

**ALBANY COUNTY AIRPORT AUTHORITY**  
 ALBANY INTERNATIONAL AIRPORT  
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**ACAA  
 APPROVED  
 5/3/10**

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

**March 25, 2010**

Pursuant to notice duly given and posted, the Special Meeting of the Albany County Airport Authority was called to order on Thursday, March 25, 2010 at 10:37 am in the 2<sup>nd</sup> Floor Conference Room in the Administration Building, located at the Albany International Airport by Chair David E. Langdon with the following present:

**MEMBERS PRESENT**

David E. Langdon, Chair  
 Rev. Kenneth J. Doyle  
 Dennis J. Fitzgerald  
 Elliott A. Shaw  
 Dorsey M. Whitehead

**MEMBERS ABSENT**

Tony Gorman  
 John A. Graziano, Jr.

**STAFF**

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

Doug Myers  
 Steve Iachetta  
 Ginger Olthoff

**ATTENDEES**

None

**1. Acceptance of Financial and Audit Items**

- 1.1 Review and Acceptance of Authority's Fifteenth Comprehensive Annual Financial Report, as of, and for the Year Ended, December 31, 2009, Together with the Audit and Compliance Reports of Marvin and Company, P.C., Certified Public Accountants**
- 1.2 Review and Acceptance of Marvin and Company, P.C. Letter Regarding Information Related to Their Conduct of the Audit Required under Generally Accepted Auditing Standards**



**1.3. Review and Acceptance of Airline Rates and Charges Settlement and Revenue Sharing Transfer Calculation for 2009**

**1.4 Review and Acceptance of Albany County Airport Authority Annual Investment Report for the Fiscal Year Ending December 31, 2009**

Mr. Fitzgerald moved to accept Items No. 1.1 through 1.4, as recommended by the Audit Committee. The motion was adopted unanimously.

**1.5 Review of Albany County Airport Authority OPEB Trust (A Component Unit of the Albany County Airport Authority) Financial Statements for the Short Period Ended December 31, 2009 – Unaudited**

**1.6 Review of Annual Variable Rate Bond and Interest Rate Swap Report**

Chair Langdon acknowledged receipt of the reports and stated that each and every member present at this meeting was present at the Audit Committee which was held earlier; whereby, these items were reviewed and discussed. Chair Langdon inquired if there were any comments. He noted that there were no comments and no action was required.

**2. Authorization of Professional Services Contract No. S653: Engineering/Architectural Services – Parking Garage Rehabilitation**

Mr. O'Donnell recommended authorization to award Professional Services Contract No. S653: Engineering/Architectural Services – Parking Garage Rehabilitation to AECOM USA, Inc., in the amount of \$79,000, to be funded from Capital Improvements Project Account No. 2162.

Mr. O'Donnell stated that the original amount submitted by AECOM was \$195,000; however, after negotiations, the amount was lowered to \$79,000. Mr. O'Donnell stated that the work was not complicated work and did not rise to the level of \$195,000. He stated that the cost of the overall project was expected to run at least \$500,000 due to the overall size of the parking decks.

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

**3. Authorization of Extension to Concession Agreement for Baggage Cart Management Services with Smarte Carte, Inc. (SCI).**

Mr. O'Donnell recommended authorization of an extension to the Concession Agreement for Baggage Cart Management Services with Smarte Carte, Inc. (SCI) until December 31, 2011 and to permit a charge increase from \$2.00 per use to \$3.00 per baggage cart rental fee. Mr. O'Donnell stated that an RFP will be issued at the end of the extension period.

Mr. O'Donnell stated that the revenues for this concession equal approximately \$11,000 per year, of which the Airport receives \$7,000 as a minimum annual guarantee with Smarte Carte keeping approximately \$4,000.

Mr. Shaw inquired as to whether they are required to submit financial statements to the Authority as is the case with the off-Airport parking concession.

Mr. O'Reilly stated that they do submit revenue reports but are not required to submit audited financial statements.

Mr. Shaw inquired if this was a monopoly. Mr. O'Donnell stated that there was one other company that provides this service at a few other airports. Mr. O'Donnell also stated that it was not prudent to send out an RFP at this time due to the current backlog in the Purchasing Department and the value of the current contract.

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

**4. Authorization of Runway 10/Runway 28 Approach Departure FAR Part 77 Surface Avigation Easement: Acquisition of Air Rights over 983 Watervliet Shaker Road: Memorys Garden Cemetery (Westerly Portion)**

Mr. Iachetta recommended authorization of Runway 10/Runway 28 Approach Departure FAR Part 77 Surface Avigation Easement: Acquisition of Air Rights over 983 Watervliet Shaker Road: Memorys Garden Cemetery (Westerly Portion) in the amount of \$500,000, to be funded from Capital Improvements Project Account No. 2115.

Chair Langdon referred to the NYSDOT certification and noted that there were two other properties contained in the letter. He asked for confirmation that approval was only being sought for the property located at 983 Watervliet Shaker Road. Mr. Iachetta confirmed that authorization was being requested only for the property located at 983 Watervliet Shaker Road.

