

MINUTES OF
LANCASTER AIRPORT AUTHORITY

June 21, 2021

A meeting of the Lancaster Airport Authority was held in-person and remotely using ZOOM on Monday, June 21, 2021. The meeting began at 3:30 p.m. Mr. James Cunningham, Chair, presided at the meetings and the following persons attended:

Lancaster Airport Authority

Chair	James Cunningham
Vice-Chair	Valerie Moul – Absent
Secretary	Matthew Brown – Virtually
Treasurer	Amanda Lehman – Virtually
Asst. Secretary/Asst. Treasurer	Richard Stauffer

Counsel – Aaron Zeamer, Esquire of Russell, Krafft & Gruber, LLP

Lancaster Airport Authority Staff

Ed Foster –Airport Director
Cheryl Martin – Finance Administrator
Austin Beiler – Facilities Administrator
Mary Forney – Manager, Alliance Aviation - Virtually

VISITORS (Virtually)

Garrett Cliff, Aero-Tech Services
David Eberly

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. Mr. Cunningham asked for any public comments from the meeting attendees.

No additional comments were offered at this time. He encouraged anyone, however, to get his attention throughout the meeting if desired.

MINUTES OF LAST MEETINGS:

Copies of the proposed minutes of the Lancaster Airport Authority Board meeting held on May 17, 2021 were distributed to the Board members. Upon motion duly made by Mr. Stauffer, seconded by Mr. Brown, and unanimously agreed, the minutes were approved as submitted.

FINANCE COMMITTEE:

FINANCIAL REPORT – Ms. Lehman reviewed the financial report for period ending May 31, 2021. The report shows the year to continue to be off to a good start. Landfill and Commissions were greatly increased in April. Interest rates continue to be extremely low. Fuel sales were good this month reflecting the increased air traffic. The following table is the report for the referenced period.

<i>Period Ending May 31, 2021</i>		
Combined General Fund and Alliance Aviation		
Reporting Period	Budget	Actual
May Net Revenue:	\$72,874.73	\$201,888.45
Year to Date Net Revenue:	\$293,554.91	\$626,644.06
General Fund Report		
Reporting Period	Budget	Actual
May Net Revenue:	\$64,403.71	\$142,184.28
Year to Date Net Revenue:	\$312,294.74	\$431,157.94
Alliance Aviation Report		
Reporting Period	Budget	Actual
May Net Revenue:	\$8,471.02	\$59,704.17
Year to Date Net Revenue:	(\$18,739.83)	\$195,486.12
Cash and Cash Equivalents		
Item		Current Balance
General Fund Checking Account:		\$4,776.59
General Fund Liquid Reserves:		\$389,719.97
Certificate of Deposit:		\$3,224,000.00
PLGIT Cash Account:		\$2,484.15
PLGIT Prime Investment Account		\$275,908.97
PLGIT Term Account		\$1,500,000.00
General Fund Accounts Receivable:		\$279,728.42
General Fund Accounts Payable:		\$459.86
Alliance Aviation Checking/Cash on Hand:		\$52,120.56
Alliance Aviation Accounts Receivable:		\$65,079.29
Alliance Aviation Accounts Payable:		(\$89,276.53)
Total Cash and Cash Equivalents:		\$5,705,001.28

Grant-Funded Project Construction Report		
Balance @ April 30, 2021		\$28,455.12
Grant Receipts/Transfers:		\$175,813.94
Line of Credit Drawdowns:		\$0.00
Total Cash Disbursements:		(\$203,700.46)
Balance @ May 31, 2021		\$568.60
Passenger Facility Charge Account		
Balance @ May 31, 2021		\$1,670.45
\$ 1 Million Line of Credit Report		
Item	Rate of 4.0000%	Available Balance:
Balance @ May 31, 2021		\$1,000,000.00

The financial reports were moved for approval as submitted by Ms. Lehman, seconded by Mr. Brown, and unanimously approved subject to audit.

