

MINUTES OF
LANCASTER AIRPORT AUTHORITY

June 15, 2020

A meeting of the Lancaster Airport Authority was held remotely using ZOOM on Monday, June 15, 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

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

Public

Garrett Cliff, Aero-Tech Services
Ed Foster, University Park

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 at this time. 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 May 18, 2020 were distributed to the Board members. Upon motion duly made by Mr. Brown, seconded by Ms. Ms. Lehman, and unanimously agreed, the minutes were approved as submitted. Ms. Moul abstained from the vote due to her absence from the meeting.

FINANCE COMMITTEE:

FINANCIAL REPORT – The financial report for period ending May 31, 2020 was submitted. Ms. Lehman reviewed the reports and noted the overall financial picture. The landfill had some usage even with the COVID-19 closures. Accounts that include commissions were estimated and not all reports have been submitted yet so the overall picture will change once they are submitted. Fuel sales dropped significantly during April 2020. The following is the report for the referenced period.

Lancaster Airport Authority's Monthly Financial Summary		
<i>Period Ending May 31, 2020</i>		
Combined General Fund and Alliance Aviation		
Reporting Period	Budget	Actual
May Net Revenue:	\$125,382.80	\$115,961.54
Year to Date Net Revenue:	\$373,213.04	\$422,281.36
General Fund Report		
Reporting Period	Budget	Actual
May Net Revenue:	\$64,153.02	\$87,323.64
Year to Date Net Revenue:	\$174,679.81	\$293,515.58
Alliance Aviation Report		
Reporting Period	Budget	Actual
May Net Revenue:	\$61,229.78	\$28,637.90
Year to Date Net Revenue:	\$198,533.23	\$128,765.78
Cash and Cash Equivalents		
Item		Current Balance
General Fund Checking Account:		\$24,308.19
General Fund Liquid Reserves:		\$201,907.77
Certificate of Deposit:		\$2,945,000.00
PLGIT Cash Account:		\$19.55
PLGIT Prime Investment Account		\$1,626,364.67
PLGIT Term Account		\$1,000,000.00
General Fund Accounts Receivable:		\$97,406.43
General Fund Accounts Payable:		(\$27,048.28)
Alliance Aviation Checking/Cash on Hand:		\$24,774.01
Alliance Aviation Accounts Receivable:		\$25,322.06
Alliance Aviation Accounts Payable:		(\$8,123.49)
Total Cash and Cash Equivalents:		\$5,909,930.91
Grant-Funded Project Construction Report		
Balance @April 30, 2020		\$568.60
Grant Receipts:		\$13,104.52
Line of Credit Drawdowns:		\$0.00
Total Cash Disbursements:		(\$13,104.52)
Balance @ May 31, 2020		\$568.60

Passenger Facility Charge Account		
Balance @ May 31, 2020		
\$ 1 Million Line of Credit Report		
Item	Rate of 4.0000%	Available Balance:
Balance @ May 31, 2020		\$1,000,000.00

The financial reports for the period ending May 31, 2020 were moved for approval as submitted by Mr. Brown, seconded by Ms. Lehman, and unanimously approved subject to audit.

PERSONNEL COMMITTEE REPORT:

Mr. Eberly reported that three (3) full-time employees remain on furlough with plans to bring two (2) back by July. All other staff have returned to work except part-time firemen.

FACILITIES COMMITTEE:

AIRPORT LIABILITY INSURANCE DISCUSSION—Mr. Eberly has been reviewing the annual insurance renewal and has requested that the Board review the available limits and determine the appropriate level necessary for current conditions. The current limit is \$20 million, which has been the level for ten (10) years. The Board has the option to increase it to \$25, \$30, or \$50 million. This insurance is an umbrella policy over top of other insurances, such as the automobile and property. Community Days requires special event coverage and has its own insurance policy with the Airport Liability over top. AvFuel provides \$50 million over the Airport’s liability insurance if an incident is related to fuel.

