Minutes of the Regular Meeting of the Albany County Airport Authority

December 12, 2011

Pursuant to notice duly given and posted, the regular meeting of the Albany County Airport Authority was called to order on Monday, December 12, 2011 @ 6:04 p.m. 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
Rev. Kenneth J. Doyle
Tony Gorman
Dorsey M. Whitehead
Dennis Fitzgerald
Lyon M. Greenberg, M.D.

MEMBERS ABSENT
Elliott A. Shaw

STAFF
John A. O’Donnell
Bill O’Reilly
Peter F. Stuto
Steve Iachetta
Liz Charland

ATTENDEES
Joel Russell, AvPorts
Brian Johansson, Federal Security Director (TSA)
Eric Anderson, Times Union
Pam Day, Million Air

Chair Langdon noted there was a quorum.
1. **CHAIRMAN’S REMARKS**

None

2. **MINUTES**

Mr. Whitehead moved to approve the November 14, 2011 Regular Meeting Minutes. The motion was adopted unanimously.

Chair Langdon requested a motion to appoint Father Doyle as Vice-Chair of the ACAA Board.

Mr. Whitehead moved to appoint Father Doyle as the Vice-Chair of the ACAA Board. The motion was adopted unanimously.

Chair Langdon requested a motion to approve the ACAA Committee Members for 2012.

Mr. Whitehead moved to approve the ACAA Committee Members for 2012. 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 December 2011.

Chair Langdon inquired what are the landing fees for aircraft diversions which have signed our airline agreement as a signatory airline.

Mr. O’Donnell stated that signatory airlines are charged our airport landing fee only if the passengers deplane the aircraft.

Mr. O’Reilly stated that non-signatory airlines pay non-signatory landing fee rates for all landings.

Mr. Gorman inquired what is our gross revenue from diversions.

Mr. O’Donnell stated our revenue is about $7,000 annually for aircraft diversions.

Father Doyle inquired if it is our decision to accept a diversion.

Mr. O’Donnell stated it is not our decision. We are informed when a diversion is enroute.

Mr. Gorman inquired if diversions increase during bad weather.

Mr. O’Donnell stated yes the diversions increase and they were up last year due to Hurricane Irene and Tropical Storm Lee along with a difficult winter.

4. **INTERESTING CORRESPONDENCE**

Noted
5. Chief Financial Officer

Mr. O’Reilly presented the following:

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

Mr. O’Reilly pointed out that when Mr. O’Donnell started we had 230 employees and we are now down to 173.

Mr. O’Reilly also stated he is still waiting for the budget from the County for the Sheriff and other costs.

Chair Langdon stated Mr. O’Reilly did an excellent presentation in recapping the financials. He further stated that we have the ship as tight as possible and it is very clearly stated.

Mr. O’Reilly stated that even though our enplanements are down, we are still faring better than some surrounding airports.

Mr. Fitzgerald inquired if we would be doing any short term borrowing for cash on hand.

Mr. O’Reilly stated no there would be no short term borrowing.

Mr. Fitzgerald inquired if we have a short term line of credit.

Mr. O’Reilly stated we do not have a short term line of credit and he does not envision the need for one.

Mr. Fitzgerald made an inquiry regarding reserves.

Mr. O’Donnell stated we have bond reserves which are in the $12 million range.

Mr. O’Reilly stated we maintain a year’s worth of debt service and PFC’s on hand.

Mr. O’Reilly stated our operating expenses are a priority and we have four months of expenses in our over debt service in the prioritization of revenue use under our master bond resolution

6. Procurement Approvals by CEO – Informational Only

None

7. Project Development

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

Chair Langdon inquired during flooding conditions where does the surface water emanate from.

Mr. Iachetta stated is comes from north of Colonie Center, Sand Creek and Ann Lee
Pond and it tracks across the Airport to the Shaker Creek.

Chair Langdon inquired when was the last major flood.

Mr. Iachetta stated the last flood was in the early 1980’s and before that it was 1959.

Mr. Iachetta also reported that the Latham Water Tank project finished under budget.

8. Counsel

None

9. Concessions/Ambassador Program

Ms. Chadderdon presented the Concessions/Ambassador Program Report for the month of December 2011.

10. Public Affairs

Mr. Meyers presented the Public Affairs Report for the month of December 2011.

Mr. Fitzgerald inquired how many youths participated in the Airport Aviation Explorer Post.

Mr. Myers stated only three youths participated and if we don’t get 10, we may need to reconsider the program.

