

WILKES-BARRE/SCRANTON INTERNATIONAL AIRPORT
BOARD MEETING
JUNE 25, 2013

A regular meeting of the Wilkes-Barre/Scranton International Airport Joint Board of Control was held Tuesday, June 25, 2013 in the Terminal Building Conference Room at the Airport. The meeting was called to order at 10:38 A.M. with Mr. Timothy McGinley presiding.

PRESENT: Commissioner Corey D. O'Brien
Commissioner James Wansacz
Commissioner Patrick O'Malley
Board Member Timothy McGinley
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 Michael Butera, Luzerne County Solicitor
Mr. Reggie Mariani, Lackawanna County Chief Auditor

ITEM 2:
PUBLIC COMMENTS.
(Chairman)

Jessie Gallagher, True Aviation, asked to speak to the Board and identified himself as a long time observer of the operations on the general side of the airport and an airport customer. Mr. Gallagher stated that he is glad to see that a 'RFP' was out for the general aviation side of the airport and that the airport is looking at ways to better serve the community. He noted that his observations from over the years, and other operators' opinions here at the airport, is that there is a lack of competition. He stated that with the RFP that is advertised, that this is the perfect opportunity, when and if there is a new contract, to make sure that the contract follows FAA Guidance and Protocol. Mr. Gallagher supplied Mr. Centini with copies of FAA Advisories, and then went on to pick different excerpts out and read them to the Board. He stated that what the FAA basically establishes for an Airport, is that "classified as a Federally Operated Airport", which he assumes the Wilkes-Barre/Scranton Int'l Airport is since it receives public funds, is to basically ensure that small operators, like himself, operators who have a desire to do business here, that they are groomed for them to basically grow and serve the community. He stated that in the protocols, some of the issues that come up, is that FAA Guidance is showing that there has to be careful attention to not create what is called "Exclusive Rights. He stated he believes that there are different issues at the Airport that are in direct conflict with FAA Guidelines.

In summary, Mr. Gallagher asked "what are the minimum standards to do business at this Airport" and "do they comply with the Federal Guidelines of preventing an exclusive use situation from arising"? He went on to quote from the Guidelines "the lease that confers an exclusive right will be construed of having the intent to do so and airport sponsors are better served by requiring that leases through single aeronautical service providers eliminates the amount of land and service, the service provider can then demonstrate that it actually needs and can put to immediate use". Mr. Gallagher stated that it is his observation over the years that there has been no

PUBLIC COMMENTS – Cont’d...

growth or expansion of services, that there has actually been a contraction, and he feels that it would be better to leave room for other operators to come in and grow, and if it is growing in acclimated stages, then the airport can start providing charter, maintenance, flight school, and then eventually have the capacity to compete on a full service level. He finished by saying that is all he is asking for, to allow individuals like himself to do business.

Mr. Centini stated that the Airport will take his comments under advisement and that we have the agreements that we have had here in the past and that we have been successful with FBO's in the past in regards to the type of work we want them to perform, whether they be fueling, charter or flight school. He stated that they would look at the Guidance, which they have looked at a number of times, and go from there. Mr. Centini did state that he believes the Airport does fall in compliance with the guidelines.

ITEM 3:
APPROVAL OF MINUTES.

(Chairman)

MOTION: To approve and dispense with the reading of the May 16, 2013
Bi-County Airport Board Meeting minutes.
MOVED BY: Commissioner Corey O'Brien
SECONDED BY: Commissioner Jim Wansacz
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 May 2013 increased 0.4% to 19,475 from 19,399 in the month of May 2012. Mr. Conner noted that this is mainly attributable to Allegiant's two weekly flights to Orlando-Sanford, when compared to last May.

Enplanements for May 2013 compared to enplanements for May 2011 decreased by 1,670 or 7.9%. This is mainly attributable to the loss of 55 American Eagle flights to Chicago and the loss of a daily United flight to Newark, when compared to May 2011.

Enplanements for May 2013 compared to enplanements for April 2013 increased by 943 or 5.1%. This is mainly due to an increase in the amount of passengers on flights to Chicago and Detroit.

