

WILKES-BARRE/SCRANTON INTERNATIONAL AIRPORT
BOARD MEETING
MARCH 19, 2015

A regular meeting of the Wilkes-Barre/Scranton International Airport Joint Board of Control was held Thursday, March 19, 2015 in the Terminal Building Conference Room at the Airport. The meeting was called to order at 10:33 A.M. with Board Member Richard G. Williams presiding.

PRESENT: Commissioner Patrick O'Malley
Commissioner Jim Wansacz
Commissioner Edward G. Staback
Councilman Rick Morelli
County Manager Robert Lawton
Councilman Richard G. Williams

ALSO PRESENT: Carl R. Beardsley, Jr., Executive Director
Michael W. Conner, Assistant Airport Director
Gary Borthwick, Director of Finance
Stephen Mykulyn, Director of Engineering
Attorney Donald Frederickson, Lackawanna County Solicitor
Attorney Mike Butera, Luzerne County Solicitor
Ms. Michelle Bednar, Luzerne County Controller
Mr. Aaron Hognowski, Luzerne County Deputy Controller
Ms. Germaine Helcoski, Lackawanna Co. Deputy Controller
Mr. Reggie Mariani, Lackawanna County Chief Auditor

ITEM 2:
PUBLIC COMMENTS.
(Chairman)

None.

ITEM 3:
APPROVAL OF MINUTES.
(Chairman)

MOTION: To approve and dispense with the reading of the February 19, 2015 Bi-County Airport Board Meeting minutes.

MOVED BY: Commissioner Patrick O'Malley

SECONDED BY: Councilman Rick Morelli

VOTE: Unanimous

ITEM 4.

AIRPORT ACTIVITY REPORT:

(Carl R. Beardsley, Executive Director)

Passenger Activity

DISCUSSION:

Mr. Beardsley started off by giving the Board a brief summary of the Airport's activities and performance over the past month. Passenger boarding for the month of February 2015 compared to February 2014 saw an increase of nearly 3%. He noted that Delta Airlines was the growth leader with an increase of nearly 18%. He stated that 3 out of the last 4 months, on a month-to-month comparison, have reflected an increase over the previous year. To determine if this is a trend, he stated that they will have to pay very close attention to the month of March. From a year-to-date basis, we are nearly equal with January and February of the previous year.

Load factors continue to impress at this Airport. February 2015 - the load factor was nearly 85%. He stated that this is down slightly from the previous year. Allegiant led the way in load factors with a 93%. Delta Airlines was close behind with a 90% load factor on their service to both Detroit and Atlanta. The seat count at AVP for departing flights increased in the month of May by 5%. Delta Airlines was once again the leader with an increase of 13.6%. During the month of February, cancellations decreased by 33% in comparison to February 2014. He noted that they expect to see more positive news with respect to seat capacity in March. US Airways is taking its 6 AM Charlotte flight, 6 days a week, and is upgrading the type of aircraft from a 67-seat CRJ-700 to a CRJ-900, which offers 76-seat total. The net result is a 36.9% increase in weekly seats. On another note, Delta Airlines is updating their aircraft that they offer to their Detroit hub from a CRJ-200, which is a 50-seater, to a 700, which is a 65-seater. The net result is a 22.5% increase in weekly seats in comparison to January and February.

Mr. Beardsley reported that General Aviation has seen an increase in flights for the month of February of 16%. He said he thinks it is important to note that Aviation Technologies is implementing a number of good customer service programs designed to bring general aviation aircraft here on a regular basis, and we do seem to be making progress. One of the goals we have for 2015 is an implementation of a multi-layered regional engagement campaign. Basically speaking, we are looking to get out into the community, talk about the Airport, and encourage people to use the Airport on a regular basis. Below is a summary of the outreach programs that the Airport has taken part in over the last month and a half.

- Scranton Chamber of Commerce Event
 - ❖ Community Outreach and networking opportunity
- Chamber of the Northern Poconos Event
 - ❖ Community Outreach and networking opportunity
- Chamber of Columbia Montour
 - ❖ Community Outreach and networking opportunity

AIRPORT ACTIVITY REPORT – Cont’d...

