

MINUTES OF
LANCASTER AIRPORT AUTHORITY

March 7, 2019

A special meeting of the Lancaster Airport Authority was held in the Lancaster Airport Authority offices on Thursday, March 7, 2019 at 3:00 pm. Mr. James Cunningham, Chairman, presided at the meetings and the following persons attended:

Lancaster Airport Authority

Chairman	James Cunningham
Vice-Chairman	Valerie Moul
Secretary	Matthew Brown – Excused Absence
Treasurer	Amanda Lehman
Asst. Secretary/Asst. Treasurer	Richard Stauffer

Counsel – Aaron Zeamer, 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 COMMENT

Mr. Cunningham began the meeting and thanked everyone for attending. He introduced members of the Authority and staff and recognized a quorum present, of who Amanda Lehman and Richard Stauffer joined by conference call. Mr. Cunningham then requested any public comments from the meeting attendees.

No additional comments were offered. Mr. Cunningham encouraged anyone, however, to get his attention throughout the meeting if desired.

ESSENTIAL AIR SERVICE UPDATE

Mr. Eberly reviewed the history of Essential Air Service (EAS) at Lancaster, especially what has occurred since the February 18, 2019 meeting. No response has been received from the US DOT regarding the Lancaster Airport submission. Mr. Eberly, Ms. Moul, and Mr. Zeamer attended the weekly Commissioners work session on February 26 and felt that the Commissioners were not supportive of providing any funds towards the Local Share. Mr. Eberly pointed out that

most communities our size have support from their local government, however, we are currently in a financial position not to have to request any assistance. He feels that if service ends, it will be very difficult to restore service.

The new contract year begins April 1, 2019, however, as previously noted, no decision has been released by the DOT. Mr. Eberly spoke with Southern Airways representatives and through their conversations, felt that the DOT would not drop Southern Airways and the service at Lancaster Airport April 1.

The dilemma is that the Lancaster Airport is not permitted by FAA regulations to provide the local share for any airlines, that it is considered revenue diversion. Staff and Counsel have been working on alternate methods to fund the local share and continue to run against the inability to use Airport funds to provide for the local share. They have also looked into requesting the FAA to waive the revenue diversion clause, however, they feel very certain that the FAA will not relent for one airport.

At this point, the Mayor has provided a letter notifying the Airport Authority would that they not be able to provide any funds towards the local share. The County was not asked to commit because the DOT did not yet respond to the Airport's letter sent February 15, 2019 outlining the amount required for the local share.

Additional suggestions were offered such as approach airline/airport users to provide funds towards the local share. Southern Airways has tracked the users and there are not any big users across the County. Another suggestion is to put out a press release regarding the potential lose of airlines service and wait to see what kind of support the Airport can garner from the local Community. Another one was a potential airport fee like a PFC charge. The only caution is that if the price goes too high, customers will go elsewhere and then the passenger usage would be reduced.

Mr. Cunningham summarized the options which are limited. Wait for the DOT to issue their decision. It may take several months to address the the response. He feels that there is little or no support from the County and the City. He also feels that as soon as a response is received from the DOT, a press release should be prepared and distributed to local media outlets regarding the situation.

Ms. Moul and Ms. Lehman don't feel that the local community should provide funds for a private enterprise.

Since it appears that the airline situation will not be resolved quickly and several other projects are pending completion of the Terminal renovations, Mr. Eberly requested approval to re-bid the Terminal project removing the airline, TSA, and event space. The re-bid will remove an estimated \$400,000 in costs. The cost to rebid the project is anticipated to be about \$10,000. The Board approved re-bidding the project in order to keep Airport tenants moving forward with proposed expansion.

PUBLIC COMMENT

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

DATE FOR NEXT MEETING

The date for the next regularly scheduled meeting is Monday, March 18, 2019 at 3:30 p.m. in the Administrative Office conference room. There being no further business to discuss, motion was duly made by Ms. Moul, seconded by Mr. Stauffer, unanimously approved, and the meeting was adjourned.

Respectfully submitted,

Cheryl Martin
Recording Secretary