

WILKES-BARRE/SCRANTON INTERNATIONAL AIRPORT
BOARD MEETING
JULY 23, 2015

A regular meeting of the Wilkes-Barre/Scranton International Airport Joint Board of Control was held Thursday, July 23, 2015 in the Terminal Building Conference Room at the Airport. The meeting was called to order at 10:40 A.M. with Board Member Richard G. Williams presiding.

PRESENT: Commissioner Patrick O'Malley
Commissioner Jim Wansacz
Commissioner Edward G. Staback
Councilman Richard G. Williams
Councilman Rick Morelli – via telephone

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 Mike Butera, Luzerne County Solicitor
Ms. Germaine Helcoski, Lackawanna Co. Deputy Controller
Mr. Reggie Mariani, Lackawanna County Chief Auditor

Note: Mr. Williams reported that before the Board Meeting there was an Executive Session where contractual matters were discussed.

ITEM 2:
PUBLIC COMMENTS.
(Chairman)

None.

ITEM 3:
APPROVAL OF MINUTES.
(Chairman)

MOTION: To approve and dispense with the reading of the June 18, 2015 Bi-County Airport Board Meeting minutes. There were two minor typographical errors in the minutes, which have been corrected. First one; under the Capital Projects Report, ACP 14-02, Parking Garage Maintenance It read as: *(Current project costs are approximately \$25,00 (should be \$25,000) and project payments to date represent approximately 82% of total).* Second one; under Other Matters, Energy Savings Proposal, read as: *(The monthly payment for a five year power contract would be at \$6,197€ (should read \$7,795, which is what we are at now).*

MOVED BY: Commissioner James Wansacz
SECONDED BY: Commissioner Patrick O'Malley
VOTE: Unanimous

ITEM 4.

AIRPORT ACTIVITY REPORT:

(Carl R. Beardsley, Executive Director)

Passenger Activity

DISCUSSION:

Mr. Beardsley first reported on passenger enplanements. He stated passenger enplanements for June 2015 decreased by approximately 2.6% compared to June 2014. He noted that there was a pronounced dip from May down to June. He believes the reason for this is because the Airport had such success in May. However, if historic trends are correct we will see an increase in July. The reason is July has one more day I in the month and a full month of families taking vacations since kids are out of school. United Air Lines is our growth leader for June, which was about 8% increase and for the year they are at 29% increase. Much of increase can be attributed to the Newark service. All told, year to date we are comparable to 2014, but we are seeing an increase of about 25%. Regarding departing seats, seats in June 2015 compared to June 2014 saw a decrease of about 414 seats or just under 2%. United Air Lines was also the leader in seats for June 2015 with an increase of approximately 5.6%.

A comparison of outbound load factors for June 2015 did decrease by 1% going from 86.66% in June 2014 to 85.53% in June 2015. Back in April and May 2015 we at about 80% so being back in the 85 and 90% is where we want to be. Individually, Allegiant Air is leading the way with a 93% load factor and Delta Air Lines has an 86% load factor. Important to note, the other airlines are still at 84% or above.

A summary of the General Aviation operations showed a decrease of about 7% or 96 flights in June 2015 there still is positive news to report, especially about the NASCAR fuel sales that occurred at airport just before the races. Jim Gallagher of Aviation Technologies, the airports FBO) reported that they did not have one spot left on their ramp to put another plane to service NASCAR. The relative increase was in the airliner type aircraft that came in for the season. He stated the smaller corporate jets are consolidating moving to airliner type equipment which was the biggest growth factor for the NASCAR which is also directly related to the increase in the pumping of fuel. We noted that they captured a large portion of the NASCAR traffic both in corporate jets as well as 100% of the airliner type equipment, which is a big success this year compared to last year. When you look at statistics for just NASCAR, not counting regular GA traffic or airline traffic they increased about 8,000 gallons which is significant because they pumped 31,000 gallons contract fuel over the 4 days of NASCAR and 11,000 gallons of retail fuel. A total of 32,000 gallons of fuel and 8,000 gallons of that was an increase.

Mr. Beardsley reported that overall, year to date, the Airport has seen an increase in airport operations of 23% which amounts to 4,257 flights over what they saw in 2014. 40 flights canceled in June had to do with air traffic control and weather, 8 were mechanical and, just to note, when a flight cancels it has a detrimental effect on flight boarding's.

AIRPORT ACTIVITY REPORT – Cont'd...

Mr. Beardsley also mentioned to the Board that in conjunction with the Airports Customer Flight Service Program, a water filtration system has been installed in the Airports departure lounge, which will provide better service for our passengers and also reduced waste.

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 June 2015, Airport Operations had a net income totaling \$44,095, compared to a net income of \$28,859 in June 2014, which is a difference of \$14,200. Year-to-Date net loss for 2015 is \$46,176 which is a difference of \$102,709 compared to a net loss of \$148,885 in June 2014. Invoices received since the last meeting for supplies and services total \$936,995.67. These invoices include major construction project costs of \$631,066.19.

