

Minutes of the Regular Meeting of the Syracuse Regional Airport Authority

Friday, January 21, 2022

Pursuant to notice duly given and posted, the regular board meeting of the Syracuse Regional SYR Airport Authority was called to order on Friday, January 21, 2022, in the Syracuse Regional Airport Authority Board Room located in the Syracuse Hancock International Airport and via Teams Video/Audio Conferencing by Chair Jo Anne Gagliano.

Members Present/Video Conference:

Ms. Jo Anne Gagliano – Chair
Mr. William Fisher – Vice Chair
Ms. Latoya Allen
Dr. Shiu-Kai Chin
Dr. Donna DeSiato (joined via phone)
Mr. Michael Frame (joined at 11:28 a.m.)
Mr. Kenneth Kinsey (joined via phone)
Mr. Michael Lazar
Mr. Nick Paro
Mr. Michael Quill
Mr. Robert Simpson

Members Absent:

Also Present/Telephone Conference:

Mr. Michael Chapman, Regional Advisory Board Member	
Mr. H. Jason Terreri	Mr. Dan Zenk
Ms. Robin Watkins	Mr. Aaron Harris
Mr. John Clark	Mr. Brian Coe
Ms. Joanne Clancy	Mr. Matt Szwejbka
Ms. Cheryl Herzog	Ms. Linda Ryan
Ms. Debi Marshall	
Mr. Jason Mehl	

Chair Gagliano began by welcoming everyone to the first meeting of the year of the SRAA Board at 11:01.a.m. Chair Gagliano welcomed new board member Nick Paro.

Roll Call

As noted above all members were present except Michael Frame who joined the meeting at 11:28 a.m.

Reading and Approval of the Minutes

Having no objections or additions to the minutes from the December 3, 2021, SRAA Regular Meeting of the Board, a motion was made by Mr. Lazar and seconded by Mr. Fisher, and the minutes were unanimously approved.

Executive Team Report

Director Terreri began by informing the SRAA Board that this meeting is when we present our Annual Report. The Annual Report was included in the materials provided to the Board. Hard copies will be distributed January 28th at the State of the Airport presentation. Director Terreri further reported on the enplanements data, which is showing good recovery with a slight downward bump due to the Omicron variant, which is expected to turnaround.

CFO Watkins updated the Board with the latest financial data. Landing weights are exceeding the expectations for the budget. Airlines continue to upscale their aircrafts. There are new service routes, Southwest started in November, with a full month of activity in the month of December. Enplanements are doing well there was a slight dip in December but year to date we are ahead of budget. CFO Watkins reviewed the Finance P&L Budget. The airport is in a good position for Operating Revenues and is seeing recovery from pandemic numbers with expenses slightly lower than planned budget. Several expenses were anticipated in the first six months but are now planned to come out of the budget towards the second half of the year. On the Operations line, the airport is showing income when the budget was planned for a loss at this point in the year. Non-Operating revenue is unchanged. Board member Lazar asked if the reporting is annually or by fiscal year. CFO Watkins stated we report financials by fiscal year while the passenger numbers are on a calendar year basis. A conversation ensued regarding lease expenses to the City of Syracuse. All questions were answered regarding how this is documented. CFO Watkins reviewed the Cost Per Enplanement (CPE) tracking, which exhibited the cost coming down. Ms. Allen asked what brings the CPE down? CFO Watkins explained it is a combination of the enplanements, along with the revenue numbers, as enplanements go up, the CPE comes down. Director Terreri mentioned that the Board wanted to see the CPE numbers dated back to 2010 but explained that in reviewing FAA 127's data, he and the finance department found the numbers to not be reliable prior to 2018. From 2018 and beyond we are comfortable with the reliability of the numbers. Chair Gagliano asked what the CPE rate is for other airports and Director Terreri stated other airports of our size it is between the \$6.00 - \$8.00 range. He explained that currently, we do not have a lot of non-aeronautical revenue, so as we start development of those sources of revenues, those results will also drive the CPE number down.

Mr. Carni reviewed the Operations Division updates. SYR had our first large snowfall of 7.1" with all equipment working well, and the airport stayed open. There were two submittals for The Glycol Collections and Recycling Services Request for Quote (RFQ), and we will have a resolution at today's meeting with our selection of Aero Mag. Aero Mag is proposing to put a recycling system on the two tanks that will allow the recovery of the glycol and recycle it and then SYR can resell it back to the airlines. This process not only is environmentally friendly but will eliminate discharging to the county which will be a substantial cost savings. Additionally, the airport recently contracted with Cintas to install 14 first aid stations, through employee areas and they will replenish the items monthly.

Mr. Mehl provided concessions updates. He discussed the Revenue Per Enplanement (RPE) which showed a favorable trend. Mr. Mehl informed the Board that Linda Ryan had made a connection with a teacher at RIT's College of Art and Design, who has a yearly program for students to take a real-world problem, bring it into the classroom and produce solutions. The students came out to SYR last week and SRAA staff presented the issue we have with the lack of pre-security food and beverage offerings. Next week the staff will go to RIT for a presentation of these designs. A good solution would solve one of the biggest complaints we receive from passengers. Mr. Mehl updated the Board on the Request for Proposal (RFP) for the Common Use Lounge and stated MAG USA came in with a great proposal and met all the requirements. Mr. Mehl reviewed the proposal highlights and stated their references came through with great reviews. General Counsel Clark stated that this approval for the Common Use Lounge does not require a resolution, but the Executive Team wished to inform the board, get feedback and note any objections to moving forward with the lounge. All questions regarding the Common Use Lounge were answered and the Board was in favor of the lounge concept.

