

WILKES-BARRE/SCRANTON INTERNATIONAL AIRPORT
BOARD MEETING
JUNE 21, 2012

A regular meeting of the Wilkes-Barre/Scranton International Airport Joint Board of Control was held Thursday, June 21, 2012 in the Terminal Building Conference Room at the Airport. The meeting was called to order at 2:15 P.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
Stephen Mykulyn, Director of Engineering
Gary Borthwick, Director of Finance
Gary DiBileo, Controller, Lackawanna County
Walter Griffith, Controller, Luzerne County
Attorney Michael Butera, Luzerne County Solicitor

ITEM 2:
PUBLIC COMMENTS.

Leo Vergnetti of Wings Restaurant congratulated the Board on the new spirit evidenced here at the Airport.

ITEM 3:
APPROVAL OF MINUTES.

MOTION: To approve and dispense with the reading of the May 24, 2012 Bi-County Airport Board Meeting Minutes.
MOVED BY: Board Member Tim McGinley
SECONDED BY: Commissioner Patrick O'Malley
VOTE: Unanimous

ITEM 4:
BUSINESS REPORT:

Passenger Activity

DISCUSSION: Mr. Conner reported on the "Airport Quick Look" charts, passenger enplanements for the month of May 2012 decreased 8.3% to 19,399 from 21,145 in the month of May 2011. Enplanements for the month of May 2012 compared to the month of May 2010, increased by 1,772 which is +10.1%. In May 2012, 2 departing flights were cancelled due to mechanical problems and 17 departing flights were cancelled due to air traffic/weather. This accounts for 797 seats (3.1%) out of a total 26,128 departure seats. Also, 1 arriving flight cancelled due to mechanical problems and 22 arriving flights cancelled due to air traffic/weather.

BUSINESS REPORT – Cont'd...

General Aviation Operations.

DISCUSSION:

For May 2012, General Aviation had 948 operations (one take-off or one landing), which is a decrease of 20% from May 2011's 1,182 General Aviation Operations. General Aviation revenues increased \$ 622 or 5% to \$ 12,968.00.

Financial Report

Revenue/Expenses Report.

DISCUSSION:

Mr. Conner reported that for the month of May 2012, Airport Operations had a net loss totaling \$ 708, compared to a net income of \$ 98,102 in May 2011, which is a difference of \$ 98,810 which is most attributable to the loss of American Airlines and the difference in the car rental rates this year. Year-to-date, our income for 2012 is \$ 70,363, which is \$ 74,893 less than the comparable 2011 net income of \$ 145,256. Invoices received since the last meeting for supplies and services total \$ 504,984.27. These invoices include major construction project costs of \$ 255,480.08.

MOTION:

Request the Airport Board accept and approve the above transactions and payments.

MOVED BY:

Commissioner James Wansacz

SECONDED BY:

Board Member Tim McGinley

VOTE:

Unanimous

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 (AIP Echo Drawdown #2012/5).

Rehab. and Extend Hangar Road

ACP 07-16

L.R. Kimball	\$	5,014.08
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Invoice # 514807, May 29, 2012 in the amount of \$ 5,014.08 for Inspection Services.

Scartelli Construction Services, Inc.	\$	81,677.37
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Application #7, June 8, 2012 in the amount of \$ 81,677.37 for Construction Services.

This project is 46.87% complete.

GA Hangar Roof Repair

ACP 10-06

ERX Roofing Services	\$	41,794.00
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Application # 2, June 8, 2012 in the amount of \$ 41,794.00 for Construction Services.

This project is 100% complete.

BUSINESS REPORT – Cont'd...

Parking Study and Construct Additional Surface Parking Project
ACP 10-07

Sproul Construction \$ 126,994.63

Application #1, June 8, 2012 in the amount
\$ 126,994.63 for Construction Services.

This project is 36.25% complete.

DISCUSSION:

Commissioner O'Brien questioned Mr. Centini if there has been any problems regarding Scartelli Construction's job performance. Mr. Centini stated that there have been some issues but he feels that they are making headway in working them out. If they cannot work these issues out, he stated that the Airport will then inform Scartelli that the Airport will take the work from them and will rebid it, maybe taking all the work from them and pay Scartelli what the Airport feels he is owed to date and terminate the Airports association with them. Board Member McGinley asked if Scartelli would then lose his performance bond. Mr. Centini stated that that is a legal question, but that he thinks the performance bond is for non-performance of the contract and Scartelli is not saying he will not perform the contract work but that he is being unreasonable in his pricing. Commissioner O'Brien then asked that the Airport Solicitor review this question regarding the Performance Bond.

ITEM 5.
AUTHORIZATION TO BID:

MOTION:

Recommend the Airport Board approve the following Authorizations To Bid:

1. Electrical/Communication and Other Work Associated with Hangar Road Project.
2. The Terminal Ramp Rehabilitation and PAPI on Runway 10 Project. The Terminal Ramp Rehabilitation Project is required because the airline apron asphalt pavement has considerable rutting in areas where aircraft park and have frequent operations. In addition, the entire apron needs to be sealed to avoid future pavement deterioration. Included in the project will also be the design and installation of a PAPI navigational aid at the approach of Runway 10. This aid is needed to improve the safety of operating on the runway and to promote the use of the runway once it reopens for service in late 2012.

