



ALBANY COUNTY AIRPORT AUTHORITY
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**ACAA
 APPROVED
 3/2/09**

Minutes of the Regular Meeting of the Albany County Airport Authority

February 2, 2009

Pursuant to notice duly given and posted, the regular meeting of the Albany County Airport Authority was called to order on Monday, February 2, 2009 @ 6:04 PM in the 3rd Floor Conference Room of the main Terminal located at the Albany International Airport by Chair David E. Langdon with the following present:

MEMBERS PRESENT

Chair David E. Langdon
 Henry E. Dennis, Jr.
 John A. Graziano, Jr.
 Elliott A. Shaw
 Richard J. Sherwood
 Daniel M. Sleasman
 Dorsey M. Whitehead

MEMBERS ABSENT

None

STAFF

John A. O'Donnell
 Bill O'Reilly
 Margaret Herrmann
 Peter F. Stuto
 Denise Zieske

Doug Myers
 Steve Iachetta
 Ginger Olthoff
 Helen Chadderdon

ATTENDEES

Joel Russell, AvPorts
 Pam Day, Million Air
 Eric Andersen, Times Union

Chair Langdon noted that there was a quorum.

DAVID E. LANGDON, CHAIR

RICHARD J. SHERWOOD, VICE CHAIR

HENRY E. DENNIS, JR.

DANIEL M. SLEASMAN

JOHN A. GRAZIANO, JR.

ELLIOTT A. SHAW

DORSEY M. WHITEHEAD

JOHN A. O'DONNELL, CHIEF EXECUTIVE OFFICER

1. **CHAIR'S REMARKS**

None

2. **MINUTES**

Mr. Whitehead moved to approve the minutes of the December 1, 2008 Regular Meeting. The motion was adopted unanimously.

3. **COMMUNICATIONS AND REPORT OF CHIEF EXECUTIVE OFFICER**

Mr. O'Donnell presented the Communications and Report of the Chief Executive Officer for the month of February 2009.

He also reported on the following:

- **President Obama's Stimulus Package** - The following projects have been included for consideration in the President's Stimulus Package:

Project Title	Bottom Range	Top Range
Runway Obstruction Removal	\$4,890,000	\$5,640,000
Hangar Door Replacement	\$ 415,000	\$ 435,000
Terminal Floor Replacement	\$1,200,000	\$1,255,000
Terminal Carpet Replacement	\$ 550,000	\$ 550,000
U/V Protection & Roof Repair	\$ 380,000	\$ 420,000
Garage Surface Rehabilitation	\$ 580,000	\$ 640,000
Garage 5 th Floor Canopy	\$3,998,000	\$4,496,000
Roundabout*	\$1,200,000	\$1,200,000
Glycol/Stormwater Storage Tank	\$2,122,000	\$2,312,980
Cargo Ramp Drainage Improvement	\$ 398,000	\$ 441,780

* Subsequently Approved for NYSDOT Funding

Mr. O'Donnell introduced Mr. Joel Russell, AvPORTS Airport Manager, to report on the recent Air Canada aircraft incident.

Mr. Russell reported the following on the recent Air Canada aircraft incident and emergency response:

- On 10:10 am on January 15th, the FAA Tower initiated an Emergency Alarm utilizing the Emergency Conference Line which notifies Airport Operations, ARFF, ACAA, and Colonie Dispatch.
- The aircraft involved was a Beechcraft 1900 with 9 passengers on board and 1800 lbs. of fuel.
- The Airport commenced with an emergency response which includes: ARFF positioned on the field; Albany County Sheriff's Department; Airport Operations; Colonie EMS; Verdoy Fire Department and Shaker Road Fire Department.

- The aircraft landed at 10:32 am and all units responded. The aircraft applied heavy braking and blew out all four main landing gear tires and came to rest at the intersection of the Airport's two runways.
- It became quickly apparent that there was no further danger of fire or injuries. As a result, the mutual aid fire departments were released and the need for a Command Center was dismissed.
- There were several issues to resolve at that point: accommodation of the 9 passengers; custom complications and the aircraft being disabled thereby closing the Airport.
- The Airport provided a bus and the airlines and Customs accommodated the passengers on board.
- Regarding the aircraft, FISDO was contacted and released the aircraft. Four spare wheels were located and the aircraft was put on jacks and the tires were replaced. The aircraft was then towed at 11:58 am. The Airport was reopened at that time. Total time of incident: 1 hour and 48 minutes.

