

MINUTES OF
LANCASTER AIRPORT AUTHORITY

February 19, 2018

A meeting of the Lancaster Airport Authority was held in the Lancaster Airport Authority offices on Monday, February 19, 2018. The planning session was held at 3:30 p.m. 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	Valerie Moul
Secretary	Matthew Brown
Treasurer	Amanda Lehman – Excused Absence
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

Brad Witmer
Mark Cestari – Southern Airways Express

PUBLIC COMMENT

Mr. Cunningham began the Planning 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.

PROPOSED RUSSELL S. HOWELL PLAQUE

A draft plaque was provided to the Board for review and approval to present to Mr. Howell at a reception to be scheduled in April or May. Mr. Eberly will reach out to Mr. Howell to confirm

a date. Staff is proposing to present it to Mr. Howell for his long-standing service at a Board meeting and then have a reception immediately after the presentation.

RETIREMENT PLAN

Mr. Eberly has been working with Fulton Bank and PA Retirement Solutions regarding changing the current employee retirement plan. As part of the change, new plan documents must be drawn up, which is why PA Retirement Solutions would be engaged. They would create and maintain the plan documents, however, Fulton Bank would still continue to provide the investment services. Mr. Eberly has proposed to change the plan to allow employees to contribute to a 401(k) similar plan. He will be meeting with employees to discuss the pending change this week. A draft resolution is provided for consideration at the Business meeting.

MINIMUM STANDARDS AMENDMENT

A change has been submitted for approval to the Minimum Standards regarding a fuel pricing structure. After some discussion, the approval will be considered at a future meeting due to some changes to be made to the document.

VENTURE JETS LEASE AGREEMENT

Mr. Eberly has been working with Mr. Miasnikowicz from Venture Jets to finalize his lease and operating agreement for the facility located on the northwest corner of the airport. A draft resolution is available for consideration at the Business meeting.

FARMLAND BID RESULTS

A farmland bid was held for six parcels located around the Airport property. Thirteen submissions were received for the parcels.

Two bidders were the high bidders for the six various parcels. Chris High of Ephrata was high bidder for the parcel near the ATCT. Martin Farms was high bidder for the remainder of the parcels which include parcels across Route 501 around the Thomas property and by Penn Cinema. A draft resolution is available for consideration at the Business meeting.

NW CORNER RFP UPDATE

A RFP has been advertised for the NW corner of Lancaster Airport property located at Route 501 and Millport Road. A pre-submission meeting has been scheduled for Tuesday, February 27 at 9 am with all proposals due by Monday, March 12, 2018.

SOUTHERN AIRWAYS EXPRESS

Mark Cestari of Southern Airways Express presented a yearend report for 2017 and shared upcoming news regarding commercial service with Southern at Lancaster as well as throughout their network. They are in their 5th year of service including the first 3 years with Sun Air who sold the airline to Southern. In 2017, the total passenger volume was the best to date since starting service which reflected the change to add flights to Pittsburgh.

In 2018, Southern Airways is working with BWI to promote the service to BWI from their cities. United Airlines and Jet Blue have been willing to consider interline agreements with hopes to have confirmation in the coming weeks with United. They are looking at various incentives to utilize the airline service such as PIT & PUTT and discounted flights to municipal entities throughout their various cities. LNS is the top city performing for Southern along with Bradford and Johnstown doing great. Altoona is good with Hagerstown and Franklin struggling.

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 January 22, 2018 were distributed to the Board members. Upon motion duly made, seconded, and unanimously approved, the minutes were approved as edited.

FINANCIAL REPORT

The financial report for period ending January 31, 2018, was submitted. The following is the submitted report for the referenced period:

<i>Period Ending January 31, 2018</i>		
Combined General Fund and Alliance Aviation		
Reporting Period	Budget	Actual
January Net Revenue:	\$31,964.98	\$55,978.20
Year to Date Net Revenue:	\$31,964.98	\$55,978.20
General Fund Report		
Reporting Period	Budget	Actual
January Net Revenue:	\$3,515.92	\$6,429.97

Year to Date Net Revenue:	\$3,515.92	\$6,429.97
Alliance Aviation Report		
Reporting Period	Budget	Actual
January Net Revenue:	\$28,449.06	\$49,548.23
Year to Date Net Revenue:	\$28,449.06	\$49,548.23
Cash and Cash Equivalents		
Item		Current Balance
General Fund Checking Account:		\$12,291.56
General Fund Liquid Reserves:		\$152,511.60
Certificate of Deposit:		\$2,947,000.00
PLGIT Cash Account:		\$77.65
PLGIT Prime Investment Account		\$474,121.55
PLGIT Term Account		\$1,500,000.00
General Fund Accounts Receivable:		\$49,130.52
General Fund Accounts Payable:		(\$34,477.01)
Alliance Aviation Checking/Cash on Hand:		\$40,341.45
Alliance Aviation Accounts Receivable:		\$80,395.13
Alliance Aviation Accounts Payable:		(\$49,441.21)
Total Cash and Cash Equivalents:		\$5,171,951.24
Grant-Funded Project Construction Report		
Balance @ December 31, 2017		\$568.60
Grant Receipts:		\$9,340.13
Line of Credit Drawdowns:		\$0.00
Total Cash Disbursements:		(\$9,340.13)
Balance @ January 31, 2018		\$568.60
Passenger Facility Charge Account		
Balance @ January 31, 2018		\$498.18
\$ 1 Million Line of Credit Report		
Item	Rate of 4.0%	Available Balance:
Balance @ January 31, 2018	\$0.00	\$1,000,000.00

The financial reports for the period ending January 31, 2018 were approved as submitted subject to audit.

