

MINUTES OF
LANCASTER AIRPORT AUTHORITY

June 20, 2016

A meeting of the Lancaster Airport Authority was held in the Lancaster Airport Authority offices on Monday, June 20, 2016. The planning session was held at 3:30 p.m. and the business meeting began at 4:00 p.m. Mr. Russell Howell, Vice-Chairman, presided at the meeting and the following persons attended:

Lancaster Airport Authority

Chairman	Marvin Miller – Excused Absence
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 COMMENT

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

EAS UPDATE

Mr. Eberly reported that on May 20, the Airport Authority was notified that the activity generated by the airline service at Lancaster Airport did not meet the minimum requirements of the EAS program. After reviewing the provided information, it was determined that the numbers the DOT is showing for the activity at Lancaster was correct. With the confirmation of the numbers, the DOT will send a potential termination letter within the next few months. At that time, a waiver request may be submitted. Mr. Eberly has been working with Senator Casey as well by keeping his office up to date on the status of EAS at Lancaster Airport.

FAA LAND CHANGE IN USE REQUEST STATUS

Staff has been working to receive approval to change the use of several areas around the Lancaster Airport, including the Brethren Village land exchange as well as the future Sheetz site. The FAA forwarded approvals for the change in use with several conditions for each, which are able to be accommodated. A formal acceptance of those conditions is available for consideration at the Business meeting.

FLYWAY EXCAVATING LEASE AGREEMENT (MIDDLE MARKER)

There is an area to the west of Route 501 which is surrounded by property owned by Brad and Jill Clubb that was formerly used for a Middle Marker site. The parcel is approximately 45 x 55 square feet. Flyway Excavating, who leases the surrounding property space from the Clubb's, desired to expand their parking lot, which would utilize the Middle Marker parcel. The parcel was submitted to the FAA for approval to change from an aeronautical use to a non-aeronautical use. Counsel has reviewed the draft agreement. The agreement is on the agenda for consideration at the Business meeting.

JIMMY AIR MRO LEASE AGREEMENT

Mr. Eberly reported that the business, Jimmy Air MRO, who started renting the main hangar in January, closed their doors on May 19. He has been in contact with the owners' representative to see how they are going to open their doors again. He is recommending along with Counsel to enforce the default clause relating to the hours of operation. Two former KLNS employees who then worked for Jimmy Air MRO are considering a short-term agreement to keep the doors open and comply with the FBO requirements.

ADJOURNMENT

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

PUBLIC COMMENT

Mr. Howell began the Business meeting and thanked everyone for attending. He introduced members of the Authority and staff and recognized a quorum present. Mr. Howell then requested any public comments from the meeting attendees.

No additional comments were offered. Mr. Howell 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 May 16, 2016. Upon motion duly made, seconded, and unanimously approved, the minutes were approved as submitted.

FINANCIAL REPORT

The financial report for period ending May 31, 2016 was submitted. The following is the submitted report for the referenced period:

<i>Period Ending May 31, 2016</i>		
Combined General Fund and Alliance Aviation		
Reporting Period	Budget	Actual
May Net Revenue:	\$61,147.85	\$120,629.71
Year to Date Net Revenue:	\$203,776.20	\$458,398.65
General Fund Report		
Reporting Period	Budget	Actual
May Net Revenue:	\$21,394.67	\$34,988.60
Year to Date Net Revenue:	\$63,214.22	\$136,380.87
Alliance Aviation Report		
Reporting Period	Budget	Actual
May Net Revenue:	\$39,753.18	\$85,641.11
Year to Date Net Revenue:	\$140,561.98	\$322,017.78
Cash and Cash Equivalents		
Item		Current Balance
General Fund Checking Account:		\$29,133.78
General Fund Liquid Reserves:		\$578,415.06
Certificate of Deposit:		\$2,633,000.00
PLGIT Cash Account:		\$180.53
General Fund Accounts Receivable:		\$58,989.24
General Fund Accounts Payable:		\$30,505.36
Alliance Aviation Checking/Cash on Hand:		\$69,834.16
Alliance Aviation Accounts Receivable:		\$74,221.18
Alliance Aviation Accounts Payable:		(\$55,733.99)
Total Cash and Cash Equivalents:		\$3,418,545.32
Grant-Funded Project Construction Report		
Balance @ April 30, 2016		\$421.56
Grant Receipts:		\$77,282.78
Line of Credit Drawdowns:		\$0.00
Total Cash Disbursements:		(\$77,064.59)

