

Susquehanna Area Regional Airport Authority
Meeting Minutes
May 31, 2023

A meeting of the Susquehanna Area Regional Airport Authority was called to order by Mr. Helsel at 8:00 a.m., on Wednesday, May 31, 2023. The following Board members were in attendance:

James Anderson	Don Geistwhite	William Leonard
Keith Bashore	James Gross	Keith Rodgers
Bennett Chotiner	James Helsel	*Carolyn Van Newkirk
Brian Enterline	Erik Hume	Nelva Wright

*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), Jamie Sides (Deputy Director, Maintenance), 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.

Police Officer Oaths:

The following Police Officers were sworn into office by Chairman Helsel:

- Officer Jason Smith
- Lieutenant Jon Greenawalt

Consent Calendar:

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

1. Minutes of the April 26, 2023 Board Meeting

Motion: A motion was made by Mr. Geistwhite that the Board approve the Consent Calendar item. The motion was seconded by Mr. Hume and unanimously approved.

Executive Committee:

a) **Life & Disability Insurance:** Mr. Edwards reported that this is to select MetLife as SARAA's disability and life insurance provider for the July 1, 2023 through September 30, 2025 policy period. MetLife's proposal is a 26.33% reduction in premium compared to the current carrier, One America, while maintaining the same benefit and coverage. SARAA's insurance broker recently marketed all the employee benefit plans. MetLife's proposal provided the lowest pricing. The premium will be paid out of SARAA's general fund.

Motion: A motion was made by Mr. Enterline that the Board select MetLife as SARAA's disability (short-term and long-term) and life insurance provider for the July 1, 2023 through September 30, 2025 policy period. The motion was seconded by Mr. Chotiner and unanimously approved.

Airport Operations:

a) **Uniform Services Contract for Maintenance Employees:** Mr. Edwards reported that this is to approve the award of a contract to Cintas in an amount of \$12,931.15 per year for the services of supplying and laundering uniforms, shop rags and entrance mats for maintenance employees and facilities at HIA and CXY. Cintas, Inc. has been supplying uniforms to SARAA for the past eight years at an annual cost of \$12,731.80 per year. This contract is entirely paid for by airport operating funds.

Motion: A motion was made by Mr. Gross that the Board approve the award of a contract to Cintas, Inc. of York, Pennsylvania in an amount of \$12,931.15 per year for the services of supplying and laundering uniforms, shop rags and entrance mats for maintenance employees and facilities at HIA and Capital City Executive Airport, and to authorize the Executive Director to sign the contract. The motion was seconded by Mr. Geistwhite and unanimously approved.

b) **Blue Sky Adventures Lease Assignment/GRA:** Mr. Edwards reported that this is to authorize the Executive Director to approve the assignment of the ground lease associated with Blue Sky Adventures LLC hangar at Gettysburg Regional Airport. The new lessees will be Richard and Margot Fox. Daniel Gebhart entered into a ground lease with SARAA in June 2019, with an initial term of 20 years plus two additional terms of five years. Mr. Gebhart has indicated he is relocating and wishes to assign this lease to Richard and Margot Fox. The assignment does not relieve the Assignor (Gebhart) of any of his obligations under the lease. No change to funding is proposed. The current annual rent is \$2,244.42.

Motion: A motion was made by Mr. Bashore that the Board authorize the Executive Director to approve the assignment of the ground lease associated with Blue Sky Adventures LLC hangar at Gettysburg Regional Airport. The new lessees will be Richard and Margot Fox. The motion was seconded by Mr. Geistwhite and unanimously approved.

c) Award ADCI Design/Bid Phase Professional Service Contract for the Passenger Boarding Bridge Replacements/HIA: Mr. Edwards reported that this is to authorize the Executive Director to execute a professional services contract with ADCI, Inc. in the not-to-exceed amount of \$97,800 to provide design and bid phase services to replace 12 Passenger Boarding Bridges (PBB) at HIA. ADCI was selected to perform this work since they recently completed a design to update the terminal apron gate marking plans and already have prepared plans for all 12 gates at HIA. It is anticipated that this project will be advertised in August 2023, with a September 2023 bid opening. A detailed independent fee estimate (IFE) was completed. Based on a comparison against this IFE, ADCI's fee is determined to be fair and reasonable for the scope of work. This work will be funded from SARAA's Operating and Maintenance account and reimbursement requested as part of the FY2024 BIL ATP grant application.