- Endless Mountain Visitor’s Bureau
 - ❖ Community Outreach and networking opportunity
- Rail Riders Community Event
 - ❖ Community Outreach and networking opportunity
- Meeting with Scranton Chamber of Commerce
 - ❖ Collaboration Discussion
- Lackawanna County Business to Business Meeting
 - ❖ Community Outreach and Networking Opportunity
- Pennsylvania Senator Blake Legislative Breakfast
 - ❖ Informational Presentation for future planning
- Junior Achievement Educational Program
 - ❖ Community Involvement and Support
- Channel 16 WNEP “Power to Save” story highlighting AVP
 - ❖ Story focused on initiatives implemented by AVP to save energy, reduce costs and reduce environmental impact
 - ❖ Positive Story about AVP’s Operation
- Participated in Pittston City, Scranton and Wilkes-Barre St. Patrick’s Parade
 - ❖ Excellent community involvement and public relations opportunity

Marketing Consultant RFQ’s.

DISCUSSION:

Request for Qualifications were received for an “Airport Marketing Consultant”. The Airport advertised for RFQ’s in local newspapers starting January 31, 2015 and ending on February 15, 2015. The RFQ’s were to be received not later than February 27, 2015 at 1:30 PM. The Airport received twelve (12) responses, and is currently reviewing them and plan to cut it down to 4 or 5 different groups that we will interview. Below are the responsive RFQ’s. He stated that the focus right now is looking at cost, creativity, presentation and experience. The real focus is our on-line advertising programs. We are going to upgrade our website, advertise on google, facebook, a more modern advertising program but also will advertise on radio, television. He stated that the company selected will be able to handle that type of advertising.

1. Halibut Blue, Forty Fort, PA
2. Lavelle Strategy Group, Scranton, PA
3. Condron & Cosgrove Advertising Communications, Scranton, PA
4. Graham Public Relations & Advertising, Scranton, PA
5. AIM Advertising Agency, Lewisburg, PA
6. Design Done Right, Scranton, PA
7. Positive Results Marketing, Inc, (PRM), Old Forge, PA
8. Dansimrell Advertising (dsa), Scranton, PA

AIRPORT ACTIVITY REPORT – Cont’d...:

9. Brandstorm Advertising, Clarks Summit, PA
10. Blackout Design, Scranton, PA.
11. Maslow Lumia Bartorillo Advertising, Wilkes-Barre, PA
12. id Branding, Wilkes-Barre, PA

Mr. Beardsley went on to say that our second goal is to enhance our customer experience by enhancing customer service. One way is to add building amenities. One initiative that we are making progress on involves charge stations in the departure lounge. We have already installed 25 outlets, which include 2 outlets and 2 USB ports in the walls or columns in the boarding lounge and later in the year we plan to install 2 outlets and 2 USB plugs that will be put in between seats that have two chairs and there will be 20 of them.

DISCUSSION:

Mr. Beardsley informed the Board that he and a few staff members went to the Airport Conference in Hershey, PA and talked about FAA regulations, engineering issues, etc. He stated that one of the benefits of going to this conference is that you can sit down and have one-on-one conversations with FAA employees, even though we talk to them on a regular basis, but are rarely able to meet them. This helps in situations with regulations and in situations involving money that we are trying to bring to the airport.

DISCUSSION:

Mr. Beardsley referenced the State Police Hangar Solicitation, which the deadline is the end of this week. The Airport has decided, along with the direction of the Board, that we will not be submitting a response to this solicitation. Instead, we are going to be working with developers therefore submitting approval to the State, and our goal is to bring the State Police Hangar to our facility.

ITEM 5:

AIRPORT FINANCIAL REPORT:

(Gary Borthwick, Director of Finance and Administration)

Financial Report

Revenue/Expenses Report.

DISCUSSION:

Mr. Borthwick reported that for the month of February 2015, Airport Operations had a net loss totaling \$45,028, compared to a net loss of \$47,892 in February 2014, which is a difference of \$2,864. Year-to-date net loss for 2015 is \$110,084, which is a difference of \$31,890 compared to a net loss of \$141,974 in February 2014. Invoices received since the last meeting for supplies and services total \$1,137,419.95. These invoices include major construction project costs of \$820,391.90.

AIRPORT FINANCIAL REPORT – Cont'd...

Project Invoices.

DISCUSSION:

The following Airport Capital Project Invoices and Applications for Payment have been received since the last Board Meeting and are recommended for payment.

Taxiway B Extension.

ACP 11-01

Leeward Construction \$ 776,689.20

Application #4 dated February 28, 2015, in the amount \$776,689.20 for construction site prep.

L. R. Kimball \$ 33,746.30

Invoice # 528598 dated February 5, 2015 in the amount \$33,746.30 for site prep.

This project is 29.37% complete.

