

# SYRACUSE REGIONAL AIRPORT AUTHORITY

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## Minutes of the Regular Meeting of the Syracuse Regional Airport Authority

Friday, December 4, 2020

11:00 a.m. – 12:30 p.m. / 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, December 4, 2020 at 11:00 a.m. in the Syracuse Regional Airport Authority John P. Walsh Conference Room located in the Syracuse Hancock International Airport by Chair, Ms. JoAnne 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/Video Conference:

Ms. Jo Anne Gagliano – Chair  
Mr. William Fisher – Vice Chair  
Dr. Shiu-Kai Chin – Finance Officer  
Ms. Latoya Allen  
Dr. Donna DeSiato (left at 12:43p.m.)  
Mr. Michael Frame  
Mr. Kenneth Kinsey (joined at 11:10a.m.)  
Mr. Michael Lazar  
Mr. Michael Mirizio  
Mr. Michael Quill  
Mr. Robert Simpson (joined 11:15a.m./left after Executive Session)

### Members Absent:

None

### Also Present/Telephone Conference:

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

Ms. Cheryl Herzog  
Mr. Brian Meyer  
Ms. Debi Marshall  
Ms. Joanne Clancy  
Ms. Linda Ryan  
Mr. John Trimble  
Ms. Kristen Cerro  
Mr. Thomas Horth  
Ms. Penny Perkins  
Mr. Spencer Gillette  
Mr. Steve Baldwin  
Mr. Michael Chapman

### **Roll Call**

As noted, all Board members were present.

Ms. Gagliano started by welcoming everyone to the scheduled regular meeting of the Board at 11:00 a.m.

### **Consent Agenda**

Chair Gagliano asked for a motion to approve the consent calendar.

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

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

### **Director's Report**

Director Terreri reviewed the Director's Report with the board and noted that the biggest challenge continues to be the New York State quarantine restrictions, which has put a damper on recovery numbers. Even with the testing protocols in place, the airlines have a depressed demand for travel into New York State. Director Terreri noted that the outbound travel numbers are good, it is the incoming numbers that are not recovering.

Director Terreri has continued discussions with the Governor's office and with local with local representatives as well as partnering with New York Aviation Management Association (NYAMA) and other organizations/entities to allow travel to increase with proper safety constraints in place. There is a hope that the next COVID relief status bill will be put into effect prior to the end of the calendar year and airports are included in that plan.

The FAA provided 170,000 masks to the SYR airport. Unfortunately, the masks are child-size and cannot be used by most of the travelling public. The SRAA received approval to donate these masks to local schools and charitable organizations for children and a robust distribution plan has been enacted to get the masks to the children in our community and beyond where there is a need. Dr. DeSiato thanked the authority for the donation for the elementary schools in the East Syracuse Minoa district.

Total flights have flattened out with a small bump during the Christmas season. With the depressed travel demand, we continue to see reductions. The recovery forecast for November has not been updated at this time but is expected to see those same flattened results over all air carriers with Allegiant's rates being a little higher and is keeping their schedules. SYR is recovering a little faster than other local airports in

New York state. Thanksgiving week had a slight uptick but traffic is still down approximately 63% from the previous year.

CFO Robin Watkins shared financial actual comparisons to budget and the numbers show a lag of 41% compared to budget year to date. Landing weights YTD are down 5% due to increases in improvements to cargo traffic. Revenues year to date are down \$1.2M compared to budget. Landing weights were off by \$89,000. Parking continues to be one of the areas of concern and are not at budgeted levels. Terminal rents are down 36% which is in line with the numbers of passengers coming in. Food and beverage are also down due to passenger traffic. Car rental activity is increasing. Expenses are being maintained to continue sanitary conditions needed, needed parking garage repairs were addressed and our ERP implementation has progressed. On a positive note, \$473,000 was collected for lump sum payment for rent arrears due to Aeroterm lease negotiations. Overall, the CARES Act funds have assisted in maintaining smooth operations. \$6.5M have been used for operations thus far.

Director Terreri informed the board about the implementation of the SYR airports “Sense of Place” goals status and the fun things going on at the airport. In the Grand Hall, the concert piano has been placed for volunteers to use to play music throughout the airport for our passengers’ entertainment and has been very well received by passengers and employees alike. A Community Art Program has been established with 11 different local organizations and their participants artwork has been displayed throughout the airport. The media and our local community members have been very excited about this art program. The new bar name has been announced and the winner of the new concession name contest of the “SYRenity Bar”, was submitted by SRAA employee Matt Szwejbka, who will receive some SYR logo swag along with all bragging rights.