In May 2013, 20 departing flights were cancelled: 16 for air traffic/weather; 4 for mechanical. This accounts for 925 seats (3.6%) out of a total 26,374 departure seats. Also, 20 arriving flights were cancelled: 16 for air traffic/weather and 4 for mechanical.

BUSINESS REPORT – Cont'd...

General Aviation Operations.

DISCUSSION: For May 2013, General Aviation had 1,022 operations (one take-off or one landing) which is an increase of 1% from May 2012's 1,011 General Aviation Operations. General Aviation revenues decreased \$ 2,944 or 23% to \$ 10,024.

Financial Report

Revenue/Expenses Report.

DISCUSSION: Mr. Conner reported that for the month of May 2013, Airport Operations had a net income totaling \$ 62,338, compared to a net income of \$ 1,689 in May 2012, which is a difference of \$ 60,649. Year to date net income for 2013 is \$ 66,663 which is \$ 923 less than the comparable 2012 net income of \$ 67,586. Invoices received since the last meeting for supplies and services total \$ 368,989.90. These invoices include major construction project costs of \$ 119,796.33.

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 Drawdown #2013/5).

Rehab. and Extend Hangar Road
ACP 07-16

Wilkes-Barre Materials \$ 2,102.96

Invoice date is May 13, 2013 in the amount \$ 2,102.96 for construction materials.

Admar Supply Company \$ 125.00

Invoice # 20000241-0001, May 10, 2013 in the amount of \$ 125.00 for construction materials.

Friedman Electric \$ 14,688.84

Invoice dated June 2, 2013 in the amount \$ 14,688.84 for construction materials.

Bassler Equipment Company \$ 360.00

Invoice # 147625, May 28, 2013 in amount \$ 360.00 for construction materials.

Pioneer Aggregates \$ 783.98

Invoice dated May 15, 2013 in amount \$ 783.98 for construction materials.

Scranton Craftsmen \$ 3,953.25

Invoice dated May 15, 2013 in amount \$ 3,953.25 for construction materials.

BUSINESS REPORT – Cont'd...

Team Supply \$ 660.37

Invoice dated May 7, 2013 in the amount of \$ 660.37 for construction materials.

R J Walker \$ 1,424.08

Invoice dated May 3, 2013 in the amount of \$ 1,424.08 for construction materials.

Central Clay Products \$ 258.75

Invoice # 139132, May 22, 2013 in the amount \$ 258.75 for construction materials.

Rexel \$ 34.00

Invoice # S104953170.001, May 21, 2013 in the Amount \$ 34.00 for construction materials.

Mariotti Building Products \$ 153.78

Invoice # 676535, May 2, 2013 in the amount \$ 153.78 for construction materials.

Latona Trucking \$ 21,693.70

Invoice # 36289, June 3, 2013 in the amount \$ 21,693.70 for construction materials.

L. R. Kimball \$ 18,072.90

Invoice dated June 4, 2013 in the amount of \$ 18,072.90 for construction materials.

American Computer \$ 8,248.00

Invoice # 130530009, May 30, 2013 in the amount Of \$ 8,248.00 for construction materials.

This project is 100.00% complete.

Construct South General Aviation Apron
ACP 10-01

URS \$ 21,460.47

Invoice # 5509986, May 17, 2013 in the amount of \$ 21,460.47 for inspection services.

This project is 100.00% complete.

BUSINESS REPORT – Cont'd...

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

Hillman Security \$ 1,420.00

Invoice # S1305114, April 23, 2013 in the amount
\$ 1,420.00 Fiber Optic Module & Receiver.

Hillman Security \$ 675.00

Invoice # S1305184, April 24, 2013 in the amount of
\$ 675.00 for Fiber Optic Receiver-Rack Mount.

American Computer \$ 1,922.75

Invoice # 130429031, April 29, 2013 in the
Amount \$ 1,922.75 for service work.

PSX \$ 2,357.50

Invoice # 12877, April 30, 2013 in the amount
\$ 2,357.50 for service work.