Chair Langdon noted that the letter was issued in December 2007. He inquired as to whether the certified value was still applicable. Mr. O'Donnell stated that the FAA will accept appraisals in and around a two year period.

Mr. Shaw moved to authorize said avigation easement. The motion was adopted unanimously.

**5. Authorization for the Chief Financial Officer to Enter into a New Closing Certificate and Supplemental Agreement for the New York State Environmental Facilities Corporation (EFC) Clean Water and Drinking Water State Revolving Funds, Series 1999B Bonds and EFC 1999 Direct Loan**

Mr. O'Reilly recommended Authorization for the Chief Financial Officer to enter into a new Closing Certificate and Supplemental Agreement for the New York State Environmental Facilities Corporation (EFC) Clean Water and Drinking Water State Revolving Funds, Series 1999B Bonds and EFC 1999 Direct Loan. Mr. O'Reilly noted that this item was a hand-out that was received late Friday afternoon.

Mr. O'Reilly stated that both obligations have a final maturity of October 2019. Based upon current market conditions, EFC has identified the Series 1999B bonds as candidates to be refunded at an anticipated Net Present Value (NPV) savings of 4% or more of the par amount outstanding. EFC will not refund the bonds if savings are not achieved and EFC generally seeks NPV savings of at least 3% on a refunding. As part of the plan of refunding, the Authority will also agree to terminate the associated debt service reserve fund investment of \$442,237 and allow it to be used to redeem a portion of the refunded bonds. This debt service reserve fund is invested in a U.S Treasury Obligation paying 5.073%. The Authority will agree to waive its right to redeem the refunding bonds prior to maturity which is consistent with a "ten year no call" provision as the refunding bonds final maturity will be less than 10 years. EFC officials have indicated the currently anticipated NPV savings to the Authority are approximately \$212,000 over the remaining life of the debt. The currently anticipated annual cash flow savings are to be spread as follows: \$20,000 in 2010, \$40,000 in each of the following three years and lesser amounts in the final six years. Any potential refunding and associated savings are dependent upon continued favorable market conditions, which may deteriorate prior to the refunding.

Mr. O'Reilly stated that he contacted the EFC and spoke to their CFO, Jim Gephardt, who assured him that this refunding would result in savings to the Authority. He stated that the refunding would take place with or without the Authority signing on and the only way for the Authority to participate in the savings was to sign on.

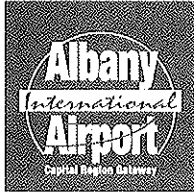
Mr. Shaw inquired as to whether the savings to the Authority could be swept away by NY State once approval is given. Mr. O'Reilly stated that this would not happen since this was based upon federal grant dollars given to the EFC to provide subsidies to participating municipalities.

Chair Langdon inquired as to whether any of the other involved municipalities had been contacted regarding this. Mr. O'Reilly stated that he did not contact the municipalities but did contact the NYS Office of the State Comptroller who was required to approve the terms and conditions of the refunding. He stated that the OSC confirmed that the Authority will not receive any savings if they do not sign on.

Mr. Whitehead moved to authorize said New Closing Certificate and Supplemental Agreement. The motion was adopted unanimously.

Mr. Shaw inquired as to the status of the Military Courtesy Room. Mr. O'Donnell advised that the facility was open and functioning and a grand opening will be scheduled for late April.

There being no further business, the meeting was adjourned at 11:04 am.



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### SPECIAL MEETING AGENDA

March 25, 2010

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    - 1.2 **Review and Acceptance of Marvin and Company, P.C. Letter Regarding Information Related to Their Conduct of the Audit Required under Generally Accepted Auditing Standards**
    - 1.3 **Review and Acceptance of Airline Rates and Charges Settlement and Revenue Sharing Transfer Calculation for 2009**
    - 1.4 **Review and Acceptance of Albany County Airport Authority Annual Investment Report for the Fiscal Year Ending December 31, 2009**
    - 1.5 **Review of Albany County Airport Authority OPEB Trust (A Component Unit of the Albany County Airport Authority) Financial Statements for the Short Period Ended December 31, 2009 – Unaudited**
    - 1.6 **Annual Variable Rate Bond and Interest Rate Swap Report**
  2. **Authorization of Professional Services Contract No. S653: Engineering/Architectural Services – Parking Garage Rehabilitation**
  3. **Authorization of Extension to Concession Agreement for Baggage Cart Management Services with Smarte Carte, Inc. (SCI).**
  4. **Authorization of Runway 10/Runway 28 Approach Departure FAR Part 77 Surface Avigation Easement: Acquisition of Air Rights over 983 Watervliet Shaker Road: Memmorys Garden Cemetery (Westerly Portion)**
  5. **Authorization for the Chief Financial Officer to Enter into a New Closing Certificate and Supplemental Agreement for the New York State Environmental Facilities Corporation (EFC) Clean Water and Drinking Water State Revolving Funds, Series 1999B Bonds and EFC 1999 Direct Loan**
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