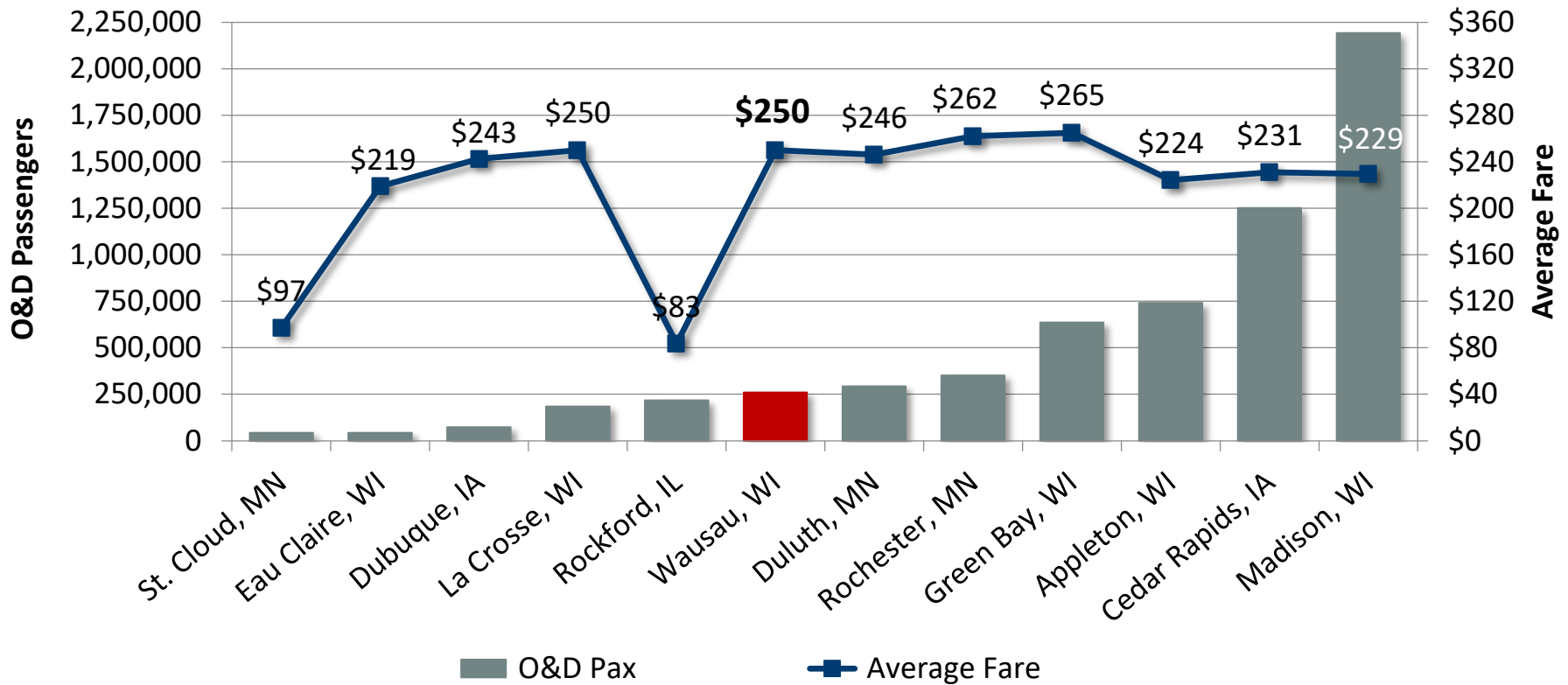
- Year-over-year flights and seats are increasing or steady in all months from March 2020 through August 2020 except for May 2020.
- Overall, for the 6-month period from March 2020 through August 2020, flights and seats are scheduled to be up 3% year-over-year.

Seats Per Capita Comparisons



- CWA's seats per capita was slightly below the compare market average but higher than most of the compare markets.
- CWA's seats per capita increased slightly from 1.21 to 1.22 in the latest year-ended period.

O&D Passenger/Airfare Comparisons



CWA's average fare was the 3rd highest among compare markets but was still in line with other markets with the exception of St. Cloud, MN, and Rockford, IL, which have the majority of service on Allegiant.

