

SYRACUSE REGIONAL AIRPORT AUTHORITY

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Minutes of the Regular Meeting of the Syracuse Regional Airport Authority

Friday, September 11, 2020

11:30 a.m. – 1:00 p.m. / John P. Walsh Conference Room and also via Conference Call/Teams Mtg.

Pursuant to notice duly given and posted, the regular board meeting of the Syracuse Regional Airport Authority was called to order on Friday, September 11, 2020 at 11:32 a.m. in the Syracuse Regional Airport Authority Board Room located in the Syracuse Hancock International Airport by Chair, Ms. Jo Anne Chiarenza Gagliano.

Note: The Authorities Budget Office (ABO) has waived the in-person meeting requirement during this public health emergency. During this public health emergency, in the event board members are unable to meet in person, the Governor’s Executive Order 202.1 permits the board to consider the use of telephone conferencing, “to the extent necessary to permit any public body to meet and take such actions authorized by the law without permitting in public in-person access to meetings and authorizing such meetings to be held remotely by conference call or similar service, provided that the public has the ability to view or listen to such proceeding and that such meetings are recorded and later transcribed.”

Members Present/Telephone Conference:

Ms. Jo Anne Gagliano – Chair
Mr. William Fisher – Vice Chair
Dr. Shiu-Kai Chin – Finance Officer
Ms. Latoya Allen
Dr. Donna DeSiato
Mr. Michael Frame
Mr. Kenneth Kinsey
Mr. Michael Lazar
Mr. Michael Mirizio
Mr. Robert Simpson
Mr. Michael Quill

Members Absent:

None

Also Present/Telephone Conference:

Mr. H. Jason Terreri
Mr. John T. Carni
Ms. Robin Watkins

Mr. Brian Dorman
Ms. Debi Marshall
Ms. Joanne Clancy
Ms. Cheryl Herzog
Mr. R. John Clark
Ms. Linda Ryan
Mr. John McCain
Ms. Selena Nicolson
Ms. Jennifer Sweetland
Ms. Elana Essig

Roll Call

As noted, all Board members were present.

Ms. Gagliano started by welcoming everyone to the scheduled regular meeting of the Board at 11:32 a.m.

Consent Agenda

- Approval for Resolution Approving Consent Calendar for Meetings of the Syracuse Regional Airport Authority
- Approval of Minutes from the June 5, 2020 Regular Meeting
- Resolution Authorizing the Creation of the Position of Airport Planner for the Syracuse Regional Airport Authority
- Resolution Adopting Policy for Inventory, Tracking and Disposal of Property for the Syracuse Regional Airport Authority

Chair Gagliano reminded the board of the purpose of using Consent Agendas. Executive Director Terreri explained further about what will typically be on Consent Agendas along with what is on this particular Consent Agenda and invited discussion. Vice Chair Fisher noted that Consent Agendas should be given to the board members in advance and that board members need to be aware that they can ask for any Consent Agenda topics to be moved into the regular agenda for further discussion at any time. Having no objections or further discussion regarding the consent agenda, a motion was made by Mr. Fisher and seconded by Dr. DeSiato and the consent agenda was unanimously approved.

The motion was approved: 11 ayes, 0 nays, 0 abstain

Director's Report

Director Terreri reviewed the Director's Report with the board and noted that each time he will report to the board he will add in an educational, lunch and learn type piece.

Director Terreri updated the board regarding frequency, routes and status of airline flights for SYR. He stated that Cargo has increased significantly with double-digit growth and that is a strong piece of airport business. Meetings with various airlines continue along with check-in calls to continue communications. Passenger traffic numbers from March to present reflect a trend that is lower than our revised budget predictions due to the continued travel bans along with COVID-19 spikes in some areas. While we are not meeting our budgeted numbers, we are still increasing week over week. October flights scheduled have increased and some service markets were added back in. In comparison to other local airports, we are doing better than Buffalo and Rochester and are on par with Albany. SYR is currently holding a 40

percent business and 60 percent leisure which is unique and puts SYR in a stronger position than other airports. Regional airports, such as ITH are not faring as well with those passengers now needing to go to SYR. The hope is that capacity will be added back at the end of the year/beginning of 2021. The schedules are being watched very closely. Mr. Fisher asked how this impacts cash flow situation. CFO Watkins said that we have enough to meet all of our needs, despite the lower passenger traffic. The Cares fund has help to offset payroll needs and we have more of those funds in reserve. Dr. DeSiato would like to increase the public's knowledge regarding how many safety protocols are in place at the airport and with our airline partners to display all the safety processes that have been put into place to help ease concerns. Councilor Jackson inquired about how much money was spent on all unexpected cleaning costs, marketing, etc. for COVID-19 related expenses and where were the funds taken from in the budget? CFO Watkins stated that we were fortunate to have some vacancies on our roster and were able to use those staffing vacancies to put toward offsetting those costs. CFO Watkins noted the new Grants Administrator is looking into further grant monies that could be utilized for the operation of the airport including FEMA opportunities. A discussion ensued regarding further impact to the airport if the numbers do not increase, Executive Director Terreri and CFO Watkins stated that we are in good financial position and that our audit was complete in a record time of 66 days. Because of the ability to do monthly closings and long-term analysis that was not previously done, we are in better position to monitor the finances closely.

