

**Susquehanna Area Regional Airport Authority**  
**Meeting Minutes**  
**January 25, 2023**

A meeting of the Susquehanna Area Regional Airport Authority was called to order by Mr. Helsel at 8:00 a.m., on Wednesday, January 25, 2023. The following Board members were in attendance:

Christopher Abruzzo	Don Geistwhite	Stephen Libhart
James Anderson	James Gross	*Carolyn Van Newkirk
*Bennett Chotiner	James Helsel	Nelva Wright
Brian Enterline	William Leonard	

\*Mr. Chotiner and Ms. Van Newkirk arrived after Roll Call was taken.

Also attending were: Timothy Edwards (Executive Director), Marshall Stevens (Deputy Executive Director), Michael Winfield (Post & Schell), Scott Miller (Deputy Director, Advertising & PR), Kevin Bryner (Deputy Director, IT), Michael Moskal (Deputy Director, Finance & Business Administration), Belinda Svirbely (Deputy Director, Operations, Security & Public Safety), Lou Pirozzi (Deputy Director, Engineering & Planning), Mick Burkett (Deputy Director, Human Resources) and Camille Springer (Executive Assistant).

**Public Comments:** None.

**Consent Calendar:**

Mr. Helsel said this is to approve two Consent Calendar items, non-controversial items costing less than \$10,000.

1. Minutes of the December 7, 2022 Board Meeting
2. UPS Modular Facility Second Amendment to Ground Lease

**Motion:** A motion was made by Mr. Geistwhite that the Board approve the Consent Calendar items. The motion was seconded by Mr. Libhart and unanimously approved. Mr. Chotiner and Ms. Van Newkirk were not present when this vote was taken.

**Executive Committee:**

a) Strategic Consulting Partners Proposal for Implementation Assistance:  
Mr. Edwards reported that this is to authorize the Executive Director to execute the Implementation Assistance Proposal from Strategic Consulting Partners for a total project cost of \$1,500 per month plus additional hourly consulting fees to provide the services described in the scope of work. In June 2022, the SARAA Board awarded a consulting services contract to Strategic Consulting Partners (SCP) to assist the airport authority in

developing a formal strategic plan. As follow-up, the SARAA Board requested a proposal from SCP to provide implementation assistance in support of the strategic planning effort. SCP will set aside a block of coaching and consulting hours that SCP's consulting team will devote to SARAA during a one-year period. SCP will recommend implementation priorities to achieve the strategic goals to ensure that the strategic plan continues to move forward on schedule. Consulting fees include:

- Retainer for coaching and consulting services: \$1,500/month
- Additional hourly consulting services as needed: \$175/hour

The source of funding for the project will be SARAA operating funds.

**Motion:** A motion was made by Mr. Libhart that the Board authorize the Executive Director to execute the Implementation Assistance Proposal from Strategic Consulting Partners for a total project cost of \$1,500 per month plus additional hourly consulting fees of \$175 per hour to provide the services described in the scope of work. The motion was seconded by Mr. Geistwhite and unanimously approved. Mr. Chotiner was not present when this vote was taken.

#### **Airport Operations:**

a) **FAA Office Lease, Capital City Executive Airport:** Mr. Edwards reported this is to authorize the Executive Director to finalize negotiations and execute a Lease Agreement between SARAA and The United States of America, Department of Transportation, Federal Aviation Administration (FAA) for the use of Building 201 at Capital City Executive Airport. The FAA currently leases Building 201 to house the local Flight Standards District Office and the Manufacturing Inspection District Office. SARAA and the FAA Aviation Logistics Division have been negotiating the terms of a new agreement. Terms of the proposed agreement include the following:

- Term: October 1, 2022 through September 30, 2027
- Rent: \$234,231.36 for the first year, then increases of 3% per year for each subsequent year.
- Utilities: SARAA shall provide all utilities, except telecommunications.
- Maintenance: SARAA is responsible for all building and grounds maintenance.
- Janitorial: SARAA is responsible for janitorial services.

Income and expenses associated with this lease are included in the SARAA Operating Budget.

