

AGENDA REPORT

TO: Mayor Pat Humphrey & the Clare City Commission
FROM: Jeremy Howard, City Manager
DATE: November 30, 2023
RE: Airport Manager Contract – NordFlight, LLC – Gabe Ambrozaitis

For the Agenda of December 4, 2023

Background. Mr. Gary Todd, the Clare Airport Manager for the past 10 years, recently announced his retirement effective December 31, 2023. Shortly thereafter the City began searching for a replacement Airport Manager. In Cooperation with Gary, as well as the Airport Advisory Board, I began having conversations with potential applicants to fill the role, and after careful consideration, I have selected Mr. Gabe Ambrozaitis as the City's new Airport Manager. Mr. Ambrozaitis and I subsequently negotiated a contract (*copy att'd*) to attain his services in this capacity.

Mr. Ambrozaitis is a Clare County resident, who has established a reputation as a respected community member; is retired from the military; serves as a Clare County Commissioner; is a pilot; is a fully licensed Airport Manager with a bachelor's degree in Aviation Management; and he is currently working on his MBA.

The City Commission is now asked to approve the proposed contractual agreement to attain the services of Mr. Ambrozaitis as the new Clare Municipal Airport Manager.

Issues & Questions. Should the City Commission approve the proposed services contract?

Alternatives.

1. Approve the contract.
2. Approve the contract with modifications or amendments.
3. Direct the solicitation of additional contract bids.
4. Set the decision aside to a subsequently scheduled public meeting.

Financial Impact. The new contract compensation can be seen in detail in the contract. Starting yearly at \$30,000 with 2% yearly increases for the 5-year contract. This amount is consistent with what we were paying Mr. Todd and is budgeted for in the current budget.

Recommendation. I recommend that the City Commission approve the proposed Airport Manager Contract with NordFlight, LLC (Gabe Ambrozaitis) by adoption of Resolution 2023-096 (*copy att'd*).

Attachments.

1. Airport Manager Agreement.
2. Resolution 2023-096.

AIRPORT MANAGEMENT AGREEMENT

WHEREAS the City of Clare (City) is the owner of the Clare Municipal Airport; and

WHEREAS NordFlight LLC, owned by Mr. Gabe Ambrozaitis, has offered to the City of Clare a proposal to provide airport management services for the Clare Municipal Airport; and

WHEREAS, the City of Clare has accepted the proposal of NordFlight LLC, owned by Mr. Gabe Ambrozaitis, to provide airport management services for the Clare Municipal Airport, thereby obligating both parties to the terms, conditions, and stipulations of an Agreement for airport management services outlined herein.

NOW THEREFORE IT IS AGREED, the City hereby authorizes NordFlight LLC, owned by Mr. Gabe Ambrozaitis, to operate and manage the Clare Municipal Airport on behalf of the City of Clare and under the direct supervision of its City Manager, subject to the conditions, terms, and stipulations listed below.

Responsibilities of the Airport Manager

1. Mr. Gabe Ambrozaitis shall serve as the Airport Manager for the Clare Municipal Airport, subject to the rules and regulations of the Michigan Bureau of Aeronautics and the Federal Aviation Administration and the terms, conditions, and stipulations of this Agreement. The duties and specific responsibilities of the Airport Manager include:
 - A. Planning, directing, and coordinating activities concerned with the operation and maintenance of the Clare Municipal Airport.
 - B. Developing local rules and regulations; enforcing all applicable Federal, State, and local rules and regulations.
 - C. Ensuring that all airport requirements for the class under which the airport is licensed are maintained.
 - D. Determining and taking appropriate action to assure that all pilots, mechanics, instructors, aircraft, and schools operating at the airport have appropriate and valid airworthiness or competency certificates, registrations, and other required permits as issued by appropriate State, Federal, and local agencies.
 - E. Maintaining and preserving an airport register book showing arrivals and departures of aircraft, the number of airmen and passengers, and other relevant information required by the Aeronautics Commission.
 - F. Maintaining a record of the number of gallons of aviation fuel purchased, used or sold at the airport. A monthly report of fuel usage/sales will be provided to the Clare City Manager; reports will also be provided to the Aeronautics Commission as required.
 - G. Posting current local airport rules.
 - H. Filing NOTAMS with the proper Federal agency designating any change in airport conditions.
 - I. Noting and advising appropriate State and Federal agencies of proposed construction or zoning changes adjacent to or near the airport which could affect air navigation.
 - J. Preparing reports and information related to all aspects of a general aviation airport and as required by the Michigan Aeronautics Board and the Federal Aviation Administration.
 - K. Preparing airport business plans, promotion plans, and development plans.
 - L. Serving as a member of the Clare Municipal Airport Advisory Board.
 - M. Monitoring airport leases, rentals, landing, and airport user fees for currency; in concert with the Airport Advisory Board, submitting recommended fee rates and changes to rates to the City Manager and City Commission.
 - N. Preparing an annual airport budget and monitoring expenditures; advising the City Manager whenever budget adjustments are necessary.
 - O. Overseeing the upkeep and maintenance of all airport infrastructure and landscaped areas; coordinating upkeep and maintenance requirements directly with the City's Director of Public Works and the City Manager, as appropriate.
 - P. Monitoring all airport related construction projects.
 - Q. Attending airport related meetings as directed by the City Manager; reporting substantive information gathered at these meetings to the City Manager and the Airport Advisory Board.

