



ALBANY COUNTY AIRPORT AUTHORITY  
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**APPROVED**

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

**May 2, 2011**

**ACAA Approved  
06/06/11**

Pursuant to notice duly given and posted, the regular meeting of the Albany County Airport Authority was called to order on Monday, May 2, 2011 @ 6:04 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  
Tony Gorman  
Elliott A. Shaw  
Dorsey M. Whitehead

**MEMBERS ABSENT**

**STAFF**

John A. O'Donnell  
Bill O'Reilly  
Peter F. Stuto  
Margaret Herrmann  
Doug Myers  
Dwayne Lovely

Steve Iachetta  
Ginger Olthoff  
Liz Charland  
Helen Chadderdon

**ATTENDEES**

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

Jon DeForest of BBL  
Peter Rea, DOT

Chair Langdon noted there was a quorum.



1. **CHAIR'S REMARKS**

None

2. **MINUTES**

Mr. Shaw moved to approve the March 21, 2011 minutes. The motion was adopted unanimously.

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

Prior to the Chief Executive Officer's Report, Mr. O'Donnell presented the plaque which the Authority Board had requested honoring BBL Construction Services and their late president Donald Led Duke for their donation of the expansion of the Military Courtesy Room. The plaque was presented to Jon DeForest of BBL.

Mr. DeForest accepted the plaque and acknowledged all the subcontractors who donated their time and supplied materials for the expansion.

Mr. O'Donnell presented the Communications and Report of the Chief Executive Officer for the month of April 2011.

Mr. Langdon inquired as to who would be receiving the 2011 Presentation Award at the Women's Club of Albany on behalf of the Authority

Mr. O'Donnell stated that Mr. Iachetta would be receiving the award on behalf of the Authority.

4. **INTERESTING CORRESPONDENCE:**

Noted

**MANAGEMENT REPORTS:**

5. **Chief Financial Officer**

Mr. O'Reilly presented the following:

- 5.1 **Statistical and Financial Performance for the Twelve Months Ended March 31, 2011**
- 5.2 **Comparison of Enplanements**
- 5.3 **Summary of Airline Scheduled Flights and Markets**
- 5.4 **USDOT Arrival and Departure Statistics**

Mr. Shaw inquired if there has been any interest in the Eclipse Building. Mr. O'Reilly advised that Mr. O'Donnell is working with a broker at this time.

Mr. Shaw asked when the broker agreement would expire. Mr. Stuto advised that it has just expired.

Mr. O'Reilly stated that at this point we are at a transitioning phase.

Mr. Shaw inquired if the Broker does any type of exiting recap. Mr. O'Reilly advised he has not really talked with them much, but that they have been in contact with Mr. O'Donnell.

Mr. O'Donnell advised that the Broker is looking for us to re-sign the agreement. He further advised that we are not ready to do that and that we prefer not to make the area non-aviation, but would consider it.

Mr. Gorman asked if they have brought anything to the table. Mr. O'Donnell advised that they have brought a few potential tenants to the table, but they did not work out.

Mr. Gorman asked if anything they brought was aviation related. Mr. O'Donnell indicated that yes some were aviation related.

## **6. Project Development**

Prior to the Project Development Status Report, Mr. Iachetta noted that today's date, May 2nd, is the 59th anniversary of the World's First Commercial Public Jet Flight Operation. He further advised that the British Overseas Aircraft Corporation, the national British carrier, first introduced a commercial jet airliner into service. The 36-seat Comet 1, built by DeHavilland, flew for the first time on July 27, 1949. BOAC inaugurated the world's first commercial jet service on May 2, 1952. Initial flights took passengers from London to Johannesburg in South Africa, with stops in Rome, Beirut, Khartoum, Entebbe, and Livingstone, near Victoria Falls. At the time, the top cruising speed of most aircraft was 180 miles per hour. With the Comet, passengers could travel comfortably at 480 miles per hour making it a revolutionary leap in air travel.

Mr. Iachetta presented the Project Development Status Report for the month of April, 2011.

Chair Langdon inquired as to how tall the trees on the golf course will get. Mr. Iachetta advised that they should not get taller than 25 feet.

Chair Langdon asked what kind of communications Mr. Iachetta has been having with the cemetery and golf course with regard to anything negative and if we have heard from any golfers. Mr. Iachetta indicated he has not received any complaints.

Mr. O'Donnell advised we are doing a few additional enhancements at the request of Shaker Ridge Country Club.

Mr. Iachetta advised we are doing a unit quantity adjustment. Chair Langdon inquired what the unit quantity adjustment would be costing us. Mr. Iachetta advised that the Airport share would be 2.5% of the cost of the adjustment. Mr. O'Donnell advised that the Board would be seeing a change order soon to cover some enhancements.

