



ALBANY COUNTY AIRPORT AUTHORITY
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ACAA
APPROVED
10/4/10

Minutes of the Regular Meeting of the Albany County Airport Authority

August 9, 2010

Pursuant to notice duly given and posted, the regular meeting of the Albany County Airport Authority was called to order on Monday, August 9, 2010 @ 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
 Dennis Fitzgerald
 Tony Gorman
 John A. Graziano, Jr.
 Elliott A. Shaw

MEMBERS ABSENT

Rev. Kenneth J. Doyle
 Dorsey M. Whitehead

STAFF

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

Dwayne Lovely
 Steve Iachetta
 Helen Chadderdon
 Denise Zieske

ATTENDEES

Joel Russell, AvPorts
 Pam Day, Million Air
 Stacy Fitch, Paradies Gift Shop

Eric Anderson, Times Union
 Marie Luby, WTEN News
 Sig Peptowski, Sunset Blvd. Assn

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 August 2010.

Mr. O'Donnell also reported on the following:

- **Cape Air Essential Air Service**: Mr. Myers is in Ogdensburg tonight meeting with the City Council members regarding the proposals submitted for Essential Air Service (EAS). Proposals were submitted by Cape Air (currently providing the EAS) and Gulfstream Airlines. Gulfstream Airlines has proposed additional flights to Boston and Cape Air has amended their proposal to include 3 flights to Boston, as well. Mr. Myers is attending to make a pitch for Cape Air to continue as the EAS provider. There will also be meetings held in Watertown and Massena which we will attend, as well. Letters of support for Cape Air have also been sent to Ogdensburg, Watertown and Massena.

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 June 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 June 30, 2010.

Mr. Fitzgerald inquired as to the reason for the tremendous increase in overtime for Million Air. He stated that year-to-date the expense is two times the budgeted amount.

Mr. O'Donnell stated that staff would present a detailed report at the next meeting.

6. Project Development

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

7. Counsel

None

8. Concessions/Ambassador Program

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

9. Public Affairs Report

Ms. Zieske presented the Public Affairs Report for the month of August 2010.

10. Business and Economic Development Report

Ms. Zieske presented the Business and Economic Development Report for the month of August 2010.

Mr. Gorman inquired as to the status of finding a tenant for the former Eclipse facility. He also inquired as to the cost per square foot to lease the space.

Ms. Zieske stated that there have been a few showings but there has been no subsequent interest. She stated that the cost per square foot has been decreased from \$14 to \$10.50 per square foot.

Mr. O'Donnell stated that there is a proposal that is expected to come in with an offer in the near future. He also stated that the hangar space is currently being leased for aircraft storage to several aircraft owners.

ACTION ITEMS:

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

11.1 Professional Services Contract No. S714: FAR Part 150 Noise Exposure Map Update

Mr. Iachetta recommended authorization to award Professional Services Contract No. S714: FAR Part 150 Noise Exposure Map Update to Landrum & Brown in the amount of \$69,953, to be funded from Capital Improvements Project Account No. 2101.

Chair Langdon stated that the topic of noise issues has not come up in quite some time. He inquired as to whether there have been improvements made in that area. Mr. Iachetta stated that the noise complaint hotline and timely responses to complaints has proven to have a positive effect on our relationship with Airport neighbors.

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

11.2 Assignment of Off-Airport Operating Permit for Thrifty Car Rental Operation with Faulkner Leasing Co. to Execu-Ride, Inc.

Mr. Stuto recommended authorization of Assignment of Off-Airport Operating Permit for Thrifty Car Rental Operation with Faulkner Leasing Co. to Execu-Ride, Inc. He stated that the current permit is assignable with the consent of the Authority.

Mr. Gorman inquired as to whether a review of Execu-Ride, Inc. had been carried out. Mr. Stuto stated that we do have their Certificate of Incorporation. Mr. O'Donnell stated that they do have similar operations elsewhere as Thrifty Car Rental.

Mr. Fitzgerald stated that there was a reference to a biography of the new company; however, it was not in the agenda material. Mr. Stuto stated that the biography was inadvertently left out of the item. He stated that he did review it and was happy with it.

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

11.3 Intermunicipal Agreement with Other Municipal Fire Departments to Participate in Joint Bulk Purchasing

Mr. Stuto recommended authorization to enter into an Intermunicipal Agreement with other Municipal Fire Departments to participate in joint bulk purchasing. The agreement will permit, but not require, the Authority to participate in joint purchases.

