

MINUTES OF
LANCASTER AIRPORT AUTHORITY

January 23, 2023

A meeting of the Lancaster Airport Authority was held in-person and remotely using ZOOM on Monday, January 23, 2023. The meeting began at 3:30 p.m. Mr. James Cunningham, Chair, presided at the meeting and the following persons attended:

Lancaster Airport Authority

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

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

VISITORS – In-Person

Jen Snyder – Smoketown Helicopters
Ethan Crane – Faith Works Aviation LLC

VISITORS – Virtual

John Beuerle – Lancaster County Emergency Management
John Trestcot – Commissioner, County of Lancaster
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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 then asked for any public comments from the meeting attendees. No additional comments were presented. 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 December 19, 2022 were distributed to the Board members. Upon motion duly made by Mr. Brown, seconded by Ms. Moul, and unanimously agreed, the minutes were approved as submitted.

FINANCE COMMITTEE:

FINANCIAL REPORT – Ms. Martin reviewed the financial report for period ending December 31, 2022. She noted highlights from the financial report which summarized the 2022 financial activity. Overall, the general operating actual activity almost doubled from the budgeted activity with a slight overall increase from 2021 activity as compared to 2022. Several categories include estimates for tenant commission reports which will be updated in the coming days. An updated summary of the 2022 fiscal report will be provided at the next meeting. The annual audit is scheduled for March.

General Fund operating income categories noted were car rental commissions, the American Airlines bus income impact on several accounts, FBO commissions, and interest on investable accounts. The Airport invests in permitted types of financial instruments as outlined in Act 10. In the expense side, Repair & Maintenance were down, however, Community Days and Employee Expense were higher than expected. Alliance had another great year in income categories which resulted in increases in expense categories due to responding to the higher activity such as credit card fees and Personnel costs. The following table is the report for the referenced period.

<i>Period Ending December 31, 2022</i>		
Combined General Fund and Alliance Aviation		
Reporting Period	Budget	Actual
December Net Revenue:	\$26,245.23	\$36,498.30
Year to Date Net Revenue:	\$1,190,304.00	\$1,918,113.26
General Fund Report		
Reporting Period	Budget	Actual
December Net Revenue:	\$6,967.71	(\$15,020.24)
Year to Date Net Revenue:	\$697,303.00	\$950,326.92
Alliance Aviation Report		
Reporting Period	Budget	Actual
December Net Revenue:	\$19,277.52	\$51,518.54
Year to Date Net Revenue:	\$493,001.00	\$967,786.34
Cash and Cash Equivalents		
Item		Current Balance
General Fund Checking Account:		\$545.59

General Fund Liquid Reserves:		\$83,624.53
Certificate of Deposit:		\$0.00
PLGIT Cash Account:		\$106.04
PLGIT Prime Investment Account		\$189,588.06
PLGIT Term Account		\$5,500,000.00
General Fund Accounts Receivable:		\$141,874.48
General Fund Accounts Payable:		(\$30,198.34)
Alliance Aviation Checking/Cash on Hand:		\$63,419.61
Alliance Aviation Accounts Receivable:		\$65,521.30
Alliance Aviation Accounts Payable:		(\$106,679.16)
Total Cash and Cash Equivalents:		\$5,907,802.11
Grant-Funded Project Construction Report		
Balance @ November 30, 2022		\$668.59
Grant Receipts/Transfers:		\$1,386,801.59
Line of Credit Drawdowns:		\$0.00
Total Cash Disbursements:		(\$1,386,765.59)
Balance @ December 31, 2022		\$704.59
Passenger Facility Charge Account		
Balance @ December 31, 2022		\$4,661.49
\$ 1 Million Line of Credit Report		
Item	Rate of 6.3000%	Available Balance:
Balance @ December 31, 2022		\$1,000,000.00

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

PERSONNEL COMMITTEE REPORT:

OFFICERS FOR 2023 – Ms. Moul presented the slate of officers’ recommendation for 2023. The Board decided to maintain the current officer appointments as well as the committees.

Officers:

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

COMMITTEES

Property Committee:

Chair Matthew Brown
 Richard Stauffer

Finance Committee:

Chair Amanda Lehman
 Valerie Moul

Personnel Committee:

Chair Valerie Moul
 James Cunningham

Facilities Committee:

Chair Richard Stauffer
 Matthew Brown

Upon motion duly made by Ms. Moul, seconded by Mr. Brown, and unanimously approved, the slate of officers was approved.

