

**ERIE REGIONAL AIRPORT AUTHORITY  
WORK SESSION  
Thursday June 25, 2009**

Minutes of a Work Session of the Erie Regional Airport Authority duly posted and advertised. Held in the Conference Room of the International Trade Center located at 3837 West 20<sup>th</sup> Street in Millcreek Township, Erie County, Pennsylvania.

*The Erie Regional Airport Authority Board of Directors met in an Executive Session from 11:30 AM until 12:18 PM.*

**The Work Session Opened at 12:22 PM**

**Attendees:**

Lou Porreco	Don Wright	John Morris
Sumner Nichols	Chris Rodgers	Bob Spaulding
Frank Stefano	Sheilah Bruno	Ed Kissell
Lou Bizzarro	Kim Scharrer	Tyrone Clark
Janet Anderson	Mari Anne Clark	
Namon McWilliams	Ian Bogle	
Charley Augustine	Michelle Magee	
Dale Roth (via telephone)	Irene Seyler	

**Topics of Discussion:**

**Runway Extension Status**

Chris Rodgers reported that the team is working towards the beginning of the demolition of the acquired properties in early September.

Mr. Rodgers said that Sheri Ernico of Jacobs' Consultancy is working on a plan of finance to be distributed in advance of the July 9<sup>th</sup> meeting/teleconference. We should have a construction schedule also.

Mr. Rodgers explained that we are still waiting for guidance from the FAA regarding our grant application (submittal date 7/15/2009).

**Terminal Tenant Considerations**

Mr. Rodgers reported that the snack vending machine in the lobby is on a timer. The machine is operational to serve customers when the restaurant and gift shop are both closed.

**Financial Report**

Sheilah Bruno reported a net surplus after debt service of \$62,538 for the month. Our year to date net surplus after debt service is \$68,157. We are \$4,094 unfavorable when

compared to budget year to date. Ms. Bruno added that this is the best May the airport has had since 2005.

Mr. Rodgers explained to the Board that the June financials will be delivered to the Board at the August Board Meeting because Sheilah Bruno will be on vacation in July.

Frank Stefano asked how ERI compares to other airports. Mr. Rodgers explained that ERI's operating and maintenance budgets are self funded. We are very well situated considering the overall state of the airline industry and the economy in general.

Namon McWilliams asked who on staff backs up Sheilah when she is out of the office or on vacation. Mr. Rodgers explained that within our small staff we have excellent accounting support staff (accounts receivable-Michelle Magee, accounts payable and payroll-Irene Seyler, and our grant manager-Kim Scharrer).

### **Wetland Meeting**

Mr. Rodgers reported that dck coordinated a meeting with C&S Engineers and Michael Baker on June 18<sup>th</sup> at the ITC to kick off the design/planning phase of the extension project. The meeting was beneficial as the team was able to work through some of the project issues.

### **Exercising Call Option on Bonds**

Sumner Nichols reported that he just received a revised commitment letter from Erie Bank yesterday. It seems as though refunding the bonds would not qualify as tax free. Mr. Nichols explained that Erie Bank is proposing a rate with a floor of 3.85% and a ceiling of 7.25% and allows for a 2 year draw down period. We have until July 1<sup>st</sup> to respond. Don Wright added that currently bond counsel for the Knox Law Firm is reviewing the terms of the revised letter. Mr. Porreco suggested that the Board pass a resolution accepting the commitment letter from Erie Bank subject to the opinion of our bond counsel. Mr. Wright was asked to draft a resolution for Board consideration at the public Board Meeting.

### **Bills Payable**

Mr. Porreco asked if we are being reimbursed by our insurance for the cost of the reserve emergency generator. Chief Bogle said that he does not have a definite answer yet. Mr. Rodgers added that this is an ongoing effort working with our insurance company. Mr. Rodgers reported that we will be opening bids for the emergency generator in early July with a project start date sometime in mid to late August. Mr. Porreco directed staff to stay on this effort. The sooner we get a new generator; the sooner we can send back the rental generator which will result in savings for the airport.

