

WILKES-BARRE/SCRANTON INTERNATIONAL AIRPORT
BOARD MEETING
NOVEMBER 20, 2014

A regular meeting of the Wilkes-Barre/Scranton International Airport Joint Board of Control was held Thursday, November 20, 2014 in the Terminal Building Conference Room at the Airport. The meeting was called to order at 2:10 P.M. with Board Member Rick Williams presiding.

PRESENT: Commissioner Corey O'Brien
Commissioner Patrick O'Malley
Board Member Rick Williams
Board Member Stephen Urban
Board Member Robert Lawton

ALSO PRESENT: Barry J. Centini, Airport Director
Michael W. Conner, Assistant Airport Director
Gary Borthwick, Director of Finance
Stephen Mykulyn, Director of Engineering
Attorney Donald Frederickson, Lackawanna County Solicitor
Mr. Reggie Moriani, 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 October 30, 2014
Bi-County Airport Board Meeting minutes.

MOVED BY: Board Member Robert Lawton

SECONDED BY: Commissioner Corey O'Brien

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 October 2014 decreased 1.1% to 19,774 from 19,998 in the month of October 2013. Mr. Conner noted that when compared directly with the month of October 2013, the decrease is attributed to the loss of the United flights to Newark, which were suspended due to runway construction at Newark Liberty International Airport, and returned October 26, 2014. The loss of these flights resulted in a corresponding loss of approximately 1,900 enplanements.

BUSINESS REPORT – Cont'd...

Enplanements for October 2014 compared to enplanements for October 2013 decreased by 560 or 2.8%. This decrease is also mainly attributed to the loss of the United flights to Newark.

Enplanements for October 2014 compared to enplanements for September 2014 increased by 1,926 or 10.8%. This is attributable to the return of Allegiant flights to Orlando-Sanford, which were on hiatus through the month of September; and a schedule increase for the month of October with USAirways flights to Philadelphia.

In October 2014, 8 departing flights were cancelled: 6 for air traffic/weather and 2 for mechanical. This accounts for 322 seats (1.5%) out of a total 22,050 departure seats. Also, 10 arriving flights were cancelled: 7 for air/traffic/weather and 3 for mechanical.

General Aviation Operations.

DISCUSSION:

For October 2014, General Aviation had 1,144 operations (one take-off or one landing), which is a decrease of 13% from October 2013's 1,310 General Aviation Operations. General Aviation revenues increased \$3,363, or 20%, to \$16,893.

Aviation Technologies – Activities Report.

Aviation Technologies is preparing for their Christmas Party and plans to extend invitations to all based aircraft/hangar customers, airport staff, and airline employees. They completed the kitchen renovations/upgrade in the FBO hangar on November 10, 2014. Planning is underway for a Spring Fly-In Breakfast (date not yet set). Their marketing campaign is being prepared for local charter flights utilizing their Piper Mohave aircraft (seating 7) and Piper Navajo aircraft (seating 6). And Aviation Technologies is working with a major charter carrier and local travel agents to put together public charter flights serving several college football bowl games.

Financial Report

Revenue/Expenses Report.

DISCUSSION:

Mr. Conner reported that for the month of October 2014, Airport Operations had a net income totaling \$43,140, compared to a net income of \$34,800 in October 2013, which is a difference of \$8,340. Year-to-Date our net income for 2014 is \$45,894, which is \$84,983 less than the comparable 2013 income of \$130,877. Invoices received since the last meeting for supplies and services total \$282,790.75. These invoices include major construction project costs of \$64,754.78.

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.

Rehab and Extend Hangar Road
ACP 07-16

Hillman	\$	975.00
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Invoice # S1410228, dated October 21, 2014 in the amount \$975.00 for CCTV Camera work.

BUSINESS REPORT – Cont'd...

Friedman Electric \$ 101.23

Invoice # S020260562.001, dated October 14, 2014
in the amount \$101.23 for construction services.

Friedman Electric \$ 311.31

Invoice # S020223425.001, dated October 9, 2014 in
the amount \$311.31 for construction work.

Friedman Electric \$ 77.52

Invoice #SA020243368.001, dated October 11, 2014 in
the amount \$77.52 for construction services.

Hillman \$ 2,987.45

Invoice #S1411091, dated October 29, 2014 in the
amount \$2,987.45 for CCTV Camera work.

Friedman Electric \$ 167.90

Invoice #S020211401.001, dated October 8, 2014 in
the amount \$167.90 for construction services.

This project is 88.61% complete.

Construct South General Aviation Apron
ACP 10-01

Oley Industries, LLC. \$ 360.20

Invoice 102014 dated October 20, 2014 in the
amount \$360.20 for construction services.

This project is 99.63% complete.

Taxiway B Extension.
ACP 11-01

L. R. Kimball \$ 19,450.00

Invoice # 526859 dated October 9, 2014 in the
amount \$9,450.00 for design services.

L. R. Kimball \$ 164.00

Invoice # 526858 dated October 9, 2014 in the amount
\$164.00 for design services.