COUNSEL APPOINTMENT – The Lancaster Airport Authority approves legal counsel on an annual basis. Russell, Krafft, and Gruber has been the primary legal counsel and desires to continue in this capacity. Following is a resolution approving their continued work on airport-related matters.

**Resolution No. 01 of 2023
Legal Counsel Appointment**

WHEREAS, the Lancaster Airport Authority consults with legal counsel to review documents; and

WHEREAS, Russell, Krafft & Gruber, LLP has been the engaged solicitor of record for the Lancaster Airport Authority on various projects for several years.

BE IT RESOLVED, THEREFORE, that the Lancaster Airport Authority hereby continues the appointment of Russell, Krafft & Gruber, LLP as the Lancaster Airport Authority solicitor of record for the calendar year 2023.

Upon motion duly made by Mr. Brown, seconded by Ms. Moul, and unanimously approved, the resolution was adopted. Mr. Zeamer thanked the Airport Authority for continuing the relationship with RKG.

FACILITIES COMMITTEE:

MEAD & HUNT AIRLINE MEETING AGREEMENT – Mead & Hunt presented a proposal to provide updated information and presentations for upcoming airline meetings. With the short

timeframe, the agreement was executed by Mr. Foster and submitted to the Board for ratification. The following resolution approves the executed document:

Resolution No. 02 of 2023
Mead & Hunt Airline Meetings Consultant Agreement

WHEREAS, the Lancaster Airport Authority requested that Mead & Hunt update the completed reports on the travel patterns and destinations for Lancaster County residents; and

WHEREAS, Mead & Hunt presented a proposal for approximately \$5,530 for the updated materials; and

WHEREAS, Mead & Hunt required an executed contract prior to the next scheduled Board meeting which was executed by William E. Foster, Airport Director.

NOW THEREFORE BE IT RESOLVED that Lancaster Airport Authority does hereby ratify the execution of the Mead & Hunt proposal in the amount \$5,530 for the Lancaster Airport; and

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

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

Upon motion duly made by Mr. Brown, seconded by Ms. Moul, the resolution was approved and the agreement was ratified. Mr. Foster will be attending meetings at the end of January with 6 airlines, including Avelo Airlines. The updated information will assist with the airline discussions.

ABELLA AVIATION LEASE ASSIGNMENT – Jessica Robinson, owner of Avella Aviation, approached the Management Staff that she is selling the business to Faith Works Aviation dba West Chester Aviation. She requested approval assign her lease and operating agreement. After some discussion about the new company among the attendees, the Board decided to move forward with the resolution. The following resolution approves the transfer of ownership.

Resolution No. 03 of 2023
Abella Aviation LLC
Authorizing Assignment of Lease and Operating Agreements

WHEREAS, the Lancaster Airport Authority (the "Authority"), as landlord, has entered into a Lease Agreement dated March 17, 2021 (the "Lease Agreement"), and Fixed Base Operating Agreement dated March 17, 2021 (the "Operating Agreement") with ABELLA AVIATION, L.L.C. ("ABELLA") as tenant and which permits ABELLA to lease approximately 300

square feet of office space and operate a flight training and aircraft management business at Lancaster Airport; and

WHEREAS, ABELLA has requested that the Authority consent to an assignment of the Lease and Operating Agreements as part of a sale of its assets from ABELLA to **FAITH WORKS AVIATION, LLC**; and

WHEREAS, **FAITH WORKS AVIATION, LLC** desires to continue to operate a flight training and aircraft management business, at the Airport and assume the obligations of ABELLA pursuant to the terms and conditions of the Lease and Operating Agreements; and

WHEREAS, the Authority has prepared an Assignment of the Lease and Fixed Base Operating Agreements wherein ABELLA shall assign all of its rights, title and interests in the Lease Agreement to **FAITH WORKS AVIATION LLC** who shall be responsible for rent and other obligations under the Lease and Operating Agreements.

NOW, THEREFORE, BE IT RESOLVED that the Authority approves the Assignment of Lease and Operating Agreements, which a copy of the foregoing Assignment has been presented at this meeting, and the Authority authorizes the Airport Director to execute the same.

