

**Susquehanna Area Regional Airport Authority**  
**Meeting Minutes**  
**January 31, 2024**

A meeting of the Susquehanna Area Regional Airport Authority was called to order by Mr. Leonard at 8:00 a.m., on Wednesday, January 31, 2024. The following Board members were in attendance:

James Anderson	Don Geistwhite	William Leonard
Keith Bashore	James Gross	Stephen Libhart
Brian Enterline	Erik Hume	Keith Rodgers

Also attending were: Timothy Edwards (Executive Director), Michael Winfield (Post & Schell), Kevin Gold (Pillar+Aught) (teleconference), Michael Moskal (Deputy Director, Finance & Business Administration), Jamie Sides (Deputy Director, Maintenance), Kevin Bryner (Deputy Director, IT), Scott Miller (Deputy Director, Advertising & PR), Belinda Svrbely (Deputy Director, Operations, Security & Public Safety), Lou Pirozzi (Deputy Director, Engineering & Planning), Mick Burkett (Deputy Director, Human Resources), and Camille Springer (Executive Assistant).

Guests: (teleconference)

FORVIS: Rick Wittgren, Partner  
Nancy Perez, Senior Associate

Public Comments: None.

**Consent Calendar:**

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

1. Minutes of the December 6, 2023 Board Meeting

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

**Executive Committee:**

a) FORVIS Audit Planning Review (Rick Wittgren, Nancy Perez): Mr. Wittgren and Ms. Perez presented the Audit Planning Review for 2024. They presented the Overview and Responsibilities which include:

- Scope of Audit
- Audit Standards & Materiality
- FORVIS Responsibilities

- SARAA Responsibilities
- Distribution Restriction

The planned timing of the engagement include:

- Planning & Risk Assessment: Week of November 13<sup>th</sup>
- Risk Response, Including Inquiries & Substantive Testing: March 4<sup>th</sup> through March 22<sup>nd</sup>
- Wrap Up & Reporting: Early April
- Presentation to the Executive Committee: April 19<sup>th</sup>
- Presentation to the Board: April 24<sup>th</sup>

Significant Risks of Material Misstatement:

- Capital Assets
- Bonds Payable
- Implementation of GASB 96, Subscription-Based Information Technology Agreements
- Compliance with Uniform Guidance and the Guide

### **Airport Operations:**

a) Land Development Plan/Cargo Support Facility: Mr. Edwards reported that on September 1, 2023, SARAA publicly posted a Request for Proposal seeking proposals from qualified firms to provide planning services for the ultimate build out of approximately 18 acres of airside and landside property located adjacent to the expanded cargo apron at HIA. The Jacobs Engineering Group was selected as the most responsive to the needs of the Airport Authority. Jacobs will perform the following services totaling \$132,155:

- Develop Renderings: \$76,747
- Evaluate EV Charging Demands: \$35,557
- Evaluate CBP/FIS Facilities: \$19,851

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

**Motion**: A motion was made by Mr. Geistwhite that the Board award a professional services contract to Jacobs Engineering Services, Inc. in the amount of \$132,155 to provide professional planning services for the project to complete a Land Development Plan for Cargo Support Facilities and authorize the Executive Director to execute the contract. The motion was seconded by Mr. Libhart and approved.

b) NPDES Stormwater Sampling & Reporting (CXY, GRA, FCRA): Mr. Edwards reported that this is to authorize the Executive Director to award a professional services contract to Geo-Technology Associates (GTA) in an amount not-to-exceed \$15,826 to provide stormwater sampling and reporting as required to maintain compliance with the Airport's National Pollutant Discharge Elimination System

(NPDES) Industrial Stormwater Permits at GRA, FCRA and CXY. SARAA has a regulatory requirement to accomplish annual stormwater compliance evaluations. This requires semiannual sampling and inspection of each of the Airport's stormwater outfalls. It is recommended that GTA provide these professional services based on successful past performance of similar work at HIA, and an ongoing business relationship since 2011. The cost of this work was included in the line items for environmental studies in SARAA's 2024 operating budget.

