



**Finance Committee Meeting Minutes
Thursday, October 26, 2023**

Pursuant to notice duly given and posted, the Finance Committee meeting of the Syracuse Regional Airport Authority was called to order on Thursday, October 26, 2023, in the Syracuse Regional Airport Authority Board Room located in the Syracuse Hancock International Airport by committee Chair, Dr. Shiu-Kai Chin.

The meeting was called to order by Dr. Chin at 9:30 a.m.

Members Present

Ms. Jo Anne Gagliano
Mr. Nick Paro
Dr. Shiu-Kai Chin
Mr. Michael Lazar
Mr. Nathaniel Stevens
Mr. Michael Frame

Members Absent:

Mr. Robert Simpson

Also Present:

Ms. Joanne Clancy
Mr. Jason Mehl
Ms. Robin Watkins

Roll Call

As noted above all members were present other than Mr. Simpson.

Review and approval of minutes from the previous meeting:

Finance Chair, Dr. Chin stated there was a quorum present, therefore, invited a motion to accept the minutes from the September 21, 2023, Finance Committee Meeting. Having no comments or adjustments, Mr. Lazar made the motion and Mr. Paro seconded that motion. Motion carried unanimously.

CFO Report:

Committee Chair Chin noted that the presentation was distributed to the committee previously. CFO Watkins apprised the group regarding a recent security system breakdown, due to the

age/end of life issues of that system and it shut itself down. During this short time, the SRAA Staff monitored the secured doors in the terminal until our IT department could bring the system back on-line. A debrief and course of action identified issues and next steps to shore up the system. Bringing in an SRAA employee as the expert to be dedicated to these issues is suggested. The TSA checkpoint was not affected. CFO Watkins stated that Aaron Harris, Deputy COO was instrumental with communication and assisting with traffic direction during this process. Dr. Chin inquired where the IT department falls under organizationally, and CFO Watkins let the group know that IT reports to the Finance Department.

CFO Watkins reviewed the scorecard and recent numbers and showed that we are within our current budget despite some realignments and timing issues. Historical enplanement growth is above budget and shows a 20% increase in traffic pre-pandemic and 12% increase in the past year. The average is 5,000 plus passengers per day and has reached several all-time high enplanement numbers. Peak hours are the busiest and a sixth lane is planned to be added to handle the increase in passengers to lower wait times. Dr. Chin stated that moving to the more optimistic level of budgeting was a good move. Key operating statistics were reviewed including gate turns, common use gates, for both signatory and non-signatory airlines. New gates are going to be added and others will be utilized more fully with the common use system. CFO Watkins reminded the group that negotiations will begin for the new Airline Use and Lease agreement soon and that the new SRAA Master Plan will be utilized during this process. Parking activities continued at a high level with Uber/Lyft maintaining consistent levels. The Centro bus service continues to be successful, in particular, for airport-wide employees. Centro also provides shuttles from the employee lots to/from the terminal as well on a limited basis. The bus service is advertised on our website and is discussed at the monthly tenant meetings.

The revenue numbers for landing and parking fees are up, airline terminal fees are trending on par and overall revenue is up, right where we wanted to be. Operating expenses are favorable, but are affected by timing in construction, invoicing and RFP activities. Federal and state grant arrival of funds timing was also discussed on payment reimbursements for each entity and the current price of borrowing money. Days cash on hand remains stable overall. Operating cash is \$42M, approx. 300 days. However, a number of cash outlays are on the horizon in the next few years for infrastructure which will tap this resource before reimbursements come through from grants. Both State and Federal Grants have a match requirement and timing differences are anticipated. \$19.7M is in investments that the SRAA does not plan to utilize. The SRAA is still working with CBP on final design and construction costs. The RFP package for construction included Gate 11, giving the companies the option to work simultaneously or complete the work back to back. Mr. Stevens strongly suggested doing as much construction work as possible as quickly as possible due to the local demands on the construction industry due to the I-81 and Micron projects. CFO Watkins said that the deadline dates are included in the RFP, but due to a number of issues discussed and the complexity of the various projects, the process takes time. The CONRAC is at 15% design and is currently in process for 100% design with likely breaking ground spring, 2025. During this design process, several safety and cost savings measures were discovered and will now be implemented, showing again, this process cannot be rushed. This CONRAC will be financed through CFCs (Car rental Facility Charges). The switch gear is being

moved from the parking garage to the North side of the terminal, an RFP process is complete. This must be moved before any other work can be done with the parking garage or CONRAC and will be sized for capacity. The SRAA does not have the funding to proceed with the parking garage, therefore that critical project is on hold until other funding sources are identified. A conversation regarding repairs to extend the life of the current garage another 10 years vs. replacement was held and all options were discussed.

Mr. Mehl acknowledged the challenges of all of the opportunities at the airport. Mr. Lazar stated that having an open mind for change with all these items is important. Mr. Paro shared his concern regarding whether the need for the garage will be the same in ten or thirty years. CFO Watkins continued reviewing other projects including projected use of electricity. A few options are that the SRAA build a sub-station or go with a micro-grid system. Several grants may be available for either option to meet the increasing power needs of the airport for electrification purposes. Replacement of windows, siding and HVAC will utilize an \$8.6M grant, \$5-6M will be the match for the SRAA to fund. A new roadway signage plan is in process for improved wayfinding as well as a new parking network revenue system replacement is in progress. \$21M is currently the expected out of pocket costs for SRAA in the next year for various projects.

Mr. Lazar congratulated the airport on the new airline, Sun Country coming to SYR in summer, 2024 with service from SYR-Minneapolis, MN (MSP).

Dr. Chin summarized the most important milestones discussed in the meeting, parking garage and the CONRAC and continued funding source questions and reiterated if possible, starting construction projects in 2024 would be optimal, if possible.

Adjournment:

With no Executive session held or further questions, Mr. Frame made a motion to adjourn, and Dr. Chin seconded that motion. The meeting was adjourned at 10:58 a.m.