



**ALBANY COUNTY AIRPORT AUTHORITY**  
ALBANY INTERNATIONAL AIRPORT  
ADMINISTRATION BUILDING  
SUITE 200  
ALBANY, NEW YORK 12211-1057

**TEL:** 518.242.2222  
**ADMIN FAX:** 518.242.2641  
**FINANCE FAX:** 518.242.2640  
**SITE:** www.albanyairport.com

**ACAA  
APPROVED**

11/1/10

**Minutes of the Regular Meeting of the Albany County Airport Authority**

**October 4, 2010**

Pursuant to notice duly given and posted, the regular meeting of the Albany County Airport Authority was called to order on Monday, October 4, 2010 @ 6:00 PM in the 3<sup>rd</sup> 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  
Rev. Kenneth J. Doyle  
Dennis Fitzgerald  
Elliott A. Shaw  
Dorsey M. Whitehead

**MEMBERS ABSENT**

Tony Gorman

**STAFF**

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

Margaret Herrmann  
Steve Iachetta  
Helen Chadderdon  
Doug Myers

**ATTENDEES**

Joel Russell, AvPorts  
Pam Day, MillionAir  
Eric Anderson, Times Union  
Paul McDonnell, CHA

Chair Langdon noted there was a quorum.

---

1. **CHAIR'S REMARKS**

None

2. **MINUTES**

Mr. Shaw moved to approve the July 12, 2010 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 October 2010.

Chair Langdon referred to the item related to Cape Air Essential Air Service (EAS) and inquired as to subsidies that would be given to the proposers, Cape Air and Gulfstream, if they were selected for EAS. Mr. O'Donnell stated that Cape Air would receive \$4.8 million and Gulfstream would receive \$7.5 million.

Chair Langdon inquired as to when the contract will be re-bid. Mr. Myers stated that he didn't know the date but it will be very shortly.

Chair Langdon inquired as to the term of the contract. Mr. O'Donnell stated that he believed it would be a five-year contract but he would have to confirm this.

Mr. Shaw inquired as to the loss of service to Buffalo, NY. Mr. O'Donnell stated that US Airways was no longer providing service to Buffalo due to the very low load factors for the flights. He stated that he was reaching out to other airlines to provide the service; however, load factors play a significant role in whether an airline will provide service. He stated that the New York State Government moratorium on travel has had a great impact on the load factors to Buffalo.

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 August 30, 2010**
- 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 August 31, 2010.

Chair Langdon inquired as to whether Mr. O'Reilly expected the numbers to hold through the end of the year. Mr. O'Reilly stated that he believed they would and there would be a strong revenue sharing with the airlines at the end of the year.

Chair Langdon inquired as to expected increased costs for 2011. Mr. O'Reilly stated that revenue sharing for 2011 was projected in the preliminary budget to be much lower at \$62,000 due to increased costs, particularly in health care benefits.

Mr. Fitzgerald stated that staff has done a good job on holding expenses for 2010.

Chair Langdon inquired as to the overtime issues brought up at the last meeting. Mr. O'Donnell stated that AvPorts was \$53,000 under budget for overtime; however, Million Air was \$44,000 over budget. Mr. O'Donnell stated that he spoke with Roger Woolsey, Chief Executive Officer for Million Air today and requested that he work with Pam Day, General Manager for Million Air, to put a plan in place as soon as possible to look for solutions to reduce overtime costs.

Chair Langdon stated that he would like to hear what those solutions are at the next meeting. Mr. O'Donnell agreed.

Mr. Shaw inquired as to whether there was anything in the picture to worry about that would negatively affect this year's budget over the next three months. Mr. O'Reilly stated that as long as enplanements do not get worse projections should hold unless there were very severe winter storm systems in December that would increase snow removal costs or any unexpected events that would diminish enplanements the numbers.

## **6. Project Development**

Mr. Iachetta presented the Project Development Status Report for the month of October 2010.

Mr. Fitzgerald referred to the item related to Parking Garage Rehabilitation and inquired as to whether this was the first time the roof has been seal coated. Mr. O'Donnell stated that this will be the first time the roof was seal coated. He stated that studies have been done which have revealed no salt damage; therefore, seal coating was not required except in certain small areas. He stated that there has been less salt left on the deck due to the fact that there are fewer vehicles in an out of the garage. He stated that the deck is also washed with the fire hose each year to minimize salt damage. He stated that another salt penetration test will be conducted in five years.