Mr. Stefano asked if the airport ever goes out for bid when purchasing fuel. Mr. Rodgers explained that we obtain 3 quotes every time we need to purchase fuel. Mr. Stefano said that he thinks that the cost spread for fuel can be fixed for a year. Mr. Rodgers said that staff will look into it.

### **Master Tracking List/Activities Report/Buildings and Grounds**

Mr. Rodgers reported that our annual FAA Part 139 inspection is scheduled for July 7, 8, and 9<sup>th</sup>. Issues from last year's inspection include: the need for a new front end loader (a new one was received in May 2009), runway markings (this painting project was started

on Monday), the need for a sand storage building (this will be included in the Part B grant application), and the need for a wildlife assessment (this is currently taking place. A 14 month monitoring service has been underway for several months now).

Mr. Rodgers said that the terminal emergency generator project is nearly complete. The only item remaining to close out the project is training for applicable staff members.

Mr. Rodgers reported that HVAC project needs to be bid.

### **Air Service Update**

Mr. Rodgers reported that he participated in a meeting in Pittsburgh on June 10<sup>th</sup> with representatives from Cape Air as well as reps from other airports of our size. Cape Air is a small scale airline looking to operate with service to Pittsburgh. Mr. Rodgers explained that during discussions at the meeting, Cape Air realized that a subsidy would be necessary and that none of the airports represented at the meeting are able to meet the \$2 million annual subsidy.

Mr. Rodgers reported that May was the best month for air traffic that ERI has had since August 2008. Mr. Rodgers said that our year to date decline improved by 1 full point bringing our year to date air traffic decline to 11.1%.

### **Asbury West**

Mr. Rodgers said that there is nothing new to report. We are waiting for the authorization bill from the FAA for a determination on what can be done with property purchased with noise money.

### **Parking Lease Agreement-Republic Parking**

Mr. Nichols reported that he has not had the time to spend on this issue. The Erie Bank letter took precedence.

### **Wall of Fame**

Mr. Rodgers announced that the airport will be hosting another Wall of Fame induction ceremony to honor Lieutenant Colonel Magee Fuller on Thursday July 2<sup>nd</sup> at 10:30 am in the baggage claim area of the terminal. Notification will be distributed via email to the Board next week.

### **Travel Requests**

Mr. Rodgers asked for Board approval to attend the 14<sup>th</sup> Annual Aviation Forecast Summit hosted by the Boyd Group in Lexington, Kentucky in early October. Mr. Rodgers said that many high level speakers and air carrier representatives attend this event and it is a very beneficial opportunity. The atmosphere of the conference grants many opportunities to dialogue with top ranking representatives of US Air, etc.

Mr. Wright recommended that at least one Board Member attend the conference too. Mr. Nichols and Mr. Stefano both expressed an interest. Mr. Porreco directed Mr. Rodgers to forward the conference information to both Mr. Nichols and Mr. Stefano. The travel request for Mr. Rodgers was approved.

**Resolutions**

Resolution 2009-23- Authorize Work Order #21 Wetland Mitigation- the Board withdrew this resolution and asked Michelle Magee to please renumber the remaining resolutions to be considered today

Resolution 2009-24- Approval of Master Consulting Agreement Amendment #1 (dck)- this resolution reflects the revisions discussed at last month's Board Meeting and becomes resolution 2009-23

Resolution 2009-25- Authorize Work Order #22-Preconstruction Services-this becomes resolution 2009-24

Resolution 2009-26- Authorize Work Order #10-Supplemental #1 with C&S-this becomes resolution 2009-25

Resolution 2009-27- Contract for Emergency Generator-this becomes resolution 2009-26

Resolution 2009-27- Acceptance of Erie Bank Letter-this resolution was drafted during the Work Session based on the earlier discussion pertaining to our bonds

Mr. Porreco recommended that the ERAA Board appoint a Board Member to be a liaison to Erie County Council. Charley Augustine was selected to be the liaison by the Board.

Mr. Porreco shared with the group a letter from "Celebrate Erie" thanking the airport for its support.

**Work Session Adjourned: 12:58 PM**

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Lou Bizzarro, Secretary