

WILKES-BARRE/SCRANTON INTERNATIONAL AIRPORT
BOARD MEETING
AUGUST 25, 2011

A regular meeting of the Wilkes-Barre/Scranton International Airport Joint Board of Control was held Thursday, August 25, 2011 in the Terminal Building Conference Room at the Airport. The meeting was called to order at 10:45 A.M. with Commissioner Stephen A. Urban presiding.

PRESENT: Commissioner Stephen A. Urban
Commissioner Maryanne C. Petrilla
Commissioner Thomas P. Cooney
Commissioner Corey D. O'Brien - via telecon
Commissioner Michael J. Washo - via telecon
Commissioner Bruce A. Smallacombe

Commissioner Urban noted that Commissioner Smallacombe of Lackawanna County, Commissioners Urban, Petrilla and Cooney from Luzerne County were present and Commissioners O'Brien and Washo were present (via telephone) which constituted a quorum.

ALSO PRESENT: Barry J. Centini, Airport Director
Michael W. Conner, Assistant Airport Director
Gary Borthwick, Director of Finance
Stephen Mykulyn, Director of Engineering
Attorney John O'Brien, Lackawanna County Solicitor

ITEM 2:
PUBLIC COMMENTS.

None.

ITEM 3:
APPROVAL OF MINUTES.

MOTION: To approve and dispense with the reading of the July 21, 2011 Bi-County Board of Commissioners Meeting minutes.
MOVED BY: Commissioner Cooney
SECONDED BY: Commissioner Smallacombe
VOTE: Unanimous

ITEM 4:
BUSINESS REPORT:

Passenger Activity

DISCUSSION: Mr. Conner reported on the "Airport Quick Look" charts, passenger enplanements for the month of July 2011 increased 7.9% to 21,772 from 20,170 in the month of July 2010. Enplanements for the month of July 2011 compared to the month of July 2009, increased by 2,521 which is + 13.1% . In July 2011, 8 departing flights were cancelled due to mechanical, 28 departing flights were cancelled due to air traffic/weather. This accounts for 1,496 seats (-5.4%) out of a total 27,730 departure seats.

BUSINESS REPORT – Cont'd...

General Aviation Operations.

DISCUSSION: For July 2011, General Aviation had 1,572 operations (one take-off or one landing) which is a decrease of 49% from July 2010's 3,072 General Aviation Operations. General Aviation revenues decreased \$151 or 1.6% to \$8,977.

Financial Report

Revenue/Expenses Report.

DISCUSSION: Mr. Conner reported that for the month of July 2011, Airport Operations had a net income, which includes funds expended for special project advertising and marketing and interest income totaling \$45,105, compared to a net loss of \$ 2,570 in July 2010, which is a difference of \$47,675. Year to date the Airport's income for 2011 is \$287,144 which is \$477,717 better than the comparable 2010 loss of \$190,573.

Invoices received since the last meeting for supplies and services total \$ 891,628.60. These invoices include major construction project costs of \$ 620,005.22.

MOTION: Request Airport Board approve these transactions and approve the PFC transfer.
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 #2011/17).

Access Road for GA Area – Design.
ACP 07-16

L. R. Kimball \$ 30,478.15

Invoice #509178, August 3, 2011, in the amount \$ 30,478.15 for design services.
This project is 98.20% complete.

Construct South General Aviation Apron.
ACP 10-01

Popple Construction \$ 525,465.97

Application #4, July 21, 2011, in the amount \$ 525,465.97 for construction services.

URS Corporation \$ 64,061.10

Invoice # 4751903, July 15, 2011, in the amount \$ 64,061.10 for inspection services.
This project is 34.9% complete.

BUSINESS REPORT – Cont'd...

Airport Passenger Facility Charge (PFC) Trust Transfers

The following PFC transfers are recommended for Airport Board approval.
PFC Drawdown # 2011/12 Check #1184.

