

## Minutes of the Regular Meeting of the Syracuse Regional Airport Authority

January 10, 2014

Pursuant to notice duly given and posted, the regular meeting of the Syracuse Regional Airport Authority was called to order on Friday, January 10, 2014 @ 12:06 pm in the Syracuse Regional Airport Authority Board Room located in the Syracuse Hancock International Airport by Chair, Mr. William Fisher.

### Members Present:

Mr. William Fisher-Chair  
Mr. Khalid Bey  
Dr. Donna DeSiato  
Ms. Judy Flanagan (via phone)  
Mr. John B. Johnson, Jr.  
Mr. Patrick Mannion  
Mr. Mark Nicotra  
Ms. Beth Rougeux  
Mr. Donald Thompson  
Ms. Eleanor Ware (via phone)

### Members Absent:

Ms. Irene Scruton

### Also Present:

Ms. Christina Callahan  
Ms. Cheryl Herzog  
Ms. Jennifer McIntyre  
Ms. Heather Malinowski  
Mr. John Carni  
Ms. Beth Cooper  
Mr. Dan Ryan  
Mr. Antimo Pascarella  
Ms. Maureen Fogarty  
Mr. Andrew Serota  
Mr. R. John Clark  
Mr. Christopher Randall

### Roll Call

As noted above, all Board Members were present, except for Ms. Irene Scruton.

## **Reading and Approval of the Minutes of the Previous Month**

A motion was made by Ms. Beth Rougeux and seconded by Dr. Donna DeSiato and was unanimously approved to accept the minutes from the December 13, 2013 regular meeting.

The motion was approved 8 ayes, 0 nays.

## **Executive Director's Report**

This report provides an update on the status of several initiatives, projects, and priorities as they relate to the City of Syracuse Department of Aviation and the Syracuse Regional Airport Authority.

- *The Executive Director noted that on January 1, 2014 several employees were transferred to and hired by the Authority. The management team of the Authority was introduced and included Ms. Fogarty, Fiscal Officer; Ms. Jennifer McIntyre, Marketing Coordinator; Ms. Cheryl Herzog, Executive Secretary; Ms. Heather Malinowski, Secretary to the Board; Mr. Antimo Pascarella, Operations Officer; Ms. Beth Cooper, Airport Security Coordinator; and Mr. Dan Ryan, Assistant Airport Security Coordinator. Ms. Callahan also introduced John Carni, Deputy Commissioner of Aviation and the Department Head for the Department of Aviation.*

## **Legal/Legislative Update**

The Syracuse Common Council is expected to vote on the following items at the January 13, 2014 meeting:

\*Councilor Jake Barrett is the new Airport Committee Chair

- *Ms. Callahan indicated that Mr. Jake Barrett is very supportive of the Airport.*

1. A request to increase the dollar amount for the Terminal Project by \$2,164,373 to cover costs associated with asbestos abatement, additional security improvements, improvements to existing HVAC systems, work that was required to accommodate airline operations during construction, flight information display systems, and additional work required to accommodate TSA operations. Once approved, Change Order No. 3 & Final will be issued and approved, punch-list items will be completed, and we will begin project closeout. The additional costs are covered under the PFC application, and will not require additional funding.

- *Mr. Bill Fisher asked if the increase would be paid for out of passenger facility charges which Ms. Callahan confirmed to be correct.*

2. A request that would authorize to City to sign an amendment to the Small Community Air Service Development Grant that expired on December 31, 2013. The USDOT approved a one-year extension to the grant and authorization to utilize the remaining \$200,000 for air service development.

3. A request to appropriate \$5,000 from the Aviation Enterprise Funds for annual membership dues to the New York Aviation Management Association.

