

**ERIE REGIONAL AIRPORT AUTHORITY
WORK SESSION
Thursday October 22, 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 20th Street in Millcreek Township, Erie County, Pennsylvania.

The Work Session Opened at 11:33 AM

Attendees:

Lou Porreco	Chris Rodgers	Mark Petranchuk
Sumner Nichols	Sheilah Bruno	Bruce Clark
Frank Stefano	Ian Bogle	Tyrone Clark
Lou Bizzarro	Mari Anne Clark	Kevin Flowers
Lisa Cappabianca	Rick Robie	John Last
Dale Roth	Michelle Magee	
Charley Augustine	Irene Seyler	
Janet Anderson	Kim Scharrer	
Namon McWilliams		
Jennifer Gornall		

Topics of Discussion:

C&S Engineers Presentation

Bruce Clark of C&S Engineers presented to the Board the project update and design overview for the Runway 6-24 Improvement Program. A copy of the presentation was provided to all Board Members.

Lou Porreco stated that we need the wetland permit in February 2010. He asked Mr. Clark if he foresees any issues that may prevent this from happening. Mr. Clark stated that he doesn't foresee anything.

Dale Roth stated that he recently spoke to Clay Sails Project Engineer for Hill Engineers. Mr. Roth said that Mr. Sails indicated that the documents that we submitted lack adequate information for review. Hill Engineers and Millcreek Township need more information before a review can be down and the process can move forward. Hill Engineers sent a letter to C&S yesterday requesting more information. Mr. Clark said that the letter will be addressed upon receipt.

Runway Extension Status

Chris Rodgers reported one remaining resident to be relocated. An auction of inventory and equipment acquired from Builders Support was held on October 6, 2009. The auction was well attended and everything sold. Mr. Rodgers said that the final report from the auctioneer has not yet been received, but early numbers indicate that the auction brought in \$529,000 compared to the \$250,000 estimate. Mr. Rodgers reported that only Tri Penn Tool and Modular Engineering remain to be vacated and relocated.

Mr. Rodgers stated that not much has changed on the plan of finance since last month. He noted that \$21.7 million has been expended through September 30, 2009. He said that a decision pertaining to the equipment at Tri Penn Tool is expected November 1, 2009.

Mr. Rodgers reported that no decision has been made yet on federal monies for FFY2010. He explained that we will probably be looking at partial reauthorization again this year. The project team is working to protect our schedule. Mr. Rodgers noted that the project schedule is driven by available funds and the FAA is the biggest contributor of funds to the project. Mr. Porreco stated that we need to have a back up plan in the event the FAA funding does not come through as planned. We must keep the rehab at the end of the project. Mr. Rodgers said that guidance for FFY2010 is expected in early December.

Mr. Rodgers said that reported that a Runway 6-24 Improvement Program Stakeholders Meeting was held on September 30, 2009. The meeting was well attended.

Terminal Tenant Considerations

Mr. Rodgers said that he intends to bring a lease agreement for ERI Café to the Board at the November meeting.

Mr. Rodgers reported that he had a meeting with the owner of Smith Collision and urban Engineers this morning. Mr. Rodgers explained that the airport owns a piece of land adjacent to the Smith Collision's building and Smith Collision owns a piece of land of similar size that borders the airfield fence line. Discussions to simply swap the land have begun. Mr. Rodgers will provide to the Board a map showing the land in question at the November meeting.

Financial Report

Sheilah Bruno reported a net surplus after debt service of \$16,808 for the month of September. Year to date for 2009, we have a net surplus of \$210,373. Our 2008 year to date surplus was \$87,492. Ms. Bruno reported that we are favorable when compared to budget \$16,507 year to date.

Ms. Bruno stated that the 2010 budget is progressing nicely. A budget review meeting is scheduled for 11 AM on November 5, 2009 at the Knox Law Firm. A draft budget will be provided prior to the meeting.

Ms. Bruno reported that we expect the \$50,000 from PIB by October 30, 2009. The \$4 million PIB loan is under review.

County Liaison Report

Mr. Rodgers said that the next ERAA/County meeting is scheduled for December 10, 2010.

Bills Payable

Mr. Porreco questioned the bill to replace the FAA West entry door. Mr. Rodgers explained that replacement of the door was ERAA's responsibility. It is a steel exterior door that was rusted out and would not longer close. It was a security issue.

