

WILKES-BARRE/SCRANTON INTERNATIONAL AIRPORT
BOARD MEETING
JANUARY 20, 2011

A regular meeting of the Wilkes-Barre/Scranton International Airport Joint Board of Control was held Thursday, January 20, 2011 in the Terminal Building Conference Room at the Airport. The meeting was called to order at 10:40 A.M. with Vice Chairwoman, Maryanne C. Petrilla presiding.

PRESENT: Commissioner Michael J. Washo
Commissioner Corey D. O'Brien
Commissioner A. J. Munchak
Commissioner Maryanne C. Petrilla
Commissioner Thomas P. Cooney
Commissioner Stephen A. Urban

ALSO PRESENT: Barry J. Centini, Airport Director
Michael W. Conner, Assistant Airport Director
Gary Borthwick, Director of Finance
Stephen Mykulyn, Director of Engineering
Walter Griffith, Controller, Luzerne County
Ken McDowell, Controller, Lackawanna County
Attorney Neil O'Donnell, Luzerne County Solicitor

ITEM 2:
AIRPORT BOARD REORGANIZATION.

MOTION: To nominate Stephen A. Urban as Chairman for the Airport Bi-County Board for the Year 2011.

MOVED BY: Commissioner Petrilla
SECONDED BY: Commissioner Munchak
VOTE: Unanimous

MOTION: To nominate Michael J. Washo as Vice Chairman for the Airport Bi-County Board for the Year 2011.

MOVED BY: Commissioner O'Brien
SECONDED BY: Commissioner Petrilla
VOTE: Commissioner O'Brien - Yes
Commissioner Washo - Yes
Commissioner Munchak - No
Commissioner Petrilla - Yes
Commissioner Cooney - Yes
Commissioner Urban - Yes

PennDOT Access Road Route 81 and Interchange Project.

PRESENTATION: Representatives from PennDOT – District 4-0, Ms. Debbie Noone, Mr. Kevin Atkins and Mr. Chris Tomaszewski along with Mr. Frank Eells of Gannett Fleming were present at the Board Meeting to give a presentation on the Airport Access Road and Route 81 Airport Interchange Project. Mr. Eells presented charts to demonstrate the project proposal. He explained that the basic premise of the project is to connect the industrial park (part of a Keystone Opportunity Zone) on the other side of the turnpike from the airport, where a lot of truck traffic is generated, with the airport interchange on I-81. Currently, to do so, they have to travel down Suscon Road into Dupont Borough and then to Route 315 to

PRESENTATION – Cont'd...

the interstate. The problem with this route is that Suscon Road is very steep and goes through a neighborhood. An alternate route on Armstrong Road has a couple of tough turns. The purpose of the project was to come up with a solution to get trucks more efficiently and safely to the Interstate System.

After a number of options were looked at, the outcome was chosen that the Airport have a road through airport property that starts at Commerce Road, comes across the turnpike, down underneath the MALSR tower across Lidy Creek, comes around to the right and skirts just past the end of Lidy Road and then back up and ties into Navy Way, (the existing Navy Way where it comes to the intersection with Concorde Road). But then the interchange had to be modified slightly. With the addition of the truck traffic, on top of the fact that the interchange was already in substandard condition, they looked at different configurations for the interchange and determined that they would add a loop ramp on, two direct ramps, one off (that's maintaining the existing off ramp) and the new ramp on, and then put three roundabouts to accommodate the additional traffic coming in from 315.

Mr. Eells explained the new road would be owned and operated by Dupont Borough and that the Airport would have to coordinate any additional access to the roadway with Dupont Borough.

Mr. Joseph Gibbons, Luzerne County Engineer indicated that there are several ongoing issues with the project that would be discussed at a later time.

Mr. Eells indicated that the project impacted 33 acres of the Airport property. While the Airport will maintain ownership of the property the area will be leased. The R.O.W. assessment is 150 ft. wide, fills are as high as 50 ft.

Mr. Eells conceded that the value of the airport property is being diminished by this project.

Mr. Centini stated that future runway expansions will be impacted by this project in that Lidy Creek will have to be relocated. Mr. Centini went on to say that the Airports concern, as will be the FAA's concern, is the benefit to the airport from this project. He stated that the Airport has a meeting scheduled with the FAA towards the end of the month and they are going to be looking to see what benefit the airport will be getting from it. Mr. Centini stated that at this point in time the only benefit he sees is that PennDOT is crossing the stream and the stream will have to be relocated, and that the roadway connects the airport into the Industrial Park. He went on to say that when they originally proposed this project in 1989 this road was to connect into the turnpike interchange, which was being designed for in and around that area where the road crosses the turnpike. Secondly, it was to open up airport lands for development on the east side with the construction of what we called at that time 'Lackawanna Trail' which would parallel the runway and come to where the tower is now. That was deleted from the project. It also was supposed to take traffic off of Suscon Road, but now with all the traffic off of Suscon Road, even though you have Armstrong Road, which has a lot of problems with that, you are dumping a lot of truck traffic into the roundabouts and right at the airports front door. He stated that pretty much all the truck traffic from the industrial parks would utilize that way to get to the Route 81 interchange.