Mr. O'Donnell introduced Mr. Paul McDonnell from CHA who discussed the status of the Runway 10 Obstruction Removal (Tree) project.

Mr. McDonnell stated that negotiations have been ongoing with the Airport neighbors (Shaker Ridge, Memorys Garden, and impacted by the Obstruction (Tree) Removal project in an effort to make the project work for all. He reported that a plan has been agreed upon with Shaker Ridge for tree removal and only trees in the undeveloped portion of the cemetery will be removed at Memorys Garden. He stated that there will be 103 plantings, almost all of which will be planted at Shaker Ridge that will grow no more than 25 feet in height. The project was currently out to bid with a pre-bid meeting scheduled for this week.

Mr. McDonnell stated that the FAA has been very supportive in scaling back the project substantially so that all of their requirements could be met and with the help of the airlines, the scope of amount of required tree removal was reduced successfully.

Mr. McDonnell also reviewed a handout that was distributed to commemorate 30 years of shared success between CHA and the Albany International Airport.

Chair Langdon inquired as to whether negotiations with the neighbors related to the tree removal project were over. Mr. McDonnell stated that they were completed and all programs have been accepted, as designed.

**7. Counsel**

None

**8. Concessions/Ambassador Program**

Ms. Chadderdon presented the Concessions/Ambassador Program Report for the month of October 2010.

Chair Langdon inquired as to the status of each of the concession operations, i.e., the wine bar. Ms. Chadderdon stated that the revenue per enplanement has increased and is currently at \$6.89. She stated that HMS Host has worked hard at bringing the numbers up. She stated that they are continually monitoring the menu and making changes based upon sales.

Chair Langdon requested a report on each of the Food & Beverage concessions be made at the November meeting. Mr. O'Donnell agreed.

**9. Public Affairs Report**

Mr. Myers presented the Public Affairs Report for the month of October 2010.

Mr. Fitzgerald referred to the services that were held at the Airport for two local soldiers and inquired as to whether the "waiting area" referred to in the report was in the Military Courtesy Room. Mr. Myers stated that the "waiting area" was located in the Million Air facility.

Mr. Whitehead inquired as to how the operation of the Military Courtesy Room was going. He stated that he has heard many positive comments about the facility. Mr. O'Donnell stated that activity in the Military Courtesy Room was robust and there was a possibility that we may need to add-on to the room to accommodate the activity. He stated that an assessment will be made at the end of the year to make this determination.

Chair Langdon stated that it would be nice to have an article in the paper to announce the use of credit cards in the Capitaland taxis. Mr. Myers stated that he does have a press release ready; however, release was postponed due to operational issues encountered by Capitaland.

Chair Langdon stated that this should be posted prominently on the Airport website, as well. Mr. Myers agreed.

## **10. Business and Economic Development Report**

Mr. Myers presented the Business and Economic Development Report for the month of October 2010.

### **ACTION ITEMS:**

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

### **11.1 Amendment No. 3 to Professional Services Contract No. S541: Engineering/Design Services – Runway 10 FAR Part 77 Approach Obstruction (Tree) Removals with Clough Harbour & Associates**

Mr. Iachetta recommended authorization Amendment No. 3 to Professional Services Contract No. S541: Engineering/Design Services – Runway 10 FAR Part 77 Approach Obstruction (Tree) Removals with Clough Harbour & Associates, in the amount of \$22,800, to be funded from Capital Improvement Project Account No. 2116.

Mr. Fitzgerald inquired as to whether it was intended to make this an open-ended contract. Mr. Iachetta stated that in order to meet FAA requirements, extended studies were undertaken to avoid potential adverse effects to Airport neighbors and maintain safety standards required by the FAA.

Mr. O'Donnell stated that the original fee request was a little more than \$500,000 and this was reduced substantially.

Chair Langdon recalled that there was considerable Board input on reducing the original scope of work and contract fee; however, he did not want to see an open-ended contract.

