

WILKES-BARRE/SCRANTON INTERNATIONAL AIRPORT
BOARD MEETING
MARCH 22, 2012

A regular meeting of the Wilkes-Barre/Scranton International Airport Joint Board of Control was held Thursday, March 22, 2012 in the Terminal Building Conference Room at the Airport. The meeting was called to order at 10:45 A.M. with Commissioner Corey D. O'Brien presiding.

PRESENT: Commissioner Corey D. O'Brien
Commissioner Jim Wansacz
Commissioner Patrick O'Malley
Board Member Robert Lawton
Board Member Tim McGinley
Board Member Rick Williams

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
Gary DiBileo, Controller, Lackawanna County
Attorney Donald Frederickson, Lackawanna County Solicitor

ITEM 2:
PUBLIC COMMENTS.

None

ITEM 3:
APPROVAL OF MINUTES.

MOTION: To approve and dispense with the reading of the February 16, 2012
Bi-County Airport Board Meeting minutes.

MOVED BY: Board Member Wansacz

SECONDED BY: Commissioner O'Malley

VOTE:

Commissioner O'Brien	yea	
Commissioner Wansacz	yea	
Commissioner O'Malley	yea	
Board Member McGinley	yea	
Board Member Williams	yea	
Board Member Lawton	abstain	5 yea – 1 abstention

ITEM 4:
BUSINESS REPORT:

Passenger Activity

DISCUSSION: Mr. Conner reported on the "Airport Quick Look" charts, passenger enplanements for the month of February 2012 increased 14.5% to 16,987 from 14,832 in the month of February 2011. Enplanements for the month of February 2012 compared to the month of February 2010, increased by 3,548 which is +26.4%. In February 2012, 4 departing flights were cancelled due to mechanical problems and 10 departing flights

BUSINESS REPORT – Cont'd...

were cancelled due to air traffic/weather. This accounts for 611 seats (2.6%) out of a total 23,440 departure seats.

General Aviation Operations.

DISCUSSION:

For February 2012, General Aviation had 721 operations (one take-off or one landing) which is a decrease of 53% from February 2011's 1,532 General Aviation Operations. General Aviation revenues increased \$1,049 or 15% to \$7,844.

Financial Report

Revenue/Expenses Report.

DISCUSSION:

Mr. Conner reported that for the month of February 2012, Airport Operations had a net loss totaling \$ 10,037, compared to a net loss of \$732 in February 2011, which is a difference of \$9,305. Year-to-date, our loss for 2012 is \$ 35,461 which is \$ 3,296 better than the comparable 2011 loss of \$ 38,757. Invoices received since the last meeting for supplies and services total \$492,042.50. These invoices include major construction project costs of \$129,554.14.

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 #2012/2).

Rehab and Extend Hangar Road
ACP 07-16

L.R. Kimball \$ 22,211.73

Invoice # 513189, February 27, 2012 in the amount of \$ 22,211.73 for Inspection Services.

Scartelli Construction Services, Inc. \$ 93,322.04

Appl #5, February 29, 2012 in the amount of \$93,322.04 for Construction Services.

This project is 24.89% complete.

Construct South General Aviation Apron
ACP 10-01

URS \$ 14,020.37

Invoice #4949043, January 27, 2012 in the amount of \$14,020.37 for Inspection Services.

This project is 49.72% complete.

Airport Passenger Facility Charge (PFC) Trust Transfers

MOTION:

The following PFC transfers are recommended for Airport Board approval. PFC Drawdown # 2012/2 Check #1192.

ITEM 7.

DIRECTOR'S COMMENTS:

Personnel.

MOTION: Recommend the Airport Board ratify the appointment of Ms. Denise Price, 518 West Grove Street, Taylor, PA., to the position of Secretary – Public Safety, effective March 19, 2012.

MOVED BY: Commissioner Wansacz

SECONDED BY: Board Member McGinley

VOTE: Unanimous

Selection of Financial Institution.

DISCUSSION: As directed by the Airport Board, October 2005 Airport Board Minutes, the Airport Director is to report the selection of the depository of Airport funds, together with the reasons therefore, to the Airport Board at its next public meeting following the Airport Director's selection of depository.