**ACTIONS ITEMS:**


11.1 Construction Contract 687-BHS-Rebid; Transportation Security Administration Semi-Inline Baggage Screening Improvements with Automatic Systems, Inc. of Kansas City, Missouri

Mr. Iachetta recommended authorization of Construction Contract 687-BHS-Rebid; Transportation Security Administration Semi-Inline Baggage Screening improvements with Automatic Systems, Inc. of Kansas City, Missouri in the amount of $944,990, to be funded from Capital Improvement Project Account No. 2170.

Mr. Fitzgerald moved to authorize award of Construction Contract 687-BHS-Rebid. The motion was adopted unanimously.

11.2 Construction Contract No. 687-ELEC; Semi-Inline Baggage Screening Improvements

Mr. Iachetta recommended award of Construction Contract 687-ELEC; Semi-Inline Baggage Screening Improvement to Harold R. Clune, Inc. in the amount of $24,600, to be funded from Capital Improvement Project Account No. 2170.

Mr. Whitehead moved to authorize Construction Contract 687-ELEC. The motion was adopted unanimously.
11.3 Lease Amendment No. 3 to Lease No. L-527: 11 Northway Lane North (ACAA Bldg. No. 410) with H2 Pump, LLC

Mr. Stuto recommended authorization of Amendment No. 3 to Lease No. L-527: 11 Northway Lane North (ACAA Bldg. No. 410 with H2 Pump, LLC. Mr. Stuto stated this is a one year extension at an annual rate of $45,172.44.

Father Doyle moved to authorization said Lease Amendment. The motion was adopted unanimously.

11.4 Lease Amendment No. 5 to Lease No. L-498: 68 Sicker Road (ACAA Bldg. No. 215) with Kovatch Mobile Equipment Corp.

Mr. DelBalso recommended authorization of Amendment No. 5 to Lease No. L-498: 68 Sicker Road, ACAA Bldg. No. 215 with Kovatch Mobile Equipment Corp. Mr. DelBalso stated that this is a two year lease extension. The current annual rent is $93,160.44 and a 3% COLA will be added on January 1, 2013 and any anniversaries thereafter.

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

11.5 Addendum No. 4: Lease and Operating Agreement No. L-635: 72 Sicker Road, ACAA Bldg. No. 213 with Lansing Flight Support, Inc.

Mr. Stuto recommended authorization of Addendum No. 4: Lease and Operating Agreement No. L-635: 72 Sicker Road, ACAA Bldg. No. 213 with Lansing Flight Support, Inc. Mr. Stuto stated that this Addendum extends the contract for three years. The current annual rental fee will increase January 1, 2012 to $37,015.

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

11.6 Vending Machine Concession Contract (No. 781) with JP Morgan Chase Bank for a Bank ATM at the terminal Check Point Area.

Mr. O’Reilly recommended award of Vending Machine Concession Contract No. 781 to JP Morgan Chase Bank for a bank ATM in the terminal. Mr. O’Reilly stated that the agreement provides for a minimum annual guarantee of revenue to the Authority of $24,000.

Mr. Gorman inquired if the other proposal was for $4,200 per year, noting there was a significant difference between the two proposals.

Mr. O’Reilly agreed it was a significant difference and stated $24,000 was a very good offer by a major bank.

Dr. Greenberg moved to authorize said contract. The motion was adopted unanimously.

11.7 Service Contract No. – SC-779: General Construction Services

Mr. O’Reilly recommended approval of Service Contract No. SC-779: General
Construction Services to Sam Greco Construction, Inc. and MH Contractors, LLC. This contract is to be funded from the 2012 Airport Operating Budget.

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

11.8 Authorize the CFO to bid out variable market rate supply contracts for some or all electric and natural gas accounts and enter into either a 12 or 24 month supply contract with awarded bidders or if all bids for a procured energy supply are rejected obtain service from National Grid or the Municipal and Electric Gas Alliance (MEGA).

Mr. O’Reilly recommended authorization for the Authority CFO to bid out variable market rate supply contracts for some or all electric and natural gas accounts and enter into either a 12 or 24 month supply contract with awarded bidders or if all bids for a procured energy supply are rejected obtain service from National Grid or the Municipal and Electric Gas Alliance (MEGA).

Mr. O’Reilly advised that when you go out to bid you need to lock in within 24 hours.

Dr. Greenberg inquired if we would award this to the lowest bidder.

Mr. O’Reilly stated yes we would award to the lowest bidder and that the existing vendor would have to continue supplying gas and electricity if we did not have a successful bidder.

Mr. O’Reilly further advised that our bidding documents are based on variable rates.