This project is 13.76% complete.

BUSINESS REPORT – Cont'd...

Demolish Old Terminal Building
ACP 13-02

Borton-Lawson \$ 5,096.25

Invoice #2014-0787-001-000001, dated October 17, 2014
in the amount \$5,096.25 for design services.

Borton-Lawson \$ 145.76

Invoice #2014-0787-001-000002, dated October 13, 2014
In the amount \$145.76 for design services.

This project is 3.42% complete.

Aviation Fuel Farm Expansion
ACP 13-08

Fabcor Inc. \$ 22,914.22

Application #2, dated October 30, 2014 in the amount
\$22,914.22 for construction services.

L.R. Kimball \$ 205.02

Invoice # 526864, dated October 9, 2014 in the
amount \$205.02 for design services.

L. R. Kimball \$ 4,727.62

Invoice #526871, dated October 9, 2014 in the amount
\$4,727.62 for inspection services.

This project is 43.45% complete.

Parking Garage Maintenance
ACP 14-03

Desman Associates \$ 7,071.30

Invoice # 14-263, dated October 15, 2014 in the amount
\$7,071.20 for engineering services.

Airport Passenger Facility Charge (PFC) Trust Transfers

DISCUSSION:

The following PFC transfers are recommended for Airport Board approval.
PFC Drawdown # 2014/10 (Check #1036).

Rehab and Extend Hangar Road
PFC Project #08-025

Hillman \$ 975.00 CIP 19607-16
CCTV Camera Work
ACP 07-16

BUSINESS REPORT – Cont'd...

Friedman Electric \$ 77.52 CIP 19607-16
Construction
ACP 07-16

Friedman Electric \$ 311.31 CIP 19607-16
Construction
ACP 07-16

Hillman \$ 2,987.45 CIP 19607-16
CCTV Camera Work
ACP 07-16

Friedman Electric \$ 101.23 CIP 19607-16
Construction
ACP 07-16

Friedman Electric \$ 167.90 CIP 19607-16
Construction
ACP 07-16

**Design & Construct New South General Aviation Apron
PFC Project # 08-023**

Oley Industries \$ 360.20 CIP 19610-01
Construction
ACP 10-01

**Taxiway B Extension
PFC Project # 14-11**

L.R. Kimball \$ 8.20 CIP 19611-01
Design
ACP 11-01

L. R. Kimball \$ 972.50 CIP 19611-01
Design
ACP 11-01

**Demolish Old Terminal Building
PFC Project #09-015**

Borton-Lawson \$ 145.76 CIP 19613-02
Design
ACP 13-02

Borton Lawson \$ 5,096.25 CIP 19613-02
Design
ACP 13-02

MOTION:
MOVED BY:
SECONDED BY:
VOTE:

Request the Airport Board approve the above transactions and payments.
Commissioner Patrick O'Malley
Board Member Stephen Urban
Unanimous

ITEM 5.

AUTHORIZATION TO BID:

Michael Conner, Assistant Airport Director)

MOTION: Recommend the Airport Board approve the authorization to advertise for the Old Terminal Demolition, Phase I.
MOVED BY: Board Member Robert Lawton
SECONDED BY: Commissioner Patrick O'Malley
VOTE: Unanimous

ITEM 6.

DIRECTOR'S COMMENTS:

(Barry J. Centini, Airport Director)

Aviation Fuel Farm Expansion.

MOTION: Recommend the Airport Board approve Change Order #1 increasing Fabcor, Inc. contract for the expansion of the Aviation Fuel Farm, \$10,530.96 from \$357,629.00 to \$368,159.96. Increase due to increasing Tank Saddle height from 6" to 12" and installing cap and grout on the containment wall.
MOVED BY: Commissioner Corey O'Brien
SECONDED BY: Commissioner Patrick O'Malley
VOTE: Unanimous

Update on FAA's Refurbishment and Replacement of the MALSR Approach Light System.

DISCUSSION: Mr. Centini informed the Board that on October 1, 2014 the "Steady Burn" light portion (MALS) on the immediate end of Runway 4 approach was put back in service. This came as a result of a \$600,000 project to refurbish a portion of the system on the existing light lane bridge structure. Six of the seven light bar stations are now operational. Work to re-establish the full system continues. Demolition of the remaining southern portion of the MALSR will be completed before the end of November. Design of individual towers to replace the remaining light and flasher locations is underway and scheduled for completion early 2015 (design contract \$450,000) with a construction start anticipated in April or May 2015. A total of six towers will be constructed to support the only remaining "Steady Burn" light bar and the five sequenced flashers that complete the MALSR system. Work is scheduled to be completed October 2015. (construction cost \$2M.) Total estimated project costs \$3M+, fully funded by FAA.

The MALSR and associated structure was originally constructed in 1959. It was modified in 1985 as part of the Runway Extension Project. Lighting equipment was replaced in 1987. In February 2013, the FAA, citing safety concerns with accessing the MALSR structure for maintenance, placed the MALSR out of service.