Mr. Fitzgerald stated that the original contract amount was \$127,000 and at this point the amendments were at \$121,000.

Chair Langdon stated that CHA should be advised that when engineering costs for a project increase as a result of meetings requested by the engineer, the engineering consultant should absorb the cost of the additional meetings, not the owner.

Mr. Whitehead moved to authorize said contract amendment. The motion was adopted unanimously.

### **11.2 Off-Airport Car Rental Concession Privilege Fee Revision and Permit Approval**

Mr. Stuto recommended authorization of Off-Airport Car Rental Concession Privilege Fee Revision to Gross Revenue x 10% and Permit Approval. He stated that the Authority commissioned a study by Jacobs Consultancy to make a recommendation as to an off-airport rental car privilege fee (as well as other off-airport fees). The report recommends a privilege fee of between 9-10% of gross revenue for off-airport car rental businesses. The on-airport car rental businesses pay 10% of gross revenue with minimum annual guarantees (plus rent for terminal counter space and garage space for cars).

Mr. Fitzgerald moved to authorize said privilege fee of 10% of gross revenue. The motion was adopted unanimously.

**11.3 Service Contract No. SC719: Snow Removal Services**

Mr. O'Reilly recommended authorization of Service Contract No. SC719: Snow Removal Services with Peter Luizzi & Bros. Contracting, Inc., for an estimated amount of \$599,995, to be funded from the Airport Operating Budget, for contract with option years. Minimum Guarantee is \$166,000 for first two years. The contract will run from October 1, 2010 to September 30, 2012 with two one-year options available after the initial term.

Mr. Fitzgerald moved to authorize said service agreement. The motion was adopted unanimously.

**11.4 Purchase Order: Contract No. 725: Waste Management Service**

Chair Langdon noted that this item would be deferred to the November meeting. There were no objections.

**11.5 Purchase Order: Road Salt from Albany County Department of Public Works at State of New York Contract Amount the NYS Office of General Services Contract #PC64066 with American Rock Salt**

Mr. O'Reilly recommended authorization of a Purchase Order for Road Salt from Albany County Department of Public Works at State of New York Contract amount in the NYS Office of General Services Contract #PC64066 with American Rock Salt, for an estimated annual amount of \$53,000, to be funded from the Airport Operating Budget.

Father Doyle moved to authorize said purchase order. The motion was adopted unanimously.

**11.6 Purchase Order: Type I and Type IV Glycol Deicing Fluid**

Ms. Herrmann recommended authorization of a Purchase Order for Type I and Type IV Glycol Deicing Fluid from Octagon Process, Inc., in an estimated annual amount of \$852,000, to be funded from the Airport Operating Budget.

Mr. Fitzgerald inquired as to why this item did not require approval by counsel as the other items have. Mr. O'Reilly confirmed that it did require counsel approval but was inadvertently reported otherwise on the Agenda Request for Authorization.

Mr. Stuto stated that the motion would reflect authorization was subject to approval by counsel.

Mr. Shaw inquired as to whether this was the same company that was used last year. Ms. Herrmann stated that it was.

Mr. Shaw moved to authorize said purchase order subject to approval by counsel. The motion was adopted unanimously.

**11.7 Lease No. L729: Office Space Located at 6 Jetway Drive with Advantage Transit Group**

Ms. Zieske recommended authorization of Lease No. L729: Office Space Located at 6 Jetway Drive with Advantage Transit Group. She stated that this is a 3-year lease with renewal options subject to written approval by both parties. Rent in year one will be \$39,204 with 3.5% COLAs added for renewals beginning on November 16, 2011.

Ms. Zieske also stated that some construction is necessary to modify the space to meet the tenant's needs. The Authority and tenant are working out the details of how the tenant fit-up will be accomplished (i.e. Authority's contractor or tenant's contractor). Clarification is required as to whether the tenant can do the work as an LLC and will pay prevailing wages. Should the Authority's contractor be used to do the work, the costs will be amortized and added to the tenant's lease payments.

Father Doyle moved to authorize said lease agreement. The motion was adopted unanimously.

