

MINUTES OF
LANCASTER AIRPORT AUTHORITY

November 18, 2019

A meeting of the Lancaster Airport Authority was held in the Lancaster Airport Authority offices on Monday, November 18, 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

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

Counsel – Craig V. Russell, Esquire of Russell, Krafft & Gruber, LLP

Others

Pepper Broad – Civil Air Patrol
Tom Waltz – Civil Air Patrol
Glenn Knight – Civil Air Patrol
Mark Cestari – Southern Airways Express

Lancaster Airport Authority Staff

David Eberly – Airport Director
Cheryl Martin – Finance Administrator
Austin Beiler – Facilities Administrator
Mary Stauffer – Manager, Alliance Aviation

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 announced that on Thursday, November 14th, four members of the Board met with representatives of Southern Airways for the purpose of receiving a presentation concerning the commercial air service program at the Airport. The meeting was held for informational purposes only so that the Board members could receive information from Southern Airways about their proposal. No deliberations, decisions, votes or other discussions took place about the substance of that presentation during or following that meeting. The Board will discuss that proposal and the substance of it at today's public meeting.

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 October 21, 2019 were distributed to the Board members. Upon motion duly made, seconded, and unanimously approved, the minutes were approved as amended by Mr. Brown, seconded by Ms. Moul, and unanimously approved.

FINANCE COMMITTEE:

FINANCIAL REPORT – The financial report for period ending October 31, 2019 was submitted. Ms. Lehman reviewed the reports and noted that the financial status is following as anticipated. The accounts that are not performing as anticipated are as a result of the hangar and terminal projects taking longer than originally planned to be completed and available for occupancy. The following is the report for the referenced period.

<i>Period Ending October 31, 2019</i>		
Combined General Fund and Alliance Aviation		
Reporting Period	Budget	Actual
October Net Revenue:	\$63,675.16	\$52,659.53
Year to Date Net Revenue:	\$848,589.90	\$1,163,413.58
General Fund Report		
Reporting Period	Budget	Actual
October Net Revenue:	\$17,471.22	\$4,054.83
Year to Date Net Revenue:	\$425,282.47	\$576,138.77
Alliance Aviation Report		
Reporting Period	Budget	Actual
October Net Revenue:	\$46,203.94	\$48,604.70
Year to Date Net Revenue:	\$423,307.43	\$587,274.81
Cash and Cash Equivalents		
Item		Current Balance
General Fund Checking Account:		\$19,853.54
General Fund Liquid Reserves:		\$262,144.62
Certificate of Deposit:		\$2,918,000.00
PLGIT Cash Account:		\$0.30
PLGIT Prime Investment Account		\$180,661.04
PLGIT Term Account		\$2,600,000.00
General Fund Accounts Receivable:		\$97,871.05
General Fund Accounts Payable:		(\$31,939.41)

Alliance Aviation Checking/Cash on Hand:		\$47,619.01
Alliance Aviation Accounts Receivable:		\$51,037.77
Alliance Aviation Accounts Payable:		(\$78,843.75)
Total Cash and Cash Equivalents:		\$6,066,404.17
Grant-Funded Project Construction Report		
Balance @ September 30, 2019		\$568.60
Grant Receipts:		\$11,793.43
Line of Credit Drawdowns:		\$0.00
Total Cash Disbursements:		(\$11,793.43)
Balance @ October 31, 2019		\$568.60
Passenger Facility Charge Account		
Balance @ October 31, 2019		\$2,947.23
\$ 1 Million Line of Credit Report		
Item	Rate of 4.34588%	Available Balance:
Balance @ October 31, 2019		\$1,000,000.00

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

FISCAL YEAR 2020 PROPOSED BUDGET – no changes made to the proposed budget since it was released at the October 2019 Board Meeting. Since there have not been any changes, the draft budget is available for public review and comment prior to the December 2019 Board meeting.

PERSONNEL COMMITTEE REPORT:

HEALTH INSURANCE INFORMATION REQUEST – At the October Board meeting, additional information was requested about how the health insurance premium is created. Ms. Martin provided information from Benecon to show the different categories such as administrative costs, claim fund costs, stop loss coverage. The information was reviewed and during the discussion, the Board requested that staff look at other avenues prior to the next renewal to ensure that due diligence is being met.