Mr. O'Donnell stated that if the aircraft had not landed in the intersection of the runway, the Airport could have remained open; however, the Airport was put to task and did a great job in removing the aircraft from the runway intersection.

4. INTERESTING CORRESPONDENCE:

Noted

MANAGEMENT REPORTS:

5. Chief Financial Officer

Mr. O'Reilly presented the following:

5.1 Statistical and Financial Performance for the Month of December 2008

Mr. O'Reilly distributed and reviewed a power point presentation outlining the financial performance for the period ended December 31, 2008.

Mr. O'Reilly stated that the unrestricted working capital presented was budget to actual rather than actual year end figures. He stated that December's report did not factor in all expenses and did not factor in the airlines rates and charges and receivables from the airlines of approximately \$722,000.

He stated that the December report will be revised to reflect the final audited numbers and the Financial Statements will have to be reviewed and certified by Jacobs Consultancy, the Airport's financial consultant.

Chair Langdon suggested that Mr. O'Reilly and Mr. O'Donnell prepare recommendations to the Board, using percentages down for January and February, as the financial performance continues to decline and more drastic measures may have to be taken. Mr. O'Donnell agreed to do this.

Mr. O'Reilly stated that measures have been taken, i.e., parking fees were raised, staff has been reduced at the Authority, vacant positions are being held open and an application will be made to increase PFCs.

Chair Langdon acknowledged that these measures have been taken; however, there are circumstances that are not controlled by the Authority that have to be considered. He stated that he would like to see the percentage down for each month to begin to prepare, if necessary.

Mr. O'Donnell stated that a contingency plan will be prepared. Mr. O'Reilly stated that if January enplanements are used for this purpose they will likely reflect a downward percentage as there were a number of cancelled flights due to inclement weather.

Chair Langdon requested the recommendations be prepared for discussion purposes only and not for action at this time.

Mr. O'Reilly stated that looking forward, the rates and charges for 2009 have been raised and comparisons to the 2008 budget are over. He again stated that there was inclement weather in January which resulted in heavy snow operations for the month.

Chair Langdon complimented Mr. O'Reilly on his presentations to the Board.

Mr. Sleasman inquired as to the expense budget variance for debt service in the amount of \$1.074 million. He stated that he did recall the refunding transaction which was done in consultation with financial advisors from Boston. He inquired as to how the transaction could be off by \$1.74 million. He inquired as to whether the risks were adequately disclosed and if we had known would the transaction had been looked at differently by the Board.

Mr. O'Reilly stated that a portion of the additional debt service (\$574,000) was known at the time of the transaction; however, it was not contemplated in the budget due to the timing of the transaction. Mr. O'Reilly stated that in addition to this, the effects of the financial crisis in the economy negatively affected the debt service and created serious leakage.

Mr. Sleasman inquired as to whether Mr. O'Reilly had an opinion as to whether the refunding transaction was a sound one. Mr. O'Reilly stated that he didn't think it was an inordinate risk and some excellent choices were made in relation to the transaction. He stated that in hindsight, it is always good to have a fixed rate; however, no one anticipated how the financial crisis has unfolded.

Mr. Sleasman requested that a notation be made in the internal report which explains the deviation over \$1 million. Mr. O'Reilly stated that he would explain this in the management report.

- 5.2 Comparison of Enplanements**
- 5.3 Summary of Airline Scheduled Flights and Markets**
- 5.4 USDOT Arrival and Departure Statistics**

6. Project Development

Mr. Iachetta presented the Project Development Status Report for the month of February 2009.

7. Counsel

Mr. Stuto referred to a short report in the Agenda book prepared by Mr. Meyers. The report points out that the time for appeal in the Maloy litigation had expired and the litigation has now successfully ended.

