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ACAA
 APPROVED
 5/4/09

Minutes of the Regular Meeting of the Albany County Airport Authority

April 6, 2009

Pursuant to notice duly given and posted, the regular meeting of the Albany County Airport Authority was called to order on Monday, April 6, 2009 @ 6:09 PM in the 3rd Floor Conference Room of the main Terminal located at the Albany International Airport by Acting-Chair Richard J. Sherwood with the following present:

MEMBERS PRESENT

Acting Chair Richard J. Sherwood
 Henry E. Dennis, Jr.
 John A. Graziano, Jr.
 Elliott A. Shaw
 Daniel M. Sleasman

MEMBERS ABSENT

David E. Langdon
 Dorsey M. Whitehead

STAFF

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

Doug Myers
 Steve Iachetta
 Ginger Olthoff
 Helen Chadderdon
 Richard M. Meyers

ATTENDEES

Joel Russell, AvPorts
 Pam Day, Million Air
 Eric Andersen, Times Union
 Peter Rea, NYSDOT
 Paul McDonnell, Clough Harbour & Associates

Acting-Chair Sherwood noted that there was not a quorum; however, he stated that the meeting could begin with non-voting items.

1. **CHAIR'S REMARKS**

None

2. **MINUTES**

Approval of the minutes was deferred until such time as there was a quorum.

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 March 2009.

He also reported on the following:

- **Federal Stimulus Funds**: The Airport will receive \$6 million in federal stimulus funding for the Runway 28 Obstruction (Latham Water Tanks) Removal Project.
- **Award from American Public Works Association (APWA) – NY Chapter**: The Airport, Argus Architecture and Iota Construction Corp. have received the Public Works Project of the Year Award from the APWA for the Historical Preservation/Restoration of the Ebenezer Hills Jr. House Relocation & Restoration.

Messrs. Sleasman and Dennis entered the meeting.

Acting-Chair Sherwood noted that there was a quorum.

Acting-Chair Sherwood referred to Item No. 2 on the agenda for approval.

2. **MINUTES**

Mr. Shaw moved to approve the minutes of the March 2, 2009 minutes. The motion was adopted unanimously.

Acting-Chair Sherwood referred back to Item No. 4 on the agenda.

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 February 28, 2009**
- 5.2 **Comparison of Enplanements**
- 5.3 **Summary of Airline Scheduled Flights and Markets**
- 5.4 **USDOT Arrival and Departure Statistics**

Mr. Sleasman inquired as to how often the weight factor results in empty seats on an aircraft. Mr. McDonnell stated that he was not able to obtain that information from the airlines. He stated that the 1,000 operations cited in the report were actually a total estimated number of 900. He also stated that 10% of current operations on Runway 28 could be increased up to 15% for regional jets and narrow body jets.

Mr. Sleasman stated that it appears that the increase in operations does not result in additional operations but how it effects some current operations. Mr. Sleasman inquired as to how many actual additional departures there would be. Mr. McDonnell stated that the actual number is very low. Most results in bumping or taking a crosswind departure.

Mr. Sleasman inquired as to how many people would be bumped. Mr. McDonnell stated approximately 2-3 people.

Mr. Sleasman stated that he would like to see the real benefit factor that includes as much empirical data as possible to determine the number of flights that are altered as a result of the obstructions. Mr. McDonnell stated that he would not be able to obtain that from the airlines.

Mr. Sleasman stated that the information submitted appears to be theoretical rather than empirical and sounds a bit ephemeral. Mr. McDonnell stated that there were also operational issues and safety issues to be considered, as well.

Mr. Sleasman inquired as to whether the airlines have specifically brought to the attention of Airport management, the problems associated with Runway 28 or did we bring this to their attention.

Mr. O'Donnell stated that the airlines have commented from time to time when they have to bump passengers or that they did experience some impacts to their operations. He stated that the airlines must factor in the weather conditions, as well. If there is a crosswind, this will reduce the aircraft's ability to gain lift thereby forcing the pilot to decide to on removing passengers. He stated that the obstructions are listed as impediments on flight data information and issued as NOTAMS (Notice to Airmen). The airlines then make a decision based on weight and weather as to whether there is a need for passengers to be bumped. He stated that the airlines make this decision on a case by case basis.

Mr. Sleasman stated that it appears that this project is moving on its own forward momentum on a step-by-step process. He stated that the next thing you know, they'll be bringing in the buzz saws. He stated that he would like there to be a darned good reason to move the project forward and not be based upon a theoretical statistical rationale.

Mr. O'Donnell inquired of Mr. McDonnell as to whether we could get more evidence on the financial impact to airline operations. Mr. McDonnell stated that he could request that from the airlines. He stated that the initial inquiry to the airlines was related to operational impacts not financial impacts. Mr. O'Donnell advised Mr. McDonnell that he would like to go back to the airlines and obtain financial impacts.

Mr. Sleasman stated that he would like to address real significant safety and economic needs rather than just to do theoretical analysis.

Mr. Shaw stated that it appeared to be an all or nothing proposition. Mr. McDonnell stated that the project has been revised substantially as a result of raising the surface which was not an ideal

surface. He stated that as a result of this, there are only three commercial properties of interest now. He stated that the project was currently in conceptual design and the next step would be to provide a cost estimate to the FAA. He stated that if removals are not done at two of the three properties, i.e., Memorys Garden and Shaker Ridge Country Club, it would not be of any benefit to do any of the properties. He stated that all or nothing was an overstatement but all did go hand in hand.

Mr. Shaw stated that there would be a problem then if one of the property owners blocked the project. Mr. McDonnell stated that the Airport currently has avigation easements for two of the properties but does not have an easement for Memorys Garden. Memorys Garden has expressed an interest in an easement due to the financial benefit. He stated that there needs to be more work with Shaker Ridge, as they like trees, and there will be mitigation measures required, i.e., sand traps, planting smaller trees, etc., and this is a high-cost concern for the FAA.