ITEM 7.

OTHER MATTERS:

(Chairman)

Appointment and Contract of Executive Director.

MOTION: The approval of appointment and contract of Mr. Carl R. Beardsley as Executive Director of the Wilkes-Barre/Scranton International Airport.

OTHER MATTERS – Cont’d...

MOVED BY:	Board Member Rick Williams		
SECONDED BY:	Commissioner Corey O'Brien		
VOTE:	4 Yea	Commissioner O'Brien	Yea
	1 Nay	Commissioner O'Malley	Yea
		Board Member Lawton	Yea
		Board Member Williams	Yea
		Board Member Urban	Nay

NOTE: Commissioner O'Brien noted that were Commissioner Wansacz in attendance, he would have voted 'yea'. Commissioner O'Malley concurred.

DISCUSSION: Commissioner Corey O'Brien gave a brief history of Barry Centini's past work history at the Airport, which began in December 1971 as Business Manager. In 1973, he became the Assistant Manager, and a few years later became the Assistant Director. In December 1988, Barry was named Acting Director and in March 1989, became the Airport Director. Commissioner O'Brien went on to list the many accomplishments of Mr. Centini while working as Airport Director, one of his biggest accomplishments being the new terminal which was completed in 2006. Each board member also thanked and spoke of their appreciation of the great job and dedication Mr. Centini demonstrated during his 43 years at the Airport.

Board Member Rick Williams related that in January 2014, Mr. Centini informed the Board that he would be retiring in January 2015. The Board asked Attorney Don Frederickson to lead them in a search for the next Airport Director. Attorney Frederickson described the process that was utilized. First of all the Board did a search for an executive search firm to conduct an international search for a new airport director. They put out an RFQ, received a number of proposals and narrowed it down to ADK Consulting out of Florida. They were hired on June 26, 2014 and entered into an international advertising campaign through airport periodicals and aviation periodicals on the web and through their direct contacts.

They brought the Board 13 applicants, and out of those 13, it was whittled down to 6. On October 17, 2014, those 6 candidates were brought into the Airport and, through the respective chambers of commerce, were given a tour of Lackawanna and Luzerne Counties. The Board then met with each candidate and out of those 6, the Board was adequately impressed with one candidate. They then met with this candidate a second time and afterwards they authorized Attorney Frederickson to enter into negotiations with him.

Attorney Frederickson announced that Carl R. Beardsley, Jr. of Johnson City, New York was selected as the new Airport Director, who is currently the Director of the Binghamton Airport. Mr. Beardsley's contract will commence on January 2, 2015. It is a three year contract with 2 year renewals going forward after that. The salary will be \$115,000.00 annually plus a \$400.00 monthly car allowance. Plus he will receive the regular health benefits and pension plan. The Airport will cover his professional dues for the various associations. He is required to relocate in either Luzerne or Lackawanna County within 90 days of hiring and there are provisions for an annual evaluation performed by the Board.

Commissioner O'Brien went on to express his and other members of the Board's excitement in selecting Mr. Beardsley. He mentioned Mr. Beardsley's past accomplishments and that they look forward to him starting work and beginning to build on Mr. Centini's legacy.

OTHER MATTERS – Cont’d...

Each Board Member then spoke of their pleasure and excitement in hiring Mr. Beardsley. Mr. Lawton stated that he wanted to make it clear that Mr. Beardsley was the clear choice of all of the Board who participated in the process. He also wanted to clarify that Mr. Beardsley will receive a \$400.00 car allowance, which will be taxable, but will not receive a take home vehicle from the airport. The other issue is that the Board had established an anticipated salary range for this position prior to the recruitment. Attorney Frederickson stated that the salary was between \$115,000 and \$140,000, based upon the fact that the consultant initially told the Board that the salary base was low compared to other airports of this size. Mr. Lawton reiterated that Mr. Beardsley is being brought in at the low end of the salary range and it does not represent an increase from the current compensation.

Mr. Urban addressed the Board that he was unable to attend the interviews for the new Director because he had to go away on business for three weeks. He stated, however, that he is not going to vote for Mr. Beardsley. He was happy with one of the other candidates and that he was happy with the way Mr. Centini was able to grow and rehabilitate this facility, and he felt that there was another candidate that was already in this facility that could grow into Mr. Centini's shoes. He stated that he did not meet Mr. Beardsley, but did look into the facility at Broome County and that it is nowhere near the number of people we have here, nor are there the number of flights. Mr. Urban also objected to the salary Mr. Beardsley will start with while Mr. Centini was getting the same salary after 43 years.

Mr. Williams noted that Mr. Urban was not in attendance at the beginning of the meeting.

ITEM 8.

ADJOURNMENT:

(Chairman)

MOTION:

It is recommended to adjourn the meeting.

MOVED BY:

Commissioner Corey O'Brien

SECONDED BY:

Commissioner Patrick O'Malley

VOTE:

Unanimous

The meeting was adjourned at 2:50 P.M.