**11.8 Equipment Contract No. E730: Passenger Boarding Bridge for Gate A6**

Mr. O'Donnell recommended authorization of Equipment Contract No. E730: Passenger Boarding Bridge for Gate A6, with JBT Aerotech, in the amount of \$560,992, to be funded from Capital Improvements Project Account No. 2151. Mr. O'Donnell stated the contract amount was broken down as follows:

Base Amount:	\$410,874
Pre-Conditioned Air Equipment	\$ 97,966
400 HZ Ground Power Unit	<u>\$ 52,152</u>
Total Amount	\$560,992

Mr. O'Donnell stated that this is a sole-source purchase from JBT Aerotech, formerly known as FMC Jetway, the company where we have purchased all Airport jet bridges. He stated that the same procedure was followed when the Authority purchased the jet bridge for use at Continental's Gate. This sole-source purchase is recommended to ensure consistency with maintenance and training requirements. He stated that the design consultant did do a pricing comparison. He stated that the Authority purchasing guidelines do allow for sole-source purchases under these types of circumstances.

Mr. O'Donnell stated that this jet bridge will replace the current jet bridge at Gate A6 which was purchased in the mid-1980s and then reconditioned some years later. The current jet bridge is in poor shape and also cannot be used for regional jet boardings as it does not meet ADA sloping requirements.

Chair Langdon reiterated that the Authority Purchasing Guidelines do allow for sole source purchases such as this which will provide consistency with maintenance and training issues, and there was a pricing comparison completed.

Mr. Shaw inquired as to when the Continental jet bridge was purchased. Mr. O'Donnell stated that he wasn't quite sure but would let the Board know at the next meeting.

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

**11.9 Purchase Order: Electrical Trenching and Power/Control Conduit Installation from Fuel Farm Office Trailer to the Deicing Transfer Pad**

Mr. Iachetta recommended authorization of Purchase Order: Electrical Trenching and Power/Control Conduit Installation from Fuel Farm Office Trailer to the Deicing Transfer Pad with FPI Mechanical, Inc., in an amount not-to-exceed \$65,000, to be funded from Capital Improvements Project Account No. 2190.

Chair Langdon inquired as to the details of the work being done. Mr. O'Donnell stated that this work is being done in conjunction with the renovations to the 5 horsepower pump at the Fuel Farm. He stated that conduit will have to be run from the office trailer to the deicing transfer pad. He also stated that this was an unanticipated cost but was required due to the potential for hazardous conditions.

Chair Langdon inquired as to whether this work had to be done now. Mr. O'Donnell stated that it should be done within the next two weeks since the deicing season is fast approaching.

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

**12. Authorization of Change Orders**

None

**13. Amendment of ACAA Personnel Handbook**

Mr. O'Donnell recommended authorization to amend the ACAA Personnel Handbook to provide an appropriate incentive to employees eligible to opt-out of health insurance coverage.

Mr. O'Donnell stated that the cost of health care coverage for employees has increased significantly. Currently, the Authority offers \$1,000 to each employee that opts-out of coverage. The estimated cost for family coverage is approximately \$18,500 per year. He stated that a flexible program to provide an appropriate incentive needs to be established to realize savings for the Authority. The total amount of projected savings shall be included in the annual budget with the projected savings clearly stated.

Mr. O'Donnell recommended that this program also be extended to the AvPorts and Million Air employees based upon final calculations prepared by the Authority.

Chair Langdon suggested, with Board concurrence, that staff prepare a report outlining health care coverage for Authority, AvPorts and Million Air employees. He requested information as to whether New York State and County governments offer an opt-out program and, if so, what is the incentive amount they offer. He also requested a projection as to how health care costs will affect the 2011 budget and Airline Rates and Charges.

Chair Langdon stated that he would like to see this information in detail before asking the Board to make a decision. He stated that now is a good time to update the Board on the costs for health care coverage for current and retired employees. Mr. O'Donnell agreed.

Mr. Fitzgerald inquired as to whether the opt-out program will require that employees who opt-out show proof of health insurance coverage. Mr. O'Donnell stated that the current program does require that and that requirement would remain should the opt-out program be amended.

