

**MINUTES OF**  
**LANCASTER AIRPORT AUTHORITY**

**August 19, 2019**

A meeting of the Lancaster Airport Authority was held in the Lancaster Airport Authority offices on Monday, August 19, 2019. The meeting began at 3:30 p.m. 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 – Excused Absence |

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 Attendees

Ann Roberts, CAAMCO

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 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.

MINUTES OF LAST MEETINGS

Copies of the proposed minutes of the Lancaster Airport Authority Board meeting held on June 17, 2019 were distributed to the Board members. Upon motion duly made, seconded, and unanimously approved, the minutes were approved as submitted by Ms. Moul, seconded by Ms. Lehman, and unanimously approved.

## FINANCIAL REPORT

The financial report for period ending July 31, 2019 was submitted. The following is the report for the referenced period.

| <b>Combined General Fund and Alliance Aviation</b> |                         |                           |
|--|-------------------------|---------------------------|
| <b>Reporting Period</b>                            | <b>Budget</b>           | <b>Actual</b>             |
| July Net Revenue:                                  | \$133,489.92            | \$124,703.81              |
| Year to Date Net Revenue:                          | \$575,397.67            | \$771,797.43              |
| <b>General Fund Report</b>                         |                         |                           |
| <b>Reporting Period</b>                            | <b>Budget</b>           | <b>Actual</b>             |
| July Net Revenue:                                  | \$75,573.32             | \$60,687.80               |
| Year to Date Net Revenue:                          | \$295,363.53            | \$373,550.20              |
| <b>Alliance Aviation Report</b>                    |                         |                           |
| <b>Reporting Period</b>                            | <b>Budget</b>           | <b>Actual</b>             |
| July Net Revenue:                                  | \$57,916.60             | \$64,016.01               |
| Year to Date Net Revenue:                          | \$280,034.14            | \$398,247.23              |
| <b>Cash and Cash Equivalents</b>                   |                         |                           |
| <b>Item</b>  |                         | <b>Current Balance</b>    |
| General Fund Checking Account:                     |                         | \$16,584.22               |
| General Fund Liquid Reserves:                      |                         | \$113,431.30              |
| Certificate of Deposit:                            |                         | \$3,657,000.00            |
| PLGIT Cash Account:                                |                         | \$5,202.13                |
| PLGIT Prime Investment Account                     |                         | \$311,479.42              |
| PLGIT Term Account                                 |                         | \$1,500,000.00            |
| General Fund Accounts Receivable:                  |                         | \$85,582.61               |
| General Fund Accounts Payable:                     |                         | <b>\$12,150.50</b>        |
| Alliance Aviation Checking/Cash on Hand:           |                         | \$46,421.44               |
| Alliance Aviation Accounts Receivable:             |                         | \$52,210.92               |
| Alliance Aviation Accounts Payable:                |                         | <b>(\$88,067.98)</b>      |
| <b>Total Cash and Cash Equivalents:</b>            |                         | <b>\$5,711,994.56</b>     |
| <b>Grant-Funded Project Construction Report</b>    |                         |                           |
| Balance @ June 30, 2019                            |                         | \$568.60                  |
| Grant Receipts:                                    |                         | \$163,641.04              |
| Line of Credit Drawdowns:                          |                         | \$0.00                    |
| Total Cash Disbursements:                          |                         | <b>(\$163,641.04)</b>     |
| <b>Balance @ July 31, 2019</b>                     |                         | <b>\$568.60</b>           |
| <b>Passenger Facility Charge Account</b>           |                         |                           |
| <b>Balance @ July 31, 2019</b>                     |                         | \$5,217.19                |
| <b>\$ 1 Million Line of Credit Report</b>          |                         |                           |
| <b>Item</b>  | <b>Rate of 4.70175%</b> | <b>Available Balance:</b> |
| <b>Balance @ July 31, 2019</b>                     | \$0.00                  | \$1,000,000.00            |

The financial reports for the period ending July 31, 2019 were moved for approval as submitted by Ms. Lehman, seconded by Ms. Moul, and unanimously approved subject to audit.

#### FIRST SIX MONTHS COMPARISON

Ms. Martin presented a report reflecting the first six months comparison to 2018. Notes were included reflecting any items which were a significant difference prior the prior year.