Demolish Old Terminal Building

ACP 13-02

Borton-Lawson \$ 9,812.40

Invoice #2014-0787-001-000006, dated February 5, 2015 in the amount \$9,812.40 for design services.

This project is 42.17% complete.

Aviation Fuel Farm Expansion

ACP 13-08

L. R. Kimball \$ 144.00

Invoice # 528584, dated February 5, 2015 in the amount \$144.00 for inspection services.

This project is 96.76% complete.

Airport Passenger Facility Charge (PFC) Trust Transfers

DISCUSSION:

The following PFC transfers are recommended for Airport Board approval. PFC Drawdown # 2015/2 (Check #1041).

ITEM 6.

CONTRACTS/LEASES/AGREEMENTS

(Michael Conner, Assistant Airport Director)

Personnel.

MOTION: Recommend the Airport Board approve the appointment of Mr. Bruce Orloski, 3725 Birney Avenue, Moosic, PA, to a custodial position effective February 25, 2015.

MOVED BY: Commissioner Jim Wansacz

SECONDED BY: Commissioner Patrick O'Malley

VOTE: Unanimous

Federal AIP Grant

Extend Taxiway B (RW 22 Approach End)

MOTION: Recommend the Airport Board approve and accept the Federal AIP Grant Amendment Number 3-42-0105-060-2014 Multi-Year Amendment Number 1 in the amount of \$1,140,388 increasing the total grant amount from \$8,054,838 to \$9,195,226. This increase completes the FAA's funding for site preparation, NAVAIDS, construction, and construction monitoring contracts for FY 2015, as planned and included in our Federal Airports Construction Improvement Plan.

MOVED BY: Commissioner Jim Wansacz

SECONDED BY: Commissioner Patrick O'Malley

VOTE: Unanimous

Pennsylvania Department of Transportation, Channeling Agreement.

MOTION: Request the Airport Board approve the Channeling Agreement between the Counties of Luzerne and Lackawanna and the Pennsylvania Department of Transportation. This agreement supersedes the previous Channeling Agreement N. 810036 dated March 3, 2010, which expired March 3, 2015. This new agreement provides for the ability of the Counties (as airport sponsor), through the Airport Board, to apply directly for Federal Aviation Administration funding for planning and construction projects for Airport improvements, as long as the Airport coordinates with the PennDOT Bureau of Aviation at its regular annual planning sessions. In essence, this agreement provides PennDOT authorization for the Airport to apply for FAA funding for construction and planning projects. The agreement will be made effective on the date it is signed by PennDOT and will be effective for 5 years from the effective date.

MOVED BY: County Manager Robert Lawton

SECONDED BY: Commissioner James Wansacz

VOTE: Unanimous

CONTRACTS/LEASES/AGREEMENTS – Cont’d...

Architectural/Engineering Agreement – Pennsylvania State Police Hangar Proposal.

MOTION:

Request the Airport Board ratify the architectural/engineering agreement between the Wilkes-Barre/Scranton International Airport and L. R. Kimball Architecture and Engineering for development of preliminary schematic design documents related to the request for proposals (RFP) for the Pennsylvania State Police Hangar. The Airport has received all of the deliverables required of the agreement including schematic design drawings and preliminary cost estimates based on the RFP specifications. The total for the schematic design phase, 15% of the estimated overall design project is \$22,050.

MOVED BY:

Commissioner Edward Staback

SECONDED BY:

Commissioner Patrick O'Malley

VOTE:

Unanimous

ITEM 7.

CAPITAL PROJECTS REPORT.

(Stephen Mykulyn, P.E., Director of Engineering)

DISCUSSION:

Mr. Mykulyn gave a brief report on the status of the following projects.

1. ACP 11-01, Extend Taxiway B (Runway 22 Approach End)
2. ACP 13-02, Demolition old Terminal Building
3. ACP 12-02, Rehabilitate Airline Apron
4. ACP 07-16, Rehabilitate and Extend Hangar Road
5. ACP 13-08, Aviation Fuel Farm Expansion
6. ACP 14-02, Parking Garage Maintenance

Change Order – Extend Taxiway B (Runway 22 Approach End).