Mr. Centini also stated that some of the negatives from his standpoint is # 1, when you look at most airports they are buying lands for a nice free flowing entrance where people could take a breath, look at some signs and see which direction the parking is instead of coming right off a roundabout and coming right into the airport

PRESENTATION – Cont'd...

atmosphere. Secondly, the airport loses the connectability, which we never thought we would lose, of Navy Way Road. Navy Way Road was supposed to connect into that road but now it does not because of a line of sight issue.

Mr. Centini also stated that another concern is when the Airport personnel want to access the Holiday Inn to remove snow on Concorde Drive, airport personnel will have to go through the roundabouts, come back in, just to get to the Holiday Inn. Mr. Eels stated that if you have concerns with the roundabout the plows could always go around hangar road and then enter the area that way.

It was expressed that a traffic survey be conducted due to recent enplanement growths at the airport, growths that are fully expected to continue, and that there is a fear that the airport building and the ease of entering the airport as is now, will be diminished at a time when the airport business is ready to boom.

In conclusion the Board advised the representatives from PennDOT that the proposal would be reviewed and taken into consideration.

**ITEM 3:
PUBLIC COMMENTS.**

Mr. Walter Griffith just wanted to congratulate Commissioner Urban on becoming Chairman of the Airport Bi-County Board for the year 2011.

**ITEM 4:
APPROVAL OF MINUTES.**

MOTION: To approve and dispense with the reading of the December 16, 2010 Bi-County Board of Commissioners Meeting minutes.
MOVED BY: Commissioner Washo
SECONDED BY: Commissioner Cooney
VOTE: Unanimous

**ITEM 5:
BUSINESS REPORT:**

Resolution for Reorganization for Year 2011.

MOTION: Recommend the Board approve a Resolution for the benefit of the Department of Transportation of Pennsylvania to be able to sign various documents. The Resolution reads as follows:

BE IT RESOLVED, by authority of the Counties of Lackawanna and Luzerne_d.b.a. Wilkes-Barre/Scranton International Airport of the Borough of Avoca, Luzerne County, and it is hereby resolved by authority of the same, that the Chairman of Airport Board of Commissioners or Airport Director of said Municipality be authorized and directed to sign on its behalf any and all agreements entered into with the Commonwealth of Pennsylvania, Department of Transportation.

MOVED BY: Commissioner Cooney
SECONDED BY: Commissioner Petrilla
VOTE: Unanimous

BUSINESS REPORT – Cont'd...

Passenger Activity

DISCUSSION:

Mr. Conner reported on the "Airport Quick Look" charts, passenger enplanements for the month of December 2010 increased 13.4% to 17,017 from 15,003 in the month of December 2009. Enplanements for the month of December 2010 compared to the month of December 2008, increased by 740 which is +4.5%. In December 2010, 6 flights were cancelled due to mechanical problems and 43 flights were cancelled due to air traffic/weather. This accounts for 2,048 seats (8.3%) out of a total 24,810 departure seats.

General Aviation Operations.

DISCUSSION:

For December 2010, General Aviation had 1,637 operations (one take-off or one landing) which is a decrease of 42% from December 2009's 2,813 General Aviation Operations. General Aviation revenues decreased \$4,065 or 44% to \$5,203 in December 2010 from \$9,268 in December 2009.

Financial Report

Revenue/Expenses Report.

DISCUSSION:

Mr. Conner reported that for the month of December 2010, Airport Operations had a net loss, which includes funds expended for special project advertising and marketing and interest income totaling \$19,474, compared to a net loss of 93,948 in December 2009, which is a difference of \$74,474. Year to date the Airports loss for 2010 is \$93,380 which is \$178,686 less than the comparable 2009 loss of \$272,066. Invoices received since the last meeting for supplies and services total \$ 311,341.00. These invoices include major construction project costs of \$ 23,546.96.

MOTION:

Request the Airport Board approve these transactions and payments.

MOVED BY:

Commissioner Cooney

SECONDED BY:

Commissioner Petrilla

VOTE:

Unanimous

Project Invoices.

MOTION:

The following Airport Capital Project Invoices and Applications for Payment have been received since the last Board Meeting and are recommended for payment (AIP Echo Drawdown #2010/12).

Wildlife Assessment Survey

ACP 10-08

USDA	\$	23,546.96
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Invoice # BD724211 031, December 15, 2010 in the amount of \$23,546.96 for Animal and Plant Health Inspection.

MOTION:

Request the Airport Board approve the transaction and payment.

MOVED BY:

Commissioner Petrilla

SECONDED BY:

Commissioner Cooney

VOTE:

Unanimous

Airport Passenger Facility Charge (PFC) Trust Transfers

MOTION:

The following PFC transfers are recommended for Airport Board approval. PFC Drawdown # 2010/12 Check #1182.

