

Susquehanna Area Regional Airport Authority
Meeting Minutes
August 30, 2023

A meeting of the Susquehanna Area Regional Airport Authority was called to order by Mr. Helsel at 8:00 a.m., on Wednesday, August 30, 2023. The following Board members were in attendance:

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

*Mr. Hume arrived after Roll Call was taken.

Also attending were: Timothy Edwards (Executive Director), Marshall Stevens (Deputy Executive Director), Michael Winfield (Post & Schell), Michael Moskal (Deputy Director, Finance & Business Administration), Jamie Sides (Deputy Director, Maintenance), Scott Miller (Deputy Director, Advertising & PR), Kevin Bryner (Deputy Director, IT), 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 one Consent Calendar item, a non-controversial item costing less than \$10,000.

1. Minutes of the July 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. Leonard and unanimously approved.

Executive Committee:

a) Health Insurance Renewal: Mr. Edwards reported that this is to renew with Capital Blue Cross as SARAA's health insurance carrier for the October 1, 2023 – September 30, 2024 policy period. The renewal includes a 0.76% reduction in total premium compared to current rates. Benefit design, deductibles, and copays remain the same. In addition to the reduction in premium, another advantage of the renewal is switching to a Level Funding Arrangement in which SARAA will receive claims data. Claims data is important in negotiations as SARAA will be able to objectively evaluate and negotiate proposals. The plan will continue

to include a \$4,000 individual deductible and \$8,000 family deductible with SARAA providing an HRA that provides \$3,750 per individual, and \$7,500 per family. Premium costs are shared between SARAA and its employees.

Motion: A motion was made by Mr. Geistwhite that the Board approve the renewal with Capital Blue Cross as SARAA's health insurance carrier for the October 1, 2023 – September 30, 2024 policy period. The motion was seconded by Mr. Abruzzo and unanimously approved.

Airport Operations:

a) **Crash Phone System Replacement:** Mr. Edwards reported that this is to approve the purchase of a replacement Emergency Alerting Notification System, including a five-year extended warranty contract, and authorize the Executive Director to execute all documents related to the purchase. HIA's crash phone system allows direct phone access between the FAA Air Traffic Control Tower, the Airport Fire Department, the 193rd ANG Fire Department, Airport Operations and the Airport Communication (Dispatch) Center. The current system has reached end of life and is experiencing periods when calls are not clearly audible. The proposed system is a KovaCorp product, provided through the COSTARS contract with Butler Mechanical Services, LLC. Funding for the system purchase would be provided from the HIA capital budget. The package price is \$88,011.57. The extended system warranty is \$17,805.31 per year for years 2 – 6 inclusive and includes a hardware refresh in year 3.

Motion: A motion was made by Mr. Bashore that the Board approve the purchase of a replacement Emergency Alerting Notification System, including a five-year extended warranty contract, and authorize the Executive Director to execute all documents related to the purchase, subject to SARAA's legal counsel review of the documents. The motion was seconded by Mr. Geistwhite and unanimously approved.

b) **Upgrade Vehicular Storage Tank Fuel Farm, HIA:** Mr. Edwards reported that this is to authorize the Executive Director to execute a professional services contract with JD2 Environmental, Inc. in an amount not-to-exceed \$81,320 to provide engineering design, bid phase, and construction phase services to replace the current landside vehicular fueling system, canopy and dispensers at HIA. SARAA's current underground storage tank (UST) system consists of three 8,000-gallon tanks (two diesel and one gasoline) that are over 25-years old and nearing the end of their design life. In addition to the age of the tanks, the existing UST system does not meet current PADEP requirements and must be either retrofitted or replaced. SARAA will replace three existing USTs with two new above ground storage tanks (AST), one 20,000-gallon diesel and one 10,000-gallon, meeting all PADEP regulations. Four engineering firms were contacted to provide a cost estimate, and JD2 Environmental provided a fee amounting to \$81,320. This project was identified as a priority in the 2023 CIP Budget and will be funded from SARAA's Capital Improvement Account.

Motion: A motion was made by Mr. Enterline that the Board authorize the Executive Director to execute a professional services contract with JD2 Environmental, Inc. of West Chester, Pennsylvania in an amount not-to-exceed \$81,320 to provide engineering design, bid phase, and construction phase services to replace the current landside vehicular fueling system, canopy and dispensers at HIA. The motion was seconded by Mr. Chotiner and unanimously approved.

c) Award HIA Cargo Apron Expansion, Phase V – Construction

Administration: Mr. Edwards reported that this is to authorize the Executive Director to execute a professional services contract with AECOM for the not-to-exceed amount of \$272,872 to provide construction administration services for the next phase (Phase V) of the Cargo Apron Expansion project at HIA. AECOM was previously selected to provide these services through an RFQ/TP process that followed procedures described in FAA Advisory Circular and SARAA's procurement policy. AECOM provided CA services for the previous phase (Phase IV) of this project. AECOM's fee is 6% lower than the independent fee estimate (IFE), and within the acceptable range of +/-10%. This project will be paid through FAA AIP, Discretionary, and BIL-AIG Grants at 90% funding with a 5% state and 5% local match.