ALSO BE IT RESOLVED that, upon the execution and delivery of the Assignment of Lease and Operating Agreements, the Agreements dated March 17, 2021, shall be assigned to **FAITH WORKS AVIATION LLC** who shall thereafter be responsible for all rent and other obligations under the Lease and Operating Agreements.

BE IT FURTHER RESOLVED that William E. Foster, Airport Director, is hereby authorized to execute, on behalf of the Authority, said Assignment of Lease and Operating Agreements.

Upon motion duly made by Mr. Brown, seconded by Mr. Stauffer, the resolution was adopted and the transfer was approved. Abella Aviation and Faith Works Aviation will provide completed documentation to transfer ownership.

AAS/540 AIRPORT ROAD HANGAR LEASE/PROJECT UPDATE – Ms. Martin reported that a final draft lease agreement has been provided to FlyAdvanced for their review approval. Mr. Beiler reported that the transformer needed before occupancy could be obtained was just installed and the contractors will be able to complete their work in the coming weeks. With the installation of the electrical transformer, the hope is that the building will be ready for occupancy by March 1 with the lease agreement following along with the March 1 start date. Ms. Martin anticipates that the lease agreement will be on the next agenda for consideration.

NON-AERONAUTICAL PROPERTY COMMITTEE:

EARL TOWNSHIP PARTNERS PROJECT STATUS – Staff reported that Earl Township has been in contact regarding their side of the intersection. They have been in communication with an entity interested in the entire parcel, not just renting/developing a portion of the parcel. They anticipate having more information to the Staff in the next few weeks confirming which direction they move forward.

ALDI LEASE AGREEMENT: Ms. Martin reported that the agreement was fully executed and ALDI is working full speed ahead. They have been informing staff of progress with starting the 1st step in the design/approval process.

COMMITTEE MEETING REPORT: Mr. Foster and the Property Committee met to discuss the opportunities that are in the works now and well as potential future projects. The Property Committee discussed the outlying sites by Penn Cinemas and the Front Yard. They requested that Staff prepare RFP's for the 30 acres for development and a hotel/mixed use for the Front Yard. Mr. Cunningham relayed to the Board that prior members had felt it important not to piece meal the developable area. They also suggested including a way for any leases to somehow incorporate and/or relate to Aviation. Mr. Stauffer felt that it is a good time with the economy down, however increasing over time.

STAFF MANAGEMENT REPORTS:

AIRPORT DIRECTOR REPORT – Mr. Foster reported that he was at a recent conference where top officials with TSA and the FAA were in attendance. He requested an update on the potential for screening. TSA officials noted they are targeting February as an approval date.

Mr. Foster and Mr. Beiler also recently traveled to University Park Airport where they viewed a broom that needs repairs, however, the FAA is able to transfer it from University Park to Lancaster Airport at no cost. The out of pocket costs will be transportation and repairs estimated at around \$20,000 total for a \$300,000 - \$400,000 piece of equipment.

FINANCE ADMINISTRATOR REPORT – Ms. Martin reported that about 67% of outstanding Receivables have been collected since December 31, 2022, including the American Airlines costs. Aircraft activity continues to exceed the prior year's numbers with the year ending at over 105,000 operations.

FACILITIES ADMINISTRATOR – Mr. Beiler reported that the FlyAdvanced project is in the final stages. The BETA charging station project is moving forward with their engineer providing preliminary design drawings. The JD Oliver project continues with an update meeting at the end of this week. He also will be participating in a meeting with DEP regarding the stormwater relocation project.

Mr. Beiler is also looking at hiring a mobile ARFF training trailer to comply with certified annual ARFF training. He is anticipating it will be more cost effective to bring it to Lancaster Airport rather than have to travel to Pittsburgh for the annual training. With bringing it to Lancaster, he can include mutual aid partners if they desire to participate. Commissioner Trescot and Mr. Beuhle both remarked about utilizing the Lancaster County training facility. They would be willing to work with the Airport if they are able to. Mr. Beiler noted he would look into the potential approval of the FAA as an authorized site.

MANAGER, ALLIANCE AVIATION – Ms. Forney reported that December’s fuel and activity was down but over pre-covid numbers. In 2023, over 1 million gallons of fuel was sold. Jet A cost has increased so far into the new year.

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, February 27, 2023 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