Wildlife Assessment Survey

USDA	\$	2,085.16	CIP 19610-08
Inspection			
ACP 10-08			

ITEM 5.

AUTHORIZATION TO BID:

MOTION: Recommend the Airport Board approve the solicitation of bids for the following items:

- a. Supply and Delivery of Runway Deicer/Anti-Icer (NAAC)
- b. Supply and Delivery of UREA Runway De-Icier/Anti-Icer
- c. Clear Tree Obstructions
- d. Replace Video Surveillance Recording System

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

ITEM 6.

BID AWARD:

MOTION: Bids were opened on Monday, July 18, 2011 at 2:00 P.M. in the Airport's Conference Room with Airport Administration and Luzerne County Controller Walter Griffith present for the Rehabilitate/Extend Hangar Road Project. The bids were reviewed and tabulated and it is recommended that Scartelli Construction Services of Taylor, PA, the low bidder at \$ 1,984,819.20, be awarded the contract subject to federal grant award and solicitors concurrence.

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

ITEM 7.

CONTRACTS/LEASES/AGREEMENTS:

**Airport Auto Parking Concession and Lease Agreement –
Supplemental Agreement #2.**

MOTION: Recommend the Airport Board approve the Airport Auto Parking Concession and Lease Agreement – Supplement Agreement #2 effective this date between Standard Parking and the Wilkes-Barre/Scranton International Airport. This Agreement approves the allowed renewal period from August 1, 2013 through July 31, 2016 and provides an additional term of three (3) years from August 1, 2016 through July 31, 2019. Standard Parking agrees to provide \$135,000.00 of additional equipment as part of the Airport's parking lot modifications project. Rental and Fees for the first extension stay the same as current while rental and fees from the second extension shall be negotiated and agreed to by both parties no later than July 1, 2016. All

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

other terms and conditions shall remain the same and continue in full force and effect as said Concession and Lease Agreement.

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

ITEM 8.

DIRECTOR'S COMMENTS:

Rehabilitation/Extension of Hangar Road Project.

MOTION: Recommend the Airport Board accept and approve the Federal Aviation Grant Agreement No. 3-42-0105-054-2011 for the Rehabilitation and Extension of Hangar Road, subject to solicitors concurrence. Federal Grant amount \$ 1,842,069.00. Total Project Cost \$2,299,097.00. Project is Funded by \$ 1,842,069.00 from the FAA; \$ 48,475.00 from the State, \$ 48,476.00 from the Airport, and \$ 360,077.00 from the Airport's Passenger Facility Fees (PFC).

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

MOTION: Recommend Airport Board approve Supplement No.1 to the contract dated April 21, 2011 between the Wilkes-Barre/Scranton International Airport and CDL Corporation LLC d/b/a L. R. Kimball. Supplement No. 1 is for the pre-construction, construction, and post construction services necessary for the Rehabilitation and Extension of Hangar Road, subject to FAA, PennDOT and Solicitors concurrence. Contract not to exceed \$ 229,540.67.

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

MOTION: Recommend the Airport Board approve the contract between the Wilkes-Barre/Scranton International Airport and Scartelli Construction Services, Inc., 364 North Main Street, Taylor, PA., 18517 for the construction of the Rehabilitation/Extension of Hangar Road subject to FAA, PennDOT and Solicitors concurrence and the final approval of the Airports environmental work by the Luzerne County Conservation District. Contract amount \$ 1,984,819.20.

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

Construction of New South G/A Ramp Project.

MOTION: Recommend the Airport Board approve Change Order #1 to Popple Construction Company's contract, increasing contract amount \$ 422,043.98 from \$ 5,179,157.50 to \$ 5,601,201.48, subject to solicitors concurrence. Change Order #1 has been necessitated by NPDES permitting, which covers stormwater management and erosion/sedimentation control. Primary factors, the low infiltration at the proposed stormwater site required additional infiltration features to provide required infiltration volume, Luzerne Conservation District required revisions for the Apron site and the FAA requested the haul road be relocated away from the new Air Traffic Control Tower, requiring additional length of haul road and additional erosion/Sediment controls.