Mr. O'Donnell advised that Mr. Iachetta is in negotiations to minimize the golf course's visual exposure. Chair Langdon advised that he is glad to see we are taking a conservative approach.

**7. Counsel**

Mr. Stuto reminded the Board that the Financial Disclosures are due to the County by May 15th. Mr. Gorman advised that he thinks he received one from the County. Mr. Stuto indicated that he was not sure if the County had sent the forms to the Board Members, but they should have received it directly from our office. Mr. Stuto further advised that we had included a return envelop for the financial disclosures to be returned to our office.

**8. Concessions/Ambassador Program**

Ms. Chadderdon presented the Concessions/Ambassador Program Report for the months of February and March 2011.

**9. Public Affairs Report**

Mr. Myers presented the Public Affairs Report for the month of April 2011.

Mr. Myers further advised that he received numerous calls from the media regarding the events of overnight. Mr. Myers stated that all the media was directed to the TSA.

**ACTION ITEMS:**

**10. Authorization of Contracts/Leases/Contract Negotiations/Contract Amendments**

**10.1 Lease Agreement L738 with Allied Aircraft, LLC for ACAA Bldg. No. 201**

Mr. Stuto recommended authorization of Lease No. – L-738: Lease and Operating Agreement No. – L-738: 741 Albany-Shaker Road (ACAA Bldg. No. 201) with Allied Aircraft Services, LLC. This is a two year lease for Allied Aircraft, LLC, a new tenant to the Airport that will be servicing Ground Service Equipment. Allied Aircraft will lease 1,537 square feet of warehouse space in ACAA Bldg. No. 201 at 741 Albany-Shaker Road. Rent in year one will be \$8,400 and will increase by 3.5% on the first anniversary. Allied Aircraft will also pay a privilege fee of 3.0% of all gross revenues to the Airport.

Mr. Fitzgerald asked what a privilege fee is. Mr. Stuto advised that the tenant will pay 3% of all gross revenues.

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

**10.2 Lease Agreement L752 with Hildt Services, LLC for ACAA Bldg. No. 201**

Mr. O'Reilly recommended authorization of a Lease and Operating Agreement No. – L-752: 741 Albany-Shaker Road (ACAA Bldg. No. 201) with Hildt Services, LLC d/b/a Hildt Aviation. This is a six-month Lease and SASO Agreement with Hildt Services, LLC d/b/a Hildt Aviation. Hildt will lease 1,500 square feet of space (office and hangar) and will be providing aircraft maintenance

services. Rent will be \$900/month plus 3% of gross revenue. Hildt may also lease tie-downs at \$100 per month (as needed) and may store aircraft in the Eclipse hangar at a rate of \$15/day as needed for customers. The parties may agree to up to three 6-month term extensions.

Mr. O'Reilly advised that Jamie Hildenbrandt formed a new business which will be able to service general aviation. He further advised that we are hopeful that Hildt Aviation will be able to attract new business.

Mr. O'Reilly stated that Hangar One is not typically used for the purpose of servicing general aviation, but we are very optimistic. Mr. O'Donnell stated that we will be evaluating Hildt Aviation after 6 months and if they are running a clean operation he will be able to stay in Hangar One otherwise we will have to move them to another location.

Father Doyle asked if Hildt Aviation will be competing with anyone. Mr. O'Reilly advised no as Lansing has exited the business.

Mr. Fitzgerald asked if they have proper insurance. Mr. O'Donnell indicated yes.

Mr. Fitzgerald asked if they could elect to use Eclipse. Mr. O'Donnell stated that we currently use the facility for transient aircraft storage while we search for a major tenant that would rent the whole facility.

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

### **10.3 Construction Contract No. 744E - Electrical Construction: Building #112 and #202 Fire Alarm System Improvements Northwild Systems Inc. dba State Electrical Construction**

Mr. Iachetta recommended authorization of award of Contract 744-E for Buildings #112 and #202 Fire Alarm System Improvements to Northwild Systems Inc., dba State Electrical Construction, in the amount of \$58,800 to be funded from Capital Improvement Account No. - 2172.

Father Doyle moved to authorize said contract award. The motion was adopted unanimously.

### **10.4 Form of T-Hangar Lease and Setting T-Hangar Rental Rates**

Mr. O'Donnell recommended authorization of a new form of T-Hangar Lease and to establish rental rates at \$348.36 per month (\$4,180/yr) for a normal size T-Hangar.

Mr. O'Donnell advised that he and Board Member Tony Gorman met with the Airport Advisory Committee, which includes a group of T-Hangar tenants to discuss improving the T-Hangar rental experience and to attract new T-Hangar tenants. A major concern of the T-Hangar tenants was the complexity of the T-Hangar lease offered by the Authority. As a result, Mr. O'Donnell advised that he worked with Mr. Stuto to pare down and simplify our Lease while maintaining provisions necessary to protect the Authority, such as term, insurance, indemnity, default, etc.

Mr. O'Donnell further advised that the tenants did not like the variable maintenance fee in the Agreement.

Mr. Fitzgerald asked if we made any changes to our insurance requirements. Mr. Stuto advised we have not.

Mr. Shaw asked if there will be any effect on tenants with current leases. Mr. Stuto advised there will be no effect, as they will finish their terms and then sign the new document at the time of renewal.

Mr. O'Donnell stated that when they renew their leases it will be \$30 cheaper as we have eliminated the maintenance fee.

Mr. Whitehead moved to authorize said form of T-Hangar Lease. The motion was adopted unanimously.

#### **10.5 Informational Item Emergency Purchase Order FAA Control Tower AC Unit**

Mr. O'Donnell advised of an Emergency Purchase Order for the purchase of Control Tower Air Conditioning System which was purchased off State Contract Nos. PT64432 (Cable/Hardware), PT63201 (Security) and PT63907 (APC). Emergency purchases such as this are authorized in the Authority Procurement Guidelines. This purchase was funded from Account 52051-32-0000 in the amount of \$31,059.

Chair Langdon asked if the Board approves the Procurement Guidelines, later in the agenda they will see how it will work in the future. Mr. O'Donnell said that is correct.

Father Doyle moved to ratify said Purchase Order. The motion was adopted unanimously.

#### **11. Authorization of Change Orders**

None

#### **12. Authorization of Federal and State Grants**

##### **12.1 Acceptance of Federal Airport Improvement Grant No. 3-36-0001-99-08; NYSDOT PIN No. 1913.92: Amendment No. 1 for Runway 19 RPZ and FAR Part 77 Approach Obstruction (1790 Historic House) Relocation**

Mr. Iachetta recommended Acceptance of Federal Airport Improvement Grant No. 3-36-0001-99-08; NYSDOT PIN No. 1913.92: Amendment No. 1 for Runway 19 RPZ and FAR Part 77 Approach Obstruction (1790 Historic House) Relocation in the amount of \$808,541, as follows: Federal Share \$768,114; State Share \$20,213; and ACAA Share \$20,214.

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

##### **12.2 Acceptance of Federal Department of Homeland Security-In-Line Baggage Handling System Improvements Grant Amendment #EBSP-2010-0060-ALB; DOT PIN#1913.92**

Mr. Iachetta recommended Acceptance of Federal Department of Homeland Security-In-Line Baggage Handling System Improvements Grant #EBSP-2010-0060-ALB; DOT PIN#1913.92 in the amount of \$1,450,000, as follows: Federal Share \$1,377,500; State Share \$36,250; and ACAA Share \$36,250.

Mr. Iachetta indicated that this is an Informational Item (acceptance of Grant Letter) and that he will be bringing back the actual Grant for approval at a later time.

Mr. Gorman inquired as to who is doing the design specification. Mr. Iachetta indicated that it is Jacobs doing a behind the scene design.

Mr. Fitzgerald asked if the intention here was to improve security. Mr. Iachetta indicated it will improve security on the baggage side. Mr. Iachetta further advised that the configuration of the baggage handling will change.

Mr. Langdon asked what the security improvement was going to be. Mr. O'Donnell stated that this was more about efficiency than security improvements.

Father Doyle inquired if the efficiency was in terms of expediting the time in which passengers get their baggage. Mr. Iachetta advised he did not have that information. Mr. O'Donnell advised that the movement of the baggage is entirely up to the airline. Mr. O'Donnell further advised that the airlines staff for a regular schedule and if we have stacking of aircraft the baggage delivery gets backed up. Mr. O'Donnell stated that the stacking of aircraft is when the airlines run into problems, such as weather or mechanical delays.

Chair Langdon requested a motion. Mr. Shaw asked what the motion was for. Mr. Iachetta indicated the motion for the approval for acceptance of the Grant Letter.

Mr. Fitzgerald moved to authorize the acceptance of said Grant Letter. The motion was adopted unanimously.

### **13. Amendment of ACAA Personnel Handbook**

Mr. O'Donnell recommended authorization of the Amendment of the ACAA Personnel Handbook. Mr. O'Donnell indicated that the changes are outlined in the handout which was given out earlier this evening.

Mr. O'Donnell indicated that the Board may want to defer this item to the Personnel Committee and Father Doyle to review the changes. If it is referred to the Personnel Committee the item should be brought back to a regular meeting and be approved during the June Board meeting.

Mr. O'Donnell explained the handout which summarized all of the changes.

Chair Langdon advised he would like everyone to have a chance to review the document.

Father Doyle commented that he would like a chance to review the changes he had a concern about the Family Medical Leave Act being deleted. Father Doyle further advised that the handout is great. Mr. O'Donnell advised that as we have under 50 employees by law we are not required to follow this Act. Mr. O'Donnell advised that employees are still covered for extended leaves at his discretion.

under paragraph 4.4. Mr. O'Donnell stated that if a case arose he would review the case and bring it to the Board for consideration.