Ms. Marshall provided an update on Human Resources. She reviewed positions and vacancies. CFO Watkins, and the IT staff went to the Sanford, FL airport to meet with their IT staff and learned a lot about common use software and needs for IT. The Authority realized this area is understaffed, so we plan to hire two additional IT employees to cover all shifts. The Common Use Software will give us more of an insight with who is using what gates and when. Dr. Chin asked if the additional IT staff were tied into the Cyber Security insurance needs. CFO Watkins stated that SYR now qualifies for Cyber Security insurance due to implementation of several programs and systems added to our structure. The additional staff will allow the airport to have staff onsite all hours if something should need IT attention. HR Manager Marshall welcomed new Custodial Worker I, Brittany Pauls and then reviewed the current staff trainings/certifications.

Director Terreri reminded the board members that the State of the Airport Presentation to the Community will be held Friday, January 28th at the Marriott Syracuse Downtown. Director Terreri, along with our air service consultant, Howard Mann will present the Annual Report for 2021 and SYR goals and initiatives for 2022.

That annual report was reviewed briefly, it was explained that normally we dedicate the annual report to spotlight a certain department. As the team reviewed everything that has happened this past year with COVID-19, the decision was made to recognize all SRAA employees. There is not one person or group that we could say went more above and beyond for this organization than the others. Every department played a key role in how we are coming out of this pandemic. Director Terreri thanked everyone for getting us through this past year and he introduced the Employees of the Year, Brian Coe and Aaron Harris. Brian joined the Authority two years ago as the Painter with the Trades group and is the type of person that the minute a call is made, the work is done. Aaron Harris was promoted to the role of Director of Airport Operations within the last year and has led the effort for solving fuel issues. Aaron was instrumental for the Signature transition, brought the Glycol Recovery idea to the Airport and has stepped up to the leadership capacity. Brian and Aaron were given awards and thanked for all they do.

Old Business

Master Plan Committee Update

The first of several public meetings was held on Wednesday, January 19th. Mr. Lazar stated that he took the time to thoroughly review the material. Mr. Lazar expressed that the Executive team and staff at the

airport impressed the consultants above and beyond, which made their job easier, but more importantly it made the report much more complete. Mr. Lazar said he could not find anything that was not covered in the materials.

Microsoft Teams Platform for Board/Committee Documents

Thom Garrison, IT Manager will be present after the meeting today to go over access into Microsoft Teams. This will be the new platform for all SRAA Board materials. There will be a lot more information posted to this site than was put into Dropbox. Chair Gagliano mentioned the importance of the board members to read the materials ahead of time and have questions ready in advance so there is more time to spent focusing on the important items. Mr. Fisher asked if the information is archived and will Dropbox go away. Dropbox will be left intact, moving forward, all SRAA Board materials will be placed in the SRAA Board Teams channel.

New Business/Discussion

Update on Landside Planning Strategy Study – Ad-Hoc Committee

Mr. Lazar shared with the board that the landside plan detail was pulled out of the study because of the focus on the parking garage. The level of detail and thought that went into the various alternatives is superb. Great work in picking the consultants Campbell-Hill Aviation Group, their selection was not price driven it was quality-driven.

Campbell-Hill Aviation Group also works on the forecasting for the airport. Research Analyst, Elana Essig has been involved with the forecasting piece and he was told that Elana had come up with numbers within 1% of his forecast. Good job Elana!

Director Terreri stated that the March 25th SRAA Board meeting will also be an off-site Retreat. This meeting be very important because we will be selecting the preferred of 3 alternatives for the landside plans with final decision made at the June Board meeting. These next two meetings are going to be very important. There will be another landside ad-hoc meeting prior to March 25th, everyone is welcome to come - date is to be announced.

RESOLUTION AUTHORIZING SELECTION AND ENGAGEMENT OF GLYCOL RECYCLING FIRM FOR THE SYRACUSE REGIONAL AIRPORT AUTHORITY

Director Terreri stated this is a great initiative for the airport. We will not be discharging into the storm water system. It creates a competitive advantage as an airport by recycling the glycol on-site and selling at a discount to the airlines. It creates a revenue opportunity, it diversifies for us, and it is environmentally friendly. Anything collected for this season will be recycled for next season.

Mr. Fisher mentioned an RFQ process was followed that conformed to our existing SRAA Purchasing Policy. Director Terreri indicated board resolution is not required, however since it is a long-term commitment, a big change and a large project, he wanted the board to have full input and visibility for the project.

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

The resolution was adopted: 9 ayes, 0 nays, 2 abstain (members attended via phone)

RESOLUTION APPROVING AND AUTHORIZING THE AMENDMENT OF THE ACT CREATING THE SYRACUSE REGIONAL AIRPORT AUTHORITY

General Counsel Clark explained this amendment has been discussed in the past and there were some structural issues in the Enabling Legislation and what the Authority wanted to do to develop a strategy to amend this within 6 months. There have been some informational discussions with Senator Magnarelli who sponsored the original Enabling Act. He was told what the issues were that we discussed and is willing to pursue amendment of the Act through the State Legislature. Attached to the proposed Resolution is the summary of the amendments. These amendments have been supplied to the Assemblyman and the office came back with a draft of legislation which incorporates these changes, and they are willing to move forward with it once we provide an indication that the SRAA Board supports these amendments, hence the reason for the Resolution.

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

The resolution was adopted: 9 ayes, 0 nays, 2 abstain (members attended via phone)

Executive Session

Chair Gagliano invited a motion to go into Executive Session to discuss matters pertaining to potential litigation and the employment of a particular person or corporation.

Mr. Fisher made the motion and Mr. Simpson seconded the motion. Executive session began at 12:00 p.m. Executive session ended at 12:37 p.m. No action was taken.

Adjournment

A motion was made by Mr. Quill and seconded by Mr. Fisher to adjourn the meeting. The meeting was adjourned at 12:45 p.m.