Balance @ May 31, 2016		\$639.75
Passenger Facility Charge Account		
Balance @ May 31, 2016		\$3,125.86
\$ 1 Million Line of Credit Report		
Item	Rate of 4.0%	Available Balance:
Balance @ May 31, 2016	\$0.00	\$1,000,000.00

The financial reports for the period ending May 31, 2016 were approved as submitted subject to audit.

FAA LAND USE CHANGE REQUEST

The Lancaster Airport Authority submitted approval to change several pieces of property from aeronautical use to non-aeronautical use, some permanently and some temporarily. The FAA forwarded approvals along with several conditions depending on the type of use. The following resolution accepts the conditions tied to the change in use.

**Resolution No. 11 of 2016
Federal Aviation Administration
Aeronautical Property Change Request**

WHEREAS, the Lancaster Airport Authority desires to continue to utilize the Airport property to the best of its' ability; and

WHEREAS, the Lancaster Airport Authority submitted a request to change land use for several parcels around the Airport both temporarily and permanently; and

WHEREAS, the Federal Aviation Administration has approved the request with contingencies related to each parcel.

NOW THEREFORE BE IT RESOLVED that Lancaster Airport Authority does hereby accept the contingencies related to the change in use request, both temporarily and permanently; and

ALSO BE IT RESOLVED that any future lease agreements for the identified parcels will contain any required language; 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 change in land use request is hereby approved; and

ALSO BE IT RESOLVED a copy of the change in use approvals are attached hereto and made a part of this Resolution.

Upon motion duly made, seconded, and unanimously approved, the resolution was adopted and the conditions were accepted. Staff will work to comply with all conditions related to each approval.

FLYWAY EXCAVATING LEASE AGREEMENT

Flyway Excavating desires to lease a portion of an area known as the Middle Marker, which has not been utilized for more than 20 years. The following resolution approves the agreement:

**Resolution No. 12 of 2016
Flyway Excavating, Inc. Lease Agreement**

WHEREAS, Flyway Excavating in the Flyway Business Park desires to lease space known as the Middle Marker to expand a parking lot; and

WHEREAS, the Lancaster Airport Authority has provided a lease agreement to lease the space.

NOW THEREFORE BE IT RESOLVED that Lancaster Airport Authority does hereby approve the Lease Agreement with Flyway Excavating; 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 agreement is hereby approved; and

ALSO BE IT RESOLVED a copy of the Agreement is attached hereto and made a part of this Resolution.

Upon motion duly made, seconded, and unanimously approved, the resolution adopted and the agreement was approved. Signatures will be affixed to fully execute the agreement.

AIRPORT DIRECTOR REPORT

Mr. Eberly reported that bids were received for the latest project, Construct TW N, Construction. One bidder, Landis C. Deck, submitted a bid. The price is higher than engineer's estimate. A project application will be submitted to the FAA for approval. Mr. Eberly also requested verbal approval to replace an aging 1995 F150 pickup truck, which was given.

FINANCE ADMINISTRATOR

Ms. Martin reported that over 75% of receivables have been collected since the end of the month. Airport activity is down for the month as well as the year. The airline, however, has been

showing a huge improvement with passenger activity. The DBE plan has been made available to the public for comment. A formal approval to the FAA will be submitted in early July.

FACILITIES ADMINISTRATOR

Mr. Beiler reported that the car wash project is almost complete and anticipated to be in use within 1-2 weeks. The water is not recycled due to the small volume and it is discharged to the sanitary sewer.

MANAGER, ALLIANCE AVIATION

Ms. Stauffer reported that another good month with tweaking the margins. She is currently in the process of looking for a new lineman.

PUBLIC COMMENT

Mr. Howell 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, July 18, 2016 with a planning session scheduled to start at 3:00 p.m. and the business meeting at 4:00 p.m. in the Administrative Office conference room. 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