**Old Business:**

**OB-1 FFY 2010 Airport Improvement Program Grant for Taxiway 'A' and Terminal Ramp Rehabilitation Improvements; AIP No: 3-36-0001-108-10; New York State PIN 1913.05**

Mr. Iachetta recommended re-authorization of FFY 2010 Airport Improvement Program Grant for Taxiway 'A' and Terminal Ramp Rehabilitation Improvements; AIP No: 3-36-0001-108-10; New York State PIN 1913.05 in the amount of \$2,679,192, as follows: Federal Share - \$2,545,232; State Share - \$66,980; and ACAA Share - \$66,980.

Mr. Iachetta stated that this grant had been originally authorized at the August 9, 2010 Authority meeting at a tentative amount before bid results were received. He stated that re-authorization was required at this time since the grant amount was increased to reflect the actual bids received.

Mr. Whitehead moved to re-authorize said grant. The motion was adopted unanimously.

**New Business:**

None

Chair Langdon requested a motion to go into Executive Session to discuss one real property matter and one matter related to the appointment of a particular corporation. He stated that no action would be taken on these matters.

Father Doyle moved to go into Executive Session. The motion was adopted.

**Attorney-Client Privilege/Executive Session**

- ES-1 Real Property Matter
- ES-2 Appointment of a Particular Corporation

Mr. Fitzgerald moved to go out of Executive Session.

No action was taken.

There being no further business, the meeting was adjourned at 7:40 pm.



ALBANY COUNTY AIRPORT AUTHORITY  
ALBANY INTERNATIONAL AIRPORT  
ADMINISTRATION BUILDING  
SUITE 200  
ALBANY, NEW YORK 12211-1057

TEL: 518.242.2222  
ADMIN FAX: 518.242.2641  
FINANCE FAX: 518.242.2640  
SITE: [www.albanyairport.com](http://www.albanyairport.com)

## ALBANY COUNTY AIRPORT AUTHORITY

### REGULAR MEETING AGENDA

October 4, 2010

#### General:

1. Chairman's Remarks
2. Approval of Minutes
3. Communications and Report of Chief Executive Officer
4. Interesting Correspondence

#### Management Reports:

5. Chief Financial Officer
  - 5.1 Statistical and Financial Performance
  - 5.2 Comparison of Enplanements
  - 5.3 Summary of Airline Scheduled Flights and Markets
  - 5.4 USDOT Arrival and Departure Statistics
6. Project Development
7. Counsel
8. Concessions/Ambassador Program
9. Public Affairs
10. Business & Economic Development

#### Action Items:

11. Authorization of Contracts/Leases/Contract Negotiations/Contract Amendments
    - 11.1 Amendment No. 3 to Professional Services Contract No. S541: Engineering/Design Services – Runway 10 FAR Part 77 Approach Obstruction (Tree) Removals with Clough Harbour & Associates
    - 11.2 Off-Airport Car Rental Concession Privilege Fee Revision and Permit Approval
    - 11.3 Service Contract No. SC719: Snow Removal Services
-

- 11. Authorization of Contracts/Leases/Contract Negotiations/Contract Amendments**
  - 11.4 Purchase Order: Contract No. 725: Waste Management Service**
  - 11.5 Purchase Order: Road Salt from Albany County Department of Public Works at State of New York Contract Amount the NYS Office of General Services Contract #PC64066 with American Rock Salt**
  - 11.6 Purchase Order: Type I and Type IV Glycol Deicing Fluid**
  - 11.7 Lease No. L729: Office Space Located at 6 Jetway Drive with Advantage Transit Group**
  - 11.8 Equipment Contract No. E730: Passenger Boarding Bridge for Gate A6**
  - 11.9 Purchase Order: Electrical trenching and Power/Control Conduit Installation From Fuel Farm Office Trailer to the Deicing Transfer Pad**
  
- 12. Authorization of Change Orders**

None
  
- 13. Amendment of ACAA Personnel Handbook**

**Old Business:**

- OB-1 FFY 2010 Airport Improvement Program Grant for Taxiway 'A' and Terminal Ramp Rehabilitation Improvements; AIP No: 3-36-0001-108-10; New York State PIN 1913.05**

**New Business:**

**Executive Session:**

- ES-1 Real Property Matter**
- ES-2 Appointment of a Particular Corporation**

**Attorney-Client Privilege Matters:**