The Board requested that Mr. Eberly contact other airports to survey what they have in place before making a final decision.

LEASE PAYMENTS RENT INCREASE DISCUSSION—Mr. Eberly reported that on long-term leases, most agreements provide for rental increases based on a specific formula outlined in each agreement. The anniversary date for each agreement is staggered throughout the year. Mr. Eberly requested that the Board consider whether to exercise this clause. After a brief discussion, the Board made a motion not to exercise the increase option for a one-year cycle for long-term tenants. The motion was moved by Mr. Brown, seconded by Ms. Moul, and unanimously approved. Mr. Cunningham abstained from the vote as he has a vested interest as a t-hangar tenant.

PENN CINEMA LEASE REQUEST DISCUSSION – Mr. Eberly reported that he has received a request from Penn Cinema for relief from rents due for the remainder of the year. After reviewing the request with Counsel and the FAA Grant Assurances restrictions, Mr. Eberly recommended that payments be delayed but not forgiven for non-aviation tenants with a 2% fee. A more specific payment plan may be worked out with the individual tenant, however, those tenants in that category will be able to take advantage if they request it and are able to work out the details. The Board agreed to move forward with this temporary policy as a result of the enforced shutdown.

PROPERTY COMMITTEE:

FAA GRANT AGREEMENT – 43-20/RUNWAY 8-26 – A grant application for the Runway 8-26 Rehabilitation project for Phase III has been submitted to the FAA. They hope to turn them around quickly and release them for approval. We have not yet received the grant agreement, however, we will have Counsel review it to ensure we are able to comply with all requirements prior to accepting the agreement. The following resolution accepts the agreement upon release.

**Resolution No. 13 of 2020
Federal Aviation Administration Grant Agreement
AIP Project No. 3-42-0049-043-2020**

WHEREAS, the Federal Aviation Administration tendered to the Lancaster Airport Authority, Lancaster, Pennsylvania, a Grant Offer of Four Million One Hundred Seven Thousand Nine Hundred Ninety-Five Dollars (\$4,012,995.00) representing One Hundred percent (100.0%) of all allowable project costs of the Rehabilitate Runway 8-26, Phase III (Construction) 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. 3-42-0049-043-2020 in the amount of Four Million One Hundred Seven Thousand Nine Hundred Ninety-Five Dollars (\$4,012,995.00) to be used for the project at the Lancaster Airport; and

ALSO BE IT RESOLVED that the Chairman or Vice-Chairman of the Authority is hereby authorized to act as agent for the Lancaster Airport Authority to execute any and all necessary documents related to the aforementioned Grant Agreement upon review by Counsel; and

ALSO BE IT RESOLVED that the authorization of David F. Eberly, Jr., 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 agreement was approved pending release and review by Counsel.

RUNWAY 8-26 CONSTRUCTION PHASE III BID RESULTS – as part of the Runway 8-26 rehabilitation project, bids were accepted for the first construction phase of the project which will be paid under the upcoming Federal Aviation Administration grant agreement. The bids were reviewed and submitted to the FAA for approval. The following resolution approves the bid results pending funding release.

Resolution No. 14 of 2020
Runway 8-26 Rehabilitation, Phase III Construction Bid Results

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

WHEREAS, the Lancaster Airport Authority has reviewed the bid results and concur that New Enterprise Stone & Lime Co. is the apparent low bidder in the amount of \$3,169,795 for the construction phase of the Runway 8-26 Phase III project.

NOW THEREFORE BE IT RESOLVED that the Lancaster Airport Authority does hereby accept New Enterprise Stone & Lime Co. as the low bidder for the Runway 8-26 Rehabilitation, Phase III, project at the Lancaster Airport; and

AND ALSO BE IT RESOLVED that the authorization of the David F. Eberly, Jr., Airport Director, to act as agent to execute any and all necessary documents relating to the aforementioned contract, is hereby approved.