- R. Coordinating crash, rescue, and other emergency planning requirements and procedures with appropriate local, State, and Federal agencies.
 - S. Informing the City or the City's contractor when mowing of grass or weed control is required; responsible for certifying completion of mowing of grass/weed control by City's contractor.
 - T. Preparing necessary documentation for State and Federal airport grant applications.
 - U. Establishing an information network to keep all aircraft owners, pilots, airport users, airport contractors and lessors, members of the Airport Advisory Board, the media, the Clare Area Pilot's Association, other local fraternal organizations, and the public apprised of airport activities and programs; promoting an atmosphere that encourages harmonious relations with the aforementioned parties.
 - V. Coordinating all airport programs, projects, and events with all appropriate Federal, State, and local agencies.
 - W. In consultation with the Airport Advisory Board and the City Manager, attempt to devise means, methods, and programs to generate additional annual revenue and find cost saving measures through operations at the Clare Municipal Airport.
 - X. Performing other airport related duties as directed by the City Manager or mandated by Federal, State, or local rules, laws, or regulations.
 - Y. Provide aviation fuel services at the Clare Municipal Airport. These services shall include obtaining price quotes and coordinating aviation bulk fuel delivery; providing recommendations to the Airport Advisory Board and the Clare City Commission regarding the retail sale price of aviation fuel; establishing a system of accountability of aviation fuel and revenues generated from the sale of aviation fuel; maintain accountability of generated fuel revenues until these revenues are relinquished to the City Clerk/Treasurer's Office; provide a monthly report of fuel sales to the City Manager; establish procedures to ensure that fuel services are available to pilots and aircraft owners of the Clare Municipal Airport; establish procedures to ensure the availability of aviation fuel services for transient aircraft.
2. Mr. Gabe Ambrozaitis shall provide the City with a means to contact him when he is not on duty.
 3. Mr. Gabe Ambrozaitis shall provide the City with a complete report of all pertinent airport activities by the 2nd Wednesday of each month.
 4. Mr. Gabe Ambrozaitis must maintain Michigan licensure with the Michigan Aeronautics Commission and will provide evidence of same to the City.

Responsibilities of the City.

1. The City shall appoint by Resolution Mr. Gabe Ambrozaitis as the Airport Manager; said Resolution will grant the Airport Manager adequate power and authority to exercise control over the airport for the enforcement of Federal, State of Michigan, and local rules and allow him to take appropriate actions pertaining to the airport and its use.
2. The City shall provide office space for the Airport Manager at the Clare Municipal Airport.
3. The City shall provide adequate administrative support to the Airport Manager to allow him to perform the responsibilities stipulated in this Agreement. The adequacy of said administrative support will be determined by the City Manager.
4. The City shall provide general cleaning supplies and services to maintain the Airport Manager's office, the airport lobby, and the public restrooms at the airport.
5. The City shall be responsible for snow removal from the airport runway, public taxiways, and public airplane parking ramps.
6. The City shall be responsible for the maintenance and upkeep of all public facilities and structures at the airport, to include runways, runway lighting, parking lots, taxiways, wind direction indicators, and other equipment required for the operation of the airport.
7. The City shall pay for the cost of electricity, heating, trash collection, public fire extinguisher maintenance, operation of the pay phone, the installation, maintenance, and cost of telephone services for the business use of the airport manager, and approved expenses incidental to the operation of the airport.
8. The City shall provide for the mowing of grass and the control of weeds at the airport - either by contract or by use of City resources.
9. The City shall pay the annual cost for licensing and registration for the Airport and for the Airport Manager.

10. The City will reimburse the Airport Manager for other reasonable expenses directly related to the operation of the airport, to include the manager's attendance at Federal and State Aeronautics professional business functions; all such expenses must be approved in advance by the City Manager.
11. The City shall maintain insurance for the operation of the Airport.

Terms of the Agreement.

1. This Agreement is for a five-year period of time commencing January 1, 2024, and expiring December 31, 2028.
2. The Agreement may be terminated by Mr. Gabe Ambrozaitis by providing the City of Clare forty-five (45) days' notice.
3. The Agreement may be terminated by the City for reasonable dissatisfaction with the performance of Mr. Gabe Ambrozaitis or other stated cause. The City shall provide Mr. Gabe Ambrozaitis forty-five (45) days' notice to terminate the Agreement and specify the reasons for termination.

Compensation.

The City shall compensate Mr. Gabe Ambrozaitis with the sum of \$30,000 per annum paid in 24 equal payments for the first year of the contract.