**Motion:** A motion was made by Mr. Bashore that the Board authorize the Executive Director to award a professional services contract to Geo-Technology Associates (GTA), Inc. of York, Pennsylvania in an amount not-to-exceed \$15,826 to provide stormwater sampling and reporting as required to maintain compliance with the Airport's National Pollutant Discharge Elimination System (NPDES) Industrial Stormwater Permits at GRA, FCRA and CXY. The motion was seconded by Mr. Libhart and unanimously approved.

c) **NPDES & MOU Water Sampling & Reporting (HIA):** Mr. Edwards reported that this is to authorize the Executive Director to award a professional services contract to Geo-Technology Associates (GTA) in an amount not to exceed \$46,110 to provide water sampling and reporting as required to maintain compliance with the Airport's National Pollutant Discharge Elimination System (NPDES) Industrial Stormwater Permits at HIA. SARAA has a regulatory requirement to accomplish water sampling and reporting. Additionally, quarterly sampling must be conducted to maintain regulatory compliance with the Memorandum of Understanding (MOU). It is recommended that GTA provide these professional services based on successful past performance at HIA, and an ongoing business relationship since 2011. The cost of this work was included in the line item for environmental studies in SARAA's 2024 operating budget.

**Motion:** A motion was made by Mr. Gross that the Board authorize the Executive Director to award a professional services contract to Geo-Technology Associates (GTA), Inc. of York, Pennsylvania in an amount not-to-exceed \$46,110 to provide water sampling and reporting as required to maintain compliance with the Airport's National Pollutant Discharge Elimination System (NPDES) Industrial Stormwater Permits and the MOU at HIA. The motion was seconded by Mr. Rodgers and unanimously approved.

d) **Refurbish & Paint Water Tank #4 (Construction) (HIA):** Mr. Edwards reported that this is to authorize the Executive Director to execute a construction contract with Minoan Industrial in the amount of \$519,700 to refurbish and paint the exterior surfaces of Water Tank #4 at HIA. The 400,000-gallon elevated water tank needs refurbished to maximize its useful life. A total of four bids were received and all bidders were deemed to be responsible and responsive. Construction will be completed in the Spring of 2024 and funded from SARAA's operating and maintenance account.

**Motion:** A motion was made by Mr. Geistwhite that the Board authorize the Executive Director to execute a construction contract with Minoan Industrial LLC of York, Pennsylvania in the amount of \$519,700 to refurbish and paint the exterior surfaces of Water Tank #4 at HIA. 13 Rehab at HIA. The motion was seconded by Mr. Libhart and unanimously approved.

e) **Design PFAS Pilot Treatment Program for Groundwater (HIA):** Mr. Edwards reported that this is to authorize the Executive Director to execute a professional services agreement with Garver LLC for the lump sum of \$179,643 to design a conceptual pilot program to treat PFAS in groundwater/stormwater generated from the terminal building's sump and dewatering pumps at HIA. In 2022 SARAA was awarded a PA DEP Growing Greener Grant for a PFAS Findings, Assessment and Solution's Project. This project involves developing a 10% conceptual design for a pilot program to treat PFAS in groundwater/stormwater discharges at HIA. This project will be funded through a PADEP Growing Greener Grant at 85% with a 15% local match that will be paid from SARAA's Capital Improvement Account.

**Motion:** A motion was made by Mr. Libhart that the Board authorize the Executive Director to execute a professional services agreement with Garver LLC of North Little Rock, Arkansas for the lump sum amount of \$179,643 to design a conceptual pilot program to treat PFAS in groundwater/stormwater generated from the terminal building's sump and dewatering pumps at HIA. The motion was seconded by Mr. Rodgers and unanimously approved.

f) **MMTF Repairs & Preventative Maintenance Design:** Mr. Edwards reported that this is to authorize the Executive Director to execute a professional services agreement with Desman for an amount not to exceed \$69,480 for the preparation of plans, specifications and to provide design and bidding assistance for a project to complete critical repairs and preventative maintenance to the MMTF at HIA. In 2023 Desman Associates was hired to provide SARAA with a Condition Assessment and Five-Year Maintenance Report of the HIA MMTF. During this assessment it was determined that numerous problems requiring immediate attention were discovered. Desman Associates has provided a proposal of services to begin the proposed work. This project was included is a line item in the approved 2024 Building Maintenance Budget.

