

MINUTES OF
LANCASTER AIRPORT AUTHORITY

September 18, 2017

A meeting of the Lancaster Airport Authority was held in the Lancaster Airport Authority offices on Monday, September 18, 2017. The planning session was cancelled due to a lack of agenda items and the business meeting began at 4:00 p.m. Mr. James Cunningham, Chairman, presided at the meetings and the following persons attended:

Lancaster Airport Authority

| | |
|---------------------------------|------------------|
| Chairman | James Cunningham |
| Vice-Chairman | Russell Howell |
| Secretary | Matthew Brown |
| Treasurer | Valerie Moul |
| Asst. Secretary/Asst. Treasurer | Amanda Lehman |

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 – Excused Absence

PUBLIC COMMENT

Mr. Cunningham began the Business 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 MEETING

Copies of the proposed minutes of the Lancaster Airport Authority Board meeting held on August 21, 2017. Upon motion duly made, seconded, and unanimously approved, the minutes were approved with minor revisions.

FINANCIAL REPORT

The financial report for period ending August 31, 2017 was submitted. Concerns were noted regarding Southern Airways Express receivables which are being addressed. Community Days expenses have mostly been accounted for with a few stragglers. The event is anticipated to have cost a total of around \$25,000. The following is the submitted report for the referenced period:

| <i>Period Ending August 31, 2017</i> | | |
|--|---------------|------------------------|
| Combined General Fund and Alliance Aviation | | |
| Reporting Period | Budget | Actual |
| August Net Revenue: | \$74,088.13 | \$143,040.66 |
| Year to Date Net Revenue: | \$390,817.00 | \$802,506.01 |
| General Fund Report | | |
| Reporting Period | Budget | Actual |
| August Net Revenue: | \$31,742.73 | \$43,738.20 |
| Year to Date Net Revenue: | \$139,242.88 | \$262,003.22 |
| Alliance Aviation Report | | |
| Reporting Period | Budget | Actual |
| August Net Revenue: | \$42,345.40 | \$99,302.46 |
| Year to Date Net Revenue: | \$251,574.12 | \$540,502.79 |
| Cash and Cash Equivalents | | |
| Item | | Current Balance |
| General Fund Checking Account: | | \$54,730.80 |
| General Fund Liquid Reserves: | | \$270,621.53 |
| Certificate of Deposit: | | \$2,957,000.00 |
| PLGIT Cash Account: | | \$163.79 |
| PLGIT Prime Investment Account | | \$393,019.52 |
| PLGIT Term Account | | \$1,050,000.00 |
| General Fund Accounts Receivable: | | \$84,819.63 |
| General Fund Accounts Payable: | | (\$51,933.37) |
| Alliance Aviation Checking/Cash on Hand: | | \$70,740.21 |
| Alliance Aviation Accounts Receivable: | | \$126,807.34 |
| Alliance Aviation Accounts Payable: | | (\$102,492.40) |
| Total Cash and Cash Equivalents: | | \$4,853,477.05 |
| Grant-Funded Project Construction Report | | |
| Balance @ July 31, 2017 | | \$568.80 |
| Grant Receipts: | | \$407,903.59 |
| Line of Credit Drawdowns: | | \$0.00 |
| Total Cash Disbursements: | | (\$407,903.59) |
| Balance @ August 31, 2017 | | \$568.80 |
| Passenger Facility Charge Account | | |
| Balance @ August 31, 2017 | | \$3,597.48 |

| \$ 1 Million Line of Credit Report | | |
|---|--------------|--------------------|
| Item | Rate of 4.0% | Available Balance: |
| Balance @ August 31, 2017 | \$0.00 | \$1,000,000.00 |

The financial reports for the period ending August 31, 2017 were approved as submitted subject to audit.

DUTCH COUNTRY HELICOPTERS AGREEMENTS

At the August Board meeting, Mr. Eberly had presented amendments assigning the lease and operating agreements to Hi-Tech Helicopters after their purchase of Dutch Country Helicopters. Hi-Tech Helicopters, however, only purchased the name, not the corporation. As a result, the amendment agreements were not able to be executed. Hi-Tech Helicopters still is interested in operating at Lancaster Airport. Mr. Eberly therefore provided new agreements under the same terms and conditions as Dutch Country Helicopters for one (1) year. The following resolution approves the requested items:

Resolution No. 18 of 2017 Hi-Tech Helicopters, Inc. Lease and FBO Agreements

WHEREAS, Hi-Tech Helicopters, Inc. dba Dutch Country Helicopters desires to lease space to store aircraft and operate an aircraft repair station and flight school at the Lancaster Airport; and

WHEREAS, the Lancaster Airport Authority has offered a lease agreement to Hi-Tech Helicopters, Inc. to store aircraft; and

WHEREAS, the Lancaster Airport Authority has also offered a Fixed Base Operating Agreement (FBO) to operate and aircraft repair station and flight school dba Dutch Country Helicopters.

NOW THEREFORE BE IT RESOLVED that Lancaster Airport Authority does hereby approve the lease and operating agreements with Hi-Tech Helicopters, Inc.; 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 agreements is hereby approved; and

ALSO BE IT RESOLVED a copy of the Lease and FBO Agreements are attached hereto and made a part of this Resolution.

Upon motion duly made, seconded, and unanimously agreed, the resolution was adopted and the agreements were approved. After the one (1) year, Mr. Eberly will review the activity and recommend an appropriate adjustment to the lease terms.

AIRPORT DIRECTOR REPORT

Mr. Eberly reported that a land release request has been submitted to the FAA with regards to the Sheetz parcel. They still hope to break ground November 27. The Penn Cinema securities issue has been resolved as well as the TDR have been assigned to the Airport and the project should be able to move forward.

Mr. Eberly also attend a Planning and Zoning meeting regarding the proposed snow removal equipment building. He had requested a variance to exceed the 10' accessory use to 30' and it was approved.

FINANCE ADMINISTRATOR

Ms. Martin reported that Receivables have been reduced by about 65% since last month. Aircraft activity has continued to surpass 2016 levels year to date with August 2017 having 23% more activity over August 2016. Community Days helped to increase that number. Fall fly-ins resume again October 7 for the next 8 months.

Community Days was a great success with over 16,000 people attending over the two (2) days. The weather certainly helped and the attendees expressed appreciation to the many staff and volunteers that they interacted with. The event will end up with about \$25,000 in expenses to the Airport Authority.

FACILITIES ADMINISTRATOR

Mr. Beiler reported that he has received positive feedback for the Request for Qualifications for the Marvin Miller Memorial. The due date is early November. Taxiway November project is nearing completion with just final items remaining.

MANAGER, ALLIANCE AVIATION

Ms. Stauffer reported through Ms. Martin that recent hurricanes and flooding dramatically increased fuel costs recently but it is expected to drop back in the coming weeks. August was definitely a profitable month for Alliance with a 9% increase over August 2016. Items impacting Alliance from Community Days were a significant sales for fuel to participants, including event paid as well as at full retail. Hangar space was provided to four (4) aircraft during the event.

PUBLIC COMMENT

Mr. Cunningham asked if any attendees had any additional comments or questions. Mr. Brown requested that Staff look into an alternative location for smokers rather than at the entrance to the Terminal facility. No additional comments were received at this time.

DATE FOR NEXT MEETING

The date for the next meeting is scheduled for Monday, October 16, 2017 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