#### PERSONNEL COMMITTEE REPORT

The Personnel Committee met to discuss a proposal from North Group regarding the next steps with the upcoming retirement of the Airport Director and the Chairman. Ms. Moul recapped the meeting ending with a recommendation not to proceed with the North Group at this time. She recommends moving forward with refreshing the strategic plan, utilize networking strategies to locate potential candidate for both positions, and review and update job descriptions. If the current strategies do not work to secure a candidate, then she recommended securing the services of a consultant such as North Group.

#### FAA GRANT AGREEMENT 41-19/RUNWAY 8-26 REHABILITATION, PHASE II

The FAA tendered an offer to fund ninety percent (90%) of allowable project costs for design costs for Runway 8-26 Rehabilitation. The following resolution approves the grant agreement:

**Resolution No. 11 of 2019**  
**Federal Aviation Administration Grant Agreement**  
**AIP Project No. 3-42-0049-041-2019**

**WHEREAS**, the Federal Aviation Administration tendered to the Lancaster Airport Authority, Lancaster, Pennsylvania, a Grant Offer of Eight Hundred Sixty-Five Thousand Eight Hundred Dollars (\$865,800) representing Ninety percent (90.0%) of all allowable project costs of the Rehabilitate Runway 8-26 (Design), Phase II at the Lancaster Airport; and

**WHEREAS**, this Grant must be accepted in the manner provided in the terms and in accordance with the regulations incorporated in the Grant Agreement by reference.

**NOW THEREFORE BE IT RESOLVED** that the Lancaster Airport Authority does hereby accept the above-referenced Grant Offer No. 3-42-0049-041-2019 in the amount of Eight Hundred Sixty-Five Thousand Eight Hundred Dollars (\$865,800) to be used for the project at the Lancaster Airport; and

**ALSO BE IT RESOLVED** that the Chairman of the Authority is hereby authorized to act as agent for the Lancaster Airport Authority to execute any and all necessary documents related to the aforementioned Grant Agreement; and

**ALSO BE IT RESOLVED** that the authorization of David F. Eberly, Jr., Airport Director, to act as agent to execute any and all other necessary documents including the grant application relating to the aforementioned Grant Offer, is hereby approved.

Upon motion duly made, seconded, and unanimously agreed, the resolution was adopted and the grant agreement was approved. Signatures will be affixed to fully execute the document and returned to the FAA to be processed. A request for matching funds from the Bureau of Aviation will be forwarded upon full approval of the grant agreement by the FAA.

#### DELTA AIRPORT CONSULTANTS, INC. TASK ORDER NO. TWO (2) AGREEMENT

Delta Airport Consultants have provided an agreement to design the first construction phase for the Runway 8-26 Rehabilitation, which will be partially funded by the FAA grant 041-2019. The following resolution approves the agreement:

**Resolution No. 12 of 2019**  
**Delta Airport Consultants, Inc. Engineering Task Order Two (2)**  
**Rehabilitate Runway 8/26 (Design), Phase II**

**WHEREAS**, the Lancaster Airport Authority desires to proceed with the Rehabilitate Runway 8/26, Phase II project; and

**WHEREAS**, the projects must be designed in accordance with Federal Aviation Administration design standards and requirements; and

**WHEREAS**, Delta Airport Consultants, Inc. has tendered to the Lancaster Airport Authority, Lancaster, Pennsylvania, Engineering Agreement Task Order Two (2) for design services for the Lancaster Airport.

**NOW THEREFORE BE IT RESOLVED** that Lancaster Airport Authority does hereby approve the Delta Airport Consultants, Inc. Task Order No. Two (2) for Rehabilitate Runway 8/26 (Design), Phase II project at 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 agreed, the resolution was adopted and the agreement was approved. The agreement will be fully executed and a Notice To Proceed will be provided to Delta to commence with the project.

## BUS LOT FENCE RECOMMENDATION

The Maintenance Staff have been working with an excavator to expand the current RV Lot section of the Bus/RV Lot parking area on the north side of the field. The final portion of the project is to replace the current fencing with fencing to match the rest of the field. The gate operator also needs to be replaced as it has exceeded its' useful life. The following resolution approves the bid results and to move forward with the project. With the expansion of the lot and the potential new tenants utilizing the space, the costs are anticipated to be recouped in less than a year.

