

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

Friday, May 10, 2019

Pursuant to notice duly given and posted, the board meeting of the Syracuse Regional Airport Authority was called to order on Friday, May 10, 2019 at 11:12 a.m. in the Syracuse Regional Airport Authority Board Room located in the Syracuse Hancock International Airport by Chair, Ms. Jo Anne Gagliano.

### Members Present:

Ms. Jo Anne Gagliano – Chair  
Mr. William Fisher  
Dr. Shiu-Kai Chin  
Dr. Donna DeSiato  
Mr. Kenneth Kinsey  
Mr. Michael Lazar  
Mr. Robert Simpson  
Mr. Michael Quill  
Mr. Damian Ulatowski  
Ms. LaToya Allen

### Members Absent:

Mr. John B. Johnson, Jr.

### Also Present:

Mr. John Carni  
Mr. Trent Amond  
Ms. Joanne Clancy  
Mr. Brian Dorman  
Ms. Debi Marshall  
Ms. Linda Ryan  
Ms. Jennifer Sweetland  
Mr. R. John Clark

### Roll Call

As noted, all Board members were present, except Mr. John B. Johnson, Jr.

### Ms. Jo Anne Gagliano, Chair

Chair Gagliano started by welcoming everyone to the scheduled Regular Meeting of the Board at 11:12 a.m.

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

Having no objections or additions to the minutes from the April 19, 2019 Special Meeting of the Board, a motion was made by Mr. Quill and seconded by Dr. Chin and the minutes were unanimously approved.

The motion was approved: 10 ayes, 0 nays, 0 abstain

## **Executive Session**

Chair Gagliano made a motion to go into executive session to discuss a variety of matters pertaining to the employment history of particular persons or corporations and/or the employment of particular persons or corporations by the Authority.

The motion was approved by Dr. DeSiato and seconded by Mr. Ulatowski. Board members went into executive session at 11:13 a.m.

The motion was approved: 10 ayes, 0 nays, 0 abstain

Executive session ended at 11:17 a.m. No action was taken.

## **Old Business**

None.

## **New Business**

### **Resolution approving selection of snow removal services provider and authorizing negotiation and execution of definitive agreement to provide snow removal services**

CFO Trent Amond brought the board up to speed as to the purpose of this resolution and the preparing and advertisement of the RFP, issued February 4, 2019. He further explained the details of the mandatory pre-proposal meeting, that 5 potential bidders attended that meeting and that the current contractor, Ciotti Enterprises, did not attend that meeting or respond to the RFP. There were two bids, Aero Snow Removal and Salt City Property Management. The Salt City Property Management was twice the amount of the Aero bid, therefore the review committee focused on the Aero bid when they were opened. The members of the Ad-hoc review committee met with representatives from Aero Snow Removal, a nationwide company that specializes in snow removal services at least eight airports including JFK, LGA, EWR, BOS, ORD, DEN, PHL and DFW. Following discussion, Aero confirmed that they would be able to meet SYR's snow removal requirements and that their bid was their best and final offer. The Ad-hoc committee voted unanimously to recommend that the board approve a contract to Aero Snow Removal for one 5 year base period and one 5 year renewal period. Mr. Simpson and other attendees discussed the possible reasons behind Ciotti not bidding on the work again considering the long term relationship with the SYR airport. A conversation ensued regarding the transition of the workforce where possible and that Aero is planning to maintain a year-round presence at the airport.

Having no further discussion regarding the resolution, a motion was made by Mr. Lazar and seconded by Mr. Simpson to approve this resolution.

The resolution was adopted: 10- ayes, 0 nays, 0 abstain

**Resolution authorizing approval of additional new air service agreement with Allegiant Travel Company**

CFO Trent Amond explained this resolution recommended by the Finance Committee. There was already an approved agreement which followed the Board-approved Air Service Matrix, but due to an oversight, this resolution had not yet been brought in front of the board for consideration and approval for Allegiant's new service to Sarasota. Attorney R. John Clark created this resolution for the purpose of ratifying this agreement.

Having no further discussion regarding the resolution, a motion was made by Dr. Chin and seconded by Mr. Quill to approve this resolution.

The resolution was adopted: 10- ayes, 0 nays, 0 abstain

**Customer Facility Charge (CFC) Study Report**

CFO Trent Amond explained to the board that a draft resolution is in the packet to begin consideration of a Customer Facility Charge (CFC). Our consultant, Landrum & Brown, Inc. (L&B) conducted a study of a CFC related to rental cars. This would be a project to address the parking garage structural and other issues to rehabilitate it for additional parking spaces, safety and modernization goals. The option to tear down and rebuild the existing parking garage was determined to not be cost-effective. This conceptualized rehabilitation of the parking garage would result in a net increase of approx. 400 parking spots. As part of this project, a Consolidated Rental Car Facility (CONRAC) would be built which would relocate the ready-return spaces from the public garage to a new facility built in the North overflow lot area. That building would house both the ready-return and the rental car counters in that space. This new facility is not planned to include the maintenance/service facilities, those would remain where they are currently housed. This concept illustrates a slight increase from 481 ready-return spaces to roughly 600 spaces. The rental car agency survey conducted by L& B concluded that this corresponded with the rental car agencies similar request for 600 spaces.