Year-Over-Year Comparisons

Airport	2019 MSA Population	YE Q3 2019			YOY Change		
		# of Nonstop Destinations	O&D Pax	Seats	# of Nonstop Destinations	O&D Pax	Seats
Dubuque, IA	97,781	1	72,865	49,056	0	(1.0%)	3.2%
Wausau, WI	138,030	3	259,726	169,046	0	15.9%	3.7%
La Crosse, WI	139,838	3	183,960	113,781	1	0.8%	(0.4%)
Eau Claire, WI	171,729	1	43,488	34,550	0	4.9%	0.8%
St. Cloud, MN	203,619	2	43,223	25,548	0	7.6%	12.3%
Rochester, MN	224,241	3	352,090	223,719	0	1.8%	(3.7%)
Appleton, WI	240,700	10	740,537	447,984	1	16.6%	10.1%
Cedar Rapids, IA	272,804	14	1,251,251	780,584	0	10.2%	3.3%
Duluth, MN	281,267	2	292,898	185,989	0	16.1%	18.6%
Green Bay, WI	325,434	5	636,622	392,387	1	10.7%	4.9%
Rockford, IL	344,587	6	218,027	121,869	1	8.3%	8.3%
Madison, WI	668,971	19	2,192,403	1,380,526	4	14.5%	9.1%

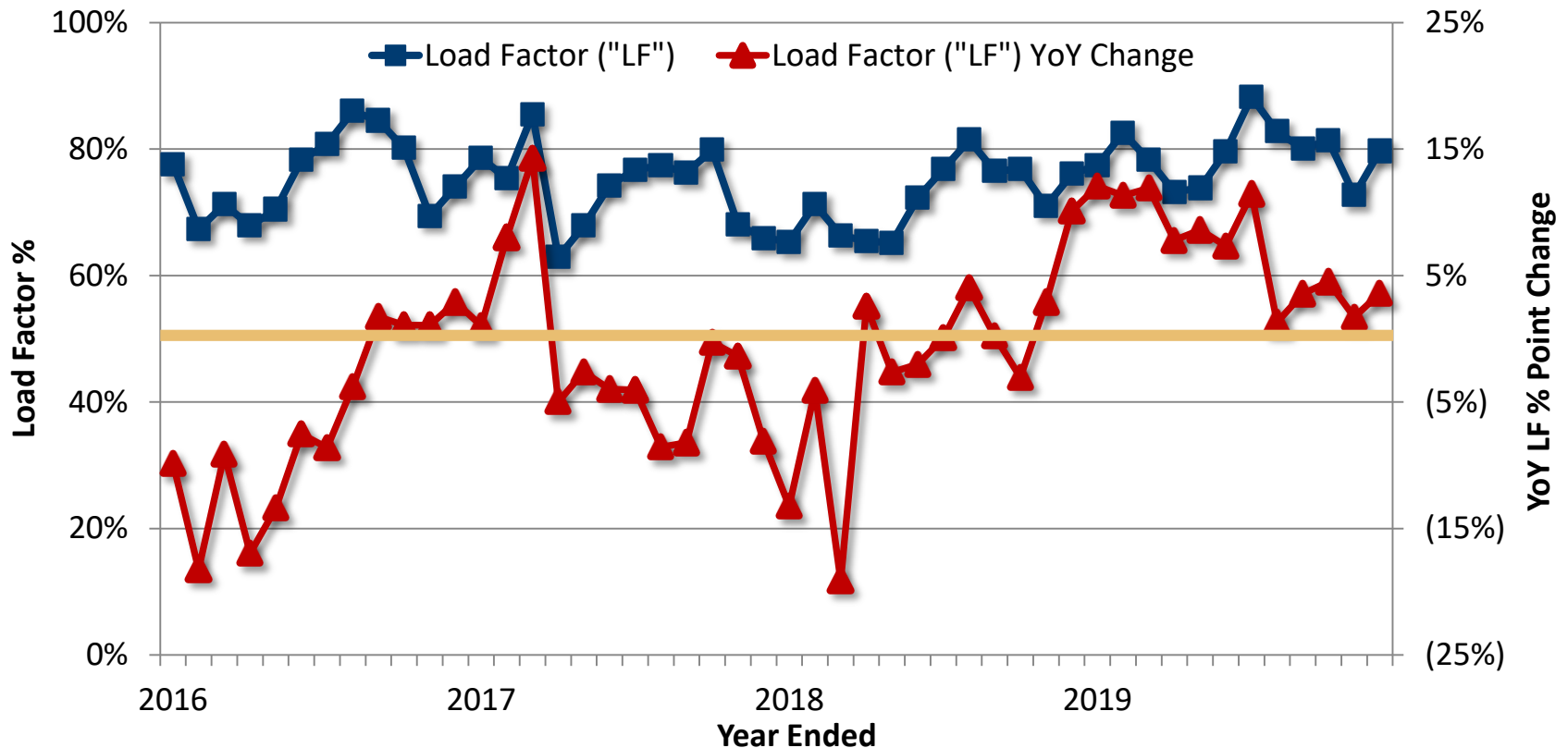
CWA had the 3rd highest increase in O&D passengers (+15.9%) among compare markets on a 3.7% increase in seats year-over-year.

