



ALBANY COUNTY AIRPORT AUTHORITY

ALBANY INTERNATIONAL AIRPORT

ADMINISTRATION BUILDING

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ACAA
APPROVED
8/10/09

Minutes of the Regular Meeting of the Albany County Airport Authority

June 8, 2009

Pursuant to notice duly given and posted, the regular meeting of the Albany County Airport Authority was called to order on Monday, June 8, 2009 @ 6:00 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
John A. Graziano, Jr.
Elliott A. Shaw
Richard J. Sherwood
Dorsey M. Whitehead

MEMBERS ABSENT

Henry E. Dennis, Jr.
Daniel M. Sleasman

STAFF

John A. O'Donnell
Bill O'Reilly
Ginger Olthoff
Peter F. Stuto
Denise Zieske

Doug Myers
Steve Iachetta
Helen Chadderdon
Richard M. Meyers

ATTENDEES

Joel Russell, AvPorts
Pam Day, Million Air
Peter Mandle, Jacobs Consultancy

Eric Anderson, Times Union
Steve Williams, The Gazette
Jim Valachovic, Richmor Aviation

Chair Langdon noted there was a quorum.

1. **CHAIR'S REMARKS**

None

2. **MINUTES**

Mr. Graziano moved to approve the minutes of the May 4, 2009 minutes. 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 June 2009.

He also reported on the following:

- **Colgan Air Flight 3407 Update:** The NTSB has held many hearings regarding the crash of Colgan Air Flight 3407 in Buffalo and Congress plans to follow-up with hearings on regional airlines and how the FAA regulates them. The Senate may amend the House bill recently passed to require the initiation of a study within 3 months of enactment of commercial airline pilot training and certification programs. The study would have to be completed within 12 month's of initiation of the study.

Chair Langdon referred to the item related to Southwest Airlines designating Albany as their No. 1 Station in the country and extended congratulations on behalf of the Authority members to Southwest Airlines and their staff.

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 April 30, 2009**
- 5.2 **Comparison of Enplanements**
- 5.3 **Summary of Airline Scheduled Flights and Markets**
- 5.4 **USDOT Arrival and Departure Statistics**

Mr. O'Reilly distributed and reviewed a power point presentation outlining the financial performance for the period ended April 30, 2009.

Chair Langdon reported that the Finance Committee held a meeting on June 2, 2009 and reviewed the financial performance in detail.

6. Project Development

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

7. Counsel

Mr. Stuto stated that the Authority staff has reviewed fees associated with the concession contract renewals, i.e., food and beverage concession, rental car concessions. He stated that staff was also reviewing fees charged to the off-Airport parking concession. He stated that the Authority did authorize staff to retain Jacobs Consultancy to review and make recommendations on an appropriate fee to charge for the off-Airport parking concession.

Mr. Stuto introduced Mr. Peter Mandle from Jacobs Consultancy who has over 30 years of experience in ground transportation and parking.

Mr. Mandle reviewed his report on the review of off-Airport parking fees which was previously distributed to Authority members and recommended the following:

- 1) It would be reasonable to charge off-Airport parking businesses a privilege fee calculated as between 10% and 11% of gross revenues the company derives from its Airport-related business. This recommendation was based upon the following: a) the fact that the business benefits companies receive from the presence of the entire Airport, not just the roadways and curbside areas; b) the privilege fees charged other commercial ground transportation businesses that rely upon the presence of the entire Airport (e.g., rental car companies) and other Airport concessions; and c) the fees that other airport operators charge similar off-airport parking businesses;
- 2) Increase the privilege fee now charged off-Airport rental car companies from the sliding scale fee to a flat rate of 9% to 10%, considering that on-Airport rental car companies now pay a fee of 10% plus other fees and charges. This is recommended to preserve existing revenue sources by assuring that the on-and-off Airport rental car companies are charged a comparable, if not the same, privilege fee; and
- 3) Require all commercial operators to pay a per-trip fee of up to \$1.25.