8. Concessions/Ambassador Program

Ms. Chadderdon presented the Concessions/Ambassador Program Report for the month of February 2009.

Ms. Chadderdon gave a brief report on the status of the transition to HMSHost. She stated that temporary concepts were now in place and review of design/construction was underway. She also stated that a DBE proprietor was selected for Dunkin Donuts and is currently awaiting certification by NYSDOT.

Chair Langdon requested that the Board receive a written update on the transition/construction schedule. He also requested notification if there are any changes to the schedule. Ms. Chadderdon agreed to do this.

9. Public Affairs Report

Mr. Myers presented the Public Affairs Report for the month of February 2009.

9.1 Interspace Advertising Presentation

Chair Langdon noted that this item would be deferred to the March 2009 meeting.

10. Business and Economic Development Report

Ms. Zieske presented the Business and Economic Development Report for the month of February 2009.

ACTION ITEMS:

11. Authorization of Contracts/Leases/Contract Negotiations/Contract Amendments

11.1 Construction Contract No. 592E: Fuel Farm Electrical Improvements

Mr. Iachetta recommended authorization to award Construction Contract No. 592E: Fuel Farm Electrical Improvements to DLC Electric, LLC, in the amount of \$115,600, to be funded from Capital Improvement Project Account No. 2590.

Mr. Iachetta stated that the two lowest bidders sent in written withdrawals of their bids; one due to a mathematical error and one due to an overextension of work.

Mr. Sherwood moved to authorize said contract award. The motion was adopted unanimously.

11.2 Purchase Order No. 109725: Acquisition of Glycol Recovery Vehicle

Mr. Iachetta recommended authorization of Purchase Order No. 109725: Acquisition of Glycol Recovery Vehicle to Maryland Industrial Truck, Inc., in the amount of \$351,562, to be funded from Capital Improvement Project Account No. 2590.

Mr. Iachetta stated that this contract had been awarded as part of the Federal General Services Administration Contract Number GS-30F-1012H.

Mr. Graziano moved to authorize said purchase order. The motion was adopted unanimously.

11.3 Purchase Order No. 109726: Acquisition of Runway Deicer Vehicle

Mr. Iachetta recommended authorization of Purchase Order No. 109726: Acquisition of Runway Deicer Vehicle to Batts, Inc., in the amount of \$280,833, to be funded from Capital Improvement Project Account No. 2590.

Mr. Iachetta stated that this contract had been awarded as part of the Federal General Services Administration Contract Number GS-30F-1022G.

Mr. Shaw moved to authorize said purchase order. The motion was adopted unanimously.

11.4 Concurrence of Award - Latham Water District – Phase 2 Construction Contract: Runway 28 Approach Obstruction (Water Tanks) Removal

Mr. Iachetta recommended authorization of concurrence on award of Latham Water – Phase 2 Construction Contract: Runway 28 Approach Obstruction (Water Tanks) Removal to the Highlander Construction, Inc., in the amount of \$2,064,152.80 (includes Alternate No. 1, 2 & 3), to be funded from Capital Improvement Project Account No. 2512 contingent upon federal funding in the increased amount of up to \$2,064,153.

Mr. O'Donnell stated that award of this project will be held until FAA funding is in place. Mr. Iachetta stated that funding was expected to be in place by February 20, 2009.

Mr. Whitehead moved to authorize concurrence on award of said contract contingent upon FAA funding. The motion was adopted unanimously.

11.5 Concurrence of Change Order - Latham Water District – Phase 1 Construction Contract Change Order No. 1 to Highlander Construction, Inc. - Runway 28 Approach Obstruction (Water Tanks) Removal

Mr. Iachetta recommended authorization of Concurrence of Change Order - Latham Water District – Phase 1- Runway 28 Approach Obstruction (Water Tanks) Removal, Change Order No. 1 to Highlander Construction, Inc., in the amount of \$227,886.37, to be funded from Capital Improvement Project Account No. 2512.

Mr. Sherwood moved to authorize concurrence of said change order. The motion was adopted unanimously.