

MINUTES OF
LANCASTER AIRPORT AUTHORITY

March 21, 2016

A meeting of the Lancaster Airport Authority was held in the Lancaster Airport Authority offices on Monday, March 21, 2016. The planning session began at 3:30 p.m. and the business meeting began at 4:00 p.m. Mr. Marvin Miller, Chairman, presided at the meeting and the following persons attended:

Lancaster Airport Authority

Chairman	Marvin Miller
Vice-Chairman	Russell Howell
Secretary	James Cunningham
Treasurer	Valerie Moul
Asst. Secretary/Asst. Treasurer	Matthew Brown

Counsel – Craig Russell, Esquire of Russell, Krafft & Gruber, LLP

Lancaster Airport Authority Staff

David Eberly – Airport Director
Cheryl Martin – Finance Administrator
Austin Beiler – Facilities Administrator
Mary Stauffer – Manager, Alliance Aviation

Public

Amy St. Pierre – Lancaster Air Traffic Control Tower
Terry McGuigan – Fulton Bank
Chris Porter – Jesse Jones Squadron, Civil Air Patrol

PUBLIC COMMENT

Mr. Miller asked if any attendees had any additional comments or questions. No additional comments were received at this time.

2015 -2014 YEAR END COMPARISON

A comparison of 2015 year end against 2014 year end was presented. Ms. Moul reviewed the report. No questions were raised but all members appreciated the report.

SHEETZ CONVENIENCE STORE LEASE AGREEMENT

Sheetz provided a signed agreement for consideration by the Board. The restrictions expire in 15 years at the Route 501/Airport Road intersection. They had considered including a car wash, however, the latest drawings do not include it at this time. Brethren Village is requesting consideration by Manheim Township zoning to change the zoning to build more residential housing. They have approached Mr. Eberly about potentially working together with cost savings for the required intersection improvements.

The current Airport Sign will more than likely need to be moved to accommodate a Sheetz sign with the exact locations of each to be determined. Once the exact location is set, the Airport Authority will be submitting a request for approval to the FAA, who are aware of the project.

DBE PLAN UPDATE AGREEMENT

The FAA requires that anyone who receives funds for projects create and maintain a Disadvantaged Business Enterprise program. Every three (3) years, the plan requires updating if there are projects that require it. Delta Airport Consultants provided an agreement to oversee the plan update completion. The program cost is planned to be included in the next project, however, in order to meet the deadlines, the program must be updated prior to receiving funding. The agreement will be available for consideration at the Business meeting.

AIRLINE STATUS UPDATE

Mr. Eberly had provided updates regarding the EAS contract and the sale of the airline, Sun Air, to Southern Airways. He met with representatives from Southern Airways and feels confident that they will be continuing to build on what is currently in place and make it self-sustainable. The new company was a charter company looking to expand into the airline business, which is possible with the purchase of Sun Air. At this time, they do not anticipate making any changes.

CIVIL AIR PATROL ANNUAL REPORT

Chris Porter of the Jesse Jones Squadron 304 which is based at Lancaster Airport, presented their annual report regarding the activity in 2015. Today, the Lancaster-based squadron is the largest squadron in Pennsylvania. They have upgraded their aircraft and flight hours have also increased. The largest portion of their flights are grid searches for marijuana. They continue to retain cadets, one resource are the military recruiters as well as word of mouth. Home school children also attain their aerospace curriculum through the Civil Air Patrol participation. On May 7, all the wing aircraft will be coming to Lancaster, which coincidentally is at the same time as the CAP fly-in breakfast.

ADJOURNMENT

At this time, the Planning Session adjourned. A brief recess was held before the 4:00 meeting began.

PUBLIC COMMENT

Mr. Miller began the Business meeting and thanked everyone for attending. He introduced members of the Authority and staff and recognized a quorum present. Mr. Miller then requested any public comments from the meeting attendees. No additional comments were offered. Mr. Miller encouraged anyone, however, to get his attention throughout the meeting if desired.

MINUTES OF LAST MEETING

Copies of the proposed minutes of the Lancaster Airport Authority Board meeting held on February 15, 2016. Upon motion duly made, seconded, and unanimously approved, the minutes were approved as submitted.

