

Susquehanna Area Regional Airport Authority
Meeting Minutes
December 6, 2023

A meeting of the Susquehanna Area Regional Airport Authority was called to order by Mr. Helsel at 8:00 a.m., on Wednesday, December 6, 2024. The following Board members were in attendance:

| | | |
|------------------|-----------------|----------------------|
| James Anderson | James Helsel | Stephen Libhart |
| Bennett Chotiner | Erik Hume | *Carolyn Van Newkirk |
| Brian Enterline | William Leonard | Nelva Wright |

*Ms. Van Newkirk arrived after Roll Call was taken.

Also attending were: Timothy Edwards (Executive Director), Michael Winfield (Post & Schell), Michael Moskal (Deputy Director, Finance & Business Administration), Jamie Sides (Deputy Director, Maintenance), Kevin Bryner (Deputy Director, IT), Scott Miller (Deputy Director, Advertising & PR), Belinda Svirebely (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:

Dan Blough: Mr. Blough operates the FBO and fuel farm and performs aircraft maintenance at Gettysburg Regional Airport. He gave an overview presentation of the GRA which is celebrating 95 years. The presentation included slides of the installation of new carpeting, new windows and a new reader. It included pictures of Transit Customers, and a 3000 Gallon Jet A Truck. He showed comparisons of 2022 to 2023 Performance, and 2020 to 2021 Performance.

Report of the Nominating Committee/Chairman Helsel:

Mr. Helsel turned the meeting over to Mr. Libhart, Chair of the Nominating Committee. Mr. Libhart reported for the Nominating Committee, consisting of Mr. Abruzzo, Mr. Bashore and himself. On behalf of the Nominating Committee, Mr. Libhart submitted the following Officer Nominations to the Board to serve during 2024:

- Chair: William Leonard
- Vice-Chair: Erik Hume
- Secretary: James Gross
- Treasurer: Nelva Wright

Mr. Helsel asked for any additional nominations from the Board members for any of the Officer positions for 2024. No additional nominations were made. Mr. Helsel closed the nominations. Mr. Helsel then asked for a motion to approve the 2024 Board Officers.

Motion: A motion was made by Mr. Libhart that the Board approve the election of the persons submitted by the Nominating Committee as officers of SARAA for the calendar year 2024. The motion was seconded by Mr. Enterline and unanimously approved.

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 October 25, 2023 Board Meeting

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

Executive Committee:

a) **2024 Draft Budget:** Mr. Edwards presented the 2024 SARAA Budget Highlights, the 2024 Capital Development Plan for all four airports, the 2024 Revenue and Expense Overview, and the 2024 Rates and Charges. The Budget Highlights include the following:

- All debt service paid; coverage ratios met.
- 667,892 enplanements with an 87.7% load factor
- Airline rates and charges -rate setting methodology per AOA
- Parking—MMTF parking rates @\$20; Economy @\$10
- No new positions included.
- Wage analysis increases proposed.
- Health Insurance premiums – rates held flat for current year.
- O&M expenses increased by \$5,206,350 (\$5M one-time)
- CARES, CRRSA, ARPA – Apply \$5.1M, 2025 Balance \$2.5M

Motion: A motion was made by Mr. Libhart that the Board approve the 2024 SARAA Budget as presented. The motion was seconded by Mr. Leonard and unanimously approved.

b) **Local Share Account Resolution:** Mr. Edwards reported that this is to authorize the Chair of the Board of Directors to accept and sign the Commonwealth Financing Authority's Statewide Local Share Account Program Grant Application and authorize the Executive Director to attest the same. SARAA is requesting a Statewide Local Share Assessment grant in the amount of up to \$1,000,000 from the Commonwealth Financing Authority to be used for the HIA Hydro Pillar Restoration Project.

Motion: A motion was made by Mr. Leonard that the Board authorize the Chair of the Board of Directors to accept and sign the Commonwealth Financing Authority's Statewide Local Share Account Program Grant Applications and authorize the Executive Director to attest the same. The motion was seconded by Ms. Wright and unanimously approved.