Chair Gagliano commended the airport staff for the great progress made and in coming up with some good-news stories during this time. Mayor Quill asked a question about the airport becoming a vaccine distribution center. Director Terreri stated that there have been conversations about potential options for the airport to help facilitate partnerships with the county and potential for a testing location at the airport.

Director Terreri introduced Ms. Penny Perkins, from Steven Baldwin Associates to discuss the progress of the SRAA’s updated Mission, Vision, Values statements. Ms. Perkins gave the history and current status of the Strengths, Weaknesses, Opportunities and Threats (SWOT) workshop and the Mission, Vision, Value statements results with the Executive leadership teams. A summary has been provided in the packet. A draft version for each has been communicated to the board and Executive team and a robust working session to fully discuss ensued. Dr. DeSiato shared her views on the Mission and Vision statement draft options and making them more action-oriented to streamline but define the how, the why and the what and Mr. Simpson agreed that some wordsmithing and polishing needs to be completed for clarity but what has been drafted resonates with him as SYR being the premier gateway to Central New York. Director Terreri and Mr. Baldwin suggested further measurable goals/statements can be made by utilizing industry recognized metrics which can also be incorporated into the strategic plan. All board members participated in the discussions for both the Mission and Vision statements. Dr. DeSiato thanked everyone for the feedback and restated that the goal is to develop these well written Mission and Values statements so that they resonate for many years to come. Ms. Perkins agreed to compile this information for the next round of discussions.

### **Executive Session**

Chair Gagliano invited a motion to go into executive session to discuss matters pertaining to: pending and

potential litigation; the financial and or credit history of particular persons or corporations; and the potential sale or lease or real property by the Authority.

Mr. Fisher made the motion and Mr. Quill seconded the motion. Executive session began at 12:06 p.m.

Executive session ended at 12:35 p.m. No action was taken.

### **New Business/Discussion**

Chair Gagliano asked for a motion to approve the 2021 SRAA Committee meeting schedule.

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

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

Director Terreri again asked if board members had any questions regarding the review of the SRAA Financials and reforecasting. Mr. Fisher inquired about forward-looking forecasts considering the travelling public seems less likely to travel in the next 90 days compared to what was forecasted a few months ago. Director Terreri had sent out reforecasting numbers in his monthly Director's report email to the board and at this point, \$9M in cash is approximately what is on hand and the \$7M reserve has not been touched. A Plan "B" with options will be prepared for board review in January. All cost savings measures are being looked at, one of which is bond refinancing. Key Bank was not as beneficial due to time frame and refinancing costs so will not be pursued. Bonds seem to provide the biggest potential savings for the SRAA. A \$430k savings could be possible net of all fees including legal, reporting, printing, etc. Further discussions are being held for this possible opportunity. The bonds are currently held on the City of Syracuse books and would be separated out at that time over to the SRAA books and would use the proceeds to pay off the bonds on the city books. Mr. Fisher suggested that the board ask SRAA management to look to hold a competitive process before awarding a contract for issuing bonds or acting as bond counsel. Director Terreri agreed and stated that an MWBE rated firm is utilized that has worked with airport bond financing for years and is a premier advisor in this area. Mr. Fisher stated that this is a good time to be looking at this process.

The 174<sup>th</sup> Attack Wing agreement has been reviewed and is expected to be completed by January, 2021 and will include back payment from 2016 for a 10-year agreement that will help off-set airport costs.

Land development discussions with multiple developers have been taking place for non-aeronautical purposes for parcels on airport property. Environmental and land-release use processes are in process for warehouse logistics, hotels, restaurants, etc. that would supplement the airports' revenue stream.

### **Committee Reports and other updates**

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

- HR Committee – Mr. Lazar stated that the Executive Director's review will be sent out the HR Committee in the beginning of the 2021 year. HR Manager Marshall noted updates to new Holiday policy and Staff Development changes in the upcoming year.
- Finance Committee
- Governance Committee

## **Adjournment**

Chair Gagliano thanked the board and wished everyone a Happy Holidays. Having no other topics brought to the board, a motion was made by Mr. Lazar and seconded by Dr. Chin to adjourn the meeting.

The meeting was adjourned at 12:57 p.m.

DRAFT