MOTION:

Recommend the Airport Board approve Change Order #1 increasing Leeward Construction, Inc.'s contract \$77,862.14 from \$8,455,002.00 to \$8,532,864.14, subject to FAA, PennDOT and solicitors concurrence. This change order was required to meet County Soil Conservation Service, Erosion and Sedimentation Pollution Control and NPDES Permit Requirements. These changes necessitate the addition of several items and the deletion of several items as enumerated in the attached Change Order. In summary; this change order includes adding a water bar to the access road; increasing the mulching rate; adding R-8 channel lining; adding ASSHTO #1 and ASSHTO #3 rock channel underlayment; adding 32" Silt Soxx; removing weighted filter tube; converting inlet filter bags to stone and concrete block inlet protection; adding two snouts which required an increase to the overall depth of the structures; removing the double 36" Type DW Endwall; reducing the quantity of 36" Smooth Lined Corrugated Pipe (SLCPP); and reducing the cost for the structure OWS-1.

CAPITAL PROJECTS REPORT – Cont’d...

MOVED BY: Commissioner James Wansacz
SECONDED BY: Councilman Rick Williams
VOTE: Unanimous

ITEM 8.

PennDOT.

(Stephen Mykulyn, P.E., Director of Engineering)

Airport Access Road and I-81 Interchange Project.

DISCUSSION:

Representatives of PennDOT were present to bring the Airport Board up to date on the progress of the construction of the Access Road that crosses the Turnpike and the I-81 Interchange. Mr. Paul Smith, Project Manager and Mr. Carmen DiPietro, Assistant Construction Engineer reported the following:

Mr. DiPietro advised the Board that the contractor on this project is Pennsy Supply and the contract was bid in May of 2013 for a total contract cost of \$41.9M and they have a little over \$21.6M paid to date which is about 51% of project completion. The original completion date on the project was November 11, 2015, and are in process of issuing a time extension for the new completion date of July 1, 2016. For the rest of calendar date 2015, PennDOT anticipates all the I-81 work to be complete, all the work on Route 315 leading up to the Airport to be complete, and a portion of Navy Way Road down to the Holiday Inn Express will all be completed by December 2015. Also for calendar year 2015, the bridge over the Turnpike will be complete and the GRS Slope over Lidys Creek, which is scheduled to start in the next couple weeks, will be complete. What is left for 2016 would be file grading on Navy Way Road, file paving on Navy Way Road, and some minor line painting, top soil and plantings. He advised that they anticipate by the beginning of July one of the first roundabouts to be functional. The other two roundabouts will be phased in as construction progresses through 2015.

Mr. Smith showed the Board a schematic where I-81 Northbound going to Scranton is, and the southbound direction of 81. He showed where 315 and Airport Road runs down to Dupont and what section the Airport is in. He explained that come July there will be a few changes to the present patterns. There will be a new ramp A coming off of the northbound 81 completed. That is the one closed right now and come into the first of 3 roundabouts that will be included with this project. He showed where roundabout #2 will be located, which is closest to the Airport. That will be the first roundabout in the area to be opened to traffic. He stated it won't be completed but will be the first one to be actually used. He showed a portion that will be the new alignment that comes up in front of the Navy Yard and then the new roadway leads all the way over to Commerce Blvd. That won't be completely done but traffic will be able to get off the new ramp, use the roundabout to enter the airport or to come to Dupont. The only other thing that won't be completed is ramp D that comes from this roundabout onto northbound 81. There will be a temporary roadway paving that comes from this roundabout down and will have to make a left turn to the new ramp B that will be constructed.

PennDOT – Cont’d...

Mr. Smith continued to say that the other main change will be coming off of William Street, coming northbound on 81, getting off on William Street you would just make a left turn on 315 to come to the Airport. Because of a grade change, you will have to make a right turn for about 200' and move a section down, close to the Petro, and then come up on the other side of the barrier. He explained that the bad effect of it is that William Street will be closed to traffic from 315 into William Street.

The other main improvement is the J ramp from 315 onto the Interstate, which was never there before. This ramp along with the A & B ramps and the new roundabout will be open sometime in July 2015.

ITEM 9.

OTHER MATTERS:

(Chairman)

DISCUSSION:

Commissioner O'Malley stated that he is happy with the efforts to involve the Airport in local activities and functions and also suggested that the Airport conduct elementary class trips. He thinks that would be perfect for elementary grade students. He would like to set Mr. Beardsley up to meet with the NEIU superintendents and they can discuss putting this into action and maybe Luzerne County can do the same thing.

ITEM 10.

ADJOURNMENT:

(Chairman)

MOTION:

It is recommended to adjourn the meeting.

MOVED BY:

Councilman Rick Morelli

SECONDED BY:

County Manager Robert Lawton

VOTE:

Unanimous

The meeting was adjourned at 11:30 A.M.