Load Factor Trends

Destination	Airline	2016	2017				2018				2019			YOY Q3 Change	
		Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	'19 vs '17	'19 vs '18
Chicago, IL (ORD)	American	74	73	63	71	70	60	66	73	72	77	77	81	9.7	8.0
	United	66	63	58	67	58	51	58	75	71	78	71	81	13.7	6.2
Detroit, MI	Delta	81	80	74	79	80	77	76	82	83	80	80	83	4.3	0.9
Minneapolis, MN	Delta	85	82	74	77	79	78	76	80	79	80	81	85	7.8	5.3
Average Load Factor		73	75	68	74	73	67	69	78	76	79	77	82	8.0	4.7

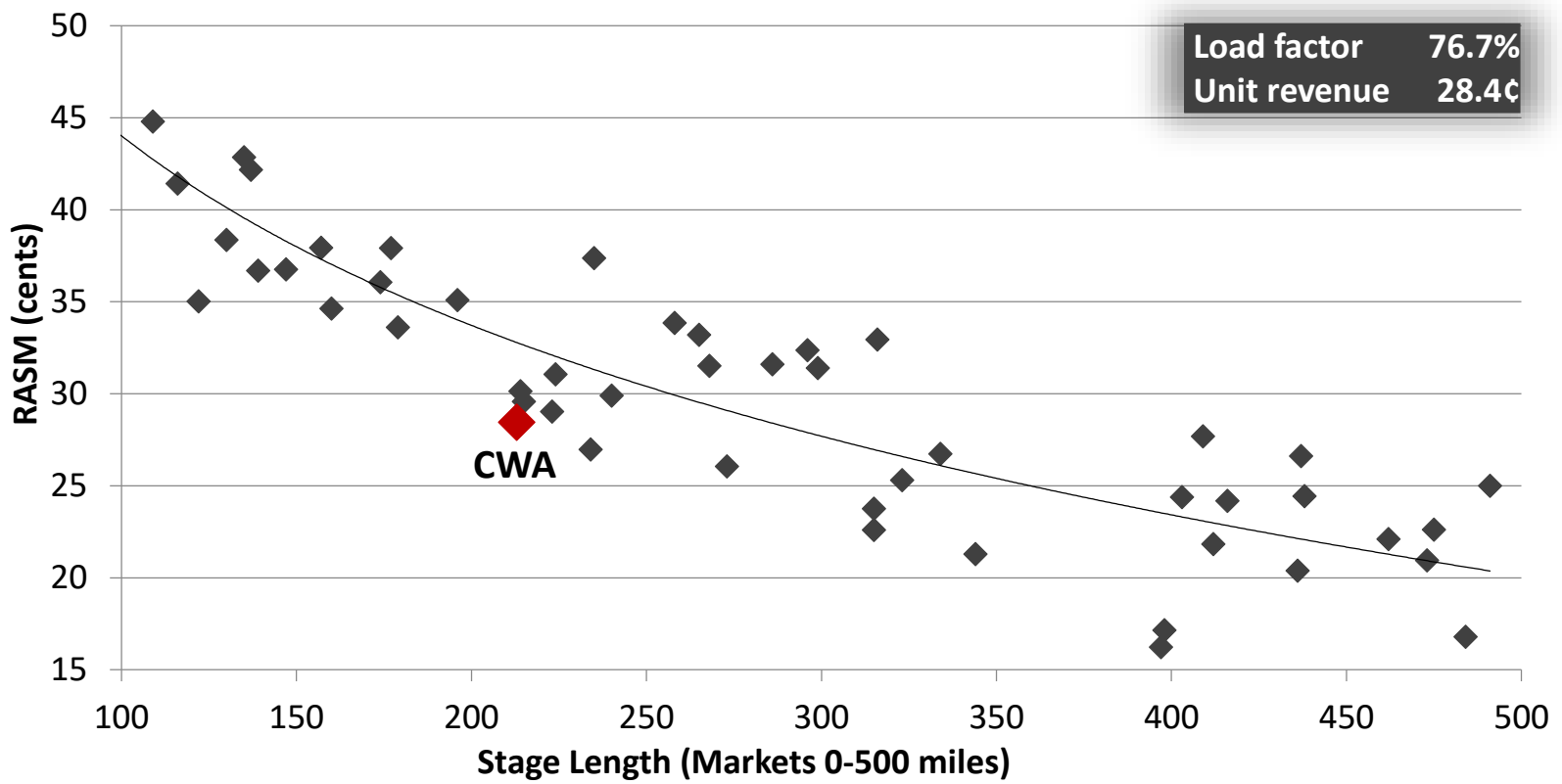
- Load factors were up year-over-year in Q3 2019 versus Q3 2018 in all markets with AA-ORD and UA-ORD experiencing the largest increases.
- Overall, the market average load factor was up 4.7% points in Q3 2019.

