

**ERIE REGIONAL AIRPORT AUTHORITY
MEETING
Wednesday, October 24, 2018**

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: Christopher Parker Derek Martin Kathy Fatica, County Council
Namon McWilliams Michelle Magee Cas Kwitowski, City Council
Patrick Cappabianaca Ian Bogle Don Boetger
Andrea Zdaniewski Bill Banister
Daniel Giannelli James Pacansky
Gregory Hayes Jennifer Gornall
Charles Augustine Kim Scharrer
David Hallman, Jr. Irene Seyler
Crystal Nye

Members of the Public (that signed in):

Joe Ceresa, NCA	Graysen Patterson, NCA	Denise Ceresa, NCA
Bradley McCauley, FAA	Steward Beck, FAA	Carol Snyder, TSA
Ed Tropper	Bob Foster	William Redditt
Daniel Galvin	Mark Youngs	Bill Syrek
Ronald Koss	Don Chase	Larry Kuklinski
Jack Bendig	Frank DeDionisio	Curtis Prue
Fred Veith	Lester Zook	Tawnya Rexford
David Dulabon		

Opened: 12:02 PM

Board President Christopher Parker opened the meeting with the Pledge of Allegiance to the Flag of the United States of America.

Approval of Agenda:

Mr. Parker proposed the following additional items to the agenda:

- 4.a.) MMO Update by Don Boetger, Boetger Retirement Plan Services
- 4.b.) presentation by Derek Martin, Executive Director

Mr. Parker asked for a motion to approve the agenda as amended. Namon McWilliams moved and Marybeth Smialek seconded; Approved by Yeas: Christopher Parker, Charles Augustine, Daniel Giannelli, Namon McWilliams, Gregory Hayes, Patrick Cappabianca, David Hallman, Jr., and Marybeth Smialek.

Approval of Minutes:

Board Meeting- September 26, 2018

Mr. Giannelli stated that the minutes should be amended to include a question he specifically asked Lt. Morell during the canine program discussion at the last meeting. *Mr. Giannelli asked Lt. Morell if he had been offered training in 2017. Lt. Morell said no.*

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

MMO Update by Don Boetger

Don Boetger of Boetger Retirement Plan Services provided the Minimum Municipal Obligation (MMO) update for the airport employee's pension plan. Mr. Boetger explained our pension position including what changed, what is considered with each review, and our expected obligation for funding.

Derek Martin Presentation

Mr. Martin presented information on the airport's rules and regulations, where our funding comes from, and where our revenue comes from.

Public Comments

Mr. Parker acknowledged the large number of public in attendance and asked each speaker to limit his/her statements to 3 minutes just like we did last month with the large crowd. In response to an inquiry from Pat Cappabianca, Mr. Parker explained that unauthorized personnel have been performing aircraft maintenance duties on property which violates the airport rules and regulations. This is an old issue being addressed now. Mr. Parker further explained that current leases for the hangar tenants and the airport rules and regulations are currently under solicitor review. Marybeth Smialek added that Mr. Martin is doing exactly what the Board asked him to do- reviewing the airport's policies and procedures and find gaps that need to be addressed.

Greg Hayes, speaking as the North Coast Flight School owner stated that the Airport Authority does not make the airport safe; FISDO does! Mr. Cappabianca reminded Mr. Hayes that when he speaks as the owner of the North coast Flight School, he needs to get up from the Board table to address the rest of the Board; not speak from his seat as a Board Member. Mr. Hayes added that Mr. Martin can make suggestions, but it is up to the Board to take action on what to keep and what to change.

1. Mark Youngs, aircraft owner and tenant at Aviation Flyers, addressed the Board. He expressed concern about the rule prohibiting use of their own mechanics. He is not going to use the onsite mechanic (North Coast Air) for maintenance on his aircraft. The work is very expensive and not done in a timely manner. Because of this, he has to use "through the gate mechanics" to work on his plane. Mr. Youngs further explained that North Coast Air's maintenance facility is not

- geared towards general aviation. They work on piston aircraft at their convenience.
2. Jack Bendig, aircraft owner and tenant at Hangar 20, said that his lease stated they can repair their own aircraft or bring someone in the work on their aircraft.
 3. Dan Galvin, aircraft owner and tenant at Hangar 20, explained that there are several unique aircraft so the owners are conscientious as so who works on their aircraft.
 4. Ed Tropper, aircraft owner and tenant at Aviation Flyers, expressed his displeasure in the way this was handled. He has been involved with the Aviation Flyers group at this airport for 24 years and the working relationship has always been great. This was not handled well! Mr. Tropper added that they can bring a mechanic on the airfield that can work on 10 planes in one day!
 5. Curtis Prue of United Airlines asked what happens if North Coast Air is working on a private aircraft and United needs something. Mr. Youngs said commercial aircraft seem to take priority.
 6. Mark Youngs addressed the Board again. The FAA requires that FAA sanctioned mechanics are used. We are using FAA sanctioned mechanics. Our aircraft owners are subcontracting these guys; they are not trying to set up shop at the airport. The airport rules and regulations need changed!