A discussion ensued that the new facility rental car ready-return spaces would be covered. Additionally, the proposal would be to build a new long-term parking lot located near the current employee lot, within walking distance to the terminal and would be a good option for longer term parking for price-sensitive travelers. Additional monies have been built into the operating budget recognizing both long and short term needs of the parking garage. The existing open lot would be reconfigured as part of the process, relocating the exit areas and improving flow of traffic and pedestrian safety. The source of the funds for the garage would be through bonds, but the source of the CONRAC funding is proposed to be from a Customer Facility Charge, or CFC. L&B did an analysis of rental car transactions, number of usage/day data, passenger enplanement, projected passenger growth trends and other factors to determine projections in order to determine a proposed level of CFC charge. A \$3, \$4 and \$5 per rental car transaction day CFC fee were analyzed to determine how much each level would support for bonds. The determination was that the \$4-\$5 level of fee appears to be the most appropriate and research of other small and larger hub airports with a current CFC in effect in New York State comparatively, supports that a CFC fee in this range is reasonable and that the fee amount could

be reduced or increased over time if needed. The Finance committee recommends three things: 1) To impose a CFC of \$4-\$5 per day 2) That it be applicable to both on and off airport rental car operations 3) That it would be expended at the discretion of the Authority on approved projects related to rental car facilities. After speaking with rental car operations and awaiting their consideration and questions regarding the details and appropriate fee structure, the timeline being considered is that a resolution would be brought to the board for consideration at the June 14<sup>th</sup> meeting and if approved would be implemented in the September 1<sup>st</sup> timeframe. A discussion ensued regarding the comfort of the rental car workers in the current outdoor facility and the overall safety issues surrounding the recent thefts of rental car vehicles. Dr. DeSiato encouraged the board to ensure that the consumer cost is minimal and does not negatively affect the SYR airport. It was noted that the impact to the community would be limited in that the majority of the rentals came from incoming travelers vs. people currently residing within our community and that the impact of that small amount of fee is minimal. The rental car companies are strongly in support of the new facility and the new fee as well, now and for the future.

### **Second Draft of 2019/20 Operating Budget**

CFO Trent Amond highlighted areas of the operating budget and encouraged questions about each section. Of particular note on the revenue side, we have increased our advertising budget by over \$100,000 due to Director of Marketing, Communications and Air Service Development Jennifer Sweetland's successful sales efforts for the new in-house Advertising program. On the expense side, of note, there are some new positions included in the budget and the increase in security officer staffing related to the increase in passenger traffic and reconfiguration of the roadway in front of the terminal and the new rate structure for the snow removal contract. This is the second time the Finance Committee has seen this operating budget, it is the first time the overall board has seen it and the final version will be brought to the board at the June 14<sup>th</sup> meeting.

### **First Draft of 2019/20 Capital budget and Reserve Status**

CFO Trent Amond explained the three sections of the Capital Budget. The top section is ACIP funded projects that represent money from the FAA through yearly entitlements that for next year will be fully used to reimburse for expenses from the terminal improvement project, the second is for only essential needs for local projects, which is for an unheated storage facility that we have received a grant for the bulk of that cost, leaving only \$160,000 built into the budget and the third and lowest portion are for miscellaneous, debt service related items. There are two reserve funds. The Discretionary Fund and the PRRSM fund, those work together to add or replace equipment in the existing terminal and maintain functionality throughout. CFO Amond stated that plans are to increase this discretionary fund from surplus areas.

### **Committee Reports**

No further committee reports were given.

### **Management Report**

Chair Gagliano noted that due to time constrictions, the Management Report to the Board would not be given, but encouraged all board members to look at the materials for this report in Dropbox for review.

No further committee reports were provided.

Interim Director Carni took a moment to thank the board for entrusting him with the Interim Executive Director role. He further thanked management and staff for helping him during this transition period with Mr. Terreri coming in on Monday, May 13<sup>th</sup> to the new role. Chair Gagliano thanked him and the team for all of their hard work during this transition. Dr. Chin requested an official motion to thank the staff for their efforts during the transition.

Having no further discussion regarding the resolution, a motion was made by Dr. Chin and seconded by Mr. Simpson to approve this resolution.

The resolution was adopted: 10- ayes, 0 nays, 0 abstain

### **Adjournment**

Having no other topics brought to the board, a motion was made by Mr. Fisher and seconded by Dr. DeSiato to adjourn the meeting.

The resolution was adopted: 10 ayes, 0 nays, 0 abstain

The meeting was adjourned at 12:02 p.m.