

MINUTES OF
LANCASTER AIRPORT AUTHORITY

June 20, 2022

A meeting of the Lancaster Airport Authority was held in-person and remotely using ZOOM on Monday, June 20, 2022. The meeting began at 3:30 p.m. Mr. James Cunningham, Chair, 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 – Aaron Zeamer, Esquire of Russell, Krafft & Gruber, LLP

Lancaster Airport Authority Staff

Ed Foster – Airport Director
Cheryl Martin – Finance Administrator
Austin Beiler – Facilities Administrator
Mary Forney – Manager, Alliance Aviation
Tracy Barley – Aviation Marketing & Communications Coordinator

VISITORS

Glenn Knight – Civil Air Patrol
Glen Baugher – Civil Air Patrol
Jen Snyder – Smoketown Helicopters – Virtual
Brad Witmer

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 asked for any public comments from the meeting attendees. No comments were offered at this time. He 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 May 16, 2022 were distributed to the Board members. Upon motion duly made by Ms. Moul, seconded by Mr. Stauffer, and unanimously agreed, the minutes were approved as amended regarding approval of the Terracon cemetery delineation agreement. The original approved agreement was amended to reflect a better method which changed the price of the contract.

FINANCE COMMITTEE:

FINANCIAL REPORT – Ms. Martin reviewed the financial report for period ending May 31, 2022. Another great month for both accounts. Commissions remain strong which helped to offset the drop in cleanfill revenue. Interest rates are climbing and staff are taking advantage as much as possible. Alliance activity was still high in spite of drastically increasing fuel prices. The following table is the report for the referenced period.

Combined General Fund and Alliance Aviation		
Reporting Period	Budget	Actual
May Net Revenue:	\$133,477.24	\$204,997.48
Year to Date Net Revenue:	\$441,417.99	\$840,667.17
General Fund Report		
Reporting Period	Budget	Actual
May Net Revenue:	\$85,264.48	\$99,521.67
Year to Date Net Revenue:	\$296,550.06	\$389,280.44
Alliance Aviation Report		
Reporting Period	Budget	Actual
May Net Revenue:	\$48,212.76	\$105,475.81
Year to Date Net Revenue:	\$144,867.93	\$451,386.73
Cash and Cash Equivalents		
Item		Current Balance
General Fund Checking Account:		\$56,664.51
General Fund Liquid Reserves:		\$43,928.59
Certificate of Deposit:		\$992,000.00
PLGIT Cash Account:		\$19.87
PLGIT Prime Investment Account		\$18,736.39
PLGIT Term Account		\$5,450,000.00
General Fund Accounts Receivable:		\$79,073.12
General Fund Accounts Payable:		(\$8,272.82)
Alliance Aviation Checking/Cash on Hand:		\$211,259.11
Alliance Aviation Accounts Receivable:		\$96,408.46

Alliance Aviation Accounts Payable:		(\$228,883.84)
Total Cash and Cash Equivalents:		\$6,710,933.39
Grant-Funded Project Construction Report		
Balance @ April 30, 2022		\$51,320.09
Grant Receipts/Transfers:		\$1,700,261.48
Line of Credit Drawdowns:		\$0.00
Total Cash Disbursements:		(\$1,750,020.27)
Balance @ May 31, 2022		\$1,561.30
Passenger Facility Charge Account		
Balance @ May 31, 2022		\$2,869.68
\$ 1 Million Line of Credit Report		
Item	Rate of 4.0000%	Available Balance:
Balance @ May 31, 2022		\$1,000,000.00

The financial reports were moved for approval as submitted by Ms. Moul, seconded by Mr. Brown, and unanimously approved subject to audit.

PERSONNEL COMMITTEE REPORT:

Ms. Moul requested that the Board hold an executive session at the end of the meeting to discuss several personnel matters.

FACILITIES COMMITTEE:

AMERICAN AIRLINES BUS SERVICE – LNS TO PHL: Mr. Foster reported that a draft lease agreement has been presented to American Airlines. Counsel and our Insurance Broker have also reviewed it and have a few changes to incorporate into the final document. The approximate income from this service is approximately \$8,000 - \$11,000 per month. Vehicle parking for the service will definitely increase and Delta Airport Consultants have worked up a plan to add about 100 more spaces by adding onto existing rows and adding another row since it was originally designed with an extra lane at the bottom of the parking lot.