Enplanement "LF" and YOY Change



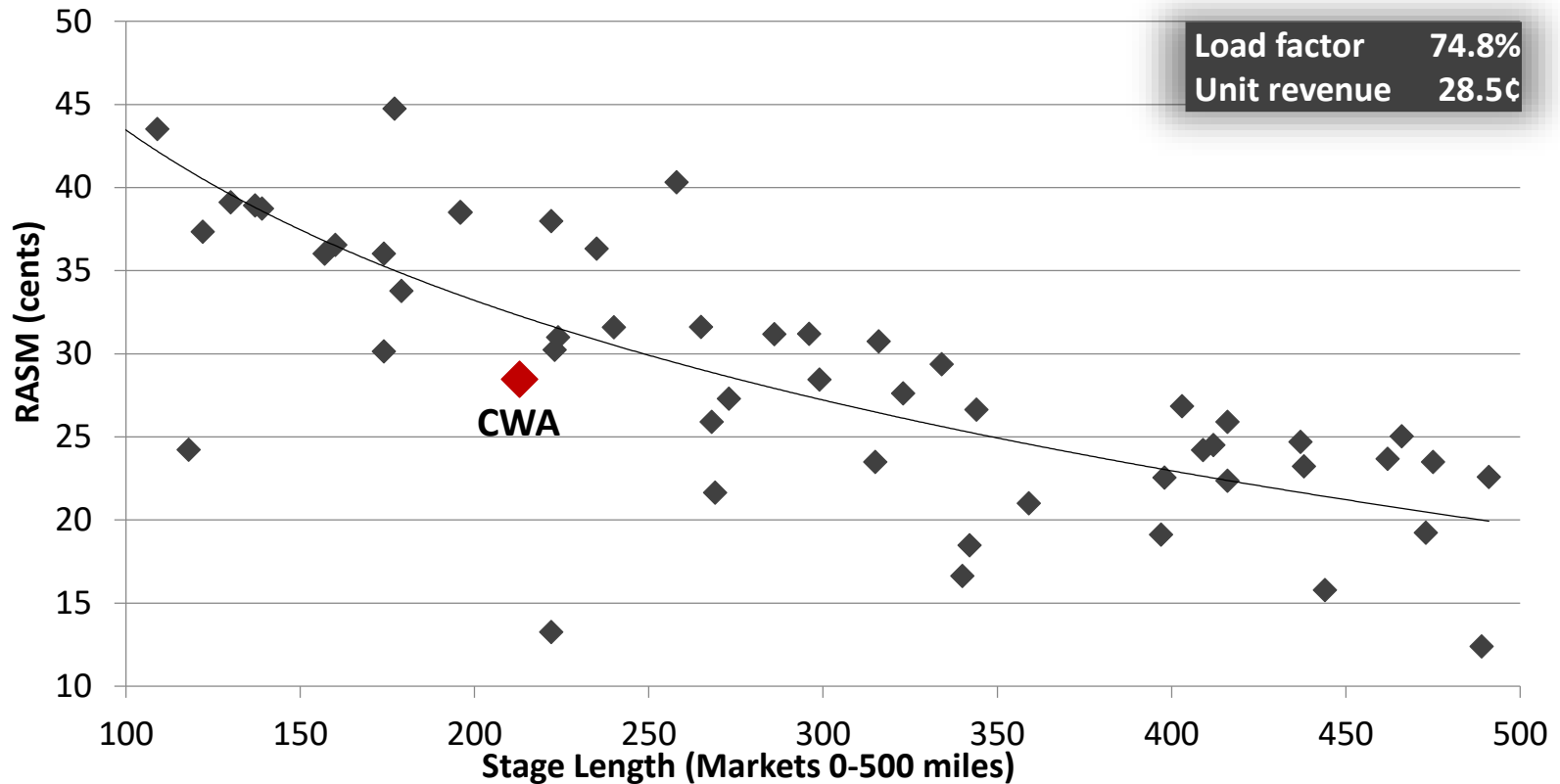
- Load factors were up 7.0% points for the year-ended December 2019 versus the same prior year period.
- Enplanements were up 13.4% on a 3.3% increase in seat capacity.