DIRECTOR'S COMMENTS – Cont'd...

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

Assignment of Rental Car Agreement.

MOTION: Recommend the Airport Board approve the Assignment and Assumption Agreement between V.A. Renting and Leasing, Inc. d/b/a National/Alamo, and PENRAC, LLC d/b/a National Car Rental and Alamo Rent A Car subject to solicitors concurrence. The Agreement allows V.A. Renting and Leasing, Inc. d.b.a. National/Alamo to assign its Airport Rental Car Concession and Lease Agreement dated November 16, 2006 to PENRAC, LLC d/b/a National Car Rental and Alamo Rent A Car effective August 25, 2011.

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

Transportation Security Administration Award/Grant.

MOTION: Recommend the Airport Board approve the Transportation Security Administration Law Enforcement Officers Agreement Program contract, HSTS0211H5LR503 which provides \$ 170,800.00, through September 30, 2012, to The Wilkes-Barre/Scranton International Airport for the reimbursement of costs to provide Armed Officers, from Lackawanna and Luzerne County Sheriff's Department, at the Transportation Security Administration Security Screening Checkpoint, subject to solicitors concurrence.

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

Wilkes-Barre/Scranton International Airport Authority.

DISCUSSION: Attorney John O'Brien was present to report on the formation of an Airport Authority to govern the operation of the Wilkes-Barre/Scranton International Airport. Attorney O'Brien stated; that based on discussions with the Airport Board Mr. Centini requested him to investigate whether or not an Authority could be formed to operate the Airport. Attorney O'Brien stated that he looked into forming an airport authority, the reasons for it, the operation of the airport, relating to how the Commissioners believe the future of the Airport could be. Attorney O'Brien was asked to look into it from a legal standpoint to see a) could it be done, b) how it could be done, and in addition to that, what "land mines" there might be along the way. Attorney O'Brien stated he feels it can be done and could probably be done within 60 plus days. He stated that in the formation, the good thing is that the Airport is not an existing public authority, it's a partnership, it has no existing debt that would need to be transferred or retired. It has a significant amount of contracts that would need to be assigned; the FAA needs to be notified and approve any consent or assignment of contracts. He continued that we would have to look at issues as to how the government should go, that there are two counties at an equal standpoint. Would we have an authority equally represented by, for instance, three persons from each County or would we have a majority from one County, some way to break a tie? One idea that other Airport Authorities have used is the rotating majority that shifts from one party to the other. He stated the details of this, that would have to be worked out, are what would be the makeup and how would the appointments from each side go, how would we determine the tie breaker, so that each County would be satisfied with the representation on the Authority? We would need to get, from the Airport,

DIRECTOR'S COMMENTS – Cont'd...

all the existing obligations and contracts; also we would need to look closely at the real estate issue because he believes the Bi-Counties own the real estate that the Airport is on and the question is, would we have to transfer that real estate into the Authority, and if we had to do that would the Airport be subject to a transfer tax? He stated the formation itself is a very simple matter, that we could form an Authority this afternoon with the State if we wanted to; but as far as getting together an agreement that both Counties would be comfortable with, what liaison there might be, it is going to end up taking approval, not at the Airport Board level as much, but at the County level on each side; there would be resolutions going forward. But to conclude, can it be done? Yes. He thinks what the Board would be looking for now is a go ahead that says 'yes' let's explore this further with deadlines, coming back for specifics.

MOTION: Recommend the Airport Board move ahead with the next step of exploration
MOVED BY: Commissioner Petrilla
SECONDED BY: Commissioner Smallacombe
VOTE: Unanimous

ITEM 9.
OTHER MATTERS:

DISCUSSION: None.

ITEM 10.
ADJOURNMENT:

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

The meeting was adjourned at 11:10 A.M.