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

31, 2020. All other terms and conditions will remain the same except for a minor change that waives the minimum monthly guarantee in any month when passenger enplanements fall below 15,500, allowing LPV to then pay the actual 8% percentage fee in those cases. Article VII, Paragraph 7.2 is changed as follows: The following sentence shall be added: Rentals: “However, if passenger enplanements at the Airport for any single calendar month do not equal or exceed 15,500 passengers, then the Minimum Monthly Guarantee will be waived for that specific calendar month only, and the actual Percentage Fee corresponding to the actual passenger enplanements for that calendar month shall be paid at the 8% rate”.

MOVED BY: Commissioner Munchak
SECONDED BY: Commissioner Washo
VOTE: Unanimous

ITEM 7.
DIRECTOR’S COMMENTS:

Federal Assistance Application.

MOTION: Recommend the Airport Board ratify the submission of the Application for Federal Assistance from the Transportation Security Administration, subject to solicitor’s final concurrence. The grant amount requested is 243,776.00 to cover the cost of a Law Enforcement Officer to be present at the security screening checkpoint during the screening process. If the application is approved by TSA, the Sheriff’s Department of Luzerne and Lackawanna Counties will provide the Law Enforcement Officers to man the Security Screening Checkpoint.

MOVED BY: Commissioner Cooney
SECONDED BY: Commissioner Petrilla
VOTE: Unanimous

Air Service.

DISCUSSION: Mr. Centini informed the Board that earlier this month United Airlines announced that they would be scheduling a third flight to Chicago beginning April 3, 2011. The flight will depart Wilkes-Barre/Scranton International at noon and arrive in Chicago at 1:09 P.M. Eastbound flights will depart Chicago at 8:50 A.M. and arrive at AVP at 11:34 A.M. The flight will be operated by United Express Carrier Express Jet using a 50 seat Embraer Regional Jet. Mr. Centini noted that Chicago O’Hare International Airport is United’s largest hub airport with approximately 600 daily departures to more than 145 destinations worldwide.

Conferences/Seminars:

MOTION: Recommend Airport Board approval to attend the following Conferences/Seminars:

1. Two Airport Representatives to attend the Network USA/2011 Conference March 6-8, 2011, Austin, TX.
2. Three Airport Representatives to attend the 34th Annual FAA Airports Conference, March 1-3, 2011, Hershey, PA.

DIRECTOR'S COMMENTS – Cont'd...

3. One Airport Representative to attend the AAAE/ACI Implementing SMS (Safety Management System) at your Airport March 20-21, 2011 San Antonio, TX.

MOVED BY: Commissioner Munchak
SECONDED BY: Commissioner Cooney
VOTE: Unanimous

ITEM 8.
OTHER MATTERS:

DISCUSSION:

Mr. Centini expressed to the Board that he was in need of some guidance from the Board regarding the 2011 budget. He stated that he has prepared a number of budgets, one which includes no ARC payment and no management increases and that budget reflects a loss of \$60,203, but once you add in the accounting procedures that the airport must abide by the Airport shows a plus \$204,000 when you add in the PFC transfers.

He went on to say that the second budget includes pay increases only which is a minus \$79,404 from the Airports operations (the increase would be 3% which comes to about approximately \$20,000) and that shows a \$185,595 plus after the PFC's are added.

The third budget includes the ARC payment only which shows a minus \$245,798 of operation money and once the PFC is added shows a plus \$19,201.

The fourth and last budget includes the ARC payment and includes the raises, that's a minus \$265,000 and after the PFC's are added it budgets it out to zero.

Mr. Centini stated that he would be looking for guidance as to what type of budget he could present at the next board meeting and for the Board to keep in mind that for 2011 the Airport would be looking at disbursements from its accounts for the Design of Hangar Road, which the Airport will be reimbursed for in time, of \$200,000, but the Airport has to upfront that money; the parking lot expansion that the Airport will shortly be designing and studying which will be approximately \$ 180,000; the match for the FAA Grant on the New South General Aviation Ramp, which we are waiting for final review and OK from the Luzerne County Conservation District which is \$146,000. He went on to state that Airport Hangars and the Office Building are in need of roof repairs that will cost approximately \$175,000. Also, the Construction of Hangar Road will be approximately \$150,000 which comes to a total of about \$773,000 outlay that the Airport will need for 2011 from the Airports reserve account, \$200,000 which the Airport will recoup, and then the Airport will cover any losses beyond that. That leaves about a \$700,000 draw from the Airports' accounts just with the projects we have on order.

ITEM 9.
ADJOURNMENT:

MOTION: To adjourn the meeting.
MOVED BY: Commissioner Washo
SECONDED BY: Commissioner Munchak
VOTE: Unanimous

The meeting was adjourned at 11:40 A.M.