Motion: A motion was made by Mr. Geistwhite that the Board authorize the Executive Director to execute a professional services contract with AECOM of Hunt Valley, Maryland for the not-to-exceed amount of \$272,872 to provide construction administration (CA) services for the next phase (Phase V) of the Cargo Apron Expansion project at HIA. The motion was seconded by Mr. Rodgers and unanimously approved.

d) Award HIA Cargo Apron Expansion, Phase V (CM/CI): Mr. Edwards reported that this is to authorize the Executive Director to execute a professional services contract with Urban Engineers, Inc. for the not-to-exceed amount of \$1,151,200 to provide construction management and inspection (CM/CI) services for the next phase (Phase V) of the Cargo Apron Expansion project at HIA. Urban was previously selected to provide these services through an RFQ/TP process that followed procedures described in FAA Advisory Circular and SARAA's procurement policy. Urban provided CM/CI services for the previous phase (Phase IV) of this project. Urbans' fee is 9% lower than the independent fee estimate (IFE), and within the acceptable range of +/-10%. This project will be paid through FAA AIP, Discretionary, and BIL-AIG Grants at 90% funding with a 5% state and 5% local match.

Motion: A motion was made by Mr. Abruzzo that the Board authorize the Executive Director to execute a professional services contract with Urban Engineers, Inc. of Mechanicsburg, Pennsylvania for the not-to-exceed amount of \$1,151,200 to provide construction management and inspection (CM/CI) services for the next phase (Phase V) of the Caro Apron Expansion project at HIA. The motion was seconded by Mr. Leonard and unanimously approved.

e) Cargo Apron Expansion, Phase VI (Final Design/Bid Award), HIA: Mr. Edwards reported that this is to authorize the Executive Director to execute a professional services contract with AECOM in an amount not-to-exceed amount of \$131,796 to provide final design, bid and award phase services for the final phase (Phase VI) of the Cargo Apron Expansion project at HIA. AECOM was previously selected to provide these services through a RFQ/TP process. AECOM provided final design, bid and award phase services on the previous phase of this project. AECOM's fee is 14% higher than the independent fee estimate (IFE). It appears that the IFE did not adequately account for the complexity of matching existing grades while ensuring positive drainage. When the IFE is evaluated with additional hours in key positions, AECOM's fee is within the acceptable range. This project will be paid through FAA AIP, Discretionary, and BIL-AIG Grants at 90% funding with a 5% state and 5% local match.

Motion: A motion was made by Mr. Abruzzo that the Board authorize the Executive Director to execute a professional services contract with AECOM of Hunt Valley, Maryland for the not-to-exceed amount of \$131,796 to provide final design, bid and award phase services for the final phase (Phase VI) of the Cargo Apron Expansion project at HIA. The motion was seconded by Ms. Wright and unanimously approved.

f) GA O&M Projects: Mr. Edwards reported that this is to award contracts to Capital Coating and Hi-Lite Airfield Services in an amount of \$607,188.00 to complete O&M projects at CXY and FCRA. All projects will be completed by the end of 2023 calendar year. Funding for these contracts will come from the SARAA Operating & Maintenance Budget.

Motion: A motion was made by Mr. Bashore that the Board award contracts to Capital Coating and Hi-Lite Airfield Services in an amount of \$607,188.06 to complete O&M projects at CXY and FCRA, and to authorize the Executive Director to sign the contract and all related documents. The motion was seconded by Mr. Anderson and unanimously approved.

Separate Motion: A motion was made by Mr. Enterline that the Board preapprove and grant the Executive Director authorization to spend an additional \$500,000 in O&M projects before the end of the year. The motion was seconded by Mr. Chotiner and unanimously approved.

g) Billboard Location Lease, The Lamar Companies: Mr. Edwards reported that this is for the SARAA Board of Directors to approve a Sign Location Lease between SARAA and The Lamar Companies. Lamar has a billboard located off Route 230, adjacent to the storm water management pond, off-airport property at HIA. The current 8-year lease expired in July 2023 and is now on a month-to-month tenancy. Lamar is seeking a new, eight-year lease. Lamar's current rent is \$4,352.00 per year. They are proposing a 3% annual rent increase. This new lease will generate \$38,760.00 over the 8-year term.

Motion: A motion was made by Mr. Bashore that the Board approve a Sign Location Lease between SARAA and The Lamar Companies and authorize the Executive Director to execute the lease. The motion was seconded by Mr. Anderson and unanimously approved.