PERSONNEL COMMITTEE REPORT:

No report for this meeting.

FACILITES COMMITTEE:

CORPORATE HANGAR PROJECT – SITE AND HANGAR STATUS UPDATE: Mr. Foster reported that the project had been released for bids and the results have been submitted to PennDOT – BOA for approval to move forward. The project is approximately \$2 million more than the funding that is currently in place. The remaining costs are eligible for a reimbursable agreement as funding is available.

PennDOT has approved the low bidder for the site portion of the project, H&K, as the selected contractor. Staff recommends moving forward with the site project to capture the most funding possible as the grant expires in December 2021. Staff are currently working with the engineer and BOA to submit a request to increase the grant amount and extend the grant deadline. Any remaining costs are eligible for a reimbursement grant. The following resolution approves H&K Group as the low bidder and the bid results for this portion of the project.

**Resolution No. 17 of 2021
Corporate Hangar w/Offices, Site – Bid Results**

WHEREAS, the Lancaster Airport Authority held a bid opening for work to be performed for the Corporate Hangar w/Offices, Site project at the Lancaster Airport, Lancaster, Pennsylvania; and,

WHEREAS, the Lancaster Airport Authority has reviewed the bid results and concur that H&K Group, Inc. is the apparent low bidder in the amount of \$1,570,430.

NOW THEREFORE BE IT RESOLVED that the Lancaster Airport Authority does hereby accept H&K Group, Inc as low bidder for the Corporate Hangar w/Offices, Site project at the Lancaster Airport; and

ALSO BE IT RESOLVED that the authorization of the William E. Foster, Airport Director, to act as agent to execute any and all necessary documents relating to the aforementioned contract, is hereby approved.

Upon motion duly made by Mr. Brown, seconded by Mr. Stauffer, the resolution was approved and the bid results were accepted. Contracts will be forwarded to the contractor to start the process.

The hangar portion of the project was split out into four (4) areas, General Contractor, Electrical, Plumbing, and Mechanical (HVAC). The bid results were reviewed which were much higher than anticipated overall. The Board requested that further information from the contractors would be needed before moving forward. Mr. Foster will meet with the engineer and contractor(s) to get a sense of what is represented in the increases.

HECK CONSTRUCTION SETTLEMENT AGREEMENT – Mr. Foster reported that the Utility Extension contractor has experienced pricing increases and did not recognize an Intent to Award notification as the official project award to get started. The contract was not executed within their pricing window and they presented a change order requesting the difference. In order to keep the project moving and not have to re-bid and extend the project timeline, Mr. Foster was able to come to a Settlement Agreement. Counsel prepared the agreement and Heck Construction provided an executed copy for consideration. The following resolution approves the agreement.

Resolution No. 19 of 2021
Heck Construction Contract Amendment
Transportation Maintenance Building Project

WHEREAS, the Lancaster Airport Authority has a contract with Heck Construction to construct the utility lines for a transportation maintenance building; and

WHEREAS, Heck Construction submitted a Change Order for increased material costs which was denied as it would materially change the bid results; and

WHEREAS, Heck Construction was willing to drop the contract which would require the project to be bid again which would lead to delays as well as potential increased costs to the project; and

WHEREAS, the Lancaster Airport Authority and Heck Construction desire to keep the project moving forward and have agreed to a settlement with would not alter or amend the contract.

NOW THEREFORE BE IT RESOLVED that Lancaster Airport Authority does hereby approve the settlement agreement for the contract with Heck Construction for the Transportation Maintenance Building project; and

ALSO BE IT RESOLVED that the authorization of William E. Foster., Airport Director, to act as agent to execute any and all necessary documents relating to the aforementioned settlement agreement is hereby approved.

Upon motion duly made by Mr. Brown, seconded by Ms. Lehman, and unanimously approved, the resolution was adopted and the agreement was approved. Final signatures will be affixed to fully execute the document and keep the project moving.