KBA Engineering \$ 1,578.04

Invoice # 7004, April 30, 2013 in the amount
\$ 1,578.04 for inspection.

This project is 78.41% complete.

Taxiway B Extension
ACP 11-01

L. R. Kimball \$ 794.68

Invoice # 519486, May 8, 2013 in the amount
\$ 794.68 for design services.

This project is 93.44% complete.

Obstruction Tree Removal
ACP 12-01

KBA Engineering \$ 1,038.25

Invoice # 7003, June 11, 2013 in the amount
of \$ 1,038.25 for inspection services.

A. R. Popple \$ 1,513.60

Application # 3, May 31, 2013 in the amount
\$ 1,513.60 for tree removal.

This project is 100.00% complete.

BUSINESS REPORT – Cont'd...

Rehabilitate. Airline Apron
ACP 12-02

McFarland Johnson \$ 11,325.41

Invoice #5, May 10, 2013 in the amount of
\$ 11,325.41 for design services.

This project is 57.03% complete.

East Side Development Roadway
ACP 13-03

Civil Design Partners \$ 3,151.02

Invoice # 2012, May 10, 2013 in the amount
\$ 3,151.02 for design services.

This project is 99.56% complete.

Airport Passenger Facility Charge (PFC) Trust Transfers

DISCUSSION:

The following PFC transfers are recommended for Airport Board approval.
PFC Drawdown # 2013/5 (Check #1015).

Obstruction Tree Removal
PFC Project #08-024

KBA Engineering \$ 1,038.25 CIP 19612-01
Inspection Services
ACP 12-01

A. R. Popple \$ 1,513.60 CIP 19612-01
Tree Removal
ACP 12-01

MOTION:

Request the Airport Board approve the above transactions and payments.

MOVED BY:

Commissioner Patrick O'Malley

SECONDED BY:

Board Member Rick Williams

VOTE:

Unanimous

ITEM 5.

REQUEST FOR QUALIFICATIONS (RFQ):

(Stephen Mykulyn, P.E., Director of Engineering)

MOTION:

Request the Airport Board approve the solicitation of Request for
Qualifications for Engineering/Design/Construction Phase Services for the
following projects:

- Aviation Fuel Farm Expansion
- Rehabilitate Terminal Drive & Other Airport Roadways
- Demolish Old Terminal Building
- Terminal Building Modifications – Customs Area
- East Side Development Area Access Roadway
- Parking Garage Repairs

REQUEST FOR QUALIFICATIONS (RFQ) – Cont’d...

MOVED BY: Commissioner Corey O’Brien
SECONDED BY: Commissioner Patrick O’Malley
VOTE: Unanimous

ITEM 6.

DIRECTOR’S COMMENTS:

(Barry J. Centini, Airport Director)

Access Road to Industrial Park – East Side of Turnpike.

MOTION: Recommend the Airport Board approve the following Easement which conveys U. S. Department of Navy land to the Commonwealth of Pennsylvania for the interchange (SR 81-397) project. This Easement includes a portion of land currently held in Easement by the Airport. The Airport is a concurring signatory party to this document, which has a \$1.00 consideration. The already executed Maintenance Agreement between the Airport and the Commonwealth, was created to support the document and alleviate any concerns the Airport had about the Navy Grant of Easement.

MOVED BY: Commissioner Corey O’Brien
SECONDED BY: Commissioner Patrick O’Malley
VOTE: Unanimous

ITEM 7.

OTHER MATTERS:

(Chairman)

DISCUSSION: Mr. Centini reported to the Airport Board that on July 3, 2013 IRL (Indy Racing League) will be returning to Northeastern Pennsylvania and the Airport intends to greet their aircraft when it lands, about 9:15 A.M. The Board and press are invited to greet the first two arriving aircraft with IRL officials and some of the maintenance people that will be working at the race.

ITEM 8.

ADJOURNMENT:

(Chairman/Vice Chairman)

MOTION: To adjourn the meeting.
MOVED BY: Commissioner Corey O’Brien
SECONDED BY: Board Member Robert Lawton
VOTE: Unanimous

The meeting was adjourned at 10:58 A.M.