FINANCIAL REPORT

The financial report for period ending February 29, 2016 was submitted. Alliance's financial reports show that fuel is being sold and margins are being maintained. The following is the submitted report for the referenced period:

<i>Period Ending February 29, 2016</i>		
Combined General Fund and Alliance Aviation		
Reporting Period	Budget	Actual
February Net Revenue:	\$39,883.69	\$72,423.40
Year to Date Net Revenue:	\$76,357.75	\$142,778.22
General Fund Report		
Reporting Period	Budget	Actual
February Net Revenue:	\$16,064.45	\$16,325.68
Year to Date Net Revenue:	\$32,748.30	\$43,054.72
Alliance Aviation Report		
Reporting Period	Budget	Actual
February Net Revenue:	\$23,819.24	\$56,097.72
Year to Date Net Revenue:	\$43,609.45	\$99,723.50
Cash and Cash Equivalents		
Item		Current Balance

General Fund Checking Account:		\$9,236.97
General Fund Liquid Reserves:		\$648,082.00
Certificate of Deposit:		\$2,493,000.00
PLGIT Cash Account:		\$17.79
General Fund Accounts Receivable:		\$44,138.86
General Fund Accounts Payable:		\$77,714.72
Alliance Aviation Checking/Cash on Hand:		\$32,239.31
Alliance Aviation Accounts Receivable:		\$39,521.07
Alliance Aviation Accounts Payable:		(\$33,350.95)
Total Cash and Cash Equivalents:		\$3,310,599.77
Grant-Funded Project Construction Report		
Balance @ January 31, 2016		\$943.93
Grant Receipts:		\$143,282.78
Line of Credit Drawdowns:		\$0.00
Total Cash Disbursements:		(\$141,324.34)
Balance @ February 29, 2016		\$2,902.37
Passenger Facility Charge Account		
Balance @ February 29, 2016		\$498.06
\$ 1 Million Line of Credit Report		
Item	Rate of 4.0%	Available Balance:
Balance @ February 29, 2016	\$0.00	\$1,000,000.00

The financial reports for the period ending February 29, 2016 were approved as submitted subject to audit.

SHEETZ CONVENIENCE STORE LEASE AGREEMENT

Mr. Cunningham recommended adopting the following resolution which approves a lease agreement with Sheetz to construct a convenience store on the corner of Route 501 and Airport Road.

Resolution No. 6 of 2016 Sheetz, Inc. Lease

WHEREAS, the Lancaster Airport Authority (hereinafter referred to as the “Authority”) is the owner and operator of the Lancaster Airport located principally in Manheim Township, Lancaster County, Pennsylvania. A portion of the land owned by the Authority is located at the northeast intersection of Route 501 (Lititz Pike) and Airport Road and consists of 2.8 acres, more or less, on which the Authority desires to secure a tenant to operate a convenience store; and

WHEREAS, the Authority issued a Request for Proposals; and

WHEREAS, Sheetz, Inc. responded to said Request for Proposals; and

WHEREAS, after a previous proposer withdrew from consideration, the Authority and Sheetz, Inc. negotiated a Lease, a copy of which has been reviewed and approved by staff and counsel for the Authority (the "Lease"); and

WHEREAS, the Authority, under its Charter, is allowed to develop, subdivide or improve real estate within a two and one-half (2.5) mile radius of the Lancaster Airport terminal building to be held, maintained, owned or leased for aviation or non-aviation purposes so long as such activity is in furtherance of the purposes for with the Authority is performed; and

WHEREAS, under the provisions of the Municipal Authorities Act, airport authorities are permitted to lease surplus land for non-aviation purposes; and

WHEREAS, the tract of land in question referred to in the Lease has been designated on the Airport Layout Plan for the Lancaster Airport as permanent non-aviation commercial real estate; and

WHEREAS, in the opinion of the Board of the Authority, the land in question is not necessary for its airport operations and the Board desires to approve the proposed Lease.

NOW, THEREFORE, BE IT RESOLVED, that the Authority approves the proposed Lease as presented at this meeting; and

BE IT FURTHER RESOLVED, that the Authority does hereby authorize David F. Eberly, Jr., Airport Director, to act as its agent and to execute any and all necessary documents relating to the aforementioned Lease and the Lease is hereby approved subject, however, to counsel's final review and approval.

Upon motion duly made, seconded, and approved by a vote of four to one with the nay being Mr. Miller, the resolution was adopted and the lease agreement was approved.