VENTURE JETS LEASE AGREEMENT UPDATE – Venture Jets still has the lease agreement. Currently they are waiting until a property description can be written. Once that is finalized, then the actual space and rental rate can be calculated.

SOUTHERN AIRWAYS EXPRESS – Mr. Foster reported that Southern has merged with Surf Air which will be completed in the next several months. Meanwhile, Lancaster Airport is the busiest station of their cities. They are also looking to add 100 new caravans to their entire fleet.

FAA GRANT AGREEMENT 48-2022 – Ms. Martin reported that the FAA has released the funds for the 2022 AIP project. The funds are from separate sources and different funding percentages so they required two (2) grant agreements. The first grant agreement is for \$150,000 which provides for allowable costs at 90% Federal, 5% PennDOT – BOA, and 5% local share which is anticipated to be submitted for an upcoming PFC application for reimbursement. The following resolution accepts the grant agreement:

Resolution No. 17 of 2022
Federal Aviation Administration Grant Agreement
AIP Project No. 3-42-0049-048-2022

WHEREAS, the Federal Aviation Administration tendered to the Lancaster Airport Authority, Lancaster, Pennsylvania, a Grant Offer of One Hundred Fifty Dollars (\$150,000) representing Ninety percent (90.0%) of all allowable project costs of the Rehabilitate Runway 8-26 (Construct), Phase VI 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. 3-42-0049-044-2021 to be used for the Rehabilitate Runway 8-26 (Construction), Phase VI project at the Lancaster Airport; and

ALSO BE IT RESOLVED that the Chair, Vice-Chair, or Airport Director of the Authority are 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 William E. Foster, 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 by Mr. Brown, seconded by Ms. Moul, and unanimously approved, the resolution was adopted and the grant agreement was accepted.

FAA GRANT AGREEMENT 49-2022 – Ms. Martin reported that the balance of the 2022 FAA project was released and is funded with supplemental funds from 2021. The funds will be provided at 100% so it requires no local share. The project will provide for Phase III of the construction portion of the entire project. The following resolution accepts the grant agreement:

Resolution No. 18 of 2022
Federal Aviation Administration Grant Agreement
AIP Project No. 3-42-0049-049-2022

WHEREAS, the Federal Aviation Administration tendered to the Lancaster Airport Authority, Lancaster, Pennsylvania, a Grant Offer of Three Million Eight Hundred Twenty-Seven Thousand Four Hundred and Seventeen Dollars (\$3,827,417) representing One Hundred Percent (100.0%) of all allowable project costs of the Rehabilitate Runway 8-26 (Construct), Phase VII 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. 3-42-0049-049-2022 to be used for the Rehabilitate Runway 8-26 (Construction), Phase VII project at the Lancaster Airport; and

ALSO BE IT RESOLVED that the Chair, Vice-Chair, or Airport Director of the Authority are 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 William E. Foster, 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 by Mr. Brown, seconded by Ms. Lehman, unanimously approved, the resolution was adopted and the agreement was approved.

RUNWAY 8-26 REHABILITATION, PHASE III BID RESULTS – Ms. Martin reported that with the release and acceptance of the Federal Grants 48 and 49, the Board is able to move forward with the bid results. Two companies submitted bids for the project and Allan Myers, who was the bidder on Phase II of the construction portion, was the lower bidder. The following resolution accepts their submission.

Resolution No. 19 of 2022
Runway 8-26 Rehabilitation, Phase V Construction Bid Results

WHEREAS, the Lancaster Airport Authority held a bid opening for work to be performed for the Runway 8-26 Rehabilitation, Phase VII (Construction Phase III – Alternate #3) Project at the Lancaster Airport, Lancaster, Pennsylvania; and,

WHEREAS, the Lancaster Airport Authority has reviewed the bid results and concur that Allan Myers is the apparent low bidder in the amount of \$3,432,333.50 for the construction phase of the Runway 8-26 Phase VI & VII project.

