

Finance Committee Meeting Minutes  
February 2, 2018

The meeting was called to order at 10:01 a.m. by Dr. Chin.

**I. Roll Call:**

In attendance: Dr. Shiu-Kai Chin, Mr. John B. Johnson, Jr., Mr. Michael Lazar, Mr. William P. Fisher, Ms. Beth Rougeux, Ms. Christina Callahan, Mr. Trent Amond, Ms. Maureen Fogarty, and Ms. Linda Ryan

**II. Approval of Minutes from the Previous Meeting:**

Bill Fisher submitted a change to the minutes and a motion was made by Ms. Rougeux and seconded by Bill Fisher to accept the meeting minutes with the suggested change.

The minutes were unanimously approved.

**III. Old Business:**

Mr. Amond discussed the Status of SRAA Agreements. We are currently working on the Rental Car Operations and there are two separate contracts; the Maintenance Facilities Rental Car Agreement and the Concessions Rental Car Agreement. Both are almost finalized and will be approved at the next Board Meeting. Ms. Rougeux had a question about the SU Contract. Ms. Callahan explained that we gave it to SU for \$1.00 to promote education. Due to the construction, we are not comfortable signing any new contracts regarding advertising as the SRAA is considering in house advertising next year. Mr. Fisher asked if we are factoring in the wiring with the new signage and Ms. Callahan explained that yes we are.

Mr. Amond reviewed the Operating Budget Status. He explained that at this point we are projecting at budget as there are only 5 months of data. There have been a couple of new positions created and the operations workers have left the city to work for the Authority.

**IV. New Business:**

*Air Service Development:* Mr. Amond explained that under the City there was a grid that the Airport was operating under that reflected incentives the Airport could offer for different types of new service. Recently, the guidelines were reviewed in light of the current Air Service Development efforts and the FAA regulations for what we could offer for Air Service Development. The SRAA created a new grid which is in the Finance Committee packet. There are different levels of incentives for potential international services vs domestic services and for new service for current airlines. These formats and limits will give us more flexibility to pursue our Air Service objectives. Ms. Callahan explained that this is being brought to the Finance Committee in hopes that they can recommend to the Board that

they approve this Grid. This way when working with the Airlines, we can negotiate service and provide the levels of incentive without bringing it to the Board before negotiating commences. The final agreement would be brought to the Board. Mr. Amond mentioned that the dollar amounts are prorated with the service. If a carrier only offers a service 2 out of the 7 days for half a year, these incentives will be prorated. Dr. Chin asked if industry wide that this is standard and Ms. Callahan mentioned it is a very common practice. Ms. Rougeux made a motion to recommend that they accept the grid as is and bring it to the full Board. John Johnson seconded this motion and the committee unanimously agreed with the motion.

*Rental Car Maintenance Facility Leases:* Mr. Amond explained that the leases are with Hertz, Avis and Enterprise. He explained some of the differences between the new and old contract. The new term is 10 years with one 5 year extension. The old lease was a 25 year term. The old agreement lease rate per square foot was 13 cents and went up to 25 cents per acre, the new agreement rate is 31.9 cents per acre and the escalation clause is the greater of 2 % or the CPI. Mr. Johnson made a motion to approve the Maintenance Facility Leases and Ms. Rougeux seconded the motion and the committee unanimously agreed with the motion.

*Annual Review of Authority Procurement Policy:* Mr. Amond explained that this was an ABO requirement and does not require action by the Finance Committee other than to include in the minutes you have reviewed it. He reported that Mr. Lazar had noted that we should include "site work" as a type of Construction Contract. For example, the way it was written before it referenced buildings and structures and left out "site work" which would not have included a parking lot that should be considered a construction project. This will be regarded as a clarification to the Authority Procurement Policy.

*Settlement Agreement with Syracuse Regional Airport Taxi:* Ms. Callahan is looking for a consensus from the Finance Committee. Mr. Clark discussed the new agreement with Syracuse Regional Airport Taxi that began on July 31, 2017. Once the Terminal Improvement Project began, traffic was redirected. The Airport asked Syracuse Regional Airport Taxi to only use the "active vehicles" (the ones that were picking up or dropping off) to be on the curb and to stage the other vehicles away from the curb. The Taxi Company terminated their contract with the Airport stating that this violated their contract. The Airport sent the Syracuse Regional Airport Taxi a demand letter for \$75,000 in early October and reserved rights for what was outstanding in the current agreement. SRAT countered with \$45,000 to settle. We received the information on what was outstanding from the current agreement so the total owed from SRAT was \$91,000. We countered the SRAT offer with \$75,000. SRAT said their settlement max was \$60,000. The Finance Committee concurs with the proposed settlement agreement of \$60,000 and would like to bring it to the Board in March.

*Terminal Improvement Project Owner's Site Representation:* It has been requested that we bring on an Owner's Site Rep to oversee the Terminal Improvement Project. Ms. Callahan recommended JWA [Joy Weatherup Anthis] Construction Management, a Women-Owned

Business. She explained that we have worked with them in the past and we have one of their Project Managers on the Concourse Renovation Project currently. The Owners Site Rep will be responsible for monitoring the project and preparing daily reports to submit to the Authority. These reports may then be made available to the NYSDOT and John Carni, who will report to the City. Dr. Chin summarized that all constituents' requirements have been met. Dr. Chin asked for a motion to recommend this to the full Board. A motion was made by John Johnson and seconded by Mr. Fisher and the Committee unanimously agreed with the motion.

*Key Bank:* Mr. Amond gave an update on Key Bank. The original agreement with Key Bank was going to be collateralized by the NYS Grant. With the new cost of the Terminal Improvement Project, Key Bank is now asking that they collateralize \$15M of our deposits as well. This is a 2 year agreement that will be renegotiated at the end of the agreement. Dr. Chin suggested a motion to recommend to the full Board that they approve this resolution. Mr. Lazar made the motion and Ms. Rougeux seconded it and the committee unanimously agreed with the motion.

*Americar Off Airport Parking (Mr. Bill Ryan joined the meeting for this item of business):* Ms. Callahan explained that Americar terminated their contract in December. Americar provides off-Airport Parking at a rate of \$7.25 per day with a shuttle ride to and from the Airport. Mr. Ryan has been working on other possibilities to replace Americar's business model. Ms. Callahan mentioned that we were looking for direction from the Committee on how they would like us to proceed and if they think it is a necessary service to our passengers. Dr. Chin suggested that we allow Mr. Ryan to research a short term lease/service and they give Mr. Ryan permission to do so and the committee unanimously agreed.

**V. Adjournment:**

Dr. Chin made a motion to adjourn the meeting and Mr. Johnson seconded that motion. The meeting adjourned at 10:59.