Director Terreri moved on to the next topic which is the educational piece of the meeting. He presented information regarding the SRAA Airport Use & Lease Agreement and reviewed the agreement in detail. There are three types of models: residual models, compensatory agreements, and hybrid models. SYR falls in the hybrid model category. The goal is to move to a compensatory agreement which puts the airport in the most beneficial place for controls and allows common-use gates which is needed for airport growth. SYR has a hybrid agreement that allows gate use for other air carriers if those gates are not being used and helps provide equitable treatment for signatory and non-signatory airlines. The signatory airlines receive credit for financial overage at the end of the year and the non-signatory airlines pay a 15% surcharge for not joining as a signatory airline taking on cost risk along with the authority. Director Terreri and CFO Watkins explained the various allocation of cost centers and revenues and how these costs are broken out within the current agreement and shared revenue with the airlines. Non-aeronautical revenue is not shared such as parking, ground transportation or hotel. Historically, PRISM funds and other capital expenditures were not tracked in a specific cost center, but now will be budgeted properly and the financial books will be closed each month which will make it easier to see how things are tracking all year long instead of waiting until the end of the year to close out. The airlines need this information to make their decisions on ticket pricing and for us to establish appropriate rates and charges models. Currently the rates were incredibly high and then the airlines would get paid back large sums at the end of the year. Now that we know where we stand from a budgeting perspective, since we have re-done the entire accounting process, we will become more competitive. This nine-year agreement ends on June 30, 2025 with negotiations to start in 2023. A new process of holding Quarterly meetings is being set up to review these rates and charges instead of only having the meeting once per year for further transparency going forward.

Executive Session

Chair Gagliano invited a motion to go into executive session to discuss 1) matters pertaining to collective negotiations pursuant to Article 14 of the civil service law; 2) the sale or lease of real property; and 3) matters leading to the employment of a particular corporation.

Mr. Lazar made the motion and Mr. Fisher seconded the motion. Executive session began at 12:05 p.m.

Executive session ended at 1:00 p.m. No action was taken.

New Business

Mr. Frame left the meeting.

Resolution Authorizing the Submission to the Federal Aviation Administration of Amendments to Certain Approved Passenger Facility Charge Applications. Executive Director Terreri stated that they would like to amend the 2012 application to include some improvements in the terminal, jet bridges and various equipment purchases utilizing those funds.

Having no further discussion regarding this resolution, a motion was made by Mr. Fisher and seconded by Ms. Lazar.

The resolution was adopted: 10 ayes, 0 nays, 0 abstain

Resolution to Apply for Passenger Facility Charges

Having no further discussion regarding this resolution, a motion was made by Mr. Fisher and seconded by Ms. Gagliano.

The resolution was adopted: 10 ayes, 0 nays, 0 abstain

Amended Resolution: (1) Adopting the 2020-2021 Syracuse Regional Airport Authority Capital Budget; (2) Authorizing Executive Director and/or Chief Financial Officer to apply for and accept grant offers and enter into grant agreements with the Federal Aviation Administration and New York State Department of Transportation for such projects; (3) Enter into contracts to undertake and complete projects; (4) Authorizing expenditure of funds on projects

CFO Watkins explained the costs and funding sources for the Capital Budget and projects. The Finance Committee reviewed and supports bringing this to the board for vote. Having no further discussion regarding this resolution, a motion was made by Mr. Fisher and seconded by Ms. Gagliano.

The resolution was adopted: 10 ayes, 0 nays, 0 abstain

Resolution authorizing collective bargaining agreement between SRAA and Central and Northern NY Building Trades Council and signatory local unions, and transfer of Trades employees to Syracuse Regional Airport Authority employment.

Director Terreri was excited to share the news of this successful negotiation. Having no further discussion regarding this resolution, a motion was made by Mr. Lazar and seconded by Ms. Gagliano.

The resolution was adopted: 10 ayes, 0 nays, 0 abstain

Resolution approving the selection of Parking Management Services Provider; Authorizing negotiation of definitive Parking Management Services Agreement and Appointment of Authority liaison and point of contact for such negotiations and all services to be performed under parking management services agreement

Director Terreri explained the competitive process to select a new parking services provider, SP+ to operation SYR facilities. Vice Chair Fisher noted that he was on this selection committee and that the RFP was very detailed and it was a competitive process, that the committee did an excellent job rating

these proposals and that the recommendation was unanimous in support of this selection decision. Having no further discussion regarding this resolution, a motion was made by Mr. Fisher and seconded by Ms. Gagliano.

The resolution was adopted: 10 ayes, 0 nays, 0 abstain

Committee Reports and other updates

Minutes from most recent SRAA committee meetings were attached to the packet. No further reports were given.

- HR Committee
- Finance Committee
- Governance Committee

Adjournment

Having no other topics brought to the board, a motion was made by Ms. Gagliano and seconded by Mr. Lazar to adjourn the meeting.

The meeting was adjourned at 1:35 p.m.