NOW THEREFORE BE IT RESOLVED that the Lancaster Airport Authority does hereby accept Allan Myers as the low bidder for the Runway 8-26 Rehabilitation, Phase VII project at the Lancaster Airport; and

AND ALSO BE IT RESOLVED that the authorization of the William E. Foster, Airport Director, to act as agent to execute any and all necessary documents relating to the aforementioned bid results, is hereby approved.

Upon motion duly made by Mr. Brown, seconded by Ms. Lehman, the bid results were accepted and the resolution was approved. Contracts will be forwarded for signatures.

DELTA AIRPORT CONSULTANTS TASK ORDER NO 08 – Ms. Martin reported that for the FAA grant 48-22, Delta Airport Consultants has provided a Task Order to prepare design and bid documents for the next construction phase of the project. The following resolution approves the agreement:

Resolution No. 20 of 2022
Delta Airport Consultants, Inc. Engineering Task Order Eight (8)
Rehabilitate Runway 8/26 Phase VII, Construction – Phase III

WHEREAS, the Lancaster Airport Authority desires to proceed with the Rehabilitate Runway 8-26, Phase VII (Construction Administration) project; and

WHEREAS, the projects must be designed and constructed 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 Eight (8) for construction administration services for the project in the amount of \$515,000 at the Lancaster Airport.

NOW THEREFORE BE IT RESOLVED that Lancaster Airport Authority does hereby approve the Delta Airport Consultants, Inc. Task Order No. Eight (8) for Rehabilitate Runway 8-26, Phase VII project for construction administration services at the Lancaster Airport; and

ALSO BE IT RESOLVED that the authorization William E. Foster, 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, unanimously approved, the resolution was adopted and the agreement was approved.

DELTA AIRPORT CONSULTANTS TASK ORDER NO 09 – Ms. Martin reported that for the FAA grant 49-22, Delta Airport Consultants has provided a Task Order to provide construction administration services for the construction phase of the project. The following resolution approves the agreement:

Resolution No. 21 of 2022
Delta Airport Consultants, Inc. Engineering Task Order Nine (9)
Rehabilitate Runway 8/26 Phase VI (PH IV Construction Documents/Bidding)

WHEREAS, the Lancaster Airport Authority desires to proceed with the Rehabilitate Runway 8-26, Phase VI (Construction Documents/Bidding) project; and

WHEREAS, the projects must be designed and constructed 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 Nine (9) for construction documents/bidding services for the project in the amount of \$280,000 at the Lancaster Airport.

NOW THEREFORE BE IT RESOLVED that Lancaster Airport Authority does hereby approve the Delta Airport Consultants, Inc. Task Order No. Nine (9) for Rehabilitate Runway 8-26, Phase VI project for construction phase IV design and bidding services at the Lancaster Airport; and

ALSO BE IT RESOLVED that the authorization William E. Foster, 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 Mr. Stauffer, unanimously approved, the resolution was adopted and the agreement was approved.

DELTA AIRPORT CONSULTANTS TASK ORDER NO. 10 – Ms. Martin reported that Delta Airport Consultants has provided a Task Order to perform and coordinate a Charrette of the Terminal Building. With upcoming service through American Airlines and desiring to be prepared for potential demand as reflected by recent air service studies, Mr. Foster is requesting Delta to help provide recommendations on how to adjust space or enlarge or relocate Terminal services. This is a fact-finding mission and is eligible as a feasibility study for a future grant application. The following resolution adopts the resolution and approves the agreement:

Resolution No. 22 of 2022
Delta Airport Consultants, Inc. Engineering Task Order Ten (10)
Terminal Expansion Design Charrette

WHEREAS, the Lancaster Airport Authority desires to perform a conceptual design Charrette for the Terminal Building to assess potential growth options to accommodate future activity; and

WHEREAS, the Lancaster Airport Authority desires to proceed with the Terminal Expansion Design Charrette project; and

WHEREAS, the project must be designed and construction 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 Ten (10) for conceptual design services for the project in the amount of \$40,000 at the Lancaster Airport.

NOW THEREFORE BE IT RESOLVED that Lancaster Airport Authority does hereby approve the Delta Airport Consultants, Inc. Task Order No. Ten (10) for Conceptual Design Charrette project at the Lancaster Airport; and

ALSO BE IT RESOLVED that the authorization William E. Foster, 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.