AA-ORD RASM Performance



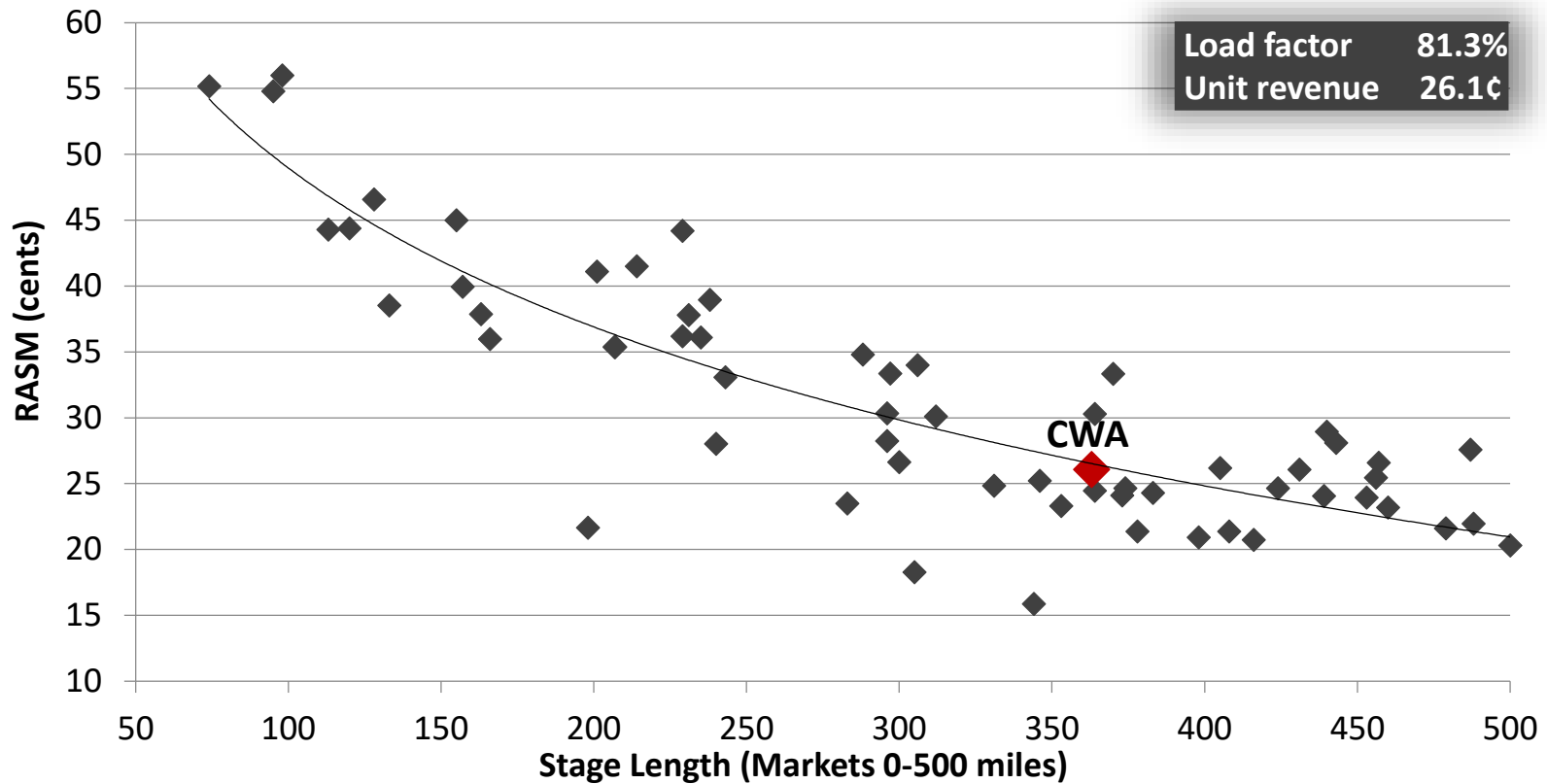
CWA's ORD RASM and load factor were below AA's average (market load factor average of 84.3%).