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

12. Authorization of Change Orders


Mr. O’Donnell recommended authorization of Change Order No. 1 – Construction Contract No. 503-GC: NW Quadrant Drainage and Security Improvement with J.H. Maloy, Inc., in the amount of $7,316.15, to be funded from Capital Improvements Project Account Number 2167.

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


None

14. Adoption of the $45,682,860 Operating Budget for 2012 and authorization to transfer $151,000 from the Authority to the Albany County Airport Authority OPEB Trust to satisfy the unfunded annual required contribution for 2011 as shown in an actuarial valuation dated December 31, 2011 and which the 2012 Operating Budget anticipates in as funding progress in the calculation of the 2012 OPEB Expense.

Mr. O’Reilly recommended Adoption of the 2012 Airport Operating Budget and Authorization to Transfer Funds from the ACAA to the ACAA OPEB Trust.
Mr. Fitzgerald commented that Mr. O’Reilly and his staff did a great job presenting the 2012 budget and that as Chair of the Finance Committee he had no hesitation in recommending approval of the 2012 Operating Budget to the Board.

Chair Langdon stated that the Authority has a highly competent CFO and that Mr. Fitzgerald is a great chairman for the Finance Committee.

Mr. Fitzgerald moved to adopt the 2012 Airport Operating Budget and authorize said transfer of funds from the ACAA to the ACAA OPEB Trust. The motion was adopted unanimously.

15. Review and approval of Property Disposition Guidelines

Mr. Stuto stated that the Public Authorities Accountability Act (“Act”) provides that all public authorities shall review and approve comprehensive guidelines which provide for the disposition of its property. The Guidelines shall (1) detail the authority’s policy regarding the use, awarding, monitoring and reporting contracts for the disposal of property, and (2) designate a contracting officer responsible for compliance with and enforcement of the guidelines.

The attached guidelines (originally approved by the Board in May of 2006), in conformance with the Act, provide that the Authority: (a) maintain adequate inventory controls and accountability systems for all property under its control; (b) periodically inventory such property to determine which property shall be disposed of; (c) produce a written report of such property; and (d) transfer or dispose of such property as promptly as possible in accordance with the guidelines. Property is to generally be sold at fair market value and by bid. The Contracting Officer for the Authority shall be its General Counsel. Whenever property is disposed of by negotiation, an explanatory statement shall be prepared and transmitted to the NYS Comptroller, DOB, OGS and Legislature.

Mr. Fitzgerald inquired what the policy says regarding property going from the Airport directly to another public organization?

Mr. Stuto stated disposals and contracts for disposal of property may be negotiated or made by public auction if the disposal will be to the state or any political subdivision, and the estimated fair market value of the property and other satisfactory terms of disposal are obtained by negotiation.

Mr. Gorman inquired how many and how often we sell abandoned vehicles. Mr. O’Reilly stated we are in the process of selling the abandoned vehicles on GovDeals. Mr. Stuto stated we get between 5 and 10 abandoned vehicles per year.

Mr. Stuto requested that the Authority adopt the guidelines unchanged.

Father Doyle moved to approve said Property Disposition Guidelines. The motion was adopted unanimously.

Old Business:
None

New Business:
None

Chair Langdon requested a motion to go into Executive Session to discuss an item related to the
Employment history of a particular person.

Mr. Whitehead moved to go into Executive Session. The motion was adopted unanimously.

Attorney-Client Privilege Matters:

None

There being no further business, the meeting was adjourned at 7:55 p.m.
ALBANY COUNTY AIRPORT AUTHORITY

REGULAR MEETING

AGENDA

December 12, 2011

General:

1. Chairman’s Remarks

2. Approval of Minutes
   Regular Meeting – November 14, 2011

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. Procurement Approvals by CEO – Informational Only

   None

7. Project Development

8. Counsel

9. Concessions/Ambassador Program

10. Public Affairs

Action Items:


   11.1 Construction Contract 687-BHS-Rebid Semi-Inline Baggage Screening
Improvements – Baggage Handling System

11.2 Construction Contract No. 687-E; Semi-Inline Baggage Screening Improvements

11.3 Lease Amendment No. 3 to Lease No. L-527: 11 Northway Lane North (ACAA Bldg. No. 410) with H2 Pump, LLC

11.4 Lease Amendment No. 5 to Lease No. L-498: 68 Sicker Road (ACAA Bldg. No. 215) with Kovatch Mobile Equipment Corp.

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12. Authorization of Change Orders


None

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15. Review and approval of Property Disposition Guidelines

Old Business:

None

New Business:

Executive Session:

ES-1 Employment history of a particular person.

Attorney-Client Privilege Matters:

None