Mr. Centini informed the Airport Board that the Airport has selected Fidelity Bank, Blakely & Drinker Streets, Dunmore, PA 18512 as the new Depository of Airport funds which will become effective on or before May 1, 2012. A list of banks who responded to the Airport's Request for Proposal was provided to the Airport Board for their review. Fidelity Bank's offer included the highest interest rate of 0.35%, they provide free checks, and they require no fees. (A proposal comparison spreadsheet was distributed with the agenda).

Master Plan Review.

PRESENTATION: As requested by the Airport Board, a detailed review of the Airports Master Plan was provided to the Airport Board. Mr. Centini also handed out the following documents for the Board to review.

Document #1: Proposed Airport Layout Plan, Sheet #3 of 12 dated 2/8/10.

Document #2: Section 6, Project ID, Staging & Cost Estimates.

Document #3: FAA Airport Capital Improvement Plan, Wilkes-Barre/Scranton International Airport dated 2/23/12.

Document #4: Airport Internal Project Plan dated 3/21/12.

Aviation Exploration Day.

DISCUSSION: Mr. Centini informed the Board that Marywood University's Aviation Club will host the 7th Annual Aviation Exploration Day at the Wilkes-Barre/Scranton International Airport on April 14, 2012. All activities will take place at the FBO, Saker Aviation. Plans are to have static display aircraft, aviation exhibits, airplane rides and children activities. Food will be available for purchase. Hangar doors will open at 11:00 A.M. and the event will end at 4:00 P.M. Marywoods' Aviation Club is hoping to raise \$ 2,000.00 for Angel Flight of America. The non-profit Angel Flight arranges free air transportation for children and adults to access medical care. The event is sponsored by Marywood University, Saker Aviation, Tech Aviation Flight School and the Wilkes-Barre/Scranton International Airport. We are encouraging everyone who is interested in aviation to come out and enjoy a day of aviation exploration.

Airport 2012 Operating Budget.

MOTION: Recommend the Airport Board approve the Airport 2012 Operating Budget.

MOVED BY: Commissioner Wansacz

SECONDED BY: Commissioner O'Brien

DIRECTOR'S COMMENTS – Cont'd...

Airport 2012 Operating Budget Section.

DISCUSSION:

Board Member Williams stated that regarding the ARC he would like to treat the ARC as an expense to the Airport, and asking that the Counties subsidize the Airport, with full disclosure, as in the idea of the saying “truth in accounting”. So that there is no change to the dollars, it just says that with the cost to operate the airport the ARC is included in that cost. And because it is a non regional hub it needs to be subsidized and the Counties need to subsidize that, so that it would be a subsidy from the Counties to the Airport.

He went on to say that it just makes the story truthful, and it explains to our citizens that in fact we as county citizens subsidize the airport, rather than burying the ARC payment in as just a gift or as an expense. He went on to say to give an example as follows, that at this point our total revenues are ‘x’, our expenses are ‘y’, we have a shortfall and that’s it, what this would do be to now say that shortfall is made up by either taking money out of savings or subsidies by the County, and that the Counties know to budget that subsidy up front, and the Counties can then plan on it so they know from the get go that this is what they need to operate the airport.

Therefore, Mr. Williams stated he would like to modify the budget to include the ARC payment as an expense and have it in the budget as a revenue subsidy from the Counties.

MOTION:

To approve the Amendment of the 2012 Operating Budget with the following: To have the Operating Budget revenues and expenses show subsidy grants for the ARC payments and to put in the notes section of the airport’s audited financials a note that explains the subsidy grant from each County in detail, where each County’s Arc is combined into a total ARC expense line item and then divided by two, in order to show an equal subsidy by each County for both the expenses and revenues.

MOVED BY:

Commissioner O’Brien

SECONDED BY:

Board Member Lawton

VOTE:

Unanimous

MOTION:

To approve Airport Budget for 2012.

MOVED BY:

Commissioner O’Brien

SECONDED BY:

Board Member Williams

VOTE:

Commissioner O’Brien	yea	
Commissioner Wansacz	yea	
Commissioner O’Malley	yea	
Board Member McGinley	yea	
Board Member Williams	yea	
Board Member Lawton	nay	5 yea – 1 nay

ITEM 8.

OTHER MATTERS:

None.

ITEM 9.

ADJOURNMENT:

MOTION:

To adjourn the meeting.

MOVED BY:

Board Member McGinley

SECONDED BY:

Commissioner O'Malley

VOTE:

Unanimous

The meeting was adjourned at 12:00 P.M.