

WILKES-BARRE/SCRANTON INTERNATIONAL AIRPORT
BOARD MEETING
MAY 15, 2014

A regular meeting of the Wilkes-Barre/Scranton International Airport Joint Board of Control was held Thursday, May 15, 2014 in the Terminal Building Conference Room at the Airport. The meeting was called to order at 10:45 A.M. with Commissioner Jim Wansacz presiding.

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

ALSO PRESENT: Barry J. Centini, Airport Director
Michael W. Conner, Assistant Airport Director
Stephen Mykulyn, Director of Engineering
Gary Borthwick, Director of Finance
Attorney Mike Butera, Luzerne County Solicitor
Attorney Donald Frederickson, Lackawanna County Solicitor
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 April 17, 2014
Bi-County Airport Board Meeting minutes.
MOVED BY: Commissioner Jim Wansacz
SECONDED BY: Board Member Rick Williams
VOTE: Unanimous

ITEM 4:
BUSINESS REPORT:
(Michael Conner – Assistant Airport Director)

Passenger Activity

DISCUSSION: Mr. Conner reported on the "Airport Quick Look" charts, passenger enplanements for the month of April 2014 decreased 4.5% to 17,695 from 18,532 in the month of April 2013. Mr. Conner noted that when compared directly with the month of April 2013, the decrease is attributed to the loss of all United flights to Newark. The Newark flights have been suspended due to Runway Construction at Newark Liberty International Airport and will return June 5, 2014.

Enplanements for April 2014 compared to enplanements for April 2012 decreased by 1,219 or 6.4%. When compared directly with the month of April 2012, the decrease is

BUSINESS REPORT – Cont'd...

attributed to: 1) the loss of all United flights to Newark; and 2) the loss of a daily Delta flight to Detroit.

Enplanements for April 2014 compared to enplanements for March 2014 decreased by 850 or 4.6%. This is attributable to the loss of the daily United flights to Newark.

In April 2014, 14 departing flights were cancelled: 10 for air traffic/weather, 4 for mechanical issues. This accounts for 648 seats (3.2%) out of a total 20,562 departure seats. Also, 12 arriving flights were cancelled: 10 for air traffic/weather, 2 for mechanical issues.

General Aviation Operations.

DISCUSSION:

For April 2014, General Aviation had 818 operations (one take-off or one landing) which is a decrease of 31% from April 2013's 1,181 General Aviation Operations. General Aviation revenues decreased \$1,280.13, or 11%, to \$10,225.29.

Financial Report

Revenue/Expenses Report.

DISCUSSION:

Mr. Conner reported that for the month of April 2014, Airport Operations had a net loss totaling \$67,723, compared to a net income of \$56,197 in April 2013, which is a difference of \$123,920. Year-to-Date our net loss for 2014 is \$225,958, which is \$228,783 less than the comparable 2013 income of \$2,825. Invoices received since the last meeting for supplies and services total \$500,411.46. These invoices include major construction project costs of \$202,936.67.

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.

Construct Terminal Building.

ACP 03-01

Fiesler Signs	\$	1,790.82
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Invoice # 00521604, dated April 8, 2014 in the amount \$ 1,790.82 for signs for gates 1 and 2.

Rehabilitate and Extend Hangar Road.

ACP 07-16

Verizon	\$	687.81
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Invoice # 215WOK2TRO414, dated April 25, 2014 in the amount \$ 687.81 for relocation of cable.

This project is 88.46% complete.

BUSINESS REPORT – Cont'd...

Taxiway B Extension Design.
ACP 11-01

L. R. Kimball \$ 1,205.00

Invoice # 524226, dated April 9, 2014, in the amount \$1,205.00 for design services.

L. R. Kimball \$ 35,478.82

Invoice # 524253, dated April 9, 2014, in the amount \$35,478.82 for design services.

This project is 80.13% complete.