HI-TECH HELICOPTERS LEASE AGREEMENT – Counsel has forwarded a letter requesting a formal response by June 11. Mr. Kerrick allowed Sport Flying USA to remove the sign and move in the facility. A sign is on the door saying it is the location for Bristell II. Mr. Zeamer was contacted by Mr. Kerrick that an attorney has been secured, however, the attorney had not yet been in contact with Mr. Zeamer.

FIorentino's RESTAURANT SUBLEASE REPORT – Mr. Foster reported that he has been working closely with the buyers to ensure that the restaurant remains open until all approvals are in place. They are also working very diligently to re-open the deck and expand the business. They are still waiting on the PA Liquor Control Board.

PROPERTY COMMITTEE:

AIRPORT PROPERTY EXHIBITS REPORT – Delta Airport Consultants have completed the final exhibits to show the future property options around the Airport. A copy was included in the packets and 11 x 17 sizes were available to the Board. Mr. Foster and staff will be able to utilize them to highlight areas of future growth to current and future tenants.

ROUTE 501/MILLPORT ROAD SW CORNER REQUEST FOR PROPOSALS – Mr. Foster reported that two (2) submissions were received, MSC/ALDI & Earl Township Partners. A summary was enclosed for Board review. Board members requested additional information prior to moving forward with either proposal. The decision was tabled for now. The discussion encompassed a variety of topics such as compatibility for the site, compatibility for the area, flexibility of options, traffic issues, number of grocery stores in the area, and ability to maintain tenants. Other development is being approved on nearby property.

SE STORMWATER BASIN PROJECT UPDATE – Mr. Foster reported that four (4) submissions were received for the Request for Qualifications for the NPDES project. The

submissions are currently being reviewed by staff. After the top scorer is selected, then the selected firm will submit a cost estimate to be considered at a future meeting.

STAFF MANAGEMENT REPORTS:

AIRPORT DIRECTOR REPORT – Mr. Foster reported that staff are being work on the upcoming Board retreat. He also reported that he and Ms. Martin met with BOA staff regarding funding and the concerns regarding funding shortages.

FINANCE ADMINISTRATOR REPORT – Ms. Martin reported that aircraft activity was up tremendously again in May at over 84% from May 2022 when people started getting out and year to date above by about 61%, which is reflected in the fuel sales. About 35% of outstanding funds have been since May 31, 2021, with Penn Cinema attributing to about 55% of the outstanding amount due. Mrs. Martin also reported that several completed projects are being closed administratively and the CRRSA grant which provided for additional COVID relieved funds was submitted and approved.

Ms. Gracie Eberly, who is working as a part-time customer service representative is working over the summer in an internship capacity with some funding from AAE and then in the fall as a high school senior, she will also participate in an Internship through her school district, Manheim Central. She is interested in aviation management and is using this time as a way to learn how to run an airport.

FACILITIES ADMINISTRATOR – Mr. Beiler reported that the 4th weekend of the Runway 8-26 Rehabilitation project is wrapping up. Some aircraft have been turned away, however, it is as minimal as possible.

MANAGER, ALLIANCE AVIATION – Ms. Forney participated virtually and reported that the Open House after the meeting. She is holding a week-long Open House for customers and local firms who may be interested in utilizing Alliance Aviation services.

PUBLIC COMMENT

Mr. Cunningham asked if any attendees had any additional comments or questions. No additional comments were received at this time. Mr. Eberly, former Airport Director now retired, reiterated that building a hangar right now is volatile.

DATE FOR NEXT MEETING

The date for the next meeting is scheduled for Monday, July 19, 2021 at 3:30 p.m. in-person and by ZOOM. There being no further business to discuss, motion was duly made by Mr. Stauffer, seconded by Mr. Brown, unanimously approved, and the meeting was adjourned.

Respectfully submitted,

Cheryl Martin
Recording Secretary