

**ERIE REGIONAL AIRPORT AUTHORITY
MEETING
Wednesday, January 23, 2019**

Minutes of a Meeting of the Erie Regional Airport Authority duly posted and advertised, held in the Board Room in the terminal of the Erie International Airport, Tom Ridge Field, 4411 West 12th Street in Millcreek Township, Erie County, Pennsylvania.

Attendees:

Daniel Giannelli	Derek Martin	Joe Ceresa, NCA
Andrea Zdaniewski	Michelle Magee	Bill Patterson, NCA
Aaron Susmarski	James Pacansky	Garyson Patterson, NCA
Richard Wagner	Kim Scharrer	Ed Tropper, Aviation Flyers
Patrick Cappabianca	Ian Bogle	Jack Bendig, Hangar 20
Gregory Hayes	William Banister	Bill Redditt, Aviation Flyers
Timothy Sennett	Irene Seyler	John Sementilli, Aviation Flyers
	Crystal Nye	Dawn Spence, Michael Baker
		Ryan Hornyak, Hangar 20
		Gregory Bamford, NCA
		J. Lowry, Aviation Flyers
		Keith Bator, United Airlines
		Mark Youngs, Aviation Flyers
		Fred Veith, Hangar 20
		Valerie Myers, Times News
		John Last, WICU/WSEE
		Jackie Roberts, WJET
		Cas Kwitowski, Erie City Council

Participated by Phone: Christopher Parker Marybeth Smialek

Opened: 12:06 PM

Since Board President Christopher Parker participated by phone, Vice President Daniel Giannelli opened the meeting with the Pledge of Allegiance to the Flag of the United States of America.

Approval of Agenda:

Mr. Giannelli asked for a motion to approve the agenda. Patrick Cappabianca moved and Gregory Hayes seconded. Approved by Yeas: Christopher Parker, Daniel Giannelli, Aaron Susmarski, Richard Wagner, Gregory Hayes, Patrick Cappabianca, Marybeth Smialek, and Andrea Zdaniewski.

Board Reorganization:

Mr. Giannelli read the 2019 Slate of Officers as prepared and previously presented by the Nominating Committee:

President---Christopher Parker
Vice President---Daniel Giannelli
President Pro-Tem---Andrea Zdaniewski
Treasurer---David Hallman, Jr.
Secretary---Marybeth Smialek

Hearing no nominations from the floor, Mr. Giannelli asked for a motion to approve the slate as presented. Patrick Cappabianca moved and Aaron Susmarski seconded. Approved by Yeas: Christopher Parker, Daniel Giannelli, Aaron Susmarski, Richard Wagner, Gregory Hayes, Patrick Cappabianca, Marybeth Smialek, and Andrea Zdaniewski.

Approval of Minutes:

Board Meeting- November 28, 2018

Mr. Parker asked for a motion to approve the minutes as presented. Gregory Hayes moved, and Marybeth Smialek seconded. Approved by Yeas: Christopher Parker, Charles Augustine, Namon McWilliams, Gregory Hayes, Patrick Cappabianca, and Marybeth Smialek.

Mr. Giannelli announced that the Board held an Executive Session on January 23, 2019 at 11:00 am (before today's Board Meeting) to receive privileged legal advice from our attorneys.

Executive Director Presentation

Derek Martin presented information regarding insurance standards, the need for minimum standards, and the purpose of airport rules and regulations.

Public Comments

Mr. Giannelli invited members of the public to comment. He asked that comments be kept to 3 minutes for each speaker and reminded the group that this is an opportunity to comment; not a question and answer period.

- Jack Bendig, Hangar 20- Mr. Bendig stated that the previously approved meeting minutes from the November 28, 2018 Board Meeting should reflect exactly what he said about the airport being a KOZ and no one wanting to move business or keep business at the airport. Mr. Bendig added that meeting minutes are supposed to be a way for people to research records and need to reflect everything that is said at a meeting.
- Greg Bramford, NCA hangar tenant- Mr. Bramford commented that the video Mr. Martin presented earlier was sensational, inappropriate, and irresponsible. He is a professional with 35+ years of flying experience and does not appreciate that the video shown could be perceived as pilots such as himself and the others in the room are not professional. They all take safety very seriously! Mr. Bramford added that Mr. Martin's presentation was very angering! Mr. Bramford feels that the issue of insurance and mechanics reeks of the airport trying to give business to one entity (North Coast Air) which is disparaging to general aviation. Mr. Bramford referenced the incident in which a private aircraft was forced to land on

the golf course and that the aircraft had been worked on by the mechanic North Coast Air.

