

Minutes
MONROE COUNTY AIRPORT AUTHORITY
ANNUAL MEETING MINUTES
March 25, 2015

Present:

James G. Vazzana, Esq. Chairman
John J. Perrone, Jr.
Susan Keith
Charles Henry Stuart
Hon. Anthony Daniele
Hon. Cynthia Kaleh

Excused Absence:

R. Thomas Flynn Vice-Chairman

Others Present:

Michael Giardino Director of Aviation
Robert Franklin Treasurer
Maryanne Fedison Assistant Treasurer
Merideth H. Smith, Esq. Secretary
Donald L. Crumb, Jr., Esq. Assistant Secretary

Meeting was called to order by the Chairman @ 12:00 noon

Approval of the Minutes from March 26, 2014

Moved by Member Keith and seconded by Member Perrone that the minutes be approved without changes. The motion passed unanimously 6-0.

Appointed of Officers

Proposed Slate:

Chairman Vazzana proposed the following appointed officers as annually required by the Authority By Laws: R. Thomas Flynn as Vice – Chairperson, Donald L. Crumb, Jr., Esq., as Assistant Secretary and Maryanne Fedison as Assistant Treasurer. Moved by Member Stuart and seconded by Member Perrone. The motion passed unanimously 6-0.

Other Business

No other business presented.

Meeting was adjourned @ 12:01 PM

The next Annual Meeting will be scheduled for March 23, 2016.

Respectfully Submitted,


Merideth H. Smith, Esq.

Secretary

Dated:

Minutes
MONROE COUNTY AIRPORT AUTHORITY
REGULAR MEETING
March 25, 2015

Present:

James G. Vazzana, Esq., Chairman
Hon. Anthony Daniele
Hon. Cynthia Kaleh
John J. Perrone, Jr.
Susan Keith
Hank Stuart

Excused Absence:

R. Thomas Flynn, Vice-Chairman

Others Present:

Michael Giardino	Director of Aviation
Merideth H. Smith	Secretary
Donald L. Crumb, Jr. Esq.	Assistant Secretary
Maryanne Fedison	Assistant Treasurer
David Haas	

Meeting was called to order by the Chairman @ 12:01 p.m.

Approval of the Minutes from January 21, 2015

The minutes were approved without changes. A motion to accept the minutes was moved by Member Keith and seconded by Member Perrone. The motion passed unanimously 6-0.

Treasurers Report

Treasurer Franklin reported that there are two (2) reports today to go before the Board. The statement for travel and business had twenty-one (21) expenses for the reporting period totaling \$3,364. The business/travel expenses were submitted within the required 10 days and with appropriate supporting documentation and no expenses submitted were rejected.

The statement for December 2014, January & February 2015 credit card usage by the Director was presented for the reporting period. The credit card expenses were submitted within the required 10 days and with appropriate supporting documentation. It was noted that the Authority credit card issued to the County Executive was not used during the reporting period however the annual fee of \$45.00 is routinely charged to this account but will be credited during the next billing cycle.

A motion to accept both the credit card usage and report on travel and business expenses was moved by Member Perrone and seconded by Member Kaleh. The motions passed unanimously 6-0.

Finance Committee Report

Presented by Member Stuart.

Governance Committee Report

Presented by Member Vazzana.

Audit Committee Report

Presented by Member Perrone.

Approve Submission of the Annual Report and Acceptance of 2014 Audit Report by Bonadio & Co., LLP

Member Stuart made the recommendation to the board that the board pass a motion to approve the 2014 Audit as presented in detail earlier by Bonadio & Co., LLP to the Audit Committee. A motion to approve and adopt was moved by Member Stuart and seconded by Member Daniele. The motion passed unanimously 6-0.

Authorize a Lease Agreement with the Federal Aviation Administration (FAA) for equipment located at 999 Beahan Rd. for the Monroe County Airport Authority at the Greater Rochester International Airport

Assistant Secretary Crumb stated that lease with the FAA is for 35 square feet for FAA monitoring equipment, generating \$500.00 per year to the Authority. It was noted that the date on the resolution is October 2014; due to the negotiation process. A motion to approve and adopt was moved by Member Keith and seconded by Member Kaleh. The motion passed unanimously 6-0.

Authorize an Amendment to the lease between National Equity Holding LLC and the Monroe County Airport Authority for parking lot commonly known as the "Red Lot"

Administrative Director Giardino reported that the proposed amendment pertains to the parking lot commonly known as the "Red Lot" located on the northeast corner of Brooks Avenue and Buell Road comprised of 1,100 parking spaces. The Authority leases this lot and the lease expires January 30, 2018. It was determined that due to the cost to lease the lot; it was not desirable to extend the lease on the initial terms. Following a lengthy negotiation period, both parties have come to terms on an agreement that would begin July 1, 2014 that saves the Authority over \$3.5 million in total as opposed to the initial terms. Escalations in rent for the extensions are tied to FAA enplanement data records. Chairman Vazzana commended those efforts put forth in reaching the negotiated outcome. Conversation ensued with regards to the particulars of the amendment and the options explored; the Airport has the first right/refusal in the amendment to purchase the lot should it ever become available for sale. A motion to approve and adopt was moved by Member Daniele and seconded by Member Perrone. The motion passed unanimously 6-0.

Authorize the Administrative Director to enter into an agreement with Qualified Airlines for new non-stop service from ROC to an unserved airport as part of the airline incentive package for the Monroe County Airport Authority at the Greater Rochester International Airport

Administrative Director Giardino reported that incentive packages are not a new concept and are commonly accepted policy at other airports. The frequency of service at ROC has decreased daily from approximately 70 flights a day a few years ago to 50+ flights a day currently; enplanements are strong and planes are full. Director Giardino stated that there are unserved airports ROC could support service to and that the incentive program may entice a carrier to consider those destinations. The incentive is available to any qualified airline and Director Giardino asked for the Authority to consider amending the terms of the incentive for up to two years. There is a varying range of incentive package options to possibly include waiving of fees for qualified routes. Conversation ensued among board members with regards to terms of the incentive package and Director Giardino noted that there are FAA rules that govern incentives. A motion to approve and adopt as amended was moved by Member Perrone and seconded by Member Kaleh. The motion passed unanimously 6-0.

Authorize an Amendment of the Concession Agreement with SSP America, Inc. f/ka Creative Host Services, Inc., for Operation of Food and Beverage Concessions for the Monroe County Airport Authority at the Greater Rochester International Airport

Director Giardino introduced guests Rob Moore and Sam Fantauzzo. Mr. Moore expressed his desire to bring Salvatore's local brand pizza to ROC under the concession agreement replacing Famous Famiglia brand. Chairman Vazzana commended the Authority's efforts to bring local brands to ROC food concessions. A motion to approve and adopt was moved by Member Keith and seconded by Member Daniele. The motion passed unanimously 6-0.

Authorize Amendment of the Agreement for Advertising with Normal Communications, LLC for the Monroe County Airport Authority at the Greater Rochester International Airport

Assistant Secretary Crumb reported that an internal audit noted that commission paid as part of the advertising agreement was being interpreted differently by parties. This amendment is to clarify the language in the agreement to define properly that the advertising agency deducts 15% agency commission fees before reporting gross sales. It was

noted that at this time, the discrepancy in interpretation is irrelevant as the concessionaire pays a Minimum Annual Guarantee (MAG), however if the MAG were exceeded this amendment clarifies that contract language. A motion to approve and adopt was moved by Member Kaleh and seconded by Member Stuart. The motion passed unanimously 6-0.

Litigation Report

Secretary Merideth Smith reported that the litigation summary is included in the 2014 PARIS report and presented a litigation report to the committee stating that there were currently five (5) personal injury and one (1) contract lawsuit at various stages of litigation and that Monroe County legal or contracted counsel are vigorously defending these claims. Ms. Smith reported that the I-390 case goes to court next month on appeal. Overall, there are a minimum number of claims at the Airport currently.

Traffic Report

Mr. Dave Haas reported January 2015 enplanements at 84,835 (increase of 1.7% over January 2014 at 83,393) and February 2015 enplanements at 86,224 (decrease of 0.03% over February 2014 at 86,252). Total enplanements for 2015 are 171,059 (increase of 0.8% as compared to 2014 YTD). Compared to the Thruway Airports YTD, Albany (ALB) enplanements increased 5.2%, Syracuse (SYR) increased slightly 0.34% and Buffalo (BUF) decreased 2.32%. Load factors at ROC for January 2015 were 72.9 % (decrease slightly as compared to January 2014), February 2015 was 82.2% (increase slightly as compared to February 2014) – averaging 77.6% YTD. Departing seats are averaging about the same as 2014 – January 3,753 seats/day and February 3,744 seats/day.

Passenger airline landing weights are up 4.2% for the two month period YTD. January and February 2015 3,737 and 3,438 tons of cargo was handled at ROC. Scheduled departing trips for January 2015 were 1,520 up 8% as compared to January 2014. February 2015 scheduled departing trips were 1,335 down 4.2% as compared to February 2015; likely impacted by winter storm cancellations. For the two month period trips were up 1.9%. ROC is currently averaging about 52 non-stop flights per day.

Director's Report

Director Giardino reported that for fiscal year 2014 ROC returned \$1 Million back to airlines due to cost saving measures and revenue gains – the airlines were happy with the true-up, airline use-lease agreement ends this year and that negotiations are ongoing for executing extensions. Director Giardino commended all airport employees and tenants for continuation of services during this past grueling winter weather. It was reported that construction season is upon us as the weather warms up and that Federal grants are in place to spend approximately \$6 Million on airfield projects. Director Giardino reiterated the Authority's goal to continue air service development initiatives with the goal to further decrease the cost per enplanement (CPE) to below \$10.00 at ROC.

Director Giardino reported that the County Executive has asked the Authority to host an air service development summit for area business leaders on May 21st. Aviation industry consultants Ailevon and the Quotient Group have been asked to present at the event opening up dialogue on how corporations can impact airlines to increase air service from ROC. The 2015 Rochester International Airshow is coming up Memorial Day Weekend May 23 & 24, 2015. Director Giardino concluded that the Finance Committee has plans for a consultant to present to the full board at the May meeting.

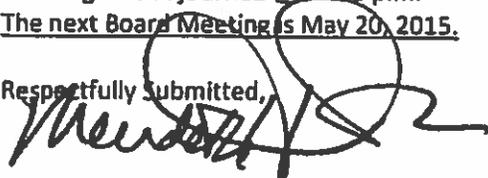
Other Business

No other business was presented.

Meeting was adjourned @ 12:56 p.m.

The next Board Meeting is May 20, 2015.

Respectfully Submitted,


Merideth H. Smith, Esq.

Secretary

Dated: 5/4/15