DBE PLAN UPDATE ENGINEERING AGREEMENT NO. 12

Delta Airport Consultants, Inc., presented an engineering agreement to provide services to update the DBE plan and goal. The following resolution approves the agreement:

Resolution No. 07 of 2016
Delta Airport Consultants, Inc. Engineering Amendment No. 12
Three Year DBE Plan & Goal Update

WHEREAS, the Lancaster Airport Authority desires to have an updated DBE Plan and Goal; and

WHEREAS, all federally eligible projects must be constructed in accordance with Federal Aviation Administration requirement; and

WHEREAS, Delta Airport Consultants, Inc. has tendered to the Lancaster Airport Authority, Lancaster, Pennsylvania, Engineering Agreement Amendment No. 12 – Three Year DBE Plan & Goal Update” for the Lancaster Airport.

NOW THEREFORE BE IT RESOLVED that Lancaster Airport Authority does hereby approve the Engineering Agreement Amendment No. 12 for special services for the Lancaster Airport; and

ALSO BE IT RESOLVED that the authorization of David F. Eberly, Jr., Airport Director, to act as agent to execute any and all necessary documents relating to the aforementioned amendment agreement is hereby approved.

Upon motion duly made, seconded, and unanimously approved, the resolution was adopted and the agreement was approved.

CIVIL AIR PATROL AGREEMENT

Chris Porter of the Civil Air Patrol Squadron 304 based at the Lancaster Airport presented a report on activities during 2015 during the Planning Meeting.

They are requesting that the rental fee be waived for 2016. The squadron is 100% self-funded and their main source of income is parking events, mostly from Community Days. The following resolution approves the request:

Resolution No. 08 of 2016 Civil Air Patrol Lease Rent Waiver

WHEREAS, the Jesse Jones Squadron 304 operates a Civil Air Patrol unit at the Lancaster Airport; and

WHEREAS, the Squadron rents space to operate at the Lancaster Airport; and

WHEREAS, the Squadron has requested a waiver of rental payments for their activities at the Lancaster Airport.

NOW THEREFORE BE IT RESOLVED , that Lancaster Airport Authority does hereby approve the request to waive rental payments for leased space at the Lancaster Airport; and

ALSO BE IT RESOLVED that the waiver is approved for the 2016 fiscal year; and

ALSO BE IT RESOLVED that the authorization of David F. Eberly, Jr., Airport Director, to act as agent to execute any and all necessary documents relating to the aforementioned lease agreement is hereby approved.

Upon motion duly made, seconded, and unanimously approved, the resolution was adopted and the waiver is approved.

AIRPORT DIRECTOR REPORT

Mr. Eberly reported that the airline will be converting to Caravan aircraft and keep Navajos as generally backup aircraft. Caravan's use jet fuel so rather than avgas so the fuel sales will reflect that change as they come on line. One nice benefit is the increased luggage capacity.

FINANCE ADMINISTRATOR

Ms. Martin reported that traffic is steadily increasing along with a very strong airline passenger count for February. It is definitely encouraging news from the airline. The auditors complete their on-site review and are currently working on the final report. There was a fly-in on March 5 with about 60 people attending. The next one is scheduled for April 2. The Ronald McDonald magazine dumpster annual report shows that over 106,000 pounds of glossy magazines were dropped off for a benefit of over \$1,300 in 2015.

FACILITIES ADMINISTRATOR

Mr. Beiler reported that the car wash has been put out to bid and are due in early April. A pre-bid meeting was held with good interest. He also recently attended wildlife training, which is required recurrent training. He will now train the Maintenance staff with what he learned. Currently, seagulls are the biggest wildlife issue.

MANAGER, ALLIANCE AVIATION

Ms. Stauffer reported that software upgrades are currently in process. Ramp fees were up in February due to an increased number of jets on the ramp for multiple days.

PUBLIC COMMENT

Mr. Miller asked if any attendees had any additional comments or questions. Terry McGuigan, Fulton Bank branch manager, thanked the Board for continuing the business relationship and congratulated them on the new facility. Amy St. Pierre, ATCT manager, remarked that the renovations to the Tower are nearly completed.

DATE FOR NEXT MEETING

The date for the next meeting is scheduled for Monday, April 18, 2016 with a planning session scheduled to start at 3:00 p.m. and the business meeting at 4:00 p.m. All future meetings will be held in the new administrative offices of the Airport Authority. There being no further business to discuss, motion was duly made, seconded, unanimously approved, and the meeting was adjourned.

Respectfully submitted,

Cheryl Martin
Recording Secretary