Mr. Porreco asked about Winston bill for work performed at the Lehman property. Rick Robie explained that Winston had to locate underground the water shut off at the Lehman building for demolition.

Mr. Porreco questioned the J&C Enterprises towing bill. Mr. Robie explained that in addition to the inventory and equipment acquired from Builders Support, the airport also auctioned some of our own surplus equipment and vehicles. Airport vehicles auctioned included an old fire truck and 2 plow trucks. They had to be towed to the auction site on a flat bed truck.

Referring to Urban's bill to do an access study at Hangar 20, Mr. Porreco said that it was his understanding that the tenant is responsible for all costs associated with the taxiway and/or signage necessary to be in compliance. Mr. Rodgers explained that an initial study had to be done by Urban as part of our Part 139 inspection. The study results led to the meeting with the tenant.

Namon McWilliams asked about the bill from Knox McLaughlin Gornall and Sennett for the work associated with our bond refinancing. How was the amount determined? Ms. Bruno explained that it was a collection of hours for the bond work. Mr. McWilliams asked if we budget for excess expenses such as this.

Activities Report

Mr. Rodgers reported that the HVAC bid opening is scheduled for October 26, 2009. Also, a thermographics survey was done at Frank Stefano's recommendation.

Mr. Rodgers reported that he and Kim Scharrer had a meeting yesterday with the BOA to discuss the airport's 12 year plan. The BOA agreed to work with us to identify funds for other non-runway related airport improvement projects such as vehicle and radio replacement as well as many other projects. Mr. Roth asked that the Board be provided with a list of projects once it has been finalized.

Mr. Rodgers explained that he recently testified at the State Transportation Hearing held recently in Erie. Mr. Rodgers participated at the hearing as a member of the MPO.

Mr. Rodgers reported that when we went out for bid previously on the sand storage building; we received one bid and it was much higher than anticipated. The project will go out for bid again in the spring.

Mr. Roth recommended that the airport start discussions with Urban concerning the necessary testing related to the extension project. The Board asked Mr. Roth to proceed with Urban.

Air Service Update

Mr. Rodgers reported that September 2009 traffic saw an increase. With charter traffic included, the gain was .8 percentage points. Without charter traffic (scheduled airlines only) the gain for the month of September was 7.3 points. Mr. Rodgers noted that a local National Guard unit began deployment to Iraq on 5 chartered Air Tran 737's last year in September. Mr. Rodgers reported that our year to date traffic decline is now -4.7%. Year

to date, scheduled airline enplanements (without charters) are down just 3.7 points. Continental had the largest gain at 44.8% and US Airways reported a 10% gain. Mr. Rodgers reported that Northwest/Delta maintained the market share lead with 42.7% of the total market. US Airways was second with 28.6% and Continental wasn't far behind with 28.3% of the total market. Mr. Rodgers said that he expects solid numbers through the end of the year.

Asbury West

Mr. Rodgers reported that our Noise Reuse Plan was submitted to the FAA by Urban earlier this month. The FAA needs to sign off on the plan before we can move forward. Mr. Rodgers added that only three airports in Pennsylvania were in this same situation.

Parking Lease Agreement-Republic Parking

Mr. Nichols distributed a spreadsheet illustrating gross revenues, snow removal costs, and credit card amounts for the last 10 years. Mr. Nichols said that we will know more regarding the electric when we do the November 1st meter reading.

Wall of Fame

Mr. Rodgers said that we are in the process of establishing an independent review committee. Charley Augustine will head this committee. More information to follow.

Resolutions

Resolution 2009-42 Removal of NAVAID Design from Work Order #10 and Approval of Work Order #10A for NAVAID Design

Resolution 2009-43- Withdrawal of Bid Award-FCX Systems, Inc.

Mr. Rodgers explained that the contract to install preconditioned air vents in the Jetways was awarded to FCX Systems, Inc. as they were the lowest responsible bidder for the job. FCX is unable to secure a performance bond therefore the award needs to be withdrawn and the job will need to be re-bid. Mr. Rodgers said that we have until June 30, 2010 to complete the install of the preconditioned air units on the Jetways. Additional language was added by Jennifer Gornall during the Work Session.

Work Session Adjourned: 1:06 PM

Lou Bizzarro, Secretary