Aviation Fuel Farm Expansion.
ACP 13-08

L. R. Kimball \$ 20,838.35

Invoice # 524264, dated April 19, 2014 in the amount \$20,838.35 for design services.

This project is 7.34% complete.

Acquire Equipment and Replace Plow Vehicles and Spreaders
ACP 13-07

Freightliner \$ 100,920.00

Invoice # FW2838, dated April 29, 2014 in the amount \$100,920.00 for truck purchase.

Powells \$ 42,015.87

Invoice # 18358, dated April 22, 2014 in the amount \$42,015.87 for Plow, Spreader accessories.

This project is 99.55% complete.

Airport Passenger Facility Charge (PFC) Trust Transfers

DISCUSSION:

The following PFC transfers are recommended for Airport Board approval.
PFC Drawdown # 2014/3 (Check #1028).

Taxiway B Extension
PFC Project #14-11

L. R. Kimball \$ 50,077.00 CIP 19611-01
Recoup local share
ACP 11-01

L.R. Kimball \$ 1,773.94 CIP 19611-01
ACP 11-01

Acquire Equipment and Replace Plow Vehicles and Spreaders

BUSINESS REPORT – Cont'd...

PFC Project #09-010

Freightliner \$ 100,500.00 CIP 19613-07
Truck Purchase
ACP 13-07

Powells \$ 42,015.87 CIP 19613-07
Plow, Spreader Accessories
ACP 13-07

Rehabilitate and Extend Hangar Road
PFC Project #08-025

Verizon \$ 687.81 CIP 19607-16
Relocate Cable
ACP 07-16

MOVED BY: Commissioner Jim Wansacz
SECONDED BY: Board Member Rick Williams
VOTE: Unanimous

DISCUSSION: Commissioner Wansacz questioned why the Airport is \$225,000.00 in the hole and what is the main reason for it. Mr. Conner explained that there are numerous reasons, i.e., half of the net loss is due to winter operations and the other half consists of the loss of Newark flights, which amounts to about \$15,000. Runway and Taxiway maintenance items that were purchased, about \$24,000, which would normally be expensed over a longer period of time, which was not done this particular year. The financial audit was billed in an earlier month than normal, which came to \$13,000. \$30,000 in legal fees, which were higher than last year, which is a \$50,000 year-to-date figure. The terminal floor stripper and wax, which was a budgeted item, was not expensed over the rest of the year. Utilities are up about 18% year over year, which was mostly due to January's natural gas bill for the terminal, which had a 10% swing on that account. There was also a lighting fixture project that is replacing numerous lights, switching to LEDs on different buildings. Mr. Conner noted that on the lights project the airport is going to gain more money than output due to the rebates that we have secured. That bill is about \$8,000, which the airport will recoup within the next 3 or 4 months. In conclusion, Mr. Lawton pointed out that the airport is not \$225,000 in the red, but is actually operating on budget with a \$4,000 surplus once the above items have been expensed throughout the year from an accounting standpoint.

ITEM 5.

DIRECTOR'S COMMENTS:

(Barry J. Centini, Airport Director)

Personnel.

MOTION: Recommend the Airport Board approve the appointment of Mr. Shawn Matticks, 4107 Kreig Avenue, Moosic, PA., to the position of custodian effective May 9, 2014.
MOVED BY: Commissioner Jim Wansacz
SECONDED BY: Board Member Rick Williams
VOTE: Unanimous

DIRECTOR'S COMMENTS – Cont'd...

Aviation Fuel Farm Expansion Project.

MOTION: Recommend the Airport Board approve and ratify the PennDOT-Bureau of Aviation Grant Agreement # ADAP-2013-00043, subject to solicitors final concurrence. The Agreement provides \$322,500.00 in state participation funding for the Expansion of the Aviation Fuel Farm. The \$322,500.00 represents 75% of the \$430,000.00 total Fuel Farm Expansion costs. The remaining 25%, \$107,500.00 will be provided by the Airport.

