

WILKES-BARRE/SCRANTON INTERNATIONAL AIRPORT
BOARD MEETING
MAY 26, 2011

A regular meeting of the Wilkes-Barre/Scranton International Airport Joint Board of Control was held Thursday, May 26, 2011 in the Terminal Building Conference Room at the Airport. The meeting was called to order at 11:00 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
Commissioner Michael J. Washo
Commissioner A. J. Munchak

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

ITEM 2:
PUBLIC COMMENTS.

None.

ITEM 3:
APPROVAL OF MINUTES.

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

ITEM 4:
BUSINESS REPORT:

Passenger Activity

DISCUSSION: Mr. Conner reported on the "Airport Quick Look" charts, passenger enplanements for the month of April 2011 increased 13.2% to 19,622 from 17,331 in the month of April 2010. Enplanements for the month of April 2011 compared to the month of April 2009, increased by 1,894 which is + 10.6% . In April 2011, 11 departing flights were cancelled due to mechanical, 3 departing flights were cancelled due to crew availability, and 30 departing flights were cancelled due to air traffic/weather. This accounts for 1,937 seats (-7.1%) out of a total 27,192 departure seats.

BUSINESS REPORT – Cont'd...

General Aviation Operations.

DISCUSSION: For April 2011, General Aviation had 1,533 operations (one take-off or one landing) which is a decrease of 35% from April 2010's 2,352 General Aviation Operations. General Aviation revenues increased \$4,959 or 73% to \$11,705.

Financial Report

Revenue/Expenses Report.

DISCUSSION: Mr. Conner reported that for the month of April 2011, Airport Operations had a net income, which includes funds expended for special project advertising and marketing and interest income totaling \$62,425, compared to a net loss of \$ 26,510 in April 2010, which is a difference of \$88,944. Year to date the Airport's income for 2011 is \$42,438 which is \$243,156 better than the comparable 2010 loss of \$200,718.

Invoices received since the last meeting for supplies and services total \$ 504,831.30. These invoices include major construction project costs of \$ 230,912.90. Request the Airport Board approve these transactions and payments.

MOTION:
MOVED BY: Commissioner Petrilla
SECONDED BY: Commissioner O'Brien
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 #2011/4).

Rehab. GA & Old Terminal Apron
ACP 07-07

Acker Associates \$ 3,230.00

Invoice #9169, April 20, 2011, in the amount \$ 3,230.00 for inspection services.
This project is 99.96% complete.

Access Road for GA Area – Design
ACP 07-16

L.R. Kimball \$ 46,428.80

Invoice # 507591, May 12, 2011, in the amount \$ 46,428.80 for design services.

L.R. Kimball \$ 6,500.00

Invoice # 507590, May 12, 2011, in the amount \$ 6,500.00 for design services.

This project is 26.19% complete.

BUSINESS REPORT – Cont'd...

Construct South General Aviation Apron
ACP 10-01

URS Corporation \$ 8,914.90

Invoice # 4598431, February 8, 2011 in the amount \$ 8,914.90
for inspection services.

Popple Construction \$ 165,841.20

Application #1, May 6, 2011 in the amount \$ 165,841.20 for
Construction services.
This project is 33.89% complete.

ITEM 5.

CONTRACTS/LEASES/AGREEMENTS:

Amendment #2 to Land Lease Agreement.

MOTION:

Request the Airport Board approve the Amendment #2 to the ARCH Wireless (now USA Mobility Wireless, Inc.) land lease agreement, effective July 1, 2011. The land lease agreement is for the rental of 210 square feet of land located at 102 Navy Way Road, on Airport property, for the Lessee's operation of a communications/paging equipment site. This amendment extends the land lease by one year at the same terms as the original five year agreement and the previous Amendment #1, including a 2% annual increase in rental rate, which will bring the monthly rental to \$ 561.67. Request the Airport Board's approval of Amendment #2, subject to solicitor's concurrence.

MOVED BY:

Commissioner Cooney

SECONDED BY:

Commissioner Washo

VOTE:

Unanimous

ITEM 6.

DIRECTOR'S COMMENTS:

PennDOT – Auto Parking Expansion – Grant Agreement.

