

MINUTES OF

LANCASTER AIRPORT AUTHORITY

April 15, 2024

A meeting of the Lancaster Airport Authority was held in-person and remotely using ZOOM on Monday, April 15, 2024. 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
Treasurer	Amanda Lehman – Excused Absence
Asst. Secretary/Asst. Treasurer	Frank Vargish

Counsel – Aaron Zeamer, Esquire of Russell, Krafft & Gruber, LLP

Lancaster Airport Authority Staff

Ed Foster – Executive Director – Excused Absence
Cheryl Martin – Director, Finance & Administration
Austin Beiler – Director, Operations & Development
Mary Forney – General Manager, Alliance Aviation
Tracy Barley – Aviation Marketing & Communication Coordinator – Excused Absence

VISITORS

Rick Farmer – BakerTilly
Grant Zimmerman – BakerTilly
Michael Wascura - BakerTilly
Paul Hadfield – Aero-Tech Services

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. 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 March 20, 2024 were distributed to the Board members. Upon motion duly made by Mr. Vargish, seconded by Mr. Brown, and unanimously agreed, the minutes were approved as submitted.

FINANCE COMMITTEE:

MONTHLY FINANCIAL REPORT – Ms. Martin reviewed the financial report for period ending March 31, 2024. Overall the year is off to a good start with income and expenses about 50% ahead of budgeted numbers. The cleanfill continues to be strong in March even with being closed part of the month due to weather. The new Trasteck hangar rent will be reflected in the land rental income category starting with April’s report. It took longer than anticipated to acquire the final permit to start the full project. Snow removal overtime exceeded budget with the snowstorms this year. The following table is the report for the referenced period.

<i>Period Ending March 31, 2024</i>		
Combined General Fund and Alliance Aviation		
Reporting Period	Budget	Actual
March Net Revenue:	\$73,128.75	\$150,695.70
Year to Date Net Revenue:	\$175,626.38	\$259,665.90
General Fund Report		
Reporting Period	Budget	Actual
March Net Revenue:	\$39,721.51	\$60,156.46
Year to Date Net Revenue:	\$75,718.02	\$104,293.67
Alliance Aviation Report		
Reporting Period	Budget	Actual
March Net Revenue:	\$33,407.24	\$90,539.24
Year to Date Net Revenue:	\$99,908.36	\$155,372.23
Cash and Cash Equivalents		
Item		Current Balance
General Fund Checking Account:		\$31,153.32
General Fund Liquid Reserves:		\$448,514.80
Certificate of Deposit:		\$2,398,000.00
PLGIT Cash Account:		\$166.42
PLGIT Prime Investment Account		\$115,161.83
PLGIT Term Account		\$4,750,000.00
General Fund Accounts Receivable:		\$78,531.45
General Fund Accounts Payable:		(\$71,095.62)
Alliance Aviation Checking/Cash on Hand:		\$86,631.04
Alliance Aviation Accounts Receivable:		\$75,424.39

Alliance Aviation Accounts Payable:		(\$71,182.00)
Total Cash and Cash Equivalents:		\$7,841,305.63
Grant-Funded Project Construction Report		
Balance @ February 29, 2024		\$4,946.86
Grant Receipts/Transfers:		\$202,208.97
Line of Credit Drawdowns:		\$0.00
Total Cash Disbursements:		(\$206,587.23)
Balance @ March 31, 2024		\$568.60
Passenger Facility Charge Account		
Balance @ March 31, 2024		\$2,336.06
\$ 1 Million Line of Credit Report		
Item	Rate of 6.3000%	Available Balance:
Balance @ March 31, 2024		\$1,000,000.00

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

ANNUAL AUDIT REPORT – Michael Wascura of BakerTilly and two of his staff attended the meeting to present the annual financial audit report. He reported that there were separate compliance reports in addition to the standard annual audit. It is a clean opinion. The Segregation of Duties note is not uncommon with the size of the organization and the Airport Authority is taking steps to alleviate it as much as possible. Mr. Cunningham requested that the Board defer approval of the reports since not all the members had an opportunity to review the final draft before the meeting.

PERSONNEL COMMITTEE REPORT:

BOARD MEMBER SEARCH UPDATE – Ms. Moul announced that Charles Simms, Jr. has been submitted as a recommendation to the City Counsel as a replacement for Ms. Lehman. Lancaster City Council will consider the request in early May and will inform us if he is approved or not.

BOARD RETREAT UPDATE – Ms. Martin provided an updated schedule for the Board Retreat being held on Thursday, April 18. A ground and air tour is slated to occur during the day.