UA-ORD RASM Performance



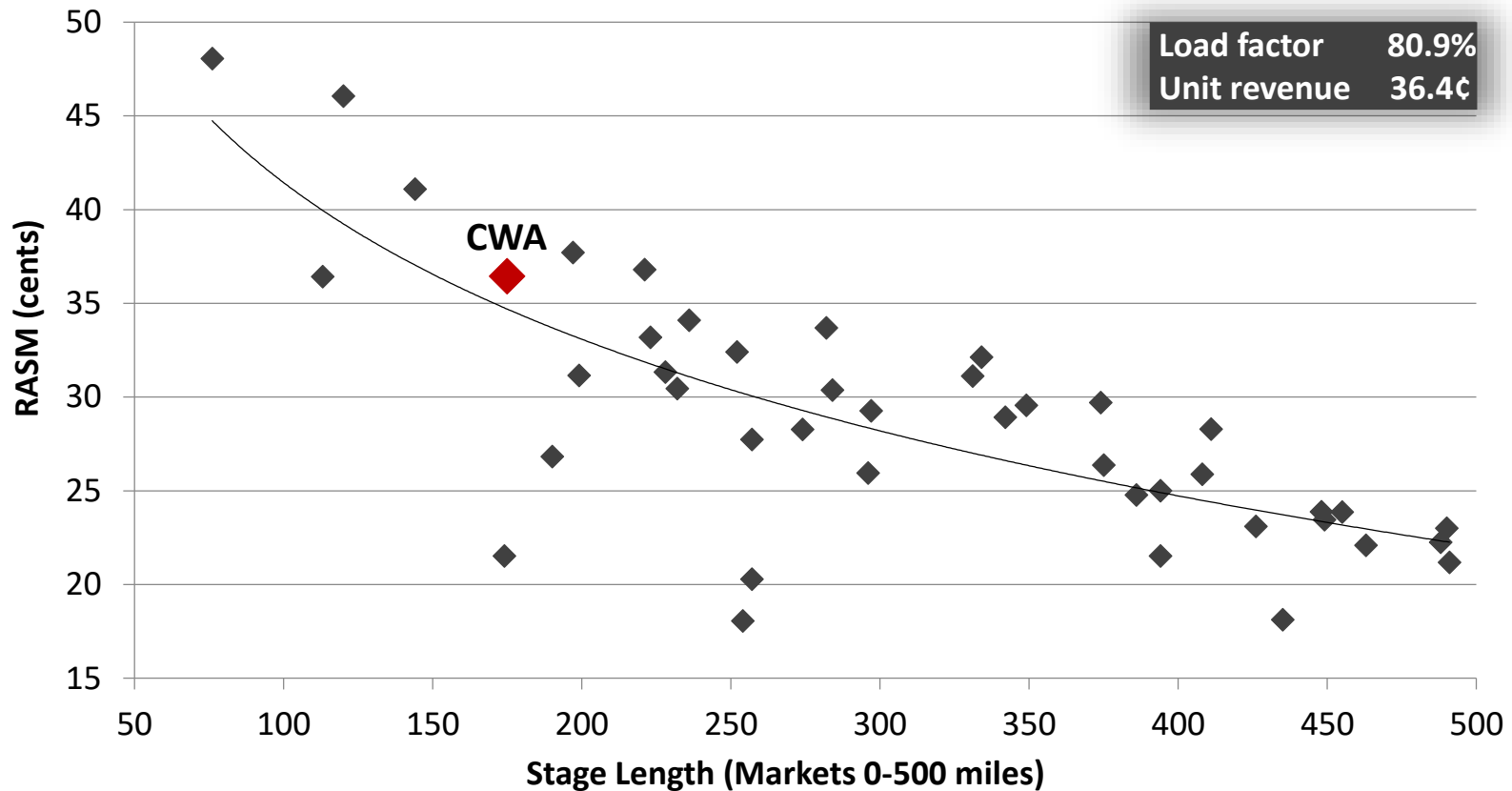
CWA's ORD RASM and load factor were below UA's average (market load factor average of 83.8%).

DL-DTW RASM Performance



**CWA's DTW RASM was at DL's average,
while CWA's load factor was below DL's DTW average of 84.4%.**

DL-MSP RASM Performance



CWA's MSP RASM was above DL's average, while CWA's load factor was below DL's MSP average of 85.6%.

RASM Trends

Destination	Airline	2016	2017				2018				2019			YOY Q3 Change	
		Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	'19 vs '17	'19 vs '18
Chicago, IL (ORD)	American	29.5	29.8	30.9	31.5	28.9	23.8	28.4	31.5	26.5	27.7	29.4	30.1	(4%)	(5%)
	United	26.0	24.6	28.0	30.3	25.2	23.1	23.5	30.1	27.4	28.2	26.3	31.9	5%	6%
Detroit, MI	Delta	26.1	25.6	27.8	27.7	27.5	26.8	27.6	30.1	27.0	25.3	26.4	25.5	(8%)	(15%)
Minneapolis, MN	Delta	37.4	35.9	38.9	37.9	37.6	38.0	36.9	38.7	35.3	35.7	35.3	39.1	3%	1%
Total Average		29.3	28.6	31.2	31.6	29.6	27.4	28.8	32.5	28.6	28.6	29.0	31.1	(2%)	(4%)

- RASM was up in the UA-ORD and DL-MSP markets in the 3rd quarter year-over-year.
- AA-ORD experienced a 5% decline while DL-DTW experienced a double-digit decline of 15% in RASM performance.
- Overall, total average market RASM was down 4% in the CWA market.

