

**AMENDED AIRPORT AGREEMENT  
WEST BRANCH COMMUNITY AIRPORT**

This agreement made by and between the City of West Branch, Michigan, hereinafter referred to as "City", and County of Ogemaw, Michigan, hereinafter referred to as "County":

**WHEREAS:** The City and the County executed an Airport Agreement dated December 14, 1965, for the purpose of constructing, operating and maintaining the West Branch Community Airport; and

**WHEREAS:** MCL 259.134 and Act 327 Michigan Public Acts of 1945, as amended are the legal basis for the above Airport Agreement, which covers joint operation of an airport and joint agreements; and

**WHEREAS:** The current Airport Agreement automatically renewed on December 14, 1990 and will automatically renew on December 14, 2015 unless it is terminated or amended; and

**WHEREAS:** Both the City and the County agree that the original Airport Agreement dated December 14, 1965 is dated and no longer meets the needs in the operation and maintenance of the Airport; and

**WHEREAS:** Both the City and the County agree that the West Branch Community Airport is an important asset to the parties for continued growth and economic development of the City and County; and

**WHEREAS:** Section 12 of the original Airport Agreement provides for Amendments to the Agreement; and

**WHEREAS:** Both the City and the County agree that the entire original Agreement needs to be completely amended by a new agreement;

**NOW, THEREFORE, BE IT MUTUALLY AGREED AS FOLLOWS:**

**1. OWNERSHIP:** The City and the County agree that each is an equal partner in the ownership of the West Branch Community Airport. Real property under this agreement shall be held by the City and County as tenants in common. The City shall own a fifty percent (50%) interest and the County shall own a fifty percent (50%) interest in the property.

**2. NAME OF AIRPORT:** The official name of the Airport shall be the "West Branch Community Airport".

**3. AIRPORT BOARD:** There is hereby established a joint City and County Airport Board which shall be known as the "West Branch Community Airport Board". All business, operations, and transactions shall be conducted and carried out under such name, hereinafter referred to as the "Board".

The Board shall consist of seven (7) members; three (3) member of the Board are to be appointed by the City of which shall be two (2) members of the West Branch City Council and the City Manager, and three (3) members to be appointed by the County which shall be two (2) members of the Ogemaw County Board of Commissioners and the County Clerk. The seventh (7<sup>th</sup>) member of the Board shall be appointed by both the City Council and the County Board of Commissioners. If a member of the Board does or moves from the City or county, the position shall be deemed vacant and the respective governing body/bodies shall make appointment to fill said vacancy for the balance of the term. Terms of Board Members shall be for two (2) years; members shall serve at the will of the respective governing body/bodies making said appointment and may be removed by the appointing body/bodies under such procedures as the body/bodies shall determine. As terms of the aforesaid members expire or as vacancies occur, City and/or County shall make appointments to fill their respective vacancies.

The Board shall annually elect officers including a Chairman, Vice-Chairman and Secretary from its members.

The Airport Manager shall serve as Treasurer of the Board but is not a member in any capacity of the Board.

Terms of the above officers shall be for one (1) year and officers shall be elected annually thereafter. The Board shall meet monthly on the same day and time as determined by the Board. Special meetings may be held at the call of the Chairman or any two (2) board members pursuant to such regulations and rules as the Board may adopt. The Board shall comply with the State of Michigan Open Meetings Act.

A quorum for the purpose of the transaction of business by the Board shall be four (4) members, and to adopt any measure there must be at least a majority vote of those present.

**4. BUDGET:** The Board shall make an annual report to the City and County governing bodies by March 1<sup>st</sup> of each year and shall include a proposed budget for the ensuing fiscal year which shall be balanced, and include at a minimum the follows:

ESTIMATED REVENUES divided as follows:

1. Federal and State Grants
2. Contribution from City
3. Contribution from County
4. Other Revenue

ESTIMATED EXPENDITURES divided as follows:

1. Wages and Salaries
2. Fringe Benefits
3. Supplies and Materials
4. Other Services and Charges

The form of the budget shall comply with the Michigan Uniform Accounting Budget Act being Act 2, Michigan Public Act of 1968, as amended, to give a more complete picture of financial operations to the City and County.