Airport Solicitor Jennifer Gornall recommended that we maintain the status quo until she has a chance to review the leases and rules and regulations. She will offer her legal opinion on the matter as soon as possible.

Mr. Cappabianca suggested that all concerned aircraft owners and/or hangar tenants write down his/her concerns and forward to Attorney Gornall so all questions and concerns get answered. If needed, Michelle Magee can assist with getting your questions to Attorney Gornall.

7. Grayson Patterson, aircraft owner and operator of North Coast Air, wanted to make it clear that North Coast Air did not initiate this issue. Mr. Patterson said that he believes a review of the airport rules and regulations is necessary and that minimum standards is very important. He stated that as always North Coast Air supports the Airport Director and the decisions of this Board.

Committee Reports:

Finance Committee- Finance Committee chair David Hallman, Jr. reported that the Committee held a meeting on Tuesday, October 23, 2018. The Committee reviewed the Cash Forecast, Finance Report, Capital Fund Transactions, Bill to be Paid, and Expense Reports with no concerns. Mr. Hallman stated that the Committee recommends approval of the Bills to be Paid. David Hallman, Jr. moved and Namon McWilliams seconded. Approved by Yeas: Christopher Parker, Charles Augustine, Daniel Giannelli, Namon McWilliams, Gregory Hayes, Patrick Cappabianca, David Hallman, Jr., Marybeth Smialek, and Andrea Zdaniewski.

Mr. Hallman announced that budget review meetings with the Board will be held Monday November 12th, Tuesday November 13th, and Wednesday November 14th. Many Board members are scheduled for Monday November 12th at 11 am. If that day and time don't work for you, please make arrangements with James for a more convenient day/time.

Chief Financial Officer James Pacansky, reported a net surplus of \$20,180 for the month of September. Year to date we are favorable to budget \$150,583. Mr. Pacansky reported that revenue is up \$36,473 (favorable to budget) and expenses are down \$114,110 (favorable to budget).

Ad-Hoc Committee- Mr. Parker reported that the Ad-Hoc Committee held a meeting on October 10th for the purpose of reviewing the current K9 program, making recommendations for possible policy changes, examining the airport's liability exposure, and ensuring certification and training is completed and documented properly. Namon McWilliams asked for a timeframe on the K9 program policy recommendations. Charles Augustine added that he and Mr. McWilliams would like to be around to see this through and vote on the recommendations before their term is up December 31, 2018. Mr. Parker stated that the effort is expected to be completed by the end of the year.

Resolutions

Resolution 2018-23 Approval of Amendment to Articles of Incorporation

Mr. Martin explained that the Airport's Articles of Incorporation are due to be renewed. The last renewal was for 30 years. On the recommendation of the County Executive, we will be applying for 50 years with this application. Mr. Martin added that he met with both Council Liaisons, the County Executive, and the Mayor regarding our renewal. Charles Augustine moved and Marybeth Smialek seconded. Approved by Yeas: Christopher Parker, Charles Augustine, Daniel Giannelli, Namon McWilliams, Gregory Hayes, Patrick Cappabianca, David Hallman, Jr., Marybeth Smialek, and Andrea Zdaniewski.

Resolution 2018-24 Award of State Game Lands 3-14 Wetlands Mitigation Bid

Mr. Martin explained that this is the final project under the Runway 6/24 Improvement Program. Horizon Construction has been determined to be the lowest responsible and responsive bidder with a bid amount of \$285,500.00.

Namon McWilliams moved and Andrea Zdaniewski seconded. Approved by Yeas: Charles Augustine, Daniel Giannelli, Namon McWilliams, Gregory Hayes, Patrick Cappabianca, David Hallman, Jr., Marybeth Smialek, Andrea Zdaniewski, and Christopher Parker.

Resolution 2018-25 Approval of Lease Extension with Erie Aviation, Inc.

Mr. Martin explained that this extends the lease with Erie Aviation until June 30, 2020. The maximum for a non-aeronautical uses lease agreement is three years. Should Erie Aviation's use change, we can explore options for a long term lease and address the issue of building(s) ownership.

Patrick Cappabianca moved and Daniel Giannelli seconded. Approved by Yeas: Daniel Giannelli, Namon McWilliams, Gregory Hayes, Patrick Cappabianca, David Hallman, Jr., Marybeth Smialek, Andrea Zdaniewski, Christopher Parker, and Charles Augustine.

Resolution 2018-26 Approval of Guidelines for Events

Mr. Hayes stated he has been holding events at the flight school for 12 years. In that 12 years no one ever thought to come talk to him about it. Mr. Parker explained that this is more clarification regarding the Airport's rules and regulations.

Daniel Giannelli moved and Marybeth Smialek seconded. Approved by Yeas: Namon McWilliams, Patrick Cappabianca, David Hallman, Jr., Marybeth Smialek, Andrea Zdaniewski, Christopher Parker, Charles Augustine, and Daniel Giannelli.