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	\$ 430,079.85
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Application #8 dated June 30, 2015, in the amount \$ 430,079.185 for construction site prep.

L. R. Kimball	\$ 52,767.57
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Invoice # 530161 dated June 4, 2015 in the amount \$ 52,767.57 for inspection – site prep services.

L. R. Kimball	\$ 2,725.35
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Invoice # 530162 dated June 4, 2015 in the amount \$ 2,725.35 for inspection – Nav aids.

This project is 57.00% complete.

AIRPORT FINANCIAL REPORT – Cont'd...

Demolish Old Terminal Building – Phase I ACP 13-02

Borton-Lawson \$ 1,586.85

Invoice # 2014-0787-001-0000010, dated June 10, 2015
in the amount \$ 1,586.85 for design services.

Borton-Lawson \$ 3,970.07

Invoice # 2014-0787-002-0000001, dated June 10, 2015
in the amount \$ 3,970.07 for construction monitoring.

Sargent Enterprises, Inc. \$ 139,936.50

Application #1 dated June 30, 2015 in the amount
\$ 139,936.50 for construction services.

This project is 36.47% complete.

Airport Passenger Facility Charge (PFC) Trust Transfers

DISCUSSION:

The following PFC transfers are recommended for Airport Board approval.
PFC Drawdown # 2015/6 (Check #1045).

Taxiway B Extension

PFC Project #14-11

Leeward Construction \$ 21,503.99 CIP 19611-01
Construction site prep
ACP 11-01

L. R. Kimball \$ 136.27 CIP 19611-01
Inspection – site prep
ACP 11-01

L. R. Kimball \$ 2,638.38 CIP 19611-01
Inspection - NAVAIDs
ACP 11-01

Demolish Old Terminal Building-Design

PFC Project #09-015

Borton-Lawson \$ 1,985.04 CIP 19613-02
Design
ACP 13-02

Borton-Lawson \$ 793.43 CIP 19613-02
Construction-Monitoring
ACP 13-02

MARKETING CONSULTANTS PRESENTATION – Cont’d...

also developing an airport slogan which is going to convey the airport's message. The team agreed that it should be energetic, interesting and modern. Members of the MLB Advertising Company were present to present the results of the branding plan. The Airport's Marketing Consultants, Maslow, Lumia, Bartorillo (MLB) presented a marketing plan to the Airport Board including an Airport Slogan and Branding Plan.

The Board asked if there were any other options or plans that they may look at and they explained that they do like most of what they hearing, but, as a Board, each county may have a different concept of how they would like to proceed, and that maybe one of the other alternatives would be one that all of the board would be able agree on, so they would like to hear more ideas. A meeting will be scheduled to go over more options.

ITEM 8. **SOLICITATION REVIEWS/AWARDS.**

(Michael W. Conner, Assistant Airport Director)

Provision of Airport Security Services.

MOTION:

The Airport accepted qualification submittals for Airport Security Services on Tuesday, June 30, 2015. The Airport received a total of twelve submittals from various security service vendors. Five vendors were short-listed, based on their experience and qualifications, and were interviewed. The short-listed vendors were Interepid Security of Hazleton, PA., Patrick Curley Security of Mountain Top, PA., UAS of Hamlin, PA., Prestige Security of Pittston, PA., and Legion Security of Wilkes-Barre, PA.

After an extensive review of the qualifications and consideration of the costs and benefits of the top five vendors the Airport Administration recommends the Airport Board authorize Airport Administration to negotiate this contract with Prestige Security to provide Airport Security Services beginning on August 22, 2015.

MOVED BY:

Commissioner Patrick O'Malley

SECONDED BY:

Commissioner Edward Staback

VOTE:

Unanimous

DISCUSSION:

Mr. Wansacz asked about the rationale to replace the current provider. Public Safety Director, George Bieber responded to Mr. Wansacz's question. Mr. Bieber stated that this was the end of a three year contract with Allied Barton and they had 2 one year options. He stated that the Airport reached out to them to see what the cost would be for years 4 and 5 and the increase was significant, 47%. Therefore, the Airport decided to advertise for Request for Qualifications. In reviewing the current submittals, which did not include the prices that were submitted, the airport felt that it would be better to have a local company who would take more ownership of what the airport is trying to do, and what the future needs of the airport would be. So the rationale was

SOLICITATION REVIEWS/AWARDS – Cont’d...

to see what was here locally for the airport, and the local offers appeared to be better, and after more review we determined they were better.

ITEM 9.

CONTRACTS/AGREEMENTS/PERSONNEL.

(Michael W. Conner, Assistant Airport Director)

Personnel.

MOTION:

Recommend the Airport Board approve the promotions and appointments of the following:

1. The promotion of Mr. Todd Kuna, 418 Wyoming Avenue, Dupont, PA., effective August 1, 2015 from Custodian to Maintenance Man position.
2. The transfer of Mr. Frank DeMarco, 501 Throop Street, Dunmore, PA., effective August 1, 2015 from Maintenance Man to Airport Mechanic position.
3. The appointment of Mr. Michael Grzybowski, 11 Lackawanna Street, Jermyn, PA., to Airport Mechanic position effective August 8, 2015.
4. The appointment of Mr. Joseph Ruda, 824 Spring Street, Avoca, PA., to Airport Custodian position effective August 8, 2015.