- *Ms. Rougeux asked if Mr. Carni will also attend NYAMA, Ms. Callahan explained that anyone who is a member is invited, however, since Syracuse is hosting the conference this year all will be invited. Ms. Callahan also stated that she is on the board. Ms. Rougeux asked if the Airport was a member or if Ms. Callahan was an individual member. Ms. Callahan clarified that the Airport is a member and that the commissioner, executive director, etc. typically has a seat on the board.*

#### Part 139 Application Update

Since the last briefing to the Board, the final application for the Authority to obtain an airport operating certificate was submitted to the FAA on December 24, 2013

Leading up to this submission was the final approval of the transfer by the Common Council, which occurred on November 18<sup>th</sup> through the creation of Local Law No. 9. On November 19, the Mayor approved Local Law No. 9 and submitted it for filing with the Department of State as required by home rule. On December 4, 2013 the City received return notice by the Department of State that Local Law No. 9 had been received and properly recorded.

Parallel to filing Local Law No. 9 that approved entering into a lease for the Airport between the City and the Authority, the Mayor and SRAA Chair signed the three governing agreements regarding the transfer of the Airport. They included the 40 year lease of the Airport, the Services Agreement -- which assures continued services at the airport by City Department of Aviation employees until such time (generally) as they may be transferred directly into the Authority; and the Assignment and Assumption Agreement, which transfers the obligations of the existing FAA and other grant agreements from the City to the Authority. The agreements were signed by both parties and made effective November 25, 2013 and are subject the issuance of an Airport Operating Certificate by the FAA.

On December 4, Hancock Estabrook, LLP completed its review of the each of these proceedings and issued its opinion, requested by the FAA, that the Authority possesses all of the legal rights and powers necessary to directly assume control of the Airport as an "Airport Sponsor" under their definition.

On December 17, 2013 Steven Baldwin Associates, LLC (SBA) completed their DRAFT report with regard to the overall transfer process including a complete draft of the application for

review by the project team. The draft was circulated for input by the entire project team, including all members from the airport, outside counsel, City's Corporation Counsel, William Fisher, William Ryan, David Moynihan, with the City's CPA firm Testone, Marshall & Discenza; and Ted Trespasz from the City's bond counsel, Trespasz and Marquardt.

On December 23<sup>rd</sup>, 2013 SBA issued its final report as Airport Consultant, and on behalf the Authority, filed the Final Application for an Airport Operating Certificate with the with the FAA on December 24<sup>th</sup>, 2013.

Since filing the application, SBA has been in contact with the FAA to confirm receipt of both the electronic and hard copies of the application. As of January 7, the FAA has acknowledged receipt of the application and has requested two additional copies of the application be provided to their Eastern Region office in Jamaica, NY. The FAA has also informally indicated that meeting the March 1, 2014 deadline regarding the issuance of a certificate "should not be a problem."

As previously reported to the Board, the application will be taken under review by several functional offices, the legal office and the compliance office within the FAA. These offices are located in a combination of Washington, DC; Jamaica, NY; and, Garden City, NY (this office will soon relocate to the Jamaica office). Commonly referred to the RFI (Request for Information) process, between now and the issuance of an Airport Operating Certificate by the FAA, it is expected they will ask for any additional information it deems necessary to make a determination on the application and the worthiness of the SRAA becoming the official "Airport Sponsor" under past and future federal grant obligations and overall FAA guidelines.

As RFI's are received, SBA will coordinate with Management.

- *Mr. Fisher asked to confirm that the Authority requested the change be made effective March 1, 2014. Ms. Callahan confirmed that this was correct. Mr. Fisher asked if we knew if that was going to happen. Ms. Callahan reported that she was told that was a "very doable date unless something happens."*

### Concession Development Project

This week we received 50% submittal drawings for the concepts that are scheduled to open during Phase I of the terminal concession development project. A meeting is scheduled with Creative Food and Method Architects next week to review the submittals. Work is ongoing with the attorneys for the Authority and Creative Food on the Master Concession Agreement. CFG's attorney has reviewed the first draft, made comments, which we have reviewed. A revised draft will be submitted to CFG early next week.

- *Mr. Fisher asked if at this point the Executive Director has the authority from the board to enter into contracts. Mr. Clark advised that at this point it would be a good*

*idea to create a resolution giving the Executive Director that authority. Mr. Fisher asked if a resolution would be ready by the February meeting Mr. Clark advised that if the contract was ready by then, then yes. Mr. Fisher suggested that the resolution at least be in place by March 1, 2014, when the Authority receives its certificate.*

- *Mr. Fisher also asked if a letter was to accompany the contract with Creative Foods asking that existing employees be offered opportunities to learn about employment opportunities when Creative Foods takes over. Mr. Clark confirmed that there would be a side agreement.*

#### Personnel/HR Items

##### 1. CFO

Four finalists were selected and interviewed by the HR Committee on January 9, 2014. I anticipate asking the Board to confirm my selection at the February meeting.