**Motion:** A motion was made by Mr. Libhart that the Board authorize the Executive Director to finalize negotiations and execute a Lease Agreement between SARAA and the United States of America, Department of Transportation, Federal Aviation Administration (FAA) for the use of Building 201 at Capital City Executive Airport. The motion was seconded by Mr. Abruzzo and unanimously approved. Mr. Chotiner was not present when this vote was taken.

b) Aero Corporation Short Term Ground Lease: Mr. Edwards reported that this is to approve a Ground Lease Agreement between SARAA and Aero Corporation and authorize the Executive Director to execute the ground lease. Aero Corporation operates Budget Car Sales and Cramer off airport parking. They are interested in leasing the vacant parking lot, located at the North 29<sup>th</sup> parcel, for the next 6 to 12 months. They are scheduled to make changes at their main facility. Either party may terminate the lease with 30 days written notice. The monthly rent is \$934.50.

**Motion**: A motion was made by Mr. Geistwhite that the Board approve a Ground Lease Agreement between SARAA and Aero Corporation and authorize the Executive Director to execute the ground lease. The motion was seconded by Mr. Libhart and unanimously approved. Mr. Chotiner was not present when this vote was taken.

c) Purchase Maintenance Vehicle: Mr. Edwards reported that this is to approve the acquisition of one Chevrolet Silverado 1-ton Crew-Cab truck with tool service body. The combined cost for the complete vehicle is not to exceed \$79,000. This is replacing a 4x4 truck originally used by the HIA Fire Department. The proposed vehicle will increase safety and efficiency for the maintenance users, provide long-term reliability to airport maintenance activities, and reduce transportation costs associated with those activities. The vehicle is available through State COSTARS. Funding is from the Capital Improvement account.

**Motion**: A motion was made by Mr. Gross that the Board approve the acquisition of one Chevrolet Silverado 1-ton Crew-Cab truck with tool service body for use by the HIA maintenance personnel. The combined cost of the complete vehicle is not to exceed \$79,000. The motion was seconded by Mr. Leonard and unanimously approved. Mr. Chotiner was not present when this vote was taken.

d) IT Master Plan/Award Contract: Mr. Edwards reported that this is to award a contract to Averro Advisors to update SARAA's IT master plan for \$64,999.00 and to authorize the Executive Director to sign all contract and related documents after final negotiations and review of counsel. An RFP was advertised in October 2022. Submissions were received from six firms and ranked by a small group of SARAA staff. Two firms were shortlisted and interviewed by the team. After interviews were conducted Averro Advisors was chosen as the preferred consultant. Funding for this project will come from the 2023 capital budget.

**Motion**: A motion was made by Mr. Geistwhite that the Board award a contract to Averro Advisors to update SARAA's IT master plan for \$64,999.00 and to authorize the Executive Director to sign all contract and related documents after final negotiations and review of counsel. The motion was seconded by Mr. Leonard and unanimously approved.

e) Capital Lease Purchase/3000-gallon ARFF Vehicle: Mr. Edwards reported that this is to approve the capital lease purchase of a 3000-gallon Oshkosh

Aircraft Rescue Firefighting vehicle, in the amount of \$1,340,013, and authorize the Executive Director to execute all documents related to the capital lease purchase. The proposed 3000-gallon Oshkosh vehicle would provide the airport with a new, reliable emergency response truck, capable of providing the additional resources needed during an emergency response to one of the larger aircraft that frequent the airport. The Airport Finance Department has researched capital lease-purchase options that are available, and recommends we proceed with an option to lease the Oshkosh vehicle for 6 years @3.54%, with a buy-out/purchase price of \$40,200.39. The commencement of payments to the manufacturer is currently projected for Q1 2024. Money for the \$21,511 monthly lease payments would come out of the airport's annual Operations and Maintenance budget. The truck is available through COSTARS purchasing.

**Motion:** A motion was made by Mr. Enterline that the Board approve the capital lease purchase of a 3000-gallon Oshkosh Aircraft Rescue Firefighting vehicle in the amount of \$1,340,013 and authorize the Executive Director to execute all documents related to the capital lease purchase. The motion was seconded by Mr. Leonard and unanimously approved.