**Motion:** A motion was made by Mr. Enterline that the Board authorize the Executive Director to execute a professional services agreement with Desman of McLean, Virginia, for an amount not to exceed \$69,480 for the preparation of plans, specifications and to provide design and bidding assistance for a project to complete critical repairs and preventative maintenance to the MMTF at HIA. The motion was seconded by Mr. Libhart and unanimously approved.

g) **Gettysburg Operating Agreement/Dan Blouch:** Mr. Edwards reported that this is to execute an amendment with Dan Blouch to extend the term of the current operating agreement to 10 years. Mr. Blouch's current agreement term is 6 months and automatically renews for

another 6 months unless either party objects. The extension of the term will allow for better long-term planning to focus on achieving objectives set for the projected future. The final amendment will be reviewed by SARAA Counsel. Mr. Blouch will continue to pay SARAA 3.5% of gross revenues for any commercial activity and a fuel-flowage fee of \$0.06 per gallon. Mr. Blouch reimburses SARAA for all utilities.

**Motion:** A motion was made by Mr. Gross that the Board authorize the Executive Director to execute an amendment with Dan Blouch (dba: DB Services) to extend the term of the current operating agreement to 10 years. The motion was seconded by Mr. Rodgers and unanimously approved.

h) **GRA Hangar Gound Lease Agreement/Mark Hillard:** Mr. Edwards reported that this is to authorize the Executive Director to execute a ground lease with Mark and Kathryn Hillard for hangar construction at GRA. Mark Hillard approached SARAA with the intent of constructing three additional hangars. His current plan is to construct 52' x 168' hangar and divide the building into three individual units. Mr. Hillard intends to occupy or sublet the hangars. The hangar construction proposal is consistent with the W05 Airport Layout Plan approved by the FAA in 2012. The terms of the agreement will be based on those used for previous hangar development:

- Term: 20 years plus two five-year options
- Fee: \$0.25 per square foot
- Insurance: \$2 million commercial general liability; \$1 million aircraft liability

Mr. Hillard will be self-funding the project and he will provide SARAA with a bond to ensure completion of the construction. The lease documents have been reviewed by SARAA counsel.

**Motion:** A motion was made by Mr. Enterline that the Board authorize the Executive Director to execute a ground lease with Mark and Kathryn Hillard for hangar construction at GRA. The motion was seconded by Mr. Libhart and unanimously approved.

i) **CXY Assignment of Lease/Richard Duncan/Luis Arenzana:** Mr. Edwards reported that this is to approve an assignment of lease from Richard Duncan to Luis Arenzana for a hangar at Capital City Executive Airport. Mr. Duncan passed away in May and his wife wants to assign the lease to Mr. Arenzana. The current 20-year lease term will expire on December 28, 2027 with one 5-year renewal option. The current annual rent is \$2,000.26, with an annual CPI increase.

**Motion:** A motion was made by Mr. Geistwhite that the Board approve an assignment of lease from Richard Duncan to Luis Arenzana for a hangar at CXY and authorize the Executive director to execute the assignment of lease. The motion was seconded by Mr. Bashore and unanimously approved.

j) **Media Buying Services Contract:** Mr. Edwards reported that this is to approve a one-year Professional Services Agreement with Color and Culture for media buying services at 5% of the gross amount spent on media. SARAA's media buying agreement with Universal

Media Inc expired on 12/31/23. On October 16, 2023, SARAA issued a Request for Proposal (RFP) for Media Buying Services. Requested services include research, planning, negotiation, placement, monitoring, billing, reconciliation and review of most media purchases on behalf of SARAA. While Universal Media scored slightly higher than Color and Culture overall, the evaluation committee determined that Color and Culture's lower media commission fee could save SARAA more than \$22,000 in 2024. This contract will be funded from the SARAA marketing budget. The amount budgeted for media buying agency fees in the 2024 SARAA budget is \$42,840.

**Motion:** A motion was made by Mr. Libhart that the Board approve a Professional Services Agreement with Color and Culture for media buying services at 5% of the gross amount spent on media, and to authorize the marketing department to hire Color and Culture on a project by project basis to assist with content development and other related services as needed. The motion was seconded by Mr. Geistwhite and unanimously approved.

**Executive Director's Report:**

a) **Financials & Dashboard (through October):** Total Revenues were \$28.9 million vs \$28.7 million budgeted, or \$198,000 over budget. Total Operating Expenses were \$22.4 million vs. \$22.2 million budgeted, or \$138,000 over budget. Net Operating Revenue is \$6.5 million vs \$6.4 million budgeted, or \$59,000 over budget. The Variance to Budget was (\$2,432,868). Adding the Extraordinary Cash Inflows resulted in a Net Position of \$651,132. The Debt Coverage Ratio is 1.75 on a 1.25 requirement. The Total Covid Grant Fund Balance is \$7.6 million. On the Sales and Revenue Summary, YTD enplanements were 3.4% above YTD 2022 enplanements. Food/Gift sales are up 14.3%. Hotel Sales are up .9%. Rental Car sales are up 0.1%. CFC Days are down .9%. On the Accounts Receivable Trade Summary, the total 60-plus day receivables are 7% of total outstanding receipts. The revenue sharing total was \$387,299.

