

MINUTES OF
LANCASTER AIRPORT AUTHORITY

January 27, 2020

A meeting of the Lancaster Airport Authority was held in the Lancaster Airport Authority offices on Monday, January 27, 2020. 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 – via telephone

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

Others

Garrett Cliff – Aero-Tech Services, Inc.

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 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 December 16, 2019 were distributed to the Board members. Upon motion duly made, seconded, and unanimously approved, the minutes were approved as submitted by Ms. Moul, seconded by Mr. Brown, and unanimously approved.

FINANCE COMMITTEE:

FINANCIAL REPORT – The financial report for period ending December 31, 2019 was submitted. Ms. Lehman reviewed the reports and noted that the financial status is following as anticipated. The following is the report for the referenced period.

Combined General Fund and Alliance Aviation		
Reporting Period	Budget	Actual
December Net Revenue:	\$54,604.92	\$65,054.70
Year to Date Net Revenue:	\$1,000,260.26	\$1,376,734.38
General Fund Report		
Reporting Period	Budget	Actual
December Net Revenue:	\$17,455.83	\$18,222.94
Year to Date Net Revenue:	\$497,842.06	\$689,249.58
Alliance Aviation Report		
Reporting Period	Budget	Actual
December Net Revenue:	\$37,149.09	\$46,831.76
Year to Date Net Revenue:	\$502,418.20	\$687,484.80
Cash and Cash Equivalents		
Item		Current Balance
General Fund Checking Account:		\$37,915.50
General Fund Liquid Reserves:		\$167,344.80
Certificate of Deposit:		\$2,927,000.00
PLGIT Cash Account:		\$43.93
PLGIT Prime Investment Account		\$304,524.28
PLGIT Term Account		\$2,600,000.00
General Fund Accounts Receivable:		\$64,173.66
General Fund Accounts Payable:		(\$31,227.61)
Alliance Aviation Checking/Cash on Hand:		\$56,145.17
Alliance Aviation Accounts Receivable:		\$53,217.02
Alliance Aviation Accounts Payable:		(\$90,012.68)
Total Cash and Cash Equivalents:		\$6,089,124.07
Grant-Funded Project Construction Report		
Balance @ November 30, 2019		\$568.60
Grant Receipts:		\$269,122.62
Line of Credit Drawdowns:		\$0.00
Total Cash Disbursements:		(\$269,122.62)
Balance @ December 31, 2019		\$568.60
Passenger Facility Charge Account		
Balance @ December 31, 2019		\$2,891.43
\$ 1 Million Line of Credit Report		
Item	Rate of 4.10425%	Available Balance:
Balance @ December 31, 2019		\$1,000,000.00

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

AUDITOR APPOINTMENT – The firm selected to perform the 2019 audit is Baker Tilly Virchow Krause LLP. Following is a resolution for consideration to approve the auditor selection.

**Resolution No. 1 of 2020
Auditors Appointment**

WHEREAS, the Financial Documents for the Lancaster Airport Authority must be audited annually in conjunction with Federal, State and Local regulations; and

WHEREAS Baker Tilley Virchow Krause, LLP presented the Lancaster Airport Authority with a proposal to perform the 2019 Fiscal Year Audit not to exceed \$19,500.00.

THEREFORE BE IT RESOLVED, that the Lancaster Airport Authority hereby accepts the proposal from Baker Tilley Virchow Krause, LLP to perform the 2019 Fiscal Year Audit and to be the independent certified public accountants for the Airport Authority.

Upon motion duly made, seconded, and unanimously approved, the resolution was adopted and the auditors were approved.

2020 BUDGET UPDATE – At the December Board meeting, the Lancaster Airport Authority Board approved a budget for Fiscal Year 2020 reflecting the pending loss of airline service as of January 1, 2020. Since the meeting, the US DOT extended the airline to December 31, 2020 which allowed the airline to remain at the Airport. The Board updated the budget to reflect the continued airline presence on the field. Following is a resolution for consideration to approve an updated budget.

**Resolution No. 3 of 2020
Budget Revision for Fiscal Year 2020**

WHEREAS, on November 2, 2018, the Lancaster Airport Authority received an Order from the United States Department of Transportation ("DOT") which included a request for proposals to provide commercial airline service through the Essential Air Service ("EAS") program at Lancaster Airport and further required that the DOT negotiate a local cost share with the community of Lancaster before entering into a new contract for commercial airline service at Lancaster Airport; and

WHEREAS, during Fiscal Year 2019, the Lancaster Airport Authority requested and was granted additional extensions from the DOT of the current contract between Southern Airways and the DOT in order to allow commercial airline service to continue at the Lancaster Airport while the local cost share was negotiated. These extensions permitted commercial airline service to continue as part of the EAS program through December 31, 2019; and

WHEREAS, due to the uncertainty regarding the continuation of the EAS program beyond December 31, 2019, the Lancaster Airport Authority prepared and published a proposed budget for Fiscal Year 2020 with two options concerning the commercial airline services; with one option containing airline service for fiscal year 2020 and another option without airline service; and

WHEREAS, the budget proposals as set forth above for Fiscal Year 2020 were both prepared and published in advance of the December Board meeting of the Authority; and

WHEREAS, at the December Board meeting, the Board of Directors approved the budget for Fiscal Year 2020 without airline service with the recommendation to update the budget if the EAS program is extended beyond December 31, 2019; and

WHEREAS, on December 23, 2019, the DOT issued an Order extending the EAS program at Lancaster Airport through December 31, 2020; and

WHEREAS, as a result of the extension of the EAS Program, the Board of Directors now desire to update the budget to include the additional revenues and expenses associated with commercial airline service.