PERSONNEL COMMITTEE MEETING REPORT – The Personnel Committee met and reviewed the status and reported that they are on track. They have reached out to other organizations for recommendations and will consider hiring a consultant if necessary.

FACILITIES COMMITTEE:

TERMINAL PROJECT – the contractor is on site. The grant agreement has been submitted and is being processed. The project is anticipated to last approximately 258 days. PennDOT – Bureau of Aviation has reviewed the funding and are willing to invest additional funds to match the project costs at 50% in a future grant agreement.

L. R. KIMBALL ENGINEERING AGREEMENT – L. R. Kimball has been selected and has submitted a price proposal which is currently being reviewed. Once the agreement has been reviewed and is approved, the engineer will be able to commence with the design. The following resolution will approve the resolution pending final approvals.

Resolution No. 17 of 2019
L. R. Kimball Engineering Agreement
Corporate Hangar w/Offices Project, Site and Design

WHEREAS, the Lancaster Airport Authority desires to proceed with the Corporate Hangar w/Offices project; and

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

WHEREAS, L. R. Kimball has tendered to the Lancaster Airport Authority, Lancaster, Pennsylvania, Engineering Agreement for design and construction phase services for the Lancaster Airport.

NOW THEREFORE BE IT RESOLVED that Lancaster Airport Authority does hereby approve the engineering agreement for the Corporate Hangar w/Offices, Site and Design, project at the Lancaster Airport pending PennDOT – Bureau of Aviation and Counsel review and approval; 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 by Mr. Brown, seconded by Ms. Moul, and unanimously approved, the resolution was adopted and the agreement was approved pending final approvals. L. R. Kimball will be notified to proceed upon receiving the approvals.

ESSENTIAL AIR SERVICE UPDATE – Mark Cestari from Southern Airways Express was available to answer any further questions from the meeting the prior Thursday with Stan Little. No additional information has come forth since last week. Mr. Cestari has provided contact information with an attorney who specializes in airline funding. Southern Airways Express is recommending changing cities from Hagerstown, MD to Philadelphia, PA. Mr. Russell is awaiting a phone call from the attorney. The Board was advised that a special meeting may be called if a decision must be made before the next regularly scheduled meeting.

Mr. Cestari reported that the DOT is receiving pressure from the other communities linked to Lancaster Airport if the Lancaster service is not maintained. Southern is looking at a February/March time frame to change cities if that is the direction the airline moves. Southern feels it will be a much more advantageous route as more cities and connections will be available for passengers from Philadelphia rather than Baltimore.

STAFF MANAGEMENT REPORTS:

AIRPORT DIRECTOR REPORT – Mr. Eberly reported that the Bureau of Aviation for PennDOT utilized the Authority conference room to meet with other airports for annual planning sessions. Mr. Eberly was able to show the attending BOA staff the current and future projects planned for the Lancaster Airport. The Terminal project is finally underway. Once a decision is made regarding airline service, then the remaining space will be looked at to see how to configure it the most advantageously for future use. Boscovs' is slated for 2 flights in 2020. The Lancaster Airport will not be required to remain a Part 139 airport which has high standards so that will be a consideration in the future as well.

FINANCE ADMINISTRATOR REPORT – Ms. Martin reported that the remaining Receivables are about 43% since the end of the month. Aircraft activity in October decreased in 2019 compared to 2018 and activity still remains at a lower level compared to year-to-date. Ms. Huber reported that the November 2 Fly-In had about 125 attendees with about 30 aircraft on the ramp. It was a very popular meeting. The annual Tenant Christmas luncheon will be held Tuesday, December 17 from 11:30 – 1:00 and will be highlighted with a cookie bakeoff.

FACILITIES ADMINISTRATOR – Mr. Beiler invited anyone who would like to check out the Terminal project to let him know. The contractor required a quick information session but it doesn't take long. Two other projects have started at the same time – the fence installation and a permanent bathroom at the end of Hangar 4..

MANAGER, ALLIANCE AVIATION – Ms. Stauffer reported that she is focusing on team dynamics.

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, December 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. Brown, unanimously approved, and the meeting was adjourned.

Respectfully submitted,

Cheryl Martin
Recording Secretary