MOTION:

Recommend the Airport Board ratify the acceptance and approval of PennDOT Grant Agreement # ADP-2010 Co. of Lackawanna and Luzerne – 00054, for the Development and Implementation of Automobile Parking Expansion Plan, Phase I, subject to solicitor's concurrence. Grant amount is \$15,000, which is 50% of Phase I costs.

MOVED BY:

Commissioner Washo

SECONDED BY:

Commissioner Petrilla

VOTE:

Unanimous

Public Safety Department – Annual Report.

DISCUSSION:

Mr. George Bieber, Director of Public Safety presented to the Airport Board the 2010 Public Safety Department's Annual Report.

DIRECTOR'S COMMENTS – Cont'd...

2011 Airport Budget.

DISCUSSION: The following 2011 Budgets are presented to the Airport Board for their consideration.

Budget #1.

Includes payment from the Airport to each County for the 2010 Annual Retirement Contribution (ARC) (\$ 130,595.49 to Luzerne County and \$ 93,506.50 to Lackawanna County) AND a 3% Administration salary Increase (\$ 27,086.76 Total for 18 employees). This budget produces an operational loss of \$ 321,048.03. After PFC and other adjustments are made the loss before depreciation is \$ 56,048.03.

VOTE: This option failed due to no motion.

Budget #2.

Does not include an ARC payment to each County and does not include an Administration 3% salary increase. This budget produces an operational loss of \$ 67,787.14. After PFC and other adjustments are made the Revenue Gain before depreciation is \$ 197,212.86.

MOTION: To approve Budget #2, which does not include an ARC payment and does not include a salary increase.

MOVED BY: Commissioner O'Brien

SECONDED BY: Commissioner Washo

VOTE: Failed 3 to 3

Budget #3.

Includes ARC payment to Counties and no 3% Administration salary increase. This budget produces an operational loss of \$ 291,889.13. After PFC and other adjustments are made the loss is reduced to \$ 26,889.13.

MOTION: To approve Budget #3, which does not include include a salary increase but does include an ARC payment to the Counties.

MOVED BY: Commissioner Cooney

SECONDED BY: Commissioner Petrilla

VOTE: Failed 3 to 3

Budget #4.

Includes a 3% Administration Salary increase and No ARC payment to the Counties. This budget produces an operational loss of \$ 96,946.04. After PFC and other adjustments the Revenue Gain before depreciation is \$ 168,053.96.

MOTION: To approve Budget #4, which includes a 3% salary increase and no ARC payment.

MOVED BY: Commissioner Munchak

SECONDED BY: None

VOTE: Failed due to lack of second

MOTION: To approve a compromise with a 1.5% salary increase and the Airport makes the 100% ARC payments to the Counties for the Year 2010.

MOVED BY: Commissioner Petrilla

SECONDED BY: Commissioner Urban

DIRECTOR'S COMMENTS – Cont'd...

VOTE: Failed 3 to 3

SUGGESTION: Mr. Centini suggested that this Administration is now working under a budget not approved by the Board of no ARC, no raises. The Airport will continue under that budget and wait and see how the year 2011 pans out. He suggested revisiting these issues in September or October 2011 after seeing how the summer goes. If the Airport can make the ARC payment without dipping into the reserve money then he will recommend to the Board that the Airport pay the ARC payment and at that time the Board can decide what type of raises the Board would like to give the Administration staff. Commissioner Urban suggested revisiting this budget issue in July 2011. Also, Mr. Centini suggested that Commissioner O'Brien's suggestion of an Authority to govern the Airport be looked at and this Board should empower the Chairman and the Vice Chairman to look forward into turning this Board into an Authority.

MOTION: Recommend the Solicitors of both counties and the Executive Director begin conversations to explore the idea of the creation of an Airport Authority to replace the current structure – not to make a determination but just to begin a review process.

MOVED BY: Commissioner O'Brien
SECONDED BY: Commissioner Munchak
VOTE: Unanimous

Conferences/Seminars.

MOTION: Recommend Airport Board approval to attend the following Conferences/Seminars. One Airport Representative to attend the AAAE Summer Legislative Issues Conference, July 18-19, 2011, Washington, D.C. and One Airport Representative to attend the AAAE Employee Credentialing and Access Control Conference July 20-21, 2011, Washington, D.C.

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

ITEM 7.
OTHER MATTERS:

None.

ITEM 8.
ADJOURNMENT:

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

The meeting was adjourned at 11:55 A.M.