Motion: A motion was made by Mr. Enterline that the Board authorize the Executive Director to execute a professional services contract with ADCI, Inc. of Ellicott City, Maryland in the not-to-exceed amount of \$97,800 to provide design and bid phase services to replace 12 Passenger Boarding Bridges at HIA. The motion was seconded by Mr. Anderson and unanimously approved.

d) Award Urban Design/Bid Phase Professional Services Contract for the Building 208 Demolition/HIA: Mr. Edwards reported that this is to authorize the Executive Director to execute a professional services contract with Urban Engineers in the not-to-exceed amount of \$99,629 to provide design and bid phase services for the Demolition of Building 208. An IFE was completed by comparing Urban's scope/fee against the Building 26/96 Demolition Design/Bid Phase Service Contract and associated fee. Based on that comparison, Urban's direct labor, rates, general and administrative overhead, non-salary expenses and profit were reasonable. Urban was chosen since they are completing the Phase I and II environmental investigations for Building 208. This work will be funded from SARAA's Operating and Maintenance account and be offset with the proceeds from the insurance payout.

Motion: A motion was made by Mr. Anderson that the Board authorize the Executive Director to execute a professional services contract with Urban Engineers, Inc. of Philadelphia, Pennsylvania in the not-to-exceed amount of \$99,929 to provide design and bid phase services for the Demolition of Building 208 at HIA. The motion was seconded by Mr. Chotiner. Discussion ensued. The motion was denied with a Roll Call vote with two members voting for the motion and ten members voting against the motion. Mr. Gross and Mr. Leonard voted for the motion. Mr. Anderson, Mr. Bashore, Mr. Chotiner, Mr. Enterline, Mr. Geistwhite, Mr. Helsel, Mr. Hume, Mr. Rodgers, Ms. Van Newkirk and Ms. Wright voted against the motion.

e) Award Urban Design CA/CM Services for Building 208 Demolition, HIA: Chairman Helsel removed this item from the agenda.

f) Huntleigh Contract Amendment. Mr. Edwards reported that this is to authorize the Executive Director to execute a revised agreement with Huntleigh USA Corporation for baggage handling system staffing. The amendment will revise the billing rates from the current rates of \$14.50 for regular hours and \$21.75 for overtime hours to proposed rates of \$18.10 for regular hours and \$27.15 for overtime hours. Huntleigh would like to implement their new pay rates for employees effective June,1, 2023. Huntleigh has served HIA since 1989. Due to the challenges of current wages, they are requesting their first increase to these rates in more than 20 years. If implemented on June 1, 2023, the proposal could add approximately \$5,000 above the 2023 budget for this expense.

Motion: A motion was made by Mr. Enterline that the Board authorize the Executive Director to execute a revised agreement with Huntleigh USA Corporation for baggage handling system staffing. The amendment will revise the billing rates from the current rates of \$14.50 for regular hours and \$21.75 for overtime hours, to proposed rates of \$18.10 for regular hours and \$27.15 for overtime hours. The motion was seconded by Mr. Geistwhite and unanimously approved.

g) Black Hangar Assignment: Mr. Edwards reported that this is to authorize the Executive Director to approve the assignment of the ground lease associated with Hangars 506/507 at Capital City Executive Airport currently leased to Timothy Black. The new lessee will be Brian Seltzer. Timothy Black entered into a ground lease with SARAA in August of 2000 with an initial term of 20 years plus two additional terms of four years each. Through an attorney, Mr. Black is requesting the assignment of the lease and separation of the agreement into two individual agreements. SARAA Counsel is drafting the assignment agreement. No change in funding is proposed.

Motion: A motion was made by Mr. Geistwhite that the Board authorize the Executive Director to approve the assignment of the ground lease associated with Hangars 506/507 at Capital City Executive Airport currently leased to Timothy Black. The new lessee will be Brian Seltzer. The motion was seconded by Mr. Enterline and unanimously approved.

Executive Director's Report:

a) Financials & Dashboard (through April): Total YTD Airline Revenues were \$3.1 million vs \$3.2 million budgeted, or 4.1% below budget. Total YTD Non-Airline Revenues were \$6,130,556. Total YTD Operating Revenues were \$9.2 million. Total YTD Operating Expenses are \$6.9 million vs. \$7.7 million budgeted, or 9.9% below budget. YTD Net Operating Revenue is \$2.3 million vs \$1.7 million budgeted. Total YTD Non-Operating items were (\$479,304), resulting in a Variance to Budget of \$1,833,507. Adding the Extraordinary Cash Inflows resulted in a Net Position of \$2,861,507. The Debt Coverage Ratio is 1.95 on a 1.25 requirement. On the Sales and Revenue Summary, YTD enplanements of 194,941 are 1.74% above 2022 enplanements. Total YTD Food/Gift Sales are \$2.1 million, or 18.04% over 2022 sales. Total YTD Car Rental Sales were \$8.4 million, or .58% above 2022 sales. Total YTD

Variable Revenue is \$5.9 million, or 12.2% above 2022. On the Accounts Receivable Trade Summary, the total 60-plus day receivables are 4.9% of total outstanding receipts.