Thank You.

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Please be aware that International origin and destination data is restricted to internal purposes only and that any disclosure of the restricted data must be pre-approved in writing by the Department of Transportation.



**CENTRAL WISCONSIN AIRPORT
REVENUE 2020**

	BUDGET 2020	MONTH OF JANUARY	YEAR TO DATE	% OF BUDGET
5409-53 FUEL SALES	42,000	0	0	0.0%
5410-53 FUEL FLOWAGE	60,000	5,174	5,174	8.6%
5411-53 LANDING FEES	385,000	31,593	31,593	8.2%
5418-53 RAMP CHARGES	62,000	5,263	5,263	8.5%
	-----	-----	-----	-----
AIRFIELD	549,000	42,029	42,029	7.7%
5422-56 UTILITIES	450	0	0	0.0%
	-----	-----	-----	-----
CONTROL TOWER	450	0	0	0.0%
5412-55 RENT	105,000	11,834	11,834	11.3%
5422-55 UTILITIES	4,550	0	0	0.0%
	-----	-----	-----	-----
HANGAR	109,550	11,834	11,834	10.8%
5497-57 LABOR-CWA	1,000	0	0	0.0%
5498-57 MATERIALS-CWA	1,000	0	0	0.0%
5499-57 MISC-CWA	5,000	0	0	0.0%
	-----	-----	-----	-----
MAINTENANCE SHOP	7,000	0	0	0.0%
5412-54 RENT	50,000	2,170	2,170	4.3%
5414-54 FARM LAND RENT	84,000	0	0	0.0%
5417-54 HWY BILLBOARDS	6,500	0	0	0.0%
5422-54 UTILITIES	6,000	0	0	0.0%
5432-54 CORPORATE HANGAR	76,000	6,698	6,698	8.8%
	-----	-----	-----	-----
NET LEASE	222,500	8,868	8,868	4.0%
5440-51 PARKING	1,370,000	98,718	98,718	7.2%
5412-52 RENT	1,240,000	56,489	56,489	4.6%
5416-52 ADVERTISING	25,000	6,625	6,625	26.5%
5422-52 UTILITIES	39,000	3,109	3,109	8.0%
5431-52 SECURITY	5,500	2,341	2,341	42.6%
5499-52 MISCELLANEOUS	15,000	1,087	1,087	7.2%
	-----	-----	-----	-----
TERMINAL BUILDING	1,324,500	69,651	69,651	5.3%
TOTAL	3,583,000	231,101	231,101	6.4%
1210 SALES TAX DISCOUNT	0	30	30	
8110 INTEREST ON INVEST	15,000	0	0	
8310 SALE FIXED ASSETS	15,000	0	0	
8350 INS RECOV	0	0	0	
8400 OTHER MISC REV	0	0	0	
8413 WORKERS COMP REIMB	0	0	0	
	=====	=====	=====	
GRAND TOTAL	3,613,000	231,131	231,131	6.4%

5419-53 PASSENGER FAC. CHGS.	550,000	43,108	43,108	7.8%
8110 PFC INTEREST	5,000	0	0	0.0%
	-----	-----	-----	-----
TOTAL PASSENGER FACILITY CHGS.	555,000	43,108	43,108	7.8%
5420-52 CFC CAR RENTAL FEES	208,800	3,984	3,984	1.9%