NON-AERONAUTICAL PROPERTY COMMITTEE:

ALDI LEASE AGREEMENT UPDATE: Staff and Counsel have completed a review of the proposed lease agreement from ALDI and feel it is best to meet them regarding their understanding about being on an Airport. They will be requesting a text amendment as a grocery store is not permitted in the I-3 Airport Overlay. This process is very similar to how approval was obtained to permit a convenience store on site.

EARL TOWNSHIP LEASE AGREEMENT UPDATE – Ms. Martin reported that they have set up a meeting to review the project. Counsel has been working with their Counsel to finalize the agreement.

STAFF MANAGEMENT REPORTS:

AIRPORT DIRECTOR REPORT – Mr. Foster reported that he, Mary, and Tracy have met several times with local businesses, viewed their facilities, and discussed how the Airport can work with them. The companies they have met with are very excited about the new bus service and feel it will greatly improve their ability to transport their staff more efficiently as well as handling VIP's.

Southern Airways Express's most recent report is that LNS is leading in load factors with PIT being high and IAD picking up. The Nantucket route is still on the schedule. It started out with seasonal flights and they were extended because they were very popular.

FINANCE ADMINISTRATOR REPORT – Ms. Martin reported that about 77% of outstanding Receivables have been collected since May 31, 2022. Aircraft activity dropped again in May with a slight drop year to date as compared to last year. The annual insurance renewal shows an increase of about \$8,000 overall, however, it is related to adding facilities and vehicles to the overall package. Worker’s Comp policy decreased due to an experience modification rate drop.

FACILITIES ADMINISTRATOR – Mr. Beiler reported that he is working with a company to provide 24/7 data of the number and specific aircraft information for any aircraft that even closely touch the Airport. It will also provide data for the aircraft using the Airport during non-Tower hours which to date has not been available.

The Runway/Taxiway Rehab project is on target at day 15 of 28-day closure. They are targeting July 3 to re-open. Then a 30-day cure before they come back to groove and mark. They have encountered some rock but it is far enough off the side of the runway it can be re-opened but they can still re-open on time. The Airport benefited from a test strip failure with the western entrance getting an overlay as well as the west hangar street side access road which were on the schedule to be completed later this year. Fortunately the costs for paving these 2 areas were able to be absorbed as part of the project.

The FlyAdvanced hangar is going well with the building on-site. The building should be erected in the next 2 weeks.

MANAGER, ALLIANCE AVIATION – Ms. Forney reported that gallons sold to on-field tenants has increased about 11,000 gallons over last year and Southern has increased about 31,000 over last year. The transient aircraft have increased over 67,000 gallons in the same time period of January – May.

AvFuel reported that this phenomenon is occurring all over the east coast with flights up 16%, the largest increase in a year ever. With changes in the airlines resulting from pilot shortages and cancelled flights, they have turned to other avenues. Fractional ownerships can’t handle the increased usage so they have turned to charter as well to fill the void. Supply is tighter with higher demand as well. Ms. Moul asked about the data collection/marketing goal. Ms. Forney responded that they are working with AvFuel to obtain more information to better accommodate incoming customers with their special needs.

AVIATION MARKETING & COMMUNICATIONS COORDINATOR – Ms. Barley provided a brief report on Community Days. With the addition of 2 larger corporate events, \$74,000 in sponsorship funds has been raised towards the event. The airshow portion will be about 2 to 2 ½ hours. Advertising is getting ramped up. There will be a pre-sale on VIP parking as well as bleachers. Acorn Farms will be providing the food for the Canteen/Volunteer area.

PUBLIC COMMENT

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

EXECUTIVE SESSION

At this time, the Board went into Executive Session to discuss several personnel matters. After a lengthy discussion, the Executive Session adjourned and the meeting resumed.

DATE FOR NEXT MEETING

The date for the next meeting is scheduled for Monday, July 18, 2022 at 3:30 p.m. in-person and by ZOOM. There being no further business to discuss, motion was duly made by Ms. Moul, seconded by Mr. Brown and unanimously approved, the meeting was adjourned.

Respectfully submitted,

Cheryl Martin
Recording Secretary