

MINUTES OF
LANCASTER AIRPORT AUTHORITY

October 21, 2019

A meeting of the Lancaster Airport Authority was held in the Lancaster Airport Authority offices on Monday, October 21, 2019. 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 – Excused Absence

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

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 then 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 September 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 September 30, 2019 was submitted. Ms. Lehman reviewed the reports and noted that the financial status is following as anticipated. The accounts that are not performing as anticipated are as a result of the hangar and terminal projects taking longer than originally planned to be completed and available for occupancy. The following is the report for the referenced period.

<i>Period Ending September 30, 2019</i>		
Combined General Fund and Alliance Aviation		
Reporting Period	Budget	Actual
September Net Revenue:	\$99,712.33	\$175,356.60
Year to Date Net Revenue:	\$783,914.74	\$1,104,207.16
General Fund Report		
Reporting Period	Budget	Actual
September Net Revenue:	\$56,984.41	\$100,132.77
Year to Date Net Revenue:	\$406,811.25	\$565,537.05
Alliance Aviation Report		
Reporting Period	Budget	Actual
September Net Revenue:	\$42,727.92	\$75,223.83
Year to Date Net Revenue:	\$377,103.49	\$538,670.11
Cash and Cash Equivalents		
Item		Current Balance
General Fund Checking Account:		\$36,185.88
General Fund Liquid Reserves:		\$156,959.05
Certificate of Deposit:		\$3,659,000.00
PLGIT Cash Account:		\$2.11
PLGIT Prime Investment Account		\$178,205.55
PLGIT Term Account		\$1,750,000.00
General Fund Accounts Receivable:		\$175,595.78
General Fund Accounts Payable:		\$36,786.79
Alliance Aviation Checking/Cash on Hand:		\$60,395.40
Alliance Aviation Accounts Receivable:		\$57,231.33
Alliance Aviation Accounts Payable:		(\$64,844.75)
Total Cash and Cash Equivalents:		\$6,045,517.14
Grant-Funded Project Construction Report		
Balance @ August 31, 2019		\$568.60
Grant Receipts:		\$124,436.90
Line of Credit Drawdowns:		\$0.00
Total Cash Disbursements:		(\$124,436.90)
Balance @ September 30, 2019		\$568.60
Passenger Facility Charge Account		
Balance @ September 30, 2019		\$2,946.98

\$ 1 Million Line of Credit Report		
Item	Rate of 4.43950%	Available Balance:
Balance @ September 30, 2019		\$1,000,000.00

The financial reports for the period ending September 30, 2019 were moved for approval as submitted by Ms. Lehman, seconded by Ms. Moul, and unanimously approved subject to audit.

FISCAL YEAR 2020 PROPOSED BUDGET – Ms. Martin along with staff prepared a draft budget for fiscal year 2020. The draft was distributed to all Board members who were asked to review in anticipation of having a final draft ready for the November Board meeting for consideration. Ms. Martin reviewed key accounts as well as accounts which would be impacted by the loss of airline service if Southern Airways Express would be unable to continue past December 31, 2019.

Mr. Eberly noted that the Airport has been asked to host the 2020 Aviation Council annual conference. The Aviation Council staff are looking into potential sites to host the event. Mr. Eberly has also been serving on the Board for the last several years and he has been asked to serve as president of the Aviation Council for the coming year. There are funds allocated in the budget as the host airport to sponsor the event.

PERSONNEL COMMITTEE REPORT:

2019 Healthcare Premium Distribution Recommendation – Mr. Eberly reported the Airport Authority was refunded over \$112,000 of unused insurance claim funds and he requested that the Board approve returning 10% back to eligible employees. The Board approved the request.

Valerie Moul Reappointment Report – The Lancaster County Commissioners considered the request for Ms. Moul to be reappointed to the Airport Authority Board for an additional five (5) year term effective January 1, 2020. Ms. Moul attended the meeting when the Commissioners considered the request. The approval letter has been received confirming Ms. Moul’s appointment. Congratulations to Ms. Moul on her reappointment.

Proposed 2020 Meeting Dates – The Lancaster Airport Authority is required to post the public meeting dates for any meetings held by the Airport Authority. Ms. Martin requested approval to set the dates and submit the list to the County. The County fulfills the advertising requirement on behalf of the Airport Authority. The dates and time was approved.

FACILITIES COMMITTEE:

TERMINAL PROJECT – the process continues to complete the contracts and the grant has not yet been released. Once those documents are in place, a Notice-To-Proceed will be issued and the contractor will start the project.

CORPORATE HANGAR ARCHITECT/ENGINEER SELECTION UPDATE – the project is for a 12,000 square foot hangar with office space tentatively to be located off the Alliance/Advanced ramp. L. R. Kimball has been selected and has submitted a price proposal which is currently being reviewed. Once the agreement has been reviewed and is approved, the engineer will be able to commence with the design.

ESSENTIAL AIR SERVICE UPDATE - Mr. Eberly has been communicating with Mark Cestari from Southern Airways regarding securing the local share in order to stay in the EAS program. Southern Airways feels they would be able to contribute about \$80,000 to \$100,000 resulting from proposed reduced costs to operate at Lancaster Airport. Mr. Eberly has been looking into the possibility of supplying plane side services as a way of supplementing Southern Airways service at Lancaster Airport. It does not appear, however, that it would be permissible for the Airport Authority to provide those services. Mr. Zeamer cautioned that FAA sponsors assurances require that tenants in similar categories be treated equally.

Mr. Eberly also reported that several operators on the field are expanding and growing their available services and if the airline leaves, those operators would not be negatively impacted with the loss of service. He also felt that there would not be a negative impact on available grant funding if the Airport becomes a general aviation airport. Aircraft come to Lancaster because they have a reason to be in Lancaster, not because of how we treat them. Mr. Brown also echoed that the number of flight schools and the quality of the ATCT attract pilots to Lancaster and it becomes a destination airport.

Several board members requested that as part of a future strategic meeting, the Airport Authority look to a five/ten year plan to continue to grow the general aviation business at Lancaster Airport. They also requested that Mr. Eberly find out from Southern what it would take for them to operate at risk. The Board wants to maintain airline service, however, with the laws written the way they are, their hands are tied.

STAFF MANAGEMENT REPORTS:

AIRPORT DIRECTOR REPORT – Mr. Eberly reported that Fly Advanced anticipated receiving a permit in the next 1-2 weeks for the paint booth and then they will be able to move forward on the installation.

FINANCE ADMINISTRATOR REPORT – Ms. Martin reported that the remaining Receivables are about 55% since the end of the month. Aircraft activity in September increased in 2019 compared to 2018, however, the activity still remains at a lower level compared to year-to-date.

FACILITIES ADMINISTRATOR – Mr. Beiler reported that the hangars have full occupancy and all that remains is punchlist items. During the past 2 weeks, a drilling project as part of the design for the Runway 8-26 project was completed.

MANAGER, ALLIANCE AVIATION – Ms. Stauffer reported she has been working to develop key people such as the customer service position. One of the CSR's has been provided additional tasks which gives her a bigger picture of the process as well as a higher engagement.

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, November 18, 2019 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