Mr. Gorman moved to authorize said intermunicipal agreement. The motion was adopted unanimously.

11.4 Service Contract No. SC710: Security Systems Repairs

Mr. O'Reilly recommended authorization to award Service Contract No. SC710: Security Systems Repair to SI Technologies, Inc., d/b/a Security Integrations on an as-needed basis at an estimated annual cost of \$35,000.

Mr. Gorman inquired as to whether these services can be provided by other vendors. Mr. O'Reilly stated that there were no other bids received for this contract. He stated that SI Technologies does have proprietary software that is used in the Airport security access control system.

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

11.5 Lease Agreement No. L724: Warehouse Space Located at 70B Sicker Road with DAL Global Services, LLC

Ms. Zieske recommended authorization of Lease Agreement No. L724: Warehouse Space Located at 70B Sicker Road with DAL Global Services, LLC. This is a three year lease with renewal options subject to written approval by both parties. Rent in year one will be \$23,450 and a 3.5% COLA will be added for renewals beginning on September 1, 2011.

Mr. Fitzgerald inquired as to whether this was a move for DAL Global. Ms. Zieske stated that they were leasing this space because they were expanding their operations to include maintenance.

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

12. Authorization of Change Orders

None

13. Authorization of Federal and State Grants

13.1 Acceptance of Federal and State Airport Improvement Program Grant Amendment No. 1: Airport Safety Equipment Procurement – Grant No. 3-36-0001-100-08; PIN No. 1913.93

Mr. Iachetta recommended Acceptance of Federal and State Airport Improvement Program Grant Amendment No. 1: Airport Safety Equipment Procurement – Grant No. 3-36-0001-100-08; PIN No. 1913.93 in the amount of \$1,029,034, as follows: Federal Share - \$977,582; State Share - \$25,726; and ACAA Share - \$25,726.

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

13.2 Acceptance of Federal and State Airport Improvement Program Grant Amendment No. 1: Runway Protection Zone Property Acquisition – Grant No. 3-36-0001-105-09; PIN No. 1913.02

Mr. Iachetta recommended Acceptance of Federal and State Airport Improvement Program Grant Amendment No. 1: Runway Protection Zone Property Acquisition – Grant No. 3-36-0001-105-09; PIN No. 1913.02 in the amount of \$2,522,329, as follows: Federal Share - \$2,396,213; State Share - \$63,058; and ACAA Share - \$63,058.

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

14. Authorization of Certain Closing Costs of the Airport Authority Revenue Refunding Bonds \$109,855,000 Series 2010 for Rating Agencies and Bond Counsel

Mr. O'Reilly recommended authorization of certain closing costs associated with the Airport Authority Revenue Refunding Bonds \$109,855,000 Series 2010 for Rating Agencies (Standard & Poors, Moody's, and Fitch) and Bond Counsel (Hodgson Russ) as follows:

Standard & Poors	\$ 44,600
Moody's	\$ 43,000
Fitch	\$ 43,000
Hodgson Russ	\$ 90,000
Total	\$220,700

Mr. Stuto pointed out that Mr. O'Reilly had negotiated the fees with the rating agencies down 15%.

Mr. O'Donnell stated that the amount of work that went into the bond sale was all encompassing over a period of at least two months. He congratulated Mr. O'Reilly and Mr. Stuto on a job well done. He stated that part of the process was meeting and providing extensive Airport tours with the rating agencies who highly scrutinized all aspects of the Airport. He stated that the presentations and tours went very well and staff did an excellent job in promoting the Airport during the presentations.

Mr. O'Donnell expressed gratitude to Mr. O'Reilly who put in an extraordinary amount of time in bringing the bond sale to a successful conclusion. He stated that when Mr. O'Reilly went on vacation during the process, he put in 40 hours while he was away.

Mr. O'Donnell reported that the sale went very well and the Airport should benefit over the coming years and realize savings in the amount of \$1.7 million per year over the next twelve years which will be primarily applied to lower airline fees.

Chair Langdon stated that the decision to hire Mr. O'Reilly as CFO was a good one and he thanked Mr. O'Reilly on the time and effort he put into the bond sale. Chair Langdon also complemented Mr. O'Donnell and the rest of the staff, as well.