- Ed Tropper, Aviation Flyers- Mr. Tropper stated that insurance companies' recommendations are high because they have a vested interest; the recommended \$2,000,000 is not reasonable! He added that thru the fence mechanics only work here on a temporary basis; they do not do enough work here to justify the annual fee and insurance requirement. General aviation activity is decreasing here and will continue to decrease because of the rules. The activity that is still here is due to flight school operations.
- Mark Young, Aviation Flyers- Mr. Youngs said that there are currently six tenants on a waiting list for hangar space at Meadville. Meadville has lease concessions that allow thru the fence mechanic work. If Meadville can do this, why can't Erie? Mr. Youngs shared a scenario depicting the possible safety implications of not allowing thru the fence mechanic work.
- Fred Veith, Hangar 20- Mr. Veith commented that the video in Mr. Martin's presentation was infuriating! As private pilots, we are all subject to FAA regulations, medical exams, pilot certification, aircraft registration, yearly inspections of aircraft, etc. We operate very professionally even though we are private aircraft owners.
- Jim Dematties, Aviation Flyers- the airport is making North Coast Air a monopoly!
- Ron Greer, NCA hangar tenant- Mr. Greer stated that private pilots should not be looked at as operating dangerously.

Committee Reports:

Finance Committee- The Finance Committee held a meeting on January 22, 2019. The cash forecast, A/R summary, bills to be paid, finance report, capital fund transactions, and expense reports were reviewed with no questions or concerns. Approval of the Bills to be Paid- Andrea Zdaniewski moved and Patrick Cappabianca seconded. Approved by Yeas: Charles Augustine, Namon McWilliams, Gregory Hayes, Patrick Cappabianca, Marybeth Smialek, and Christopher Parker.

James Pacansky reviewed the Finance Report. We had a net surplus of \$62,042 for the month of December. Year to date we are favorable to budget \$301,064. Mr. Pacansky reminded the Board that the December financials are tentative pending the audit.

Ad-Hoc Committee- The Ad-Hoc Committee held a meeting on January 14, 2019 for the purpose of continuing the review the current K9 program to make recommendations for possible policy changes. The Committee reviewed the redline version of the policy for additional feedback. Final revisions will be made and one more review meeting scheduled. The proposed policy will be sent to our solicitor for legal review then presented to the Board for approval.

Unfinished Business

- Insurance Requirements and Minimum Standards/Rules and Regulations- Mr. Martin reviewed the insurance company's recommendation of \$2,000,000 coverage for aircraft owners. He feels that \$1,000,000 which is the coverage the private aircraft owners currently carry is appropriate. With a \$1,000,000 requirement, the airport does absorb some of the exposure, but \$1,000,000 is adequate and fair. In response to a question from Mr. Hayes, Mr. Martin said he does not know what the standard insurance coverage is for private aircraft owners in Pennsylvania. He further explained that the recommendation from our insurance carrier is in line with national industry standards. Mr. Martin reported that he met with County Councilwoman Kathy Fatica to update her on this issue. City Councilman Cas Kwitowski was unable to attend the update meeting.
- Orchard Park- Mr. Martin explained that previous information presented to the Board regarding the development of the Orchard Park property was incorrect. He further explained that there is no value in the airport developing this property. If the airport would lease or sell the land, the funds would have to be returned to the FAA.

Resolutions

Resolution 2019-01 Approval of Amendment to Lease Agreement- Eri Cafe

Mr. Martin explained that in reviewing the café lease, we believe the insurance requirement for the excess liability is excessive. Approval of this resolution will remove the \$5,000,000 excess liability requirement. Andrea Zdaniewski moved and Aaron Susmarski seconded. Approved by Yeas: Christopher Parker, Daniel Giannelli, Aaron Susmarski, Richard Wagner, Gregory Hayes, Patrick Cappabianca, Marybeth Smialek, and Andrea Zdaniewski.

At the suggestion of Mr. Giannelli, Resolution 2019-03 was considered first, then Resolution 2019-02.