Mr. Shaw inquired as to how the number of trips is calculated for courtesy vehicles. Mr. Stuto stated that the operators are granted a permit and given access to the commercial lane through an electronic gate that monitors the number of trips.

Mr. O'Donnell stated that the national trend from Phoenix to Miami to Denver shows that parking revenues are off quite a bit more than Albany. A survey of Phoenix Airport revealed that the business traveler is more price sensitive at this time and is finding alternative parking methods and the leisure travelers are increasingly being dropped off and picked up rather than parking at the airport. These trends have resulted in parking revenue decreases which are higher than the decrease in enplanement levels.

Chair Langdon inquired as to what percentage of budget revenues was derived from parking revenues. Mr. Mandle stated that ground transportation and parking revenues represent 30-40% of the Airport's revenue budget.

Mr. Stuto stated that staff was currently negotiating with off-Airport concessionaires and will report back to the Authority members.

8. Concessions/Ambassador Program

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

Ms. Chadderdon reported that Starbucks would be opening on June 25th and Dunkin Donuts was scheduled to begin construction in July with an August opening.

9. Public Affairs Report

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

10. Business and Economic Development Report

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

ACTION ITEMS:

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

11.1 Acceptance of Federal Airport Improvement Grant No. 3-36-0001-103-09: Runway 28 Obstruction (Water Tank) Removals – Phase IV

Mr. Iachetta recommended authorization of Acceptance of Federal Airport Improvement Grant No. 3-36-0001-103-09: Runway 28 Obstruction (Water Tank) Removals – Phase IV under the American Recovery and Reinvestment Act of 2009 (Stimulus Package) in the amount of \$6,737,601, as determined by a competitive bidding project. This grant is federally funded at 100%.

Mr. Sherwood moved to authorize acceptance of said grant. The motion was adopted unanimously.

11.2 Acceptance of Federal Airport Improvement Grant No. 3-36-0001-104-09; NYSDOT PIN No. 1913.97: Airport Snow Removal Equipment Procurement (Runway Broom and Plow Truck Sander)

Mr. Iachetta recommended authorization of Acceptance of Federal Airport Improvement Grant No. 3-36-0001-104-09; NYSDOT PIN No. 1913.97: Airport Snow Removal Equipment Procurement (Runway Broom and Plow Truck Sander) in the amount of \$680,202 as follows: Federal Share - \$646,192; State Share - \$17,005; and ACAA Share - \$17,005.

Mr. Graziano moved to authorize acceptance of said grant. The motion was adopted unanimously.

11.3 Acceptance of Federal Airport Improvement Grant No. 3-36-0001-105-09; NYSDOT PIN No. 1913.98: Runway 01 Protection Zone Property Acquisition

Mr. Iachetta recommended authorization of Acceptance of Federal Airport Improvement Grant No. 3-36-0001-105-09; NYSDOT PIN No. 1913.98: Runway 01 Protection Zone Property Acquisition in the amount of \$2,500,000 as follows: Federal Share - \$2,375,000; State Share - \$62,500; and ACAA Share - \$62,500.

Mr. Graziano moved to authorize acceptance of said grant. The motion was adopted. Mr. Sherwood recused himself from the vote.

11.4 Acceptance of Federal Airport Improvement Grant No. 3-36-0001-106-09; NYSDOT PIN No. 1913.99: Runway 19 Obstruction (Tree) Removals and Property Acquisition – Phase 3

Mr. Iachetta recommended authorization of Acceptance of Federal Airport Improvement Grant No. 3-36-0001-106-09; NYSDOT PIN No. 1913.99: Runway 19 Obstruction (Tree) Removals and Property Acquisition – Phase 3 in the amount of \$232,618 as follows: Federal Share - \$220,987; State Share - \$5,815; and ACAA Share - \$5,815.

Mr. O'Donnell noted that this grant will replace a grant that has closed-out due to timing and will allow continued AIP funding.

Mr. Whitehead moved to authorize acceptance of said grant. The motion was adopted unanimously.