Chair Langdon advised this item will be deferred.

#### **14. Amendment of ACAA Procurement Guidelines**

Mr. O'Reilly recommended authorization of Amendments to the Authority's Procurement Contract Guidelines, Operative Policy, Petty Cash Accounts and Instructions Adopted April 7, 2008 and amended 12/07/09.

- To raise the contract dollar value at which a contract must be approved by the Members of the Authority from over \$25,000 to over \$50,000;
- To allow the Chief Executive Officer to approve extension of contracts based upon existing terms and conditions previously presented to the Authority Members or renewal options in the original contract and previously approved by the Authority Members;
- To allow the Chief Executive Officer to approve amendments to contracts within limits defined in the proposed Guidelines.

Mr. Fitzgerald advised that during his meeting with staff it was decided that very small business items could be approved by the CEO. He further advised that the changes to the policy will keep business moving but also preserves Board oversight. He further stated that the Authority has come up with a very good proposal and there is a table which specifies what can be approved. Mr. Fitzgerald stated that the changes are very sensible.

Mr. O'Reilly advised that Mr. Fitzgerald covered this item very well, but that he would answer any questions.

Mr. O'Donnell asked Mr. O'Reilly to go over the chart (Appendix "B").

Mr. Fitzgerald noted that we know where we stand in comparison to other authorities based upon the chart entitled "Board Approval Requirement Threshold" included in the Amendments to the ACAA Procurement Guidelines.

Chair Langdon advised the Board should review semi-annually or annually how the new policy is working.

Mr. Fitzgerald advised that this new policy is not cast in stone and agreed it should be reviewed again in a year.

Mr. Fitzgerald further advised that the Authority should keep good data and that in a year the data will be reviewed by the Audit and Finance Committee.

Mr. Fitzgerald moved to authorize said Amendments to the Authority's Procurement Contract Guidelines, Operative Policy, Petty Cash Accounts and Instructions Adopted April 7, 2008 and Amended December 7, 2009. The motion was adopted unanimously.



## **15. Sale and Conveyance of 2.4± Acre Parcel (388 Old Niskayuna Road) to Crisafulli Associates, LLC**

Mr. Stuto recommended authorization of the Sale and Conveyance of 2.4± Acre Parcel (388 Old Niskayuna Road) to Crisafulli Associates, LLC. He advised that the Airport Authority acquired 388 Old Niskayuna Road and 172 Sicker Road, Town of Colonie (total 2.4± acres) in 1999, with Federal funding, and pursuant to its FAA Part 150 Airport Noise Compatibility Plan.

Such acquisitions are generally made to prevent residences and other sensitive land uses (such as amphitheaters) from being allowed as not compatible with noise levels measured in day-night average sound levels of 65 decibels or greater.

As an FAA federal grant recipient, the Airport Authority must comply with Grant Assurance 31, which provides in relevant part that an Airport sponsor (such as the Authority) must with respect to such acquired property:

... dispose of the land at fair market value at the earliest practicable time after the land is no longer needed for a noise compatibility purpose; The disposition will be subject to retaining or reserving an interest in the land necessary to ensure that the land will be used in a way that is compatible with noise levels associated with operating the Airport.

Mr. Stuto advised that we have acquired over 100 properties and the Grant Agreement states that these properties should be converted to Airport use if possible. This property does not fall into the FAA's parameters listed above.

Mr. Stuto advised that the property was listed for over a year in the Multiple Listing Service, based upon appraisals, for \$240,000. No offers were received at this price.

Authorization is requested to sell the property for \$200,000 to Crisafulli Associates, LLC. The sale price has been approved by the FAA. The Authority staff thinks this price is reasonable given current market conditions and given the deed restrictions the Airport will impose upon the property. The property will contain a deed restriction preventing the development for noise incompatible uses (residential, amphitheaters etc.), and will contain a building restriction preventing building or growing vegetation above a height incompatible with its proximity to the Airport runway.

The proceeds from the sale will be kept in the Airport Authority's Noise Fund to be used for future noise projects.

Chair Langdon inquired as to what the balance of the Airport Authority's Noise Fund is to date. Mr. O'Reilly advised there is nothing in that account at this time since we recently expended the funds for the acquisition of the Buhmaster properties.

Father Doyle moved to authorize the Sale and Conveyance of 2.4± Acre Parcel (388 Old Niskayuna Road) to Crisafulli Associates, LLC. The motion was adopted unanimously.

**Old Business**

None

**New Business**

None

**Executive Session**

None

**Attorney-Client Privilege Matters:**

None

There being no further business, the meeting was adjourned at 7:05 pm.