### **Resolution No. 13 of 2019 Bus/RV Lot Fence Replacement**

**WHEREAS**, the Lancaster Airport Authority, Lancaster, Pennsylvania, desires to expand the current Bus/RV lot located on the north side of the Airport and continue to maintain a secure airport facility as well as a secure outside parking storage facility.

**WHEREAS**, the Lancaster Airport Authority requested bids for contractors to install fencing and a new gate operator at the Bus Lot/RV Lot to match the current airport fencing; and

**WHEREAS**, the Lancaster Airport Authority reviewed the bids and recommend awarding the materials for the fence replacement to Fontana Outdoors, LLC the amount of \$26,777.87; and

**WHEREAS** the Lancaster Airport Authority also recommends awarding the installation of the fence replacement to A&A Fencing LLC in the amount of \$15,875.00; and

**WHEREAS**, the Lancaster Airport Authority also recommends purchasing a HySecurity slide-drive gate operator replacement in the estimated amount of \$8,000.00.

**NOW THEREFORE BE IT RESOLVED** that Lancaster Airport Authority does hereby award the materials contract to Fontana Outdoors LLC, the installation contract to A&A Fencing LLC, and approval to purchase a replacement gate operator; 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 fence replacement project, is hereby approved.

Upon motion duly made, seconded, and unanimously approved, the resolution was adopted and the bids were approved. Staff will move forward with completing the project.

## ESSENTIAL AIR SERVICE UPDATE

Mr. Eberly provided an update regarding EAS service at the Lancaster Airport. The current contract expires December 31, 2019. Mr. Eberly has been meeting with key people over the past several months to secure the required local match to continue in the program. To date,

local governmental agencies have declined to participate in the program. The PIT Connect Program will also be impacted. Regional airports within the State though the “Pit connect program” have secured a marketing grant from the PA BOA for marketing of service to Pittsburgh, This grant requires a 30% match and Pittsburgh Airport has agreed to supply that match for the airports within the State. They have marketing programed over the next few months to hopefully increase the ridership into Pittsburgh on Southern Airways.

Mr. Eberly is requesting direction to provide to PIT Connect regarding marketing. Do we pump up marketing just to lose it at the end of year? Mr. Eberly will inquire about the potential impact of cancelling the advertising grant funds. Mr. Cunningham recommended providing more opportunities for the general public to understand what is coming with the pending loss of service – no airlines service as well as a big economic impact to the local community. Currently, the airline maintains a maintenance base in addition to airline service. They have another location that they could potentially move it to, however, it is an extensive process. Without the subsidy, the airline would need to have fees and rents drastically cut in order to possible maintain limited service if at all at Lancaster Airport.

#### AIRPORT DIRECTOR REPORT

Mr. Eberly reported that the Terminal redesign bids were opened on Friday, August 16. As part of the selection process, the length of the project would be considered in addition to the cost. There is a \$1,000 per day penalty if not completed within their scheduled time. There is also a bonus capped at \$30,000 if finished early. The apparent low bidder was Wohlsen Construction. The architect will review the bid results and Staff will begin the application process. The current grant funds available is \$500,000 from PennDOT – BOA for a 50/50 match. The anticipated costs exceed the grants and Staff will be pursuing more matching grants to fund the balance of the project.

#### FINANCE ADMINISTRATOR

Ms. Martin reported that the remaining Receivables are about 45% since the end of the month. Aircraft activity in July decreased in 2019 compared to 2018 and still remains at a lower level compared to year-to-date. Recently an RFP was held for energy supply services for gas and electric. The selected contract was for 24 months and both rates are less than the current rates.

#### FACILITIES ADMINISTRATOR

Mr. Beiler reported that the hangar project is in the final completion stages. . The paving should be completed in the few days. The Maintenance Staff are in high gear to prepare for Community Days.

MANAGER, ALLIANCE AVIATION

Ms. Stauffer reported that Alliance is gearing up for the impending move from the current hangar to the new hangars as soon as the occupancy permits are issued.

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 meeting is scheduled for Monday, September 16, 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