MOVED BY: Commissioner Jim Wansacz
SECONDED BY: Board Member Rick Williams
VOTE: Unanimous

Airport Policy – Display Signs and Banners.

MOTION: Recommend the Airport Board approve the Policy for Display Signs and Banners at the Wilkes-Barre/Scranton International Airport, subject to solicitors concurrence.

MOVED BY: Board Member Robert Lawton
SECONDED BY: Commissioner Corey O'Brien
VOTE: Unanimous

MOTION: To rescind first motion and approve Policy subject to changes made by solicitor.

MOVED BY: Board Member Robert Lawton
SECONDED BY: Commissioner Corey O'Brien
VOTE: Unanimous

MOTION: To add Attorney Fredericksons' comments into the motion.

MOVED BY: Board Member Robert Lawton
SECONDED BY: Commissioner Corey O'Brien
VOTE: Unanimous

Settlement Agreement and General Release – Sordoni Settlement..

MOTION: Recommend the Airport Board approve the Settlement Agreement and General Release between the Wilkes-Barre/Scranton International Airports Bi-County Board, Sordoni Construction Services, Inc., James W. Cox & Son, Inc., and A. Zahner Company, Inc., subject to solicitors concurrence. The Settlement Agreement and General Release settles the dispute regarding the metal panels cladding the exterior of the meditation room, located in the interior of the Terminal Building. The Settlement Agreement and General Release calls for the metal panels to be placed in accordance with the contract documents, Sordoni Construction Services, Inc. to pay the Wilkes-Barre/Scranton International Airport \$40,000.00 and the Wilkes-Barre/Scranton International Airport shall retain the \$160,000.00 withheld from Sordoni Construction Services, Inc.'s, for providing and installing the metal panels.

MOTION: To approve the Settlement Agreement and General Release with the following amendment: On page 16B, replace Joel C. Hopkins, Esq. with the Lackawanna County Solicitor's name, Luzerne County Solicitor's name, and the Executive Director of the Airport as those individuals receiving notice on behalf of the Airport... not Saul Ewing; and direct that our Airport's solicitors, or whoever the Executive Director so chooses, finalize the Agreement with the parties listed on the Settlement Agreement General Release.

MOVED BY: Commissioner Corey O'Brien
SECONDED BY: Commissioner Jim Wansacz
VOTE: Unanimous

DIRECTOR'S COMMENTS – Cont'd...

Airport Accident Response Exercise.

DISCUSSION:

As reported at the April 17, 2014 Airport Board Meeting, the Wilkes-Barre/Scranton International Airport will conduct a major accident response exercise Saturday, May 17, 2014. The exercise will fulfill the Federal Aviation Administration regulations, which mandate airports to conduct a major disaster exercise every three years. The drill will involve Airport firefighters and emergency/medical personnel and equipment from many of the surrounding communities.

The drill will test the Airport's Accident Response Plan, demonstrate the ability of our communities to deal effectively with an aircraft accident and provide disaster training for Aircraft Rescue and Firefighters and supporting agencies.

The Public is advised every effort will be made to make the drill as realistic as possible. The exercise will have no effect on airline operations. All flights will operate as scheduled. Any questions regarding the drill should be directed to the Airport's Public Safety Office.

Mr. Centini also informed the Board that today and tomorrow the airport has the simulator here and are training all of our firefighters (about 30) and we also have some other airports and local communities that are participating in the annual burn, which is a requirement for airport firefighters to be counted as an ARFF responder.

ITEM 6.

OTHER MATTERS:

(Chairman)

None.

ITEM 7.

ADJOURNMENT:

(Chairman)

MOTION:

It is recommended to adjourn the meeting.

MOVED BY:

Commissioner Jim Wansacz

SECONDED BY:

Board Member Rick Williams

VOTE:

Unanimous

The meeting was adjourned at 11:15 A.M.