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

**HIA:**

**Water Plant PFOS Remediation Upgrade:** Addressing preliminary punch list items for the new GAC Building. Continue individual well pump/motor /control upgrades.

**Baggage Handling System Control:** The contractor continues to make submittals/finalize master schedule. The contract completion date is 7/13/2025.

**Building 208 Demolition:** Demolition anticipated for winter 2024-2025

**Capital City Executive Airport:**

**Remove Obstructions-Off Airport Tree Removal Phase V:** This project will be bid for construction starting 5/12/2024.

**Gettysburg Regional Airport:**

**Construct South Aircraft Parking Apron, Phase VI/VII:** This project will be bid for construction starting 3/24/2024.

Franklin County Regional Airport:

Update Master Plan: The contract completion date is 7/12/2024.

c) Enplanement Report: Mr. Edwards reported that 2023 Enplanements totaled 651,501, up 3% vs 2022, and up 1% vs budget. The 2023 enplanements were below 2019's record by 14.5%. 2023 was 5% more than the pre-covid 5-year average and 2% more than the pre-covid 10-year average. 2023 MDT Operations were up 8% vs 2022 and were the most since 2018. GA operations increased to nearly 40% of the total. 2023 CXY Operations were up 12% vs 2022, making it the 2<sup>nd</sup> busiest year since 2012, and behind 2021 by 8%. 2023 Air Cargo Tonnage decreased 5.7% vs 2022 and ranked as the 10<sup>th</sup> busiest year in history. Cargo service changes include:

- DHL: Corporate mandate is to cut costs quickly.
- FedEx: Shrinking business with too many pilots
- UPS: New East Zone Regional Hub on Union Street fully functional
- Moving cargo by trucking is almost always cheaper than flying it on planes.

Marketing Update:

The spring campaign will begin the week of 2/5. Messaging is related to airport branding, expanded MCO service, BNA, FLL and others.

**Strategic Plan:**

Mr. Edwards reviewed the Strategic Plan through 2023. He noted that several items had to be deferred due to the Deputy Executive Director vacancy.

The Strategic Goals were 47% on Target consisting of the following:

- 10% Critical
- 10% Off Target
- 19% Not Started
- 14% Deferred

A review of the five strategic goals was provided. The goals are:

1. Expand Aviation Services and Regional Growth
2. Develop SARAA Staff while Preparing Tomorrow's Leaders
3. Strengthen SARAA's Financial Stability While Funding the Future
4. Invest in Airport Infrastructure with a Focus on Future Needs
5. Demand Strategic-Focused Leadership

**Executive Session:**

Mr. Leonard convened an Executive Session to discuss litigation and personnel matters at 8:58 a.m. He reconvened the public Board meeting at 10:02 a.m. The following action resulted from the Executive Session:

Mr. Winfield stated that SARA A is currently engaged in litigation as a plaintiff in South Carolina as part of the multi-district litigation on the PFOS and PFOA issue. Decisions will need to be made in that litigation regarding opting in or opting out of a class action settlement against one of the defendants that will have to be made before the next Board meeting. Mr. Winfield said that this issue just came up this week.

**Motion:** A motion was made by Mr. Geistwhite that the Board authorize the Executive Director and SARA A Board Chairman, in consultation with the Solicitor, to make determinations and decisions regarding opting in or opting out of the PFOS and PFOA settlement without further need for Board approval. The motion was seconded by Mr. Rodgers and unanimously approved. Mr. Libhart was not present when this vote was taken.

**Board Member Comments:**

Mr. Anderson: Mr. Anderson is excited for the next year.

Mr. Leonard: Mr. Leonard complimented staff on a great job with the budget.

**Next Board Meeting:**

**Wednesday, February 28, 2024, 8:00 a.m.  
Harrisburg International Airport**

**Adjournment:**

There being no further business to discuss, Mr. Leonard adjourned the meeting at 10:06 a.m.

Respectfully submitted:

James Gross,  
SARA A Secretary

Prepared by Camille Springer