The annual fiscal year of the Board shall be from October 1<sup>st</sup> to September 30<sup>th</sup> of each year. The fiscal year of the City is from July 1<sup>st</sup> to June 30<sup>th</sup> of each year. The fiscal year of the County is from October 1<sup>st</sup> to September 30<sup>th</sup> of each year.

In review of the fiscal year budget proposed by the Board, the City and the County recognize the importance of funding the operations and maintenance of the Airport at a level that is required to meet state and federal regulations and at a level to provide for the safety of Airport customers and visitors.

The proposed fiscal year budget of the Board shall be submitted to both the City and County by March 1<sup>st</sup> of each year, which shall include the City's share of revenue and expenditures of forty-five percent (45%) and the County's share of revenue and expenditures of fifty-five percent (55%).

Upon approval of the proposed budget by both the City Council and the County Board of Commissioners, the Board agrees to bill both entities for their appropriation by October 1<sup>st</sup> and April 1<sup>st</sup> of each year and the entities agree to pay their appropriations in equal installments in October and April of each year.

**5. FUNDS/TREASURER:** The Airport Manager shall be the Treasurer for the Board and shall be custodian of all Board funds and pay out such funds as authorized by the Board. The Treasurer shall provide monthly financial statements to the Board and to the City Treasurer and County Treasurer. All checks issued by the Board shall require two signatures by any two (2) Board Members.

**6. FUNDS/RESTRICTED:** There are three (3) funds that have been established and maintained over many years by the Airport Board, including the following:

1. Hangar Construction and Maintenance Fund
2. Equipment Replacement Fund
3. Federal Grant Matching Fund

The City and county agree that the above funds are restricted to be used only for the purposes for which they were established.

The Hangar Construction and Maintenance Fund shall be used only for future Airport Hangar construction and building maintenance.

The Equipment Replacement Fund shall be used only for replacement of Airport equipment. Revenue to support this fund shall be provided in the annual fiscal year budget of the Airport.

The Federal Grant Matching Fund shall be used only to provide Airport matching funds for Federal Grants. Revenue to support this fund shall be provided in the annual fiscal year budget of the Airport.

**7. BONDING OF TREASURER:** The Treasurer of the Board shall file a surety bond in favor of the Board in an amount to be determined by the Board with the cost of the bond to be paid by the Board.

**8. AUDIT OF FUNDS:** An annual audit of Board funds shall be made by a certified public accountant. The audit shall be provided to the City and county within 30 days following acceptance of the audit by the Board.

**9. TERM AND TERMINATION OF AGREEMENT:** The term of this agreement shall be in effect for a period of ten (10) years, commencing on July 21, 2014, and thereafter for successive periods of ten (10) years, unless written notice is provided by either party to the other party at least one hundred eighty (180) days prior to the expiration of any such ten (10) year period, which states the party's intention that the Agreement be terminated. A request that certain amendments be considered shall not be a notice of termination of the Agreement.

Either the City or County may cause early termination of the Agreement with written notice to the other party which shall occur one (1) year following delivery of such notice of early termination on the other party.

Written notice of termination of this agreement shall also be provided to the Michigan Aeronautics Commission of the Michigan Department of Transportation and the Federal Aviation Administration as may be required by their respective rules and regulations.

**10. DISPOSITION OF PROPERTY UPON TERMINATION:** In the event City or County shall terminate the Agreement, and either City or County shall undertake to operate the Airport solely, the party not undertaking to operate the Airport shall convey to the operating party all property subject to the Agreement without payment by one to the other. The remaining party shall be responsible for the obligations of Airport and shall hold the other party harmless.

In the event neither party wishes to operate the Airport following notice of termination, all property and assets of the Airport shall be disposed of in any manner the parties agree on and all proceeds from the disposal of property and assets of the Airport shall be divided equally, subject to laws of the State of Michigan and the Federal Government.

**11. INSURANCE:** The Board shall provide such insurance coverage as is mutually required by the City and the County as a cost of operation of the Airport. Such insurance coverage shall include errors and omission provisions for the members of the Board together with the governing bodies, appointed and elected officials, and any employees, agents or assigns of the City and County.