PA RETIREMENT SOLUTIONS

PA Retirement Solutions has been engaged to write plan documents for the Lancaster Airport Authority employee retirement plan. An agreement has been prepared to create and maintain the plan documents. The following resolution approves the agreement:

Resolution No. 3 of 2018
Lancaster Airport Authority Profit Sharing Plan
Plan Documents

WHEREAS, the Lancaster Airport Authority has previously adopted a Profit Sharing Plan, hereinafter called the “Plan”, effective as of January 1, 1982; and

WHEREAS, the Lancaster Airport Authority desires to change the plan to permit employees to contribute to a retirement account; and

WHEREAS, the Lancaster Airport Authority is required to maintain plan documents in accordance with all applicable retirement plan laws; and

WHEREAS, the Lancaster Airport Authority desires to engage PA Retirement Solutions, Inc. to create and maintain the Plan Documents.

NOW THEREFORE BE IT RESOLVED, that the Lancaster Airport Authority approves engaging PA Retirement Solutions to create and maintain the required plan documents;

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 retirement plan is hereby approved.

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

VENTURE JETS AGREEMENTS

The current lease agreement with Venture Jets has expired and Mr. Eberly has been working with the owner to finalize a new agreement along with a corresponding Fixed Base Operating Agreement. The following resolution approves the agreements:

Resolution No. 4 of 2018 Venture Jets, Inc. Lease and Operating Agreements

WHEREAS, Venture Jets, Inc. desires to operate a Fixed Base Operation to perform charter services and rent hangar space at the Lancaster Airport; and

WHEREAS, the Lancaster Airport Authority has offered to Venture Jets, Inc. a Lease and Fixed Base Operation Concession Agreements for premises and at the Lancaster Airport.

NOW THEREFORE BE IT RESOLVED that the Lancaster Airport Authority does hereby approve the Lease and Fixed Base Operation Concession Agreements for Venture Jets, Inc. for premises at the Lancaster Airport; and

ALSO BE IT RESOLVED that the authorization of David F. Eberly, Jr., Airport Director, to act as agents to execute any and all necessary documents relating to the aforementioned Lease and Operation Agreements is hereby approved; and

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

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

FARMLAND BID RESULTS

Several outlying parcels are rented by local farmers and a bid opportunity was held for six (6) parcels. Two bidders were the highest, Chris High of Ephrata for one (1) parcel and Martin Farms of Ephrata for five (5) parcels. The following resolution approves the bid results.

Resolution No. 5 of 2018 Farmland Bid Results

WHEREAS, the Lancaster Airport Authority, Lancaster, Pennsylvania, requested bids for six (6) farmland tracts located on the Lancaster Airport; and

WHEREAS, the Airport Authority held a bid opening resulting in two (2) successful bidders, Chris High for one (1) of the six (6) tracts, and Martin Farms for five (5) of the six (6) tracts.

NOW THEREFORE BE IT RESOLVED that Lancaster Airport Authority does hereby accept Chris High and Martin Farms as the successful bidders to rent six (6) tracts for farmland use; 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 farmland leases, is hereby approved; and

ALSO BE IT RESOLVED that a copy of the Bid Results are attached hereto and made a part of this Resolution.

Upon motion duly made, seconded, and unanimously approved, the resolution was adopted and the bid results were approved. Lease agreements will be forwarded to the high bidders to be executed.

AIRPORT DIRECTOR REPORT

Mr. Eberly reported that the documents for the Privilege Aero LLC aircraft appear to finally be approved by all parties and anticipate closing that matter in the next few weeks. The other aircraft owned by Privilege Aero Holdings does not have any liens and Mr. Russell is looking into how to proceed forward with the aircraft. The Sheetz project continues and appears to be on schedule to be opening in May.

FINANCE ADMINISTRATOR

Ms. Martin reported that receivables are at about 50% since the end of the month. Aircraft activity started off strong compared to 2017. The last Fly-In was held on February 3 with about 118 attendees. The next one is scheduled for March 3.

FACILITIES ADMINISTRATOR

Mr. Beiler reported that the Maintenance Staff are looking to replace a make-shift weed sprayer with new equipment. The memorial is about a three month design process and the artist has not provided a picture yet. The snowstorm on Saturday had mostly melted by Sunday morning so it was not a prolonged event.

MANAGER, ALLIANCE AVIATION

Ms. Stauffer reported that several unusual aircraft have been at Alliance in the last month including Cessna 340-like aircraft. Alliance staff is starting to work on the logistics of moving from their current facility to the Terminal.

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, March 19, 2018 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