NOW, THEREFORE, BE IT RESOLVED, that the Lancaster Airport Authority hereby approves an update to the budget for Fiscal Year 2020, a copy of which was previously published and included as part of the tabled budget; and

BE IT FURTHER RESOLVED that this resolution shall be made part of the minutes of the Lancaster Airport Authority.

Upon motion duly made, seconded, and unanimously approved, the resolution was adopted and the updated budget was approved.

PERSONNEL COMMITTEE REPORT:

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

Resolution No. 2 of 2020 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 2020.

Upon motion duly made, seconded, and approved unanimously, the resolution was adopted and Russell, Krafft & Gruber, LLP was approved to consult with legal matters for calendar year 2020.

OFFICERS FOR 2020 – Ms. Moul presented her recommendation for officers for 2020.

Officers:

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

COMMITTEES

Property Committee:

Chairman	Matthew Brown
	Richard Stauffer

Finance Committee:

Chairman	Amanda Lehman
	Valerie Moul

Personnel Committee:

Chairman	Valerie Moul
	James Cunningham

Facilities Committee:

Chairman	Richard Stauffer
	Matthew Brown

Upon motion duly made, seconded, and unanimously approved, the slate of officers was approved.

AIRPORT DIRECTOR SEARCH – Ms. Moul reported that the Personnel Committee met to continue working toward replacing Mr. Eberly upon his retirement. They are in the process of identifying possible candidates in the industry. An interview will be scheduled shortly with a potential candidate. No formal solicitation has been made to fill this position to date.

FACILITIES COMMITTEE:

ESSENTIAL AIR SERVICE UPDATE – The USDOT extended the airline’s contract until December 31, 2020 in late December. The airline continued operations as normal into 2020.

Nothing was released in the media as it was anticipated that it would receive more negative publicity rather than positive due to the topic. As far as moving forward, Mr. Eberly understands that Congressman Smucker and his staff are fully aware of the implications and will be working to change the law.

TERMINAL RENOVATIONS/EXPANSION UPDATE – the project is fully up and running. The work area is isolated from the rest of the facility with the wall which allows them work outside without taxing the Terminal utilities.

PROPERTY COMMITTEE:

MIDDLE MARKER LAND PURCHASE REQUEST – Mr. Eberly received a request from On Lake Time to sell the property known as the Middle Marker to them. On Lake Time owns and operates Sylvan Pools. They recently purchased the property from Flyway Excavating. The Board will consider the proposal provided that they cover all costs, including costs associated with the Airport Authority's time. Mr. Eberly will relay that information and provide an update at a future meeting.

BUS LOT/MTSD PROPOSED BUILDING PROJECT – Manheim Township School District rents approximately a 2 ½ acre area on the north side of the field along Millport Road. The School District has requested that the bus maintenance services be relocated off the campus located off of Route 501 and Petersburg Road. They are requesting consideration to erect a light maintenance facility next to their buses on the Airport approximately 60' x 100'. Unfortunately, it is currently not permitted with the zoning. It would require a text amendment or a use modification request. Mr. Eberly has a proposal from TONO Architects to design the facility. Before moving forward with changing the zoning, he is asking the School District to submit a Letter of Intent showing their willingness to participate in the project before moving forward.

STAFF MANAGEMENT REPORTS:

AIRPORT DIRECTOR REPORT – Mr. Eberly reported that Eric Hauck, who has worked for the Airport Authority for over 11 years, has moved on to another position at Good Samaritan Hospital.

FINANCE ADMINISTRATOR REPORT – Ms. Martin reported that the remaining Receivables are about 36% since the end of the month. Aircraft activity in December decreased in 2019 compared to 2018 and activity still remains at a lower level compared to year-to-date. Ms. Huber reported that the January 4 Fly-In had about 85 attendees.

Mr. Cunningham asked about the status of Community Day sponsorship and expenses and all funds have been received and accounted for.

FACILITIES ADMINISTRATOR – Mr. Beiler reported that as part of the Terminal project, utility connections are being run through the front doors as they retro fit new into old. The

bus lot gate was replaced and it working well. He also reported that Henkels & McCoy are considering expanding their area again as their work load increases in the area.

MANAGER, ALLIANCE AVIATION – Ms. Stauffer reported that she is looking to hire a part-time CSR for evenings and weekends. One of the line service employees is looking to be the line service supervisor for all line service personnel. Christina McCracken continues to be increasing her CSR capabilities.

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 17, 2020 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