Abstained: Gregory Hayes

Resolution 2018-27 Approval of Office Sub-Lease Agreement Between North Coast Air and North Coast Flight School

Mr. Martin explained that the Airport's rules and regulations require all subleases between an airport tenant (North Coast Air) and their tenant (North Coast Flight School) be approved by the Airport Authority. Mr. Martin notified North Coast Air that they were in violation of the Airport's rules and regulations because no such lease exists. Mr. Hayes stated that he has been asking North Coast Air for a lease for 12 years. He further explained that it is a 141 requirement to have a lease. He said he has a lease on file with the FAA. Mr. Patterson said that he has asked Mr. Hayes for a copy of the lease he has on file with the FAA numerous times. He still has not seen the lease. Mr. Hayes said that he is not prepared to sign the lease today. He needs his attorney to review it. Mr. Parker suggested this resolution be tabled until the November meeting.

Patrick Cappabianca moved to table until next month and Daniel Giannelli seconded.

Approved by Yeas: Patrick Cappabianca, David Hallman, Jr., Marybeth Smialek, Andrea Zdaniewski, Christopher Parker, Charles Augustine, Daniel Giannelli, and Namon McWillilams.

Abstained: Gregory Hayes

New Business

Mr. Martin explained that our current airfield fence is out of compliance. We have secured a state grant for security enhancements. We will open the bid on November 2nd. In order to take advantage of the limited construction window, Mr. Martin is recommending that based on the solicitor and executive director review, we award the contract and the Board ratify the award at the November meeting OR we can hold a Special Board Meeting on November 5th to award the contract. The Board voted to let administration and the solicitor proceed with the award after the bid opening and the Board will ratify the award at the November meeting. Approved by all.

Mr. Martin reported that per the bylaws, the budget will be available to the Board by end of business on November 1st. The budget will be loaded on a thumb drive for pick up. Hard copies are also available.

Mr. Parker appointed a Nominating Committee to prepare the Slate of Officers for 2019. Mr. Augustine will Chair the Committee. Mr. McWilliams, Mr. Cappabianca, and Ms. Smialek were also appointed to the Nominating Committee.

Liaison Comments

Cas Kwitowski thanked Mr. Martin for meeting with him and Councilwoman Kathy Fatica to review the airport's Articles of Incorporation renewal. Mr. Kwitowski encouraged the Board to continue to meet with the public to solve issues together.

Board Member Comments

Mr. Hallman complimented North Coast Air. It is an extremely efficient FBO. They have very little turnover. Fuel prices are fair and hangar fees are dirt cheap! Mr. Hallman added that we are very fortunate to have North Coast Air.

Ms. Zdaniewski said she would feel remiss to not comment on how last month's Board Meeting played out. She stated that our new Executive Director has been tasked with "cleaning things up" and determine what is operating correctly and what is not. This is a learning process for all of us. As Board Members, we all have the best interest in mind. Ms. Zdaniewski feels this should have been handled during a discussion with the Executive Director. The public should not have been brought in here in a "heated manner". We need to make a better effort to communicate; not turn everything in to a circus.

Mr. Cappabianca responded that he is offended by Ms. Zdaniewski's words. Ms. Zdaniewski stated that she her comments were not meant to offend Mr. Cappabianca. Mr. Cappabianca stated that the public organized their presence at the last meeting. He had nothing to do with brining the public here! Mr. Parker ended the discussion by stating we are all on a learning curve and need to try to communicate better in the future.

Mr. Augustine stated that exploring opportunities to develop non-aeronautical revenue is imperative. Even though he is leaving the Board at the end of the year, he would like the Board to continue this effort.

In response to a question from Ms. Smialek about dates for our November meetings, Mr. Martin reminded everyone that the November Finance Committee Meeting is scheduled for Tuesday, November 27th at 3:30 pm and the November Board Meeting is scheduled for Wednesday, November 28th at NOON.

Executive Director's Report

Mr. Martin shared the information from the presentation he gave to the Finance Committee yesterday- 90% of the airport's revenue comes from our airlines and airline related activity. He reiterated the importance of minimum standards and compliance with the airport's rules and regulations.

Mr. Martin reported that our current agreements with both Uber and Lyft will expire at the end of this year. The current agreements had a term of 2 years with a fee of \$1,000 per year. We have negotiated a new 3 year agreement with Uber for a fee of \$6,000 per year of the agreement. This is a 500% increase! We are still waiting to hear back from Lyft regarding these new terms.

Mr. Martin reported that the Airline Operating Agreements (AOAs) are expected to be finalized soon. We continue to negotiate the FAA lease. Mr. Martin has a conference call tomorrow with the FAA regarding the lease.

We will be hosting a TSA Pre-check Enrollment Event in the terminal November 5th through November 9th in the terminal.

Namon McWilliams made a motion to adjourn and Charles Augustine seconded.
Approved by Yeas: Christopher Parker, Charles Augustine, Daniel Giannelli, Namon McWilliams, Gregory Hayes, Patrick Cappabianca, David Hallman, Jr., Marybeth Smialek, and Andrea Zdaniewski.

Adjournment: 1:56 PM

Namon McWilliams, Secretary