**12. RULES OF AIRPORT OPERATION:** Rules and regulations to govern the affairs and land of the Airport may be made by the Board as it determines necessary.

**13. AIRPORT MANAGEMENT AND OPERATION:** The Board shall have the authority to determine staffing required to manage and operate the Airport as they determine is necessary, provided that funding for compensation are provided in the annual budget approved by the City and County. All staff at the Airport shall be contracted staff of the Board with contracts to extend no longer than three (3) years. Longer extensions of contracts shall require prior approval by the City and County.

**14. LEGAL EXTENT OF BOARD POWERS:** The Board shall have powers coextensive with the rights and privileges given to airport board members under the Aeronautics Code of the State of Michigan, Act 327 Michigan Public Acts of 1945, as amended, rules and regulations of the Michigan Aeronautics Commission of any other state or federal commissions or agencies hereinafter created, as such powers and rights presently exist or as such powers and rights may be amended. Such power and authority may be limited by this Agreement, the conditions herein and the approved budget. Should the public laws of the State of Michigan grant airports and their operating boards additional rights and powers, such extension or extensions of power and authority is hereby incorporated and this Agreement is to read as though such extended and enlarged powers, rights and authority are included herein.

**15. STATE OR FEDERAL AID PROJECTS – AUTHORITY OF THE BOARD:** The Board is hereby designated as the agent of the City and the County for application for any State or Federal aid Airport projects. For such purpose or purposes, the Board is given full and complete power and authority to do all things necessary and proper as the agent of the City and the County in connection with the application and construction of federal, state or local airport projects, provided that the funds which are required for said project(s) are available in the revenues as approved by the City and the County under the Agreement.

**16. PREFACING REMARKS:** The prefacing remarks first made herein are incorporated in and made a part of this Agreement. These statements shall act as a guide if any dispute arises as to the intent, object or purpose of this Agreement.

**17. ENFORCEMENT:** Specific performance of the provision of this Agreement may be enforced against either party by the other party.

**18. ADOPTION:** Before adoption of this agreement, the City Council and the County Board of Commissioners shall convene in joint session to hold a public hearing thereon after ten

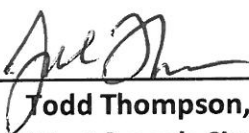
(10) days public notice of the time and place of such hearing. At said joint session, the City Council and the County Board of Commissioners shall, after consideration of any public comments thereon, consider action to be taken with regard to the Agreement. Any action taken at said joint session shall require a majority vote of each body, the city Council and the County Board of Commissioners, to become effective.

**19. AMENDMENTS:** This Agreement may be amended in any way by following the procedure used for adoption of the Agreement.

**IN WITNESS WHEREOF,** the City of West Branch has caused this Agreement to be signed in its corporate name by its Mayor and City Clerk and sealed with the corporate seal of the City and the County of Ogemaw has caused this agreement to be signed in its corporate name by the Chairman of the Board of County Commissioners and the County Clerk and sealed with the official seal of the County and the document shall be notarized and recorded with the City Clerk and the County Clerk.

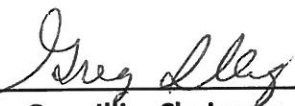
Dated this 21<sup>st</sup> day of July, 2014.

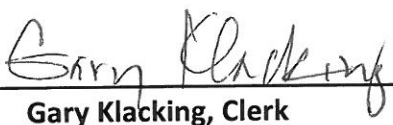
**CITY OF WEST BRANCH**

By:   
Todd Thompson, Mayor  
West Branch City Council

By:   
Jane Tennant, Clerk


**COUNTY OF OGEMAW**

By:   
Greg Illig, Chairman  
County Board of Commissioners

By:   
Gary Klacking, Clerk

STATE OF MICHIGAN   )  
                                  ) SS  
COUNTY OF OGEMAW)

Subscribed and sworn to before me this 12<sup>th</sup> day of August, 2014, by the above named parties.

  
Debra J. Heisler, Notary Public  
Ogemaw County Michigan  
My Commission Expires 10/26/18