7. Counsel

Mr. Stuto stated that the annual Financial Disclosure forms had been transmitted to the Authority members. He stated that the Financial Disclosures were due in to the County by May 15, 2009.

8. Concessions/Ambassador Program

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

9. Public Affairs Report

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

10. Business and Economic Development Report

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

ACTION ITEMS:

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

11.1 Equipment Contract No. E609: Passenger Shuttle Bus

Mr. Stuto recommended authorization to award Equipment Contract No. E609: Passenger Shuttle Bus to the lowest qualified bidder, Empire Bus Sales, LLC, in the amount of \$88,207, to be funded from Capital Improvements Project Account No. 2590.

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

11.2 Lease Agreement No. L632: 20± Acres of Land for Farming with George's Market & Nursery, LLC

Ms. Zieske recommended authorization of Lease Agreement No. L632: 20± Acres of Land for Farming with George's Market & Nursery, LLC. The lease payment will be \$1,000 for the 2009 growing season.

Mr. Shaw moved to authorize said lease agreement. The motion was adopted unanimously.

11.3 Service Contract No. SC645: General Aviation Catering with Kate Touhey d/b/a Caputo and Cimino Deli

Ms. Zieske recommended authorization of Service Contract No. SC645: General Aviation Catering with Kate Touhey d/b/a Caputo and Cimino Deli for catering services for the general aviation aircraft at Million Air. The Authority collects a 20% privilege fee on all catering services.

Mr. Dennis moved to authorize said service contract. The motion was adopted unanimously.

11.4 Operating Permit: Operation of Aircraft Used by DHL Express (USA) with Ameriflight LLC

Ms. Zieske recommended authorization of an Operating Permit for Operation of Aircraft Used by DHL Express (USA) with Ameriflight LLC.

Mr. Meyers stated that DHL was the primary contractor on the apron and Ameriflight will be operating the aircraft that will be flying in and out of the Airport. He stated that there will also be a trucking company involved.

Mr. Dennis moved to authorize said operating permit. The motion was adopted unanimously.

11.5 Lease Agreement No. L537: 74 Sicker Road, ACAA Bldg. No. 212 with LeRoy Holding Co., Inc.

Ms. Zieske recommended authorization of Lease Agreement No. L537: 74 Sicker Road, ACAA Bldg. No. 212 with LeRoy Holding Co., Inc. which is a two year lease extension for the warehouse building.

Mr. Graziano moved to authorize said lease agreement. The motion was adopted unanimously.

11.6 Phase Three Expenditure - Professional Services Contract No. S541: Engineering/Design Services – Runway 10 FAR Part 77 Approach Obstruction (Tree) Removals with Clough Harbour & Associates

Mr. O'Donnell stated that based upon the discussion earlier in this meeting, review can continue on this project with possible advancement of some portion of the project rather than to the end of completion.

Mr. O'Donnell stated that the FAA would like the runways to be flat for 3 miles out beyond the blast pad. The FAA did give standards that raised the slope to 34:1; however, we are now looking at 33:1. He stated the basis for the project was not necessarily directed at normal aircraft but that of an aircraft in trouble, one engine out. He stated that an option would be to authorize some funds to engage Clough Harbour & Associates but not advance the project to completion.

Mr. Sleasman pointed out that Phase 1 costs were \$77,200, Phase 2 costs were \$50,000 and this request was for \$191,000. He inquired as to the impacts if this agenda item was not approved.

Mr. O'Donnell stated that it would not be preferable for a governmental body to not pursue due to the fact that the slope was steeper than standard FAA requirements. He stated that more information was needed from the airlines, as discussed earlier, regarding the financial impacts to their operations.

Mr. Shaw inquired as to the timeframe thus far for Phase 1 and 2. Mr. O'Donnell stated that the timeframe has been 3 years.

Mr. O'Donnell stated that at a minimum an avigation easement should be obtained over Memorys Garden to limit their ability to sell the land to a developer who could erect obstructions. He stated that staff was currently looking into the possibility of taking benefit from the tree removal on the purchase price of the easement. This could reduce the amount of the easement downward from \$485,000. Mr. Stuto stated that he was discussing with the appraisers whether the tree removal will improve the land for Memorys Garden and thus reduce the price.

Mr. Sleasman stated that it was noted earlier that the FAA was doing its own cost/benefit analysis and wanted more information. He stated that since this is not an urgent matter, he would like to see the results of the cost/benefit analysis before moving forward.

Mr. O'Donnell stated that he would like to continue with the avigation easement process. Mr. Sleasman stated that he had no problem with that.

Mr. O'Donnell stated that Clough Harbour could be authorized to move forward at a phase less than \$191,225 in the interim until the additional information regarding cost/benefit is completed. This would cover the redesign of the golf course. Mr. Iachetta stated that as was included in Clough Harbour's study, this would cover only conceptual design. Mr. O'Donnell stated that he believed \$64,000 for the golf course landscape architect should cover the entire design. Mr. Sleasman inquired as to what Mr. Iachetta meant by conceptual design only.

Mr. O'Donnell stated that he would prefer to defer this item to the May meeting in order to review further. Mr. Shaw stated that he agreed.

Acting-Chair Sherwood stated that this item would be deferred to the May meeting. There were no objections.

11.7 Professional Services Contract No. S642: Consultant Services Off-Airport Concession Fees

Mr. Stuto recommended authorization to award Professional Services Contract No. S642: Consultant Services Off-Airport Concession Fees, to Jacobs Consultancy, in an amount not to exceed \$20,000, to be funded from the Airport Operating Budget.

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