Resolution 2019-03 Minimum Insurance Requirements

As previously explained, Mr. Martin is proposing the minimum to be \$1,000,000 verses \$2,000,000 as recommended by the insurance company.

Patrick Cappabianca moved, and Andrea Zdaniewski seconded. Approved by Yeas: Daniel Giannelli, Aaron Susmarski, Patrick Cappabianca, Marybeth Smialek, Andrea Zdaniewski, and Christopher Parker.

Abstained: Richard Wagner and Gregory Hayes

Resolution 2019-02 Amendment of Rules and Regulations of Erie Regional Airport Authority

Mr. Cappabianca complimented the efforts of Mr. Martin in meetings thus far with the private aircraft owners/pilots, but believes we can do better.

Patrick Cappabianca moved to table this resolution in hopes that further discussions with the aircraft owners will bring us to terms acceptable to all, and Gregory Hayes seconded.

Mr. Parker stated that the proposed Rules and Regulations are a compromise with the reduction in the minimum insurance required. The Board needs to take a vote and we need to move on.

The motion to table failed by Nays: Daniel Giannelli, Christopher Parker, Andrea Zdaniewski, Marybeth Smialek, and Aaron Susmarski. Yeas to table: Patrick Cappabianca, Gregory Hayes, and Richard Wagner.

With the failure of the motion to table, Resolution 2019-02 moved to a vote. Marybeth Smialek moved, and Christopher Parker seconded. Approved by Yeas: Daniel Giannelli, Aaron Susmarski, Christopher Parker, Andrea Zdaniewski, and Marybeth Smialek.

Nays: Patrick Cappabianca and Gregory Hayes.

Abstained: Richard Wagner

Resolution 2019-04 Approval of Customs Landing Fee Schedule

Mr. Martin explained that we currently collect fees for private aircraft landing here to clear Customs. The fees are based on aircraft type and maximum landing weight. We are proposing a fee schedule.

Gregory Hayes moved and Aaron Susmarski seconded. Approved by Yeas: Richard Wagner, Gregory Hayes, Patrick Cappabianca, Marybeth Smialek, Andrea Zdaniewski, Christopher Parker, Daniel Giannelli, and Aaron Susmarski.

New Business

Board Meeting Location

Mr. Martin shared the plan to close off the café to the public side and make it assessable from the security side to travelers. If we proceed with this plan, the board room will no longer be assessable to the public for our board meetings. Mr. Martin reported that he met with the TSA in Pittsburgh on Friday to discuss the plan. Mr. Martin explained that we have determined two possible locations, the Manufacturer's Association (for a monthly fee) or the Chamber (no charge). The Board agreed that the Chamber was a good option. Board meetings will be held in the Chamber conference room at the Intermodal Center beginning with the February 27, 2019 meeting. Michelle Magee will advertise the change.

Liaison Comments

Erie City Council Liaison Cas Kwitowski apologized for not being able to attend the update meeting Mr. Martin held with County Councilwoman Kathy Fatica regarding the rules and regulations/minimum standards. Mr. Kwitowski stated that he will call Mr. Martin with his comments. He provided further information on how the permit program works in the city.

Board Member Comments

There were no Board Member comments.

Executive Director's Report

Mr. Martin reported that passenger traffic is up 11.7% for 2018! With American Airlines service to Charlotte and Chicago beginning in May, 18,250 additional seats will be available on an annual basis.

Mr. Martin reported that a campaign to market the American Airlines service is underway through billboards, a direct mail piece, and radio advertising.

Mr. Martin reported that we will be doing required upgrades per the contract to the Customs office.

Mr. Martin stated that the snow removal equipment building, and car rental lot upgrade projects will go out to bid soon. Mr. Martin explained the preliminary ideas to move restaurant access from the public side of the terminal to the secured side. He further explained that we are working with TSA for approval of the plan for a sally port so customers in the terminal lobby can still be serviced.

Aaron Susmarski made a motion to adjourn and Richard Wagner seconded. Approved by Yeas: Christopher Parker, Daniel Giannelli, Aaron Susmarski, Richard Wagner, Gregory Hayes, Patrick Cappabianca, Marybeth Smialek, and Andrea Zdaniewski.

Adjournment: 1:53 PM

Marybeth Smialek, Secretary