MOVED BY:

Commissioner Patrick O'Malley

SECONDED BY:

Board Member Tim McGinley

VOTE:

Unanimous

ITEM 6.
RATES & CHARGES:

Parking Lots.

MOTION:

Airport Administration incrementally reviews Airport rates and charges in order to ensure that the rates charged here at the Airport are in-line with other Airports and yet also meet our financial needs. A review of auto parking rates found that the Wilkes-Barre/Scranton International Airport has parking rates generally in the same

RATES & CHARGES – Cont'd...

ranges as other Airports of similar size, but that an adjustment can be made to improve revenues and still remain on the lower side of the range. Additional revenue can be gained from this financial cost center without being out of line with other airports' rates. The last time the parking rates were increased was June 2009 when the surface parking rate was increased from \$ 6.50 to \$ 6.75 per day and the garage parking rate was increased from \$ 7.50 to \$ 7.75 per day. Therefore, the Airport requests the Airport Board approve a 25 cent per day increase in the daily parking rate for both the public surface parking area and the public parking garage. This increase will bring the surface parking to \$ 7.00 per day and the garage parking to \$ 8.00 per day. The Airport anticipates the revenue to increase by approximately \$ 68,500.00 per year.

MOVED BY: Commissioner Patrick O'Malley
SECONDED BY: Commissioner Corey O'Brien
VOTE: No vote was taken
Amended Motion made.

MOTION: Recommend the Airport Board amend this motion to accept the rates as recommended by the Airport, but to review this with statistics from the parking garage people and do a study, and then within six months from now review this again and change the rates accordingly.

MOVED BY: Board Member Tim McGinley
SECONDED BY: No Second
VOTE: Motion failed for lack of second

New Motion made.

MOTION: Recommend the rates and charges for the Airport Surface Parking Lot be raised a quarter to \$ 7.00 per day and raise the Garage Parking Rates to \$ 9.00 per day, and also to look at the feasibility of doing a weekly discount.

MOVED BY: Commissioner James Wansacz
SECONDED BY: Board Member Rick Williams
VOTE: Vote Passes 5 Yes to 1 Nay
Commissioner Wansacz - Yes
Commissioner O'Brien - Yes
Commissioner O'Malley - Yes
Board Member Lawton - Yes
Board Member Williams - Yes
Board Member McGinley - No

ITEM 7.

DIRECTOR'S COMMENTS:

Rehabilitate Airline Apron and Install PAPI Runway 10 Project.

MOTION: Recommend the Airport Board approve the Agreement between the Wilkes-Barre/Scranton International Airport and McFarland Johnson, Inc., Binghamton, N.Y. for the design work necessary for the Rehabilitation of the Airline Parking Apron and the Installation of a Precision Approach Path Indicator (PAPI) for Runway 10, subject to FAA, PennDOT and Solicitors concurrence. Contract not to exceed \$ 56,707.00.

MOVED BY: Commissioner Patrick O'Malley
SECONDED BY: Board Member Tim McGinley
VOTE: Unanimous

DIRECTOR'S COMMENTS – Cont'd...

Air Service.

DISCUSSION:

Mr. Centini informed the Board that Allegiant Airlines' first flight from the Wilkes-Barre/Scranton International Airport to Orlando via the Orlando/Sanford International Airport takes off at 3:40 P.M. that afternoon. To celebrate, Allegiant will offer fares as low as \$ 99.99 one way between the two cities, as well as offering travelers hotel and air packages as low as \$ 290.00 per person for 3 nights. Mr. Centini is urging everyone considering flying to Orlando to check out the low fares and all particular offers on Allegiants' web site, www.allegiant.com. Mr. Centini went on to say that if this low cost, non-stop service is heavily used, as he expects it will be, there is the possibility, in the future, for additional flights to Sanford and service to other Florida markets Allegiant serves. It is now up to the travelers of Northeastern Pennsylvania to fly Allegiant and make the flights from Wilkes-Barre/Scranton International Airport successful.

ITEM 8.

OTHER MATTERS:

DISCUSSION:

Commissioner O'Brien congratulated the Michael Booth family for winning the Allegiant vacation trip to Orlando Florida. He stated they are leaving on the Allegiant Inaugural Flight and returning on Sunday. He wished them a safe and happy trip.

MOTION:

Recommend the Airport Board approve the Airport Use Agreement Non-Signatory Carrier with Allegiant Air.

MOVED BY:

Commissioner Patrick O'Malley

SECONDED BY:

Board Member Tim McGinley

VOTE:

Unanimous

DISCUSSION:

Board Member Rick Williams asked if the Monthly Business Report could be condensed into an excel spreadsheet showing data from more than a year so the Board can see how enplanements changes from month to month, letting them understand the trends and see the enplanements for the last 15 or 20 months on one sheet. He would like to see the data in a tabulated form instead of a graphic form, that way the deficits and profits and all the information provided on the Business Report sheets would be all be condensed into that one sheet.

DISCUSSION:

Board Member Lawton questioned as to whether the Airport has an estimated value on the fee waivers that we are offering to Allegiant. Mr. Centini replied that they do and that he will supply Board Member Lawton with them.

ITEM 9.

ADJOURNMENT:

MOTION:

To adjourn the meeting.

MOVED BY:

Board Member Rick Williams

SECONDED BY:

Board Member Tim McGinley

VOTE:

Unanimous

The meeting was adjourned at 3:07 P.M.