FACILITIES COMMITTEE:

ACQUIRE GROUND SUPPORT EQUIPMENT – PA BOA MATCH – Mr. Foster announced that a grant agreement has been provided to cover about 75% of equipment costs for items needed for the new airline service coming to Lancaster Airport. The time frame is tight so the grant has been accepted to keep it moving. Some of the equipment may be secured through Co-

Stars which alleviates the need to release a bid for that item. Nine (9) of the ten (10) items to be secured will be released for public bids. Those bid results must be accepted so a special meeting may be scheduled to keep the project moving. The grant must be spent by June 21, 2024 to be refunded 75% of costs.

Resolution No. 08 of 2024
PennDOT - Bureau of Aviation Grant Agreement
Acquire Airport Equipment

WHEREAS, the Commonwealth of Pennsylvania, Department of Transportation, tendered a Grant Agreement to the Lancaster Airport Authority, Lancaster, Pennsylvania, for the Acquire Airport Equipment Project in the amount up to \$721,251 which is seventy-five percent (75%) of allowable costs 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 the Lancaster Airport Authority does hereby accept the Grant Agreement for the above-referenced project at the Lancaster Airport, by the Commonwealth of Pennsylvania, as hereinafter set forth in the attached Grant Agreement pending Counsel's review and approval; and

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

Upon motion duly made by Mr. Brown, seconded by Mr. Vargish, the resolution was adopted and the agreement was approved. The agreement will be accepted and funds requested for release once it is available.

AIRLINE MEETINGS REPORT – Mr. Foster reported that since the March meeting, Breeze Airline announced they will start service October 8, 2024 at Lancaster with twice daily on Thursdays and Sundays thereafter. Tickets are on sale on their website. Since that day, March 26, 2024, of the five (3) cities announced that day, Lancaster has the most sold to date. There will be a celebration of the first flight on October 8.

AMERICAN AIRLINES BUS SERVICE UPDATE – Mr. Foster also reported that on June 5, American Airlines will be terminating their bus service from Lancaster to Philadelphia. Financially, American Airlines reports that the leg is not profitable. Mr. Foster is in communication with Landline to provide this service regardless of which airline the traveler would be using in Philadelphia.

JD Oliver/Transteck – Mr. Beiler reported that the steel is on-site and the foundation is ready to go. They will be pouring the floor any day. The construction contractor is hitting their targets to be completed sometime this fall.

VENTURE JETS/ALDI PROJECT UPDATE – Mr. Beiler reported that ALDI is in a holding pattern due to the storm basin. The design company for the Venture Jets received many review comments back. They hope to have the land development approved in 6-8 weeks.

NON-AERONAUTICAL PROPERTY COMMITTEE:

ALDI SECOND AMENDMENT AGREEMENT – ALDI had presented a second amendment agreement for consideration to the Board. After further discussing the request, ALDI exercised their option to extend the permitting period for ninety (90) days. They have 3 more extension options available. Counsel suggested that the Board defer approval at this time to see what happens with the Venture Jets hangar design with the basin, which is holding their project up.

STAFF MANAGEMENT REPORTS:

EXECUTIVE DIRECTOR REPORT – Mr. Foster reported that on April 15, Fiorentino's started servicing breakfast. Mr. Foster also thanked the Staff for their work in preparing for the Acquire Aviation Ground Support equipment grant and specifications. He also wanted to highlight that Austin and Cheryl received scholarships to the Hershey NEC/AAAE conference in March. Cheryl will also be attending a 2-day leadership conference in New Jersey in June.

Community Days planning is well underway and is now the Lancaster Air Show. Sponsorship packages have been released. Friday evening there is planned an event to kick off the weekend with special pyrotechnics show with sponsors, performers, Board, and employees. All military branches have been approved to participate, now, the key is to know someone.

DIRECTOR, FINANCE & ADMINISTRATION – Ms. Martin reported that about 79% of outstanding Receivables have been collected since March 31, 2024 leaving about \$44,000 still outstanding. Aircraft activity was still slow but keeping relatively steady as compared to 2024.

DIRECTOR, OPERATIONS & DEVELOPMENT – Mr. Beiler did not have any additional items to report.

GENERAL MANAGER, ALLIANCE AVIATION – Ms. Forney reported that Alliance experienced a busy month with a lot of freight flights in and out of the Airport.

MARKETING EVENTS & COMMUNICATIONS COORDINATOR – Ms. Barley was not able to attend the meeting.

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, May 20, 2024 at 3:30 p.m. in-person and by ZOOM. There being no further business to discuss, motion was duly made by Mr. Brown, seconded by Mr. Vargish, and unanimously approved, the meeting was adjourned.

Respectfully submitted,

Cheryl Martin
Recording Secretary