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

15. Authorization of Covenant of the Authority to the County of Albany Regarding the Cost of Services Provided by the Albany County Sheriff to the Airport

Mr. O'Donnell recommended Authorization of Covenant of the Authority to the County of Albany Regarding the Cost of Services Provided by the Albany County Sheriff to the Airport.

Mr. O'Donnell stated that the County of Albany began recognizing the cost of providing non-pension benefits (retiree health insurance) to its employees under Governmental Accounting Standards Board Statement Number 45 – Other Post Employment Benefit (OPEB) in 2008. This accounting standard requires the County to recognize an annual expense for the estimated future costs of OPEB to the County. The County bills the Authority for the cost of services provided by the Sheriff to the Airport and includes in the bill, on a pay-as-you-go basis, the cost for OPEB for retired Sheriff's Deputies who have served at the Airport based upon the proportion of their time of service to the Airport in relation to their total time of service to the County and Airport. The Authority and the County recognize that there is no legal requirement for the Airport to request or require the use the Albany County Sheriff to provide Law Enforcement Officer services to the Airport as a sole source of services and that if the Authority were to no longer to request or require Law Enforcement Officer services from the Albany County Sheriff, it may become impractical for the County to continue to bill the Authority on-going basis for OPEB costs related to past service by the Sheriff at the Airport. The Authority agreed to offer a covenant to alleviate this concern.

Mr. Fitzgerald inquired as to whether the Authority has a schedule of Sheriff's that have worked at the Airport. Mr. O'Reilly stated that payments are based upon named employees of which are listed in payroll reports submitted by Albany County. He stated that there are currently 3 retirees.

Mr. Fitzgerald inquired as to whether reporting from the County is monthly. Mr. O'Reilly stated that monthly reports are received. He stated that the records are always subject to audit and it is up to the County to present an honest bill in good faith identifying each employee and the length of time in service at the Airport.

Chair Langdon stated that going forward documents can be verified; however, for any past retirees, there must be a way to verify that the retiree provided service at the Airport. Mr. O'Reilly stated that the County has a duty to document the bills with payroll records. He also stated that there is a computerized time clock which will also provide verification.

Mr. Gorman inquired as to how many Sheriffs are on duty at the Airport. Mr. O'Reilly stated that there are currently a total of 20 Sheriffs assigned to the Airport on a consistent basis.

Chair Langdon stated that since the TSA has no law enforcement powers and the Authority runs the Airport, it is a function of the Sheriff's Department to provide law enforcement powers. He stated that costs associated with law enforcement services have historically been excessive and airport operators must bear these costs.

Mr. O'Donnell stated that the TSA grant that the Authority applied for has made the Sheriff's costs more affordable. He stated that if the grant were not in place, it would be much more difficult to afford.

Mr. Gorman inquired if all Sheriff's costs are covered by the grant. Mr. O'Donnell stated that they were not. The grant covers the costs for additional security put in place after 9/11.

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

Old Business:

OB-1 Acceptance of Federal Airport Improvement Grant No. 3-36-0001-108-10; NYSDOT PIN No. 1913.05: Taxiway 'A' and Terminal Ramp Rehabilitation Improvements

Mr. Iachetta recommended Acceptance of Federal Airport Improvement Grant No. 3-36-0001-108-10; NYSDOT PIN No. 1913.05: Taxiway 'A' and Terminal Ramp Rehabilitation Improvements in the amount of \$2,382,251, as follows: Federal Share - \$2,263,138; State Share - \$59,556; and ACAA Share - \$59,556 with a 15% allowance to \$2,739,589.

Mr. Fitzgerald noted that the grant amount on the request form does not match the amount included in the backup grant application.

Mr. Iachetta stated that the amount of the grant does provide for a 15% allowance.

Mr. O'Donnell stated that we do have flexibility with the grant.

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

OB-2 Construction Contract No. 504A: Taxiway “A” and Terminal Ramp Rehabilitation Improvements

Mr. O’Donnell recommended authorization to award Construction Contract No. 504A: Taxiway “A” and Terminal Ramp Rehabilitation Improvements to Hudson River Construction Company, Inc., in the amount of \$2,467,900, to be funded from Capital Improvements Project Account No. 2120. Mr. O’Donnell stated that award will be contingent upon satisfactory demonstration of Disadvantaged Business Enterprise (DBE) compliance.