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

HIA:

HIA Cargo Apron Expansion, Phase 5: The Phase 5 pre-bid meeting was held on 5/9/2023. The bid opening is on 6/1/23 via PennBID.

Airport Drive Phase 3B, Third Street Intersection: The contractor continues constructing drainage and new roadway alignment. The anticipated substantial completion is September 2023.

Water Plant PFOS Remediation Upgrade: The contractor continues constructing new structure, piping modifications and well upgrades.

Baggage Handling System Control: Selected to receive \$5.5 million from FY2023 BIL ATP Grant. A pre-bid meeting was held on 5/22/2023. The bid opening is scheduled for 6/9/2023 via PennBID.

Replace Escalators: Preparing final bid package for FY2024 BIL ATP Grant application. Targeting September 2023 Bid Opening.

Replace 12 Passenger Boarding Bridges: Preparing bid documents for FY2024 BIL ATP Grant application. Targeting a September 2023 Bid Opening.

Capital City Executive Airport:

Remove Obstructions-Off Airport Tree Removal: Bids were opened on April 18, 2023. NOA/NTP is pending FAA Grant award.

Gettysburg Regional Airport:

Construct South Aircraft Parking Apron, Phase V: Runway closures anticipated 6/5/23 to 6/18/23, and 6/26/23 to 6/28/23. Notifications have been sent.

Franklin County Regional Airport:

Update Master Plan: Facility Requirements Meeting No. 1 was held with stakeholders on 5/19/23. Continue preparing updated Master Plan.

c) Enplanement Report: Mr. Edwards reported that April 2023 MDT Operations were up 6.4% vs April 2022. YTD 2023 MDT Operations are up 5.6% vs YTD 2022. April 2023 CXY Operations were up 10% vs April 2022. YTD 2023 CXY Operations were up 14% vs YTD 2022. April 2023 Air Cargo Tonnage decreased 10% vs April 2022. YTD 2023 cargo is down 11% vs YTD 2022. YTD landed weight is down 14% vs. 2022 and down 12% vs budget. April 2023 Enplanements were 50,427, down 5.4% vs April 2022. YTD 2023 Enplanements were up 1.7% vs YTD 2022, and down 8% vs budget. 2023 seats are down only 2% vs 2022. However, seat declines to CLT and ORD (AA) plus DTW (DL) were not expected. We are on pace for 637,000 (now 1% over 2022 an off budget by 1.3%). Summer Priorities include Passenger Air Route Development, Cargo Air Route Development. The Launch Taking Flight program has been delayed until late summer/early fall. The \$60,000 advertising campaign begins 5/30 to 7/30.

Executive Session:

Mr. Helsel convened an Executive Session at 8:55 a.m. to discuss a litigation matter. He reconvened the public Board meeting at 9:21 a.m. There was no action taken resulting from the Executive Session.

Board Member Comments:

Mr. Chotiner: Mr. Chotiner thanked staff for their efforts. He also commented that HIA is a wonderful airport.

Mr. Geistwhite: Mr. Geistwhite thanked staff for their efforts.

Mr. Rodgers: Mr. Rodgers commented that the numbers look good.

Ms. Van Newkirk: Ms. Van Newkirk said she appreciated the discussion regarding the selection process.

Mr. Leonard: Mr. Leonard said that he traveled last week and said it was a good experience with no issues.

Mr. Helsel: Mr. Helsel commented about he will send the members of the Board information on a future air show via the Board portal.

Mr. Enterline: Mr. Enterline thanked Mr. Pirozzi for his professionalism. He said he also supports Mr. Helsel's air show idea.

Mr. Hume: Mr. Hume said he supports the air show idea. He also said that the June 21 Committee meetings would be held at the Capital City Executive Airport.

Mr. Bashore: Mr. Bashore commended staff for the great control of expenses.

Ms. Wright: Ms. Wright thanked staff and said the discussions are very helpful. She also said that she plans on moving forward with the artwork concept for HIA and will keep everyone informed.

Next Board Meeting:

**Wednesday, June 28, 2023, 8:00 a.m.
Harrisburg International Airport**

Adjournment:

There being no further business to discuss, Mr. Helsel adjourned the meeting at 9:31 a.m.

Respectfully submitted:

Erik Hume,
SARAA Secretary

Prepared by Camille Springer