11.5 Acceptance of Amendment No. 1 to Federal Airport Improvement Grant No. 3-36-0001-79-04; NYSDOT PIN No. 1913.72: Runway 28 Obstruction (Water Tanks) Removal; Phase One

Mr. Iachetta recommended authorization of Acceptance of Amendment No. 1 to Federal Airport Improvement Grant No. 3-36-0001-79-04; NYSDOT PIN No. 1913.72: Runway 28 Obstruction (Water Tanks) Removal; Phase One in the amount of \$3,015,825 as follows: Federal Share - \$2,865,034; State Share - \$75,395; and ACAA Share - \$75,395.

Mr. Shaw moved to authorize acceptance of said grant amendment. The motion was adopted unanimously.

11.6 Acceptance of Amendment No. 1 to Federal Airport Improvement Grant No. 3-36-0001-87-06; NYSDOT PIN No. 1913.80: Terminal and General Aviation Apron Rehabilitation; Runway 10-19 Drainage Improvements

Mr. Iachetta recommended authorization of Acceptance of Amendment No. 1 to Federal Airport Improvement Grant No. 3-36-0001-87-06; NYSDOT PIN No. 1913.80: Terminal and General Aviation Apron Rehabilitation; Runway 10-19 Drainage Improvements in the amount of \$3,610,334 as follows: Federal Share - \$3,429,817 State Share - \$90,258; and ACAA Share - \$90,258.

Mr. Whitehead moved to authorize acceptance of said grant amendment. The motion was adopted unanimously.

11.7 Acceptance of Amendment No. 1 to Federal Airport Improvement Grant No. 3-36-0001-88-06; NYSDOT PIN No. 1913.81: Runway 19 Protection Zone Property Acquisitions

Mr. Iachetta recommended authorization of Acceptance of Amendment No. 1 to Federal Airport Improvement Grant No. 3-36-0001-88-06; NYSDOT PIN No. 1913.81: Runway 19 Protection Zone Property Acquisitions in the amount of \$1,998,658 as follows: Federal Share - \$1,898,725 State Share - \$49,966; and ACAA Share - \$49,967.

Mr. Sherwood moved to authorize acceptance of said grant amendment. The motion was adopted unanimously.

11.8 Acceptance of Amendment No. 1 to Federal Airport Improvement Grant No. 3-36-0001-96-08; NYSDOT PIN No. 1913.89: Runway 19 Protection Zone Property Acquisitions

Mr. Iachetta recommended authorization of Acceptance of Amendment No. 1 to Federal Airport Improvement Grant No. 3-36-0001-96-08; NYSDOT PIN No. 1913.89: Runway 19 Protection Zone Property Acquisitions in the amount of \$501,624 as follows: Federal Share - \$476,543 State Share - \$12,540; and ACAA Share - \$12,540.

Mr. Whitehead moved to authorize acceptance of said grant amendment. The motion was adopted unanimously.

11.9 Acceptance of NYS Environmental Facilities Corp. Grant for Deicing Stormwater Lagoon Replacement with Above Ground Geodesic Dome Tank Storage Improvements

Mr. Iachetta recommended authorization of Acceptance of NYS Environmental Facilities Corp. (NYSEFC) Grant for Deicing Stormwater Lagoon Replacement with Above Ground Geodesic Dome Tank Storage Improvements in the amount of \$4,805,000 as follows: NYS Share - \$4,324,000 and ACAA Share - \$481,000 contingent upon receiving notification of grant award from NYSEFC.

Mr. Iachetta stated that this is a Federal American Reinvestment and Recovery Act (Stimulus Package) grant administered by NYS Environmental Facilities Corp.

Mr. Shaw moved to authorize acceptance of said grant. The motion was adopted unanimously.

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

12.1 Procurement of Replacement Runway Broom Using Federal General Services Administration (GSA) Contract No. GS30F-1-19D

Mr. Stuto recommended authorization of Procurement of Replacement Runway Broom using Federal General Services Administration (GSA) Contract No. GS30F-1-19D from Oshkosh Corporation, in the amount of \$425,932, to be funded from Capital Improvements Project Account No. 2590.

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