Executive Director's Report:

a) **Financials & Dashboard (through June):** Total YTD Revenues were \$16.6 million vs \$16.7 million budgeted, or 0.9% below budget. Total YTD Operating Expenses are \$12.4 million vs. \$13.3 million budgeted, or 6.9% below budget. YTD Net Operating Revenue is \$4.1 million vs \$3.4 million budgeted, or 22.8% above budget. The Variance to Budget was \$289,438. Adding the Extraordinary Cash Inflows resulted in a Net Position of \$2,088,438. The Debt Coverage Ratio is 2.05 on a 1.25 requirement. The Total Covid Grant Fund Balance is \$7.6 million. On the Sales and Revenue Summary, YTD enplanements were .93% above 2022 enplanements. Food/Gift sales are up 13.8%. Hotel Sales are up 4%. Rental Car sales are down 1%. On the Accounts Receivable Trade Summary, the total 60-plus day receivables are 5% of total outstanding receipts.

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

HIA:

HIA Cargo Apron Expansion, Phase 5: The low bidder is Atlantic Contracting & Materials. NOA/NTP for construction pending finalized grant.

Airport Drive Phase 3B, Third Street Intersection: Phase 4 traffic switch will be on September 13th. Anticipated substantial completion is in December 2023.

Water Plant PFOS Remediation Upgrade: Continue individual well pump/motor/control upgrades.

Baggage Handling System Control: NTP issued to DCI on August 23, 2023.

Capital City Executive Airport:

Rehabilitate Taxiways B & C: Substantial completion inspection was held on August 18, 2023.

Gettysburg Regional Airport:

Construct South Aircraft Parking Apron, Phase V: Substantial completion inspection was held on August 2, 2023.

Franklin County Regional Airport:

Update Master Plan: Continue to finalize existing ALP set and recommended development concepts.

c) **Enplanement Report:** Mr. Edwards reported that YTD 2023 enplanements are up 1% vs YTD 2022, or 5% below budget. Growth over the last four months of 2023 will continue – up 6% vs budget. Calendar Year 2023 is pacing for approximately 642,000 enplanements. On a 12-month rolling basis, July 2023 traffic has recovered to July 2018. MDT is currently 19% behind February 2020, MDT's all time high. YTD CXY Operations were up 19%. YTD MDT

Operations were up 8.3%. The growth is led by a 32% increase in GA operations. YTD Air Cargo Tonnage is down 7.6%. YE July 2023 is pacing at YE the July 2018 level.

TSA PreCheck: A TSA Precheck enrollment event is scheduled for Wednesday, September 6th to Thursday, September 14th. Usually 35 – 40% of MDT travelers are pre-check customers.

Women in Aviation Day: This event is scheduled for Monday, September 25th at HIA.

CXY Open House: The CXY Open House was held on August 19, 2023 and was a huge success. More than 3,400 people attended this event, which included helicopter rides, aircraft displays, flight simulation, drones, and food trucks.

AAA Document Shredding Event: This event is scheduled for Saturday, September 30th.

Executive Session:

Mr. Helsel did not convene an Executive Session.

Lower Swatara Township Litigation: Mr. Winfield reported on the procedural status of the litigation with Lower Swatara Township and Lower Swatara Township Municipal Authority over the stormwater fees assessed against SARAA. The Township and Authority had filed a motion to stay the litigation pending the decision of the Pennsylvania Supreme Court in the West Chester Borough/West Chester University appeal. The Township and Authority also filed a motion for a protective order to prevent depositions from moving forward. Both motions were denied, allowing the litigation to proceed forward. There was no discussion on the report made by Mr. Winfield.

Board Member Comments:

Mr. Chotiner: Mr. Chotiner said he appreciates the convenience of this airport.

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

Mr. Leonard: Mr. Leonard said staff did a very good job with the CXY Open House.

Finance Committee: The Finance Committee had their first meeting for the 2024 budget. There will be follow-up meetings.

Deputy Executive Director Vacancy: Please send any thoughts about the process to the HR Committee, consisting of Mr. Leonard, Mr. Rodgers and Ms. Wright.

Ms. Van Newkirk: Ms. Van Newkirk said she appreciated all the positive feedback regarding the Capital City Executive Airport Open House.

Mr. Enterline: Mr. Enterline complimented staff on their “teamwork” efforts with the Open House. He said he was impressed with the team concept.

Mr. Bashore: Mr. Bashore said he attended the Lower Swatara Township Supervisors meeting on July 31st. He said that Marshall’s presentation made all the difference as the Township was originally opposed to the rezoning to Airport Business.

Next Board Meeting:

Wednesday, September 27, 2023, 8:00 a.m.

Harrisburg International Airport

Adjournment:

There being no further business to discuss, Mr. Helsel adjourned the meeting at 8:50 a.m.

Respectfully submitted:

Erik Hume,
SARAA Secretary

Prepared by Camille Springer