

MINUTES OF

LANCASTER AIRPORT AUTHORITY

February 27, 2023

A meeting of the Lancaster Airport Authority was held in-person and remotely using ZOOM on Monday, February 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 – Excused Absence
Treasurer	Amanda Lehman – Virtual
Asst. Secretary/Asst. Treasurer	Richard Stauffer – Excused Absence

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 Events & Marketing Coordinator

VISITORS – In-Person

John Beuerle – Lancaster County Emergency Management

VISITORS – Virtual

Jen Snyder – Smoketown Helicopters
Ethan Crane – Faith Works Aviation LLC
John Trestcot – Commissioner, County of Lancaster

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 January 23, 2023 were distributed to the Board members. Upon motion duly made by Ms. Moul, seconded by Ms. Lehman, and unanimously agreed, the minutes were approved as submitted.

FINANCE COMMITTEE:

FINANCIAL REPORT – Ms. Lehman reviewed the financial report for period ending January 31, 2023. She noted that it is a great start for the year. The following table is the report for the referenced period.

<i>Period Ending January 31, 2023</i>		
Combined General Fund and Alliance Aviation		
Reporting Period	Budget	Actual
January Net Revenue:	\$102,016.90	\$129,240.60
Year to Date Net Revenue:	\$102,016.90	\$129,240.60
General Fund Report		
Reporting Period	Budget	Actual
January Net Revenue:	\$60,916.43	\$80,110.65
Year to Date Net Revenue:	\$60,916.43	\$80,110.65
Alliance Aviation Report		
Reporting Period	Budget	Actual
January Net Revenue:	\$41,100.47	\$49,129.95
Year to Date Net Revenue:	\$41,100.47	\$49,129.95
Cash and Cash Equivalents		
Item		Current Balance
General Fund Checking Account:		\$18,217.04
General Fund Liquid Reserves:		\$646,235.78
Certificate of Deposit:		\$0.00
PLGIT Cash Account:		\$8,295.06
PLGIT Prime Investment Account		\$190,319.13
PLGIT Term Account		\$5,500,000.00
General Fund Accounts Receivable:		\$92,717.56
General Fund Accounts Payable:		(\$33,759.88)
Alliance Aviation Checking/Cash on Hand:		\$101,672.75
Alliance Aviation Accounts Receivable:		\$55,446.41
Alliance Aviation Accounts Payable:		(\$158,397.73)
Total Cash and Cash Equivalents:		\$6,420,746.12
Grant-Funded Project Construction Report		
Balance @ December 31, 2022		\$83,624.53

Grant Receipts/Transfers:		\$580,885.37
Line of Credit Drawdowns:		\$0.00
Total Cash Disbursements:		(\$18,274.14)
Balance @ January 31, 2023		\$646,235.76
Passenger Facility Charge Account		
Balance @ January 31, 2023		\$5,200.19
\$ 1 Million Line of Credit Report		
Item	Rate of 6.3000%	Available Balance:
Balance @ January 31, 2023		\$1,000,000.00

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

COMPARISON OF 2022 VS 2021 REPORT – Ms. Lehman reviewed a report comparison of 2022 against 2021. Highlighted items reflected anything different from prior periods. It was another good year.

SEGREGATION OF DUTIES REPORT – Ms. Lehman reviewed a final report submitted by Baker Tilley who performed a Segregation of Duties audit for the Airport Authority. Several recommendations were made to address any potential issues. Ms. Lehman met with Mr. Foster and Ms. Martin and discussed how to move forward.

PERSONNEL COMMITTEE REPORT:

No report this month.

FACILITIES COMMITTEE:

JD OLIVER LEASE AGREEMENT – JD Oliver desires to build a hangar facility to accommodate 2 new jets on the field. They would demolish the current structure that the Susquehanna Valley Balloon Company and the Manheim Township Ambulance Association current occupies. The Ambulance Association was already planning to relocate off the Airport and the Balloon Company will be able to relocate their equipment within JD Oliver’s facility until a more permanent location is able to be constructed. The following resolution approves the lease agreement:

**Resolution No. 04 of 2023
JD Oliver LLC Hangar Ground Lease Agreement**

WHEREAS, JD Oliver LLC desires to lease ground to erect a hangar facility to store aircraft at the Lancaster Airport; and

WHEREAS, the Lancaster Airport Authority has offered to JD Oliver LLC. a Hangar Ground Lease Agreement for premises at the Lancaster Airport.

NOW THEREFORE BE IT RESOLVED that the Lancaster Airport Authority does hereby approve the Ground Hangar Lease Agreement for JD Oliver LLC. for premises at 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 agreement is hereby approved; and

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

Upon motion duly made by Ms. Moul, seconded by Ms. Lehman, the resolution was adopted and the agreement was approved.

BETA LEASE AGREEMENT – BETA Technologies has provided a base lease agreement to lease space for a vehicle charging system for both automobiles and aircraft. A reimbursement agreement is already in place regarding consultant approval work to be completed by Delta Airport Consultants. Only 1-2 items remain outstanding, however, the basic agreement has been approved by both Staff and BETA. The following resolution approves the agreement pending Counsel’s final review:

Resolution No. 05 of 2023
BETA Technologies Site Agreement

WHEREAS, BETA Technologies, Inc. desires to lease ground to install an electric charging station and related equipment for aircraft and vehicles at the Lancaster Airport; and

WHEREAS, the Lancaster Airport Authority has offered to BETA Technologies, Inc. a Site Agreement for premises at the Lancaster Airport.