### **Executive Director's Report:**

a) **Financials & Dashboard (through November):** Total YTD Airline Revenues were \$8.7 million vs \$8.8 budgeted, or 1.3% below budget. Total YTD Non-Airline Revenues were \$15.4 million vs \$14 million budgeted, or 10.1% better than budget. YTD Parking Revenues were \$6.7 million. Vehicle Rental Commissions & CFC's were \$4.5 million. Total YTD Operating Revenues were \$24 million vs \$22.9 million budgeted, or 5.7% better than budget. Total YTD Operating Expenses were \$17.3 million vs \$17.1 million budgeted. Net Operating Revenue is \$6.8 million YTD, or 19.9% over budget. Total Non-operating items were (\$9.9 million), resulting in a Variance to Budget of (\$3,107,601). Adding the Extraordinary Cash Inflows resulted in a Net Position of \$299,252. The Debt Coverage Ratio is 1.53 on a 1.25 requirement. On the Sales and Revenue Summary, YTD enplanements are 24% above YTD 2021 enplanements. Food/Gift sales are \$5.7 million, or 45% over YTD 2021 sales. Car Rental Sales were \$28.2 million, or 20% above YTD 2021 sales. Variable Revenue is \$15.8 million, up 15.4% YTD. The CPE was \$11.72. On the Accounts Receivable Trade Summary report, 30+ day outstanding balances account for only 4% of total receivables.

b) **Project Update:** Mr. Edwards reported on the following:

**HIA:**

**HIA Cargo Apron Expansion, Phase 4:** Micro tunneling for the dual 60" pipes has been completed. Contractors continue to complete micro-tunneling tie-ins and backfilling jacking/receiving pits.

**Airport Drive Phase 3B, Third Street Intersection:** A preconstruction meeting with the Contractor is scheduled for 1/25/2023. Waiting for EDA to provide approval to issue NTP.

**Water Plant PFOS Remediation Upgrade:** Contractor installed construction fence and is beginning demolition.

Baggage Handling System Control: FY 2023 BIL ATP Grant Application was submitted on 10/21/2022. Currently waiting on FAA determination.

Replace Escalators: Design and bid packaging to incorporate passenger detection and energy efficiencies. Plans and specifications are at 90%.

Capital City Executive Airport:

Remove Obstructions/Off Airport Tree Removal: Phase 3: Tree replacement plantings postponed until Spring 2023. Phase 4 (Design): Anticipated to be bid for construction February 2023.

Rehabilitate Taxiways B,C: NTP issued to Glenn O. Hawbaker. A kickoff/preconstruction meeting was held on January 23, 2023.

Replace Emergency Generator: Evaluating additional existing condition drawings. Preparing final deliverable report.

Gettysburg Regional Airport:

Construct South Aircraft Parking Apron, Phase V: The NOA issued to Shiloh Paving & Excavation. NTP/Construction anticipated to begin in April 2023.

Franklin County Regional Airport:

Update Master Plan: The aerial and ground survey completed. Working Paper No. 1 currently under SARAA review.

c) Enplanement Report: Mr. Edwards reported that 2022 Air Cargo Tonnage decreased 11% vs 2021's record. 2022 is ranked as the 4<sup>th</sup> busiest year in history. 2022 enplanements totaled 630,256, up 23% vs 2021, up 5% vs budget, and below 2019's record by 17%. While down 17% vs 2019, 2022 enplanements were up 2% vs the 5-year average, and down just 1% vs the 10-year average prior to 2019. All airlines at MDT posted growth in 2022 vs 2021. 2022 Departing Seats were up 11% vs 2021 but down 19% vs 2019. Departing Load Factor was 88%, a new annual record, up 8 points vs 2021 and up 2 points vs 2019.

**Executive Session**: Mr. Helsel convened an Executive Session at 8:29 a.m. to discuss litigation. Mr. Helsel reconvened the public Board meeting at 9:11 a.m. There was no action taken resulting from the Executive Session.

**Board Member Comments**:

Mr. Helsel: Mr. Helsel thanked the Board and SARAA staff for their efforts.

Mr. Anderson: Mr. Anderson said the end of the year numbers look very good.

**Next Board Meeting**:

**Wednesday, February 22, 2023, 8:00 a.m.**  
**Harrisburg International Airport**

**Adjournment:**

There being no further business to discuss, Mr. Helsel adjourned the meeting at 9:20 a.m.

Respectfully submitted:

Erik Hume,  
SARAA Secretary

Prepared by Camille Springer