MOVED BY:

Commissioner Patrick O'Malley

SECONDED BY:

Commissioner James Wansacz

VOTE:

Unanimous

Geisinger Medical Center Hangar Space, Amendment #1.

MOTION:

Recommend the Airport Board approve Amendment #1 between the Wilkes-Barre/Scranton International Airport and Geisinger Medical Center. This Amendment modifies the original agreement dated June 18, 2015.

MOVED BY:

Commissioner James Wansacz

SECONDED BY:

Councilman Rick Williams

VOTE:

Unanimous

Airport Parking Garage.

MOTION:

Recommend the Airport Board approve Supplement #1 for the Repair and Rehabilitation of the Airport Parking Garage, Phase II. Total fee for Phase II – Design and Bidding services \$ 47,088.00.

DISCUSSION:

Mr. Mykulyn pointed out that Phase I of this work was the condition assessment which was prepared by Desman Associates which yielded recommendations for repairs and rehabilitation along with their associated costs. Under Phase II for design and bidding services Desman Associates will

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

continue their work with preparation of drawings and specifications for construction.

MOVED BY: Councilman Rick Williams
SECONDED BY: Commissioner Edward Staback
VOTE: Unanimous

ITEM 10.

CAPITAL PROJECTS REPORT.

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

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

ACP 11-01

Extend Taxiway B (Runway 22 Approach End

Design and Construction Monitoring Services – L. R. Kimball

Construction of this project is to be completed over a series of four construction projects. The first two, Site Preparation and Navaid's, have been designed and let for construction. Site Preparation Contractor – Leeward Construction, Navaid's Contractor – Joyce Electric.

Mr. Mykulyn informed the Board that work on the Site Preparation Contract continues. The East (glideslope) Side fill placement is complete and topsoil placement and seeding has been completed in the Glideslope Critical area. Additional mine voids were uncovered during the removal of unsuitable materials on the Westerly (taxiway) side. Work is underway to collapse these voids so that rock fill placement can continue. At this time rock fill placement is approximately 25% complete on the taxiway side.

Mr. Mykulyn went on to say that work on the NAVAIDs continues. The Glideslope shelter foundations have been completed and the shelter has been placed. Trenching and conduit placement work continues. Difficulties have been encountered with the horizontal boring under the runway for Glideslope power, but alternate means for temporary power have been found and will be utilized until the permanent power solution can be resolved allowing for continued work on the fill placement.

Current project costs are approximately \$11.75M. Project payments to date represent approximately 56% of total.

DISCUSSION: ACP 13-02
Demolition of Old Terminal Building.

Design Services – Borton-Lawson Engineering. Environmental Remediation – Sargent Enterprises, Inc.

CAPITAL PROJECTS REPORT – Cont'd...

This project is broken out into three separate construction projects; Environmental Remediation, Building Demolition and Apron Construction. To date only the Environmental Remediation Project has been let.

On the project, hazardous material abatement continues. The tower cab, the third and second floors have been completed and the first floor is nearing completion. All abatement work is anticipated to be complete by mid-August.

Work with the design consultant continues in anticipation of the letting of the final two phases, later this year. The EA has been reviewed and the FAA Environmentalist has issued a Finding of No Significant Impact (FONSI). E&S and Stormwater Management Plans for the next phases have been completed and will be submitted for review next week.

Current project costs are approximately \$709,000. Project payments to date represent approximately 14.7% of total.

DISCUSSION:

ACP 13-08
Aviation Fuel Farm Expansion.

The Airport is awaiting Labor & Industries Inspection Report, otherwise there is no change in status.

Current project costs are approximately \$427,000. Project payments to date represent approximately 94.3% of total.

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DISCUSSION:

ACP 14-02
Parking Garage Maintenance.

Desman Services – Desman Associates.

The Airport completed the review of the scope and fee proposal from the consultant for design preparation of bidding documents and prepared contract for approval. Anticipate a kick-off meeting for the work in the next few weeks.

Current project costs are approximately \$72,088. Project payments to date represent approximately 28.3% of total.

DISCUSSION:

ACP 15-02
Master Plan Update and Airport Layout Plan (ALP) Update.

Completed contract scope and fee negotiations and submitted Grant Application to the FAA for funding.

ITEM 11.

OTHER MATTERS:

(Chairman)

None.

ITEM 12.

ADJOURNMENT:

(Chairman)

MOTION:

It is recommended to adjourn the meeting.

MOVED BY:

Commissioner Patrick O'Malley

SECONDED BY:

Commissioner James Wansacz

VOTE:

Unanimous

The meeting was adjourned at 11:25 A.M.

ITEM 13.

RIBBON CUTTING:

(Chairman)

Following the meeting a ribbon cutting took place for the grand opening of the Airport's Military Appreciation Room.