##### 2. Meeting with CSEA union leadership.

John McCann and Ms. Callahan met with CSEA union leadership and their attorney on December 20<sup>th</sup> to discuss their questions/concerns regarding the future transfer of airport-based CSEA employees.

#### Public Relations/Community Outreach

1. Ms. Callahan was asked to join and participated in a meeting hosted by FOCUS Greater Syracuse on their Age-Friendly CNY Steering Committee. The scope of the FOCUS project is to provide an information base that identifies the community's needs about the demographic profile of the boomers in CNY; identify what incentivizes boomers to continue to live in CNY raise awareness of this issues in the community and provide information to support local planning across all sectors, including the airport.
2. The airport and airlines dealt with extreme weather conditions which resulted in thousands of cancellations network wide for all of the airlines. While few passengers were "stranded" at the SYR, dozens of flights were cancelled due to weather and issues at JFK. Nine aircraft were diverted to SYR on Sunday evening.
  - *Mr. Thompson asked what was the most number of diversions Syracuse has had. Ms. Callahan responded 15 and Dr. DeSiato complimented Ms. Callahan with her explanation regarding the diversions and being sensitive to the passengers but also letting the public know the Airlines were doing everything they possibly could. Ms. Rougeux asked if people had to spend the night at the airport, if cots were provided. Ms. Callahan said she was not aware of anyone staying overnight*

*at the airport and that typically airlines will make arrangements for passengers to stay at a local hotel if necessary. Ms. Callahan complimented Ms. Fogarty's staff for how they handled the public. Mr. Johnson asked about the size of the aircraft that are diverted here. Ms. Callahan stated that we do get aircraft that is not in our normal fleet, but several years ago Ms. Fogarty compiled a list of all the equipment we have onsite that can be utilized for various types of aircraft. Ms. Callahan explained the long onboard provision which prevents the Airlines from keeping passengers too long on the aircraft is taken very seriously by the entire airport community. Ms. Callahan stated that passengers can be bused to the terminal if there is a need to remove them from the aircraft.*

3. Ms. Callahan met with Stephen Butler, Executive Director of CNY Arts, regarding an event they would like to host at the airport in February. The event is a gathering of CNY community, business and organization leaders that serve as the leadership Advisory Council to the ENGAGE CNY Campaign. The event will draw attendees from several of the counties the airport serves, and the airport provides an ideal, central location for their event.
4. MQ9 Operations at SYR

Ms. Callahan and Mr. Carni attended a meeting hosted by the Syracuse Air Traffic Control Tower and attended by the FAA, members of the 17<sup>th</sup> Attack Wing and the NUAIR Alliance. The purpose of the informational meeting was to discuss the status of the 174<sup>th</sup>'s application to the FAA for a Certificate of Authority to fly the MQ9 at SYR, and the integration of the MQ9 at SYR. NUAIR provided the group with a detailed scope of their mission at Griffiss, including working on systems that would support the use of UAVs.

#### 2014 Short Term Goals

1. Be ready to respond to any RFI's received from the FAA regarding the Part 139 application.
  2. Hire remaining members of the management team and work with management team on the development of:
    - a. Strategic Plan - Kick-off the Strategic Planning Process by March 1, 2014 with completion by October 31, 2014.
    - b. Development of Timeline for Transfer of City Employees
    - c. Air Service Development Plan for 2014
- *Ms. Callahan informed the Board that the individual that had been selected for, offered and accepted the position of General Counsel Position chose to stay with his firm. Ms. Rougeux asked if the position will be reopened or will there be a selection from the existing candidates. Ms. Callahan stated she has been working with the HR Committee and would like to discuss plans for filling the position with them at the HR Committee meeting scheduled on January 16, 2014. Ms. Callahan informed the*