Mr. Graziano moved to authorize said contract award. The motion was adopted 4 in favor, 0 against. Mr. Gorman recused himself from the vote.

OB-3 Purchase Orders: Purchase Using New York State Contract: Hazardous Incident Response Equipment (Group 38232); Purchase Using Albany County Contract: Emergency Medical Supplies (RFB #2010-053)

Mr. O’Reilly recommended authorization of Purchase Orders: Purchase Using New York State Contract: Hazardous Incident Response Equipment (Group 38232); Purchase Using Albany County Contract: Emergency Medical Supplies (RFB #2010-053).

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

OB-4 Construction Contract No. 718-T: Glycol Tank and Proportioning System Improvements at the Airport Fuel Farm Facility

Mr. Iachetta recommended authorization to award Construction Contract No. 718-T: Glycol Tank and Proportioning System Improvements at the Airport Fuel Farm Facility to FPI Mechanical, Inc., in the amount of \$213,000 (including Alternate No. 2), to be funded from Capital Improvements Project Account No. 2190.

Mr. Fitzgerald stated that only one bid was received. He inquired as to the Engineer’s Estimate. Mr. Iachetta stated that the bid was within 10% of the Engineer’s Estimate.

Mr. O’Donnell stated that a meeting was held with the contractor and the project engineer along with an engineer that is an expert in tanks such as these. He stated that discussions are still underway to negotiate the best price. He also pointed out that the work needs to be done before the winter months arrive.

Mr. Gorman inquired as to who prepared the specifications. Mr. O’Donnell stated they were prepared by Bill Hennessey but it was decided to also use an engineer that is an expert in these types of systems to review the process.

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

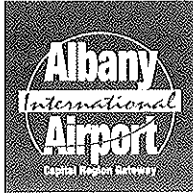
New Business:

None

Attorney-Client Privilege/Executive Session

None

There being no further business, the meeting was adjourned at 7:15 pm.



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REGULAR MEETING AGENDA

August 9, 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
 - 5.5 Informational Item: Update on Revenue Refunding Bonds Series 2010
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 Professional Services Contract No. S714: FAR Part 150 Noise Exposure Map Update
 - 11.2 Assignment of Off-Airport Operating Permit for Thrifty Car Rental Operation with Faulkner Leasing Co. to Execu-Ride, Inc.
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11. Authorization of Contracts/Leases/Contract Negotiations/Contract Amendments

- 11.3 Intermunicipal Agreement with Other Municipal Fire Departments to Participate in Joint Bulk Purchasing**
- 11.4 Service Contract No. SC710: Security Systems Repairs**
- 11.5 Lease Agreement No. I724: Warehouse Space Located at 70B Sicker Road with DAL Global Services, LLC**

12. Authorization of Change Orders

None

13. Authorization of Federal and State Grants

- 13.1 Acceptance of Federal and State Airport Improvement Program Grant Amendment No. 1: Airport Safety Equipment Procurement – Grant No. 3-36-0001-100-08; PIN No. 1913.93**
- 13.2 Acceptance of Federal and State Airport Improvement Program Grant Amendment No. 1: Runway Protection Zone Property Acquisition – Grant No. 3-36-0001-105-09; PIN No. 1913.02**

14. Authorization of Certain Closing Costs of the Airport Authority Revenue Refunding Bonds \$109,855,000 Series 2010 for Rating Agencies and Bond Counsel

15. Authorization of Covenant of the Authority to the County of Albany Regarding the Cost of Services Provided by the Albany County Sheriff to the Airport

Old Business:

- OB-1 Acceptance of Federal Airport Improvement Grant No. 3-36-0001-108-10; NYSDOT PIN No. 1913.05: Taxiway ‘A’ and Terminal Ramp Rehabilitation Improvements**
- OB-2 Construction Contract No. 504A: Taxiway “A” and Terminal Ramp Rehabilitation Improvements**
- OB-3 Purchase Orders: Purchase Using New York State Contract: Hazardous Incident Response Equipment (Group 38232); Purchase Using Albany County Contract: Emergency Medical Supplies (RFB #2010-053)**
- OB-4 Construction Contract No. 718-T: Glycol Tank and Proportioning System Improvements at the Airport Fuel Farm Facility**

New Business:

Executive Session:

Attorney-Client Privilege Matters: