

Allegheny County Council

436 Grant Street
Pittsburgh, PA 15219
Phone (412) 350-6490



Meeting Minutes - Approved

Wednesday, September 2, 2015

4:00 PM

Conference Room 1

Committee on Budget and Finance

*Michael Finnerty, Chair;
Nick Futules,
Amanda Green Hawkins,
Heather Heidelbaugh, Terri Klein,
Bob Macey,
Sue Means,
John Palmiere and
Jan Rea
-Members*

I. Call to Order

The meeting was called to order at 4:00.

Invited Guests:

William D. McKain, CPA - County Manager or Designee

Mary C. Soroka - Director, Office of Budget and Finance or Designee

Christina Cassotis - CEO, Allegheny County Airport Authority

Mr. McKain was present from the Office of the County Manager.

Ms. Soroka and Ms. Celestino were present from the Department of Budget & Finance.

Ms. Cassotis, Mr. Gastgeb, Mr. Gill, Mr. Robinson and Mr. Leighton were present from the Airport Authority.

Mr. Barker and Mr. Szymanski were present from the Office of County Council.

II. Roll Call

Members Present: 5 - Sue Means, Jan Rea, Nick Futules, Terri Klein and Michael Finnerty

Members Absent: 3 - Amanda Green Hawkins, Heather Heidelbaugh and John Palmiere

Members Phone: 1 - Bob Macey

III. Approval of Minutes

IV. Agenda Items

[9138-15](#)

A Resolution of the County of Allegheny amending the Grants and Special Accounts Budget for 2015 (Submission #08-15).

Sponsors: Chief Executive

At the request of the Chair, the clerk read the title of the bill and Mr. Szymanski summarized its provisions.

The Chair highlighted the supporting materials that had been provided by Mr. Szymanski.

In response to a question from Ms. Means, Ms. Celestino described the methodology that was employed in order to prioritize the communities that would receive Live Well Allegheny services first.

Ms. Klein commended the program, and was joined by the Chair.

In response to questions from the Chair, Ms. Celestino noted that the program is new, and indicated a willingness to provide additional information regarding both the community health assessments and programmatic success criteria.

In response to a question from Ms. Means, Ms. Celestino noted that the providers that would be contracted with to provide services had not yet been finalized.

Affirmatively Recommended

Discussion Topic: Allegheny County Airport Authority

At the request of the Chair, Ms. Cassotis introduced her staff and gave a brief presentation regarding the organization, role and function of the Airport Authority. Ms. Cassotis noted that costs per enplaned passenger by airport are not correlated to airline presence at those airports, but that keeping the cost per enplaned passenger stable is correlated to airline presence. Ms. Cassotis indicated that slightly more passengers had passed through Pittsburgh International Airport through July of 2015 than had done so through July of 2014, and that new airlines and markets are growing faster than airlines and markets are lost, with American and Southwest remaining the largest carriers in the Pittsburgh market. Ms. Cassotis noted that the number of local passengers have remained more or less constant since 2000 while connecting passengers have decreased significantly, but that the services that are currently available are more appropriate for the market. Ms. Cassotis discussed the Authority's debt service and its impact upon cost per passenger, and described the Authority's annual costs for contracted services like janitorial, police and other professional services. Ms. Cassotis described how airports can derive additional revenue through other services like parking, restaurants, and the like.

Mr. Macey expressed appreciation for Ms. Cassotis' work and plans for the Authority's future.

In response to a question from the Chair, Mr. Gill indicated that the Airport Authority does pay a portion of the cost of federal security programs, as well as the County Police presence.

Ms. Klein and Ms. Cassotis discussed the current service to Paris, with Ms. Cassotis noting that the flight had recently become a daily flight, and that the Euro's current comparative weakness against the dollar increases the relative profitability of the route for Delta.

In response to a question from Ms. Rea, Ms. Cassotis discussed the current shortage of airline pilots as a result of increased qualification requirements relating to commercial pilots from the FAA, and noted that the shortage would likely result in a comparatively large number of cancellations in smaller markets.

In response to a question from Mr. Futules, Ms. Cassotis described recent measures aimed at increasing the efficiency with which international travellers can leave the airport after arrival.

Ms. Means indicated that the presentation had effectively answered all of her questions relating to debt service.

The Chair congratulated the entire team from the Authority regarding their efforts, and asked if there was any possibility of direct service to Germany. Ms. Cassotis indicated that the number of business relationships between Germany and Western Pennsylvania would make service between Germany and Pittsburgh an attractive option, but that the process of creating new flights can take a few years.

In response to a question from the Chair, Ms. Cassotis discussed efforts that are being undertaken to grant some form of access to the airport's shopping areas to individuals who are not ticketed passengers.

Ms. Klein noted that the cell phone lot can be a challenge to find, and Ms. Cassotis

indicated that the Authority is working with PennDOT to improve roadway signage for the lot.

In response to a question from Ms. Klein, Ms. Cassotis discussed the impact of low gas prices, noting that low prices make expanding service more attractive to airlines, because a relatively large portion of the airlines' expenses relate to fuel costs.

Ms. Rea and Ms. Cassotis discussed the OneJet business model and the necessity of passing through security, even though the airline relies upon essentially private jets for service.

V. Adjournment

The meeting was adjourned at 4:50.