*Board that in the meantime Mr. John Clark from Hancock Estabrook will continue to provide legal services. Mr. Fisher stated that at the February Board Meeting if both the General Counsel and the CFO positions are decided on, the Board can confirm the positions at that meeting. Dr. DeSiato asked about the possibility of hiring an individual for General Counsel opposed to a law firm. She feels an individual may not be there long term where a firm would be. Ms. Callahan stated it is important to her that an attorney is a member of the management team.*

- *Ms. Callahan updated the board regarding the Strategic Plan which she will be working with Mr. Steven Baldwin, from Steven Baldwin Associates and Board Member; Patrick Mannion.*
3. Syracuse Airport Regional Advisory Board - Work with the SRAA and regional elected officials to have the remaining seats on the board filled. Integrate the regional board into the soon to be initiated Strategic Planning Process for the Airport. Harness the input and expertise of the regional board to help develop a stand-alone plan for non-aviation, aviation compatible, economic development at the Airport.
- *Ms. Callahan updated the Board regarding the current Regional Advisory Members: Chris Randall, represents the Chair of the Onondaga County Legislature, Gary Robb, is appointed by the Common Council and Morris Sorbello, is appointed by the Chair of Oswego County Legislature. The remaining counties, Cayuga, Cortland, Jefferson and Madison have a seat on the Regional Advisory Board. Ms. Callahan is drafting a letter to the counties without representation and following-up with a phone call to urge them to appoint a representative to the Regional Advisory Board. Previously, Richard Gifford was represented Oneida County but has since left his position as Commissioner of Aviation. Ms. Callahan spoke with the Interim Aviation Commissioner Chad Lawrence, and was informed by Mr. Lawrence that he is the new member representing the Regional Advisory Board for Oneida County. The Board requested Ms. Callahan reach out and obtain a resignation letter from Mr. Gifford.*

## Finance

Attached for discussion is a copy of the Airport's 6-year Capital Improvement Program Financial and Narrative Summary.

We completed the Airline Reconciliation for the Fiscal Year ending June 30, 2013. As a result of a decrease in actual expenses vs. budgeted in the terminal area, the airlines will receive in total a refund in the amount of \$618,391 (each airline will receive a pro-rated share). In addition, the airport will retain its full \$2.6 million in discretionary.

- *Mr. Mannion asked if the Airlines have a more favorable opinion of being an Authority than they did of being a City of Syracuse entity. Ms. Callahan stated*

*that the people on the local level don't see it as much, but the decision makers that deal with air service and airport properties see it as advantageous. Ms. Callahan keeps them updated with what is going on and the response has been very positive. Ms. Callahan stated there is an interest to see what is going to happen with the new concessions.*

### **Department of Aviation Report**

*(Copy of Department of Aviation Report attached)*

- *Mr. Fisher asked John Carni if there is anything that he needs from the Board that will be helpful to him during this transition. Mr. John Carni stated he will bring any issues to the attention of the Board or the Executive Director as they arise.*

Report was reviewed by the board members; there was no further discussion.

### **New Business**

#### **Committee Assignments:**

- *Mr. Fisher stated that there is one position open since Dr. DiFlorio's term has expired. Mr. Fisher explained the various committees to Mr. Nicotra and asked which one(s) he may be interested in serving on. Mr. Nicotra stated he would like to serve on the Governance and HR Committees. Mr. Fisher asked if anyone would take over the Chair of the Audit Committee. Dr. DeSiato stated she would Chair the Audit Committee. Mr. Fisher asked the Board if anyone was interested in changing their roles on the committees they serve. The Board Members all agreed they were happy with the committees they serve on.*

#### **Regional Advisory Board Appointments**

- This was discussed earlier in the meeting.

Mr. Fisher gave an opportunity for anyone in the audience to address the board. An attendee by the name of Betty Shueler addressed the Board regarding her concern for employees of Delaware North and with hopes that Creative Food Group will give them an opportunity for employment.

### **Adjournment**

A motion was made by Mr. Thompson and seconded by Mr. Nicotra to adjourn the meeting.

The motion was approved: 8 ayes, 0 nays

The meeting was adjourned at 1:16 p.m.