Upon motion duly made by Mr. Brown, seconded by Ms. Moul, and unanimously approved, the bid results were approved pending funding release. Contracts will be forwarded when able to move forward with the project.

DELTA AIRPORT CONSULTANTS TASK ORDER NO. 3 – as part of the Runway 8-26 Rehabilitation project, Delta Airport Consultants has submitted an agreement providing for construction administration tasks for the first construction phase of the project. It entails being on-site during actual construction as well as other administrative tasks related to the project. The following resolution approves the agreement pending funding release.

Resolution No. 15 of 2020
Delta Airport Consultants, Inc. Engineering Task Order Three (3)
Rehabilitate Runway 8/26, Phase III (Construction Administration)

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

WHEREAS, the projects must be designed 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 Three (3) for construction administration phase services in the amount of \$535,000 for the Lancaster Airport.

NOW THEREFORE BE IT RESOLVED that Lancaster Airport Authority does hereby approve the Delta Airport Consultants, Inc. Task Order No. Three (3) for Rehabilitate Runway 8/26 Phase III (Construction Administration) project at the Lancaster Airport; and

ALSO BE IT RESOLVED that the authorization of David F. Eberly, Jr., 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 agreement was approved pending funding release.

DELTA AIRPORT CONSULTANTS, INC. TASK ORDER NO. 4 – Delta Airport Consultants had prepared the design for the entire Runway 8-26 rehabilitation project, however, only prepared the bid documents for the current construction phase. Task Order No. 4 includes the bidding services for the second (2nd) construction phase of the project. This could not be completed prior due to potential changes in the construction needs as the project proceeds. The following resolution approves the agreement pending funding release.

Resolution No. 16 of 2020

**Delta Airport Consultants, Inc. Engineering Task Order Four (4)
Rehabilitate Runway 8/26, Phase III (Design & Bidding Services)**

WHEREAS, the Lancaster Airport Authority desires to proceed with the Rehabilitate Runway 8-26, Phase III (Design & Bidding Services) project; and

WHEREAS, the projects must be designed 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 Four (4) for construction documents and bidding services for Phase IV of the Runway 8-26 Rehabilitation project in the amount of \$241,000 at the Lancaster Airport.

NOW THEREFORE BE IT RESOLVED that Lancaster Airport Authority does hereby approve the Delta Airport Consultants, Inc. Task Order No. Four (4) for Rehabilitate Runway 8/26 Phase III (Design & Bidding Services) construction documents and bidding services project at the Lancaster Airport; and

ALSO BE IT RESOLVED that the authorization of David F. Eberly, Jr., 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 accepted and the agreement was approved pending funding release.

STAFF MANAGEMENT REPORTS:

AIRPORT DIRECTOR REPORT – Mr. Eberly reported he will work towards having a location to hold the next meeting so that at least the Board can be in the same room if possible.

FINANCE ADMINISTRATOR REPORT – Ms. Martin reported that aircraft activity dropped 40% from May 2019 with total traffic down 39% year to date. About 70% of Receivables are outstanding from the end of May with much of the amounts due being landfill and commission amounts. Senator Mentzer will be holding his annual shredding events on June 20 and 27 in the parking lot from 10-12 each day, one date for Manheim Township and the other for Warwick Township.

FACILITIES ADMINISTRATOR – Mr. Beiler did not have any additional items to report at this time.

MANAGER, ALLIANCE AVIATION – Ms. Stauffer reported that there has been an uptick in traffic in the past few weeks.

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, July 20, 2020 at 3:30 p.m. by ZOOM. Meetings have been scheduled on ZOOM until the Board is ready to return to meetings on-site. There being no further business to discuss, motion was duly made by Ms. Moul, seconded by Ms. Lehman, unanimously approved, and the meeting was adjourned.

Respectfully submitted,

Cheryl Martin
Recording Secretary