After the first year of the contract, a 2% increase to the \$30,000 base compensation shall become effective for year two of the contract on January 1, 2025 (Year 2). For years three, four, and five of the contract, a 2% increase shall become effective on January 1, 2026 (Year 3), January 1, 2027 (Year 4), and January 1, 2028 (Year 5).

Mr. Ambrozaitis shall also be paid an additional \$600 (\$50 per month) per annum to compensate him for the use of his privately-owned cell phone used in the execution of his day-to-day responsibilities of managing the airport. All compensation shall be provided within three days following each of the City Commission's regularly scheduled meetings at which they approve payment of bills for services provided the preceding two weeks.

Mr. Gabe Ambrozaitis is and shall be at all times a sub-contractor for the City. In no event shall Mr. Gabe Ambrozaitis become an employee of the City. NordFlight LLC, owned by Mr. Gabe Ambrozaitis shall be and is responsible for all tax compliance associated with the above noted compensation.

Nature of Relationship.

At all times the relationship between the City of Clare and NordFlight LLC, owned by Mr. Gabe Ambrozaitis, shall be that of a contractor and a sub-contractor. In no event shall the Agreement create a master and servant relationship under the common law, or an employment relationship.

Notices.

Notices permitted or required under the contract will be sufficient when sent by First Class Mail with the proper postage affixed and mailed to the Clare City Clerk, 202 West Fifth Street, Clare Michigan 48617 and Mr. Gabe Ambrozaitis, P.O. Box 179, Harrison, MI 48625.

Assignment.

The agreement will bind both parties and their respective heirs, successors, legal representatives, and assigns. The Contractor will not be able to assign the agreement or any interest therein, including rights and duties of performance, without the City's written consent. No assignment made without the City's consent will relieve the Contractor of any obligation of the contract.

Other Conditions.

This is the entire agreement between the parties pertaining to management of the Clare Municipal Airport. Any prior oral representations, discussions, or written representations have been incorporated into this Agreement.

Governing Law & Severability.

The agreement will be governed by and construed in accordance with the laws of the State of Michigan. All provisions of the agreement will be severable and any provision which may be prohibited by law shall be ineffective to the extent of such prohibition without invalidating the remaining provisions.

Choice of Forum and Waiver of Federal Jurisdiction.

To the extent any dispute arises under any provision of this agreement, the parties hereby agree to and consent to submit to the jurisdiction of any state court in the State of Michigan. The parties hereby also affirmatively waive any and all recourse which may exist now or in the future to any Federal forum, whether judicial or administrative.

Anti-Waiver Modification.

Once entered into, all modifications of the contract will only be allowed in writing and signed by both parties. No oral modification or addition or deletion will be binding on the parties. Non-enforcement of any condition, obligation, or requirement under this agreement will not be deemed a waiver of that condition, right, or obligation.

Witnesses:

City of Clare

By: _____

Pat Humphrey
Mayor

By: _____

Diane Lyon
City Clerk

Contractor

By: _____

Gabe Ambrozaitis
Owner, NordFlight LLC

Signed this _____ day of _____ 20_____ in Clare County, Michigan.

Notary Public

_____ County, Michigan

Acting in the County of _____

Commission Expiration Date

RESOLUTION 2023-096

A RESOLUTION OF THE CLARE CITY COMMISSION APPROVING A CONTRACTUAL AGREEMENT FOR AIRPORT MANAGEMENT SERVICES WITH NORDFLIGHT, LLC – MR. GABE AMBROZAITIS.

WHEREAS, Mr. Gary Todd, the current Clare Airport Manager, has announced his retirement effective December 31, 2023; and

WHEREAS, the City sought a replacement for airport manager services to replace the services provided by Mr. Todd upon his retirement; and

WHEREAS, Mr. Todd, the Airport Advisory Board, and the City Manager began interviewing potential applicants to fill the role of Airport Manager, and after careful consideration, the City Manager selected Mr. Gabe Ambrozaitis to serve as the City’s new Airport Manager; and

WHEREAS, the City Manager is now recommending that the Clare City Commission approve a proposed contractual agreement beginning January 1, 2024, for airport management services with NordFlight, LLC owned by Gabe Ambrozaitis; and

WHEREAS, the Clare City Commission has reviewed and duly considered the proposed recommendations.

NOW THEREFORE BE IT RESOLVED THAT the Mayor and City Commission of the City of Clare hereby approve a proposed contractual agreement for airport management services, the terms and conditions of said agreement outlined therein, with NordFlight, LLC owned by Gabe Ambrozaitis.

ALL RESOLUTIONS AND PARTS OF RESOLUTIONS INSOFAR AS THEY CONFLICT WITH THE PROVISIONS OF THIS RESOLUTION BE AND THE SAME ARE HEREBY RESCINDED.

The Resolution was introduced by Commissioner _____ and supported by Commissioner _____. The Resolution declared adopted by the following roll call vote:

YEAS:

NAYS:

ABSENT:

Resolution approved for adoption on this 4th day of December, 2023.

Diane Lyon, City Clerk