NOW THEREFORE BE IT RESOLVED that the Lancaster Airport Authority does hereby approve the Site Agreement for BETA Technologies, Inc. for premises at the Lancaster Airport pending Counsel’s final review; 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 agreement is hereby approved; and

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

Upon motion duly made by Ms. Moul, seconded by Ms. Lehman, and unanimously approved, the resolution was adopted and the agreement was approved pending Counsel's final review.

FLYADVANCED LEASE AGREEMENT – Ms. Martin reported that a final draft lease agreement has been provided to FlyAdvanced for their review approval. The facility should be ready for occupancy by the beginning of April. The following resolution approves the agreement:

Resolution No. 06 of 2023
FlyAdvanced Lease Agreement
540 Airport Road

WHEREAS, the Lancaster Airport Authority completed construction of a hangar facility with a street address of 540 Airport Road on the Lancaster Airport; and

WHEREAS, the facility was constructed with the intent to lease the facility Advanced Lancaster, LP, dba FlyAdvanced who currently leases space at 520 and 530 Airport Road adjacent to the new facility; and

WHEREAS, Lancaster Airport Authority has tendered a lease agreement to FlyAdvanced to lease the new facility.

THEREFORE, NOW BE IT RESOLVED, that the Lancaster Airport Authority approves the lease agreement between the Lancaster Airport Authority and FlyAdvanced for the new facility located at 540 Airport Road; 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 agreement is hereby approved; and

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

Upon motion duly made by Ms. Moul, seconded by Ms. Lehman, the resolution was adopted and the agreement was approved.

ABELLA AVIATION LEASE AGREEMENT AMENDMENT – The current lease term of Abella Aviation expires in March 2023. They have requested an extension of two (2) years.

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 Ms. Moul, seconded by Ms. Lehman, the resolution was adopted and the agreement was approved.

NON-AERONAUTICAL PROPERTY COMMITTEE:

EARL TOWNSHIP PARTNERS PROJECT STATUS – Staff reported that they met with Earl Township Partners to discuss the next steps and then reviewed the meeting results with the Property Committee. Earl Township Partners has a potential tenant interested in leasing the entire footprint of the property owned by the Airport Authority in Warwick Township. Earl

Township Partners would work to get the zoning in place and then have the tenant directly lease from the Airport Authority and the new tenant would take over from there.

COMMITTEE MEETING REPORT: In addition to discussing the Warwick Township parcel, the Facilities Committee confirmed that Staff should go ahead and put together an RFQ for brokerage services for the 30 acres. More to come. Mr. Cunningham asked about the status of the outdoor advertising. Any potential signage along Route 501/Lititz Pike will wait until the ALDI facility is underway.

STAFF MANAGEMENT REPORTS:

AIRPORT DIRECTOR REPORT – Mr. Foster reported that he was recently at an air service conference and met with several airlines. There is definite interest in coming to Lancaster Airport and providing low cost carrier service. Staff are currently working on a timeline to accommodate service whether now or in the future.

Mr. Foster also reported on the IT consultant project. Staff interviewed the top 2 consultants for them to provide more information about how each would implement a change from the current provider. They also provided more insight into how the day to day process would work.

Mr. Foster also reported that he is meeting with Congressman Smucker about key funding issues in aviation as well as the current facility needs for hangars and an Air Traffic Control Tower.

FINANCE ADMINISTRATOR REPORT – Ms. Martin reported that about 69% of outstanding Receivables have been collected since January 31, 2023, including all of the American Airlines outstanding payments. Aircraft activity continues to exceed the prior year's numbers starting the year off with a slight increase in activity as compared to January 2022. The annual audit will be performed in March.

FACILITIES ADMINISTRATOR – Mr. Beiler reported that a contractor in the RV lot is leaving allowing for either for expanding other contractor's space or convert some to additional RV/trailer parking. Manheim Township is on board with converting laydown yard space being utilized by the Runway 8-26 contractors to RV spaces once the project is done next year. This would allow the RV's to be moved out of a busier area to an area only utilized by RV's. The current RV rental area would be converted to total contractor parking. The area should be able to accommodate up to 200 rentable spaces.

He also reported that there is a meeting scheduled with DEP shortly to continue discussions regarding the proposed storm basin relocation. State College has donated a broom and he is coordinating transportation from State College to Lancaster where it will be able to be put to use next year. With this additional equipment, it will allow the Staff to be split when responding to snow emergencies which will enhance the ability to respond.

MANAGER, ALLIANCE AVIATION – Ms. Forney reported that staff attended a Schedulers and Dispatch conference in Tennessee. She relayed that it was a great event with seminars and connecting with schedulers looking for options. Jet pricing continues to be volatile with it currently trending down.

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 20, 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 Ms. Lehman, and unanimously approved, the meeting was adjourned.

Respectfully submitted,

Cheryl Martin
Recording Secretary