CENTRAL WISCONSIN AIRPORT
Disbursements - January 2020

	2020 <u>BUDGET</u>	THIS <u>MONTH</u>	2020 <u>YTD</u>	YTD % of <u>BUDGET</u>
PERSONAL SERVICES				
SALARIES	\$386,256.00	\$29,404.80	\$29,404.80	7.6%
WAGES	\$783,137.00	\$51,230.15	\$51,230.15	6.5%
EMPLOYEE BENEFITS	\$18,500.00	\$1,524.50	\$1,524.50	8.2%
EMPLOYER CONTRIBUTIONS	\$511,496.00	\$55,955.16	\$55,955.16	10.9%
SUB TOTAL	\$1,699,389.00	\$138,114.61	\$138,114.61	8.1%
CONTRACTUAL SERVICES				
PROFESSIONAL SERVICES	\$206,000.00	\$553.58	\$553.58	0.3%
UTILITY SERVICES	\$276,000.00	\$1,531.28	\$1,531.28	0.6%
REPAIR-MAINT/STREETS	\$8,000.00	\$0.00	\$0.00	0.0%
REPAIR-MAINT EQUIP/BUILDINGS	\$85,000.00	\$541.00	\$541.00	0.6%
CONTRACTUAL SERVICES	\$110,000.00	\$0.00	\$0.00	0.0%
SUB TOTAL	\$685,000.00	\$2,625.86	\$2,625.86	0.4%
SUPPLIES & EXPENSES				
OFFICE SUPPLIES	\$7,000.00	\$159.09	\$159.09	2.3%
ADVERTISING/MEMBERSHIP/DUES	\$85,700.00	\$21,178.42	\$21,178.42	24.7%
TRAVEL	\$21,800.00	\$1,525.05	\$1,525.05	7.0%
OPERATING SUPPLIES	\$181,500.00	\$2,911.21	\$2,911.21	1.6%
REPAIR/MAINT SUPPLIES/GASOLINE	\$170,000.00	\$2,917.25	\$2,917.25	1.7%
CONSUMABLE TOOLS/SUPPLIES	\$5,000.00	\$0.00	\$0.00	0.0%
SUB TOTAL	\$471,000.00	\$28,691.02	\$28,691.02	6.1%
BUILDING MATERIALS				
METAL PRODUCTS	\$3,000.00	\$0.00	\$0.00	0.0%
WOOD PRODUCTS	\$500.00	\$0.00	\$0.00	0.0%
RAW MATERIALS/RWY PAINT	\$30,000.00	\$0.00	\$0.00	0.0%
ELECT FIXTURES/RWY SIGNS	\$5,000.00	\$0.00	\$0.00	0.0%
ASPHALT/ASPHALT FILLER	\$45,000.00	\$0.00	\$0.00	0.0%
SUB TOTAL	\$83,500.00	\$0.00	\$0.00	0.0%
FIXED CHARGES				
INSURANCE/OTHER LOSSES	\$78,000.00	\$20,530.00	\$20,530.00	26.3%
CAPITAL OUTLAY				
CAPITAL EQUIPMENT	\$348,000.00	\$0.00	\$0.00	0.0%
CAPITAL IMPROVEMENTS	\$194,000.00	\$0.00	\$0.00	0.0%
SUB TOTAL	\$542,000.00	\$0.00	\$0.00	0.0%
TOTALS	\$3,558,889.00	\$189,961.49	\$189,961.49	5.3%

2019 CWA Budget Summary as of 2/17/2020 (Pre-Audit)

	<u>2019 Budget</u>	<u>2019 Budget</u>	<u>2019 YTD Actual</u>	<u>2019 YTD Actual</u>	<u>% CHANGE</u>
Total Revenues		\$3,574,081.00		\$3,869,990.80	8.28%
Less: Expenses					
Personal Services	\$1,667,808.00		\$1,543,117.17		-7.48%
Contractual Services	\$684,500.00		\$689,926.04		0.79%
Supplies and Expense	\$452,100.00		\$587,989.77		30.06%
Building Materials	\$43,000.00		\$50,174.90		16.69%
Fixed Charges-Insurance	\$73,000.00		\$71,151.00		-2.53%
Capital Outlay	\$277,708.00		\$275,707.11		-0.72%
Debt Service - O&M	\$458,965.00		\$458,965.00		0.00%
	<u>\$3,657,081.00</u>		<u>\$3,677,030.99</u>		
Total Expenses		\$3,657,081.00		\$3,677,030.99	0.55%
Fund Balance Increase/Decrease		<u>-\$83,000.00</u>		<u>\$192,959.81</u>	

2019-2020 CWA Budget Summary YTD - January

	<u>January YTD - 2020</u>	<u>January YTD - 2019</u>	<u>% CHANGE</u>
Airfield	\$42,029	\$55,494	
Control Tower	\$0	\$0	
Hangar	\$11,834	\$11,637	
Maintenance Shop	\$0	\$145	
Net Lease	\$8,868	\$6,134	
Parking	\$98,718	\$93,302	
Terminal Area	\$69,651	\$46,917	
Misc.	\$30	\$29	
Total Revenues	\$231,130	\$213,658	8.18%
Personal Services	\$138,115	\$131,120	
Contractual Services	\$2,626	\$6,194	
Supplies and Expense	\$28,691	\$68,464	
Building Materials	\$0	\$391	
Fixed Charges-Insurance	\$20,530	\$17,871	
Capital Outlay	\$0	\$26,410	
Total Expenses	\$189,961	\$250,450	-24.15%
Revenue over Expense	\$41,169	-\$36,792	