Airport Operations:

a) **EAM & GIS Systems Consulting Services Agreement:** Mr. Edwards reported that this is to authorize the Executive Director to sign a professional services agreement with AECOM for an amount not to exceed \$499,893 to implement GIS and Enterprise Asset Management Systems at HIA. The lack of a modern EAM & GIS system has made scheduling and performing work orders and preventative maintenance at the Authority extremely inefficient and paper intensive. Implementing these systems will allow the Authority to better allocate resources and track assets throughout their lifespan. An RFQ was advertised seeking a firm who has expertise in implementing GIS based EAM systems for airports to help guide SARAA. Of these, the top 5 firms were shortlisted for interviews and ultimately AECOM was identified as the top ranked firm. The finalized scope of work includes the following tasks that will be completed within the next 24 months:

- Information Gathering
- Software Evaluation and Recommendations
- Software Procurement
- Implementation

This project was identified as a strategic goal in SARAA's 2022 organizational assessment and a priority in SARAA's 2024 CIP and will be funded from SARAA's 2024 and 2025 capital budget.

Motion: A motion was made by Mr. Enterline that the Board authorize the Executive Director to sign a professional services agreement with AECOM for an amount not to exceed \$499,893 to implement GIS and Enterprise Asset Management Systems at HIA. The motion was seconded by Mr. Anderson and approved. Mr. Hume recused himself from this vote. Mr. Libhart was not present when this vote was taken.

b) **GRA Hangar Ground Lease Agreement:** Mr. Edwards reported that this is to authorize the Executive Director to execute a ground lease with David Speranza for hangar construction at GRA. His current plan is to construct a 33' x 52' hangar for storage of his personal aircraft. Mr. Speranza would be responsible for all costs of construction and would own the hangar for the term of the agreement. He will be responsible for all maintenance and upkeep. The term is 20 years, plus two five-year options. The starting lease fee will be \$0.25 per square foot. The insurance will be \$2 million commercial general liability and \$1 million aircraft liability. Mr. Speranza has been pursuing all necessary approvals through Adams County and Cumberland Township. The base lease document has been reviewed by SARAA counsel. Rent will not start until all necessary approvals are received, subject to an appropriate due diligence period.

Motion: A motion was made by Mr. Anderson that the Board authorize the Executive Director to execute a ground lease with David Speranza for hangar construction at

Gettysburg Regional Airport. The motion was seconded by Mr. Leonard and unanimously approved. Mr. Libhart was not present when this vote was taken.

c) Tailwind Aviation Services Operating Agreement, FCRA: Mr. Edwards reported that this is to approve a recommendation to begin negotiations for a ten-year Operating Agreement between SARAA and Tailwind Aviation Services (TAS) to allow for the sale of fuel at FCRA. TAS would like to provide Avgas fueling services at FCRA. They will install and maintain an above-ground 6,000-gallon Avgas tank with associated equipment required for fueling aircraft. TAS will be responsible for all required taxes, fees, permits and other regulatory and environmental compliance measures related to the fueling. TAS has outlined a 4-phase plan for expansion of their operations at FCRA:

- Phase 1: Install and maintain fuel services and sales.
- Phase 2: Open and maintain FBO services. Projected 2 to 5 years from start of fueling.
- Phase 3: Provide Jet-A fueling services after the FBO has been established.
- Phase 4: Open and operate a flight training school.

Tailwind Aviation Services will install the fuel storage tank and associated equipment. The operator shall pay SARAA a fuel-flowage fee of \$0.06/gallon.

Motion: A motion was made by Mr. Enterline that the Board approve a recommendation to begin negotiations for a ten-year Operating Agreement between SARAA and Tailwind Aviation Services to allow for the sale of fuel at Franklin County Regional Airport. The motion was seconded by Mr. Hume and unanimously approved. Mr. Libhart was not present when this vote was taken.

d) HIA, Rehab Building 513 HVAC, Supplement to Design: Mr. Edwards reported that this is to authorize the Executive Director to supplement the current professional services contract with Century Engineering in an amount not-to-exceed \$20,570 to incorporate Variable Refrigerant Flow (VRF) units and a Dedicated Outside Air System (DOAS) into the HVAC design for the project Building 513 Rehab at HIA. Adding cooling to areas of Building 513 that previously did not have it requires increasing the amount of outside air by 5% and using unconditioned outside air is inefficient and costly. The additional design scope includes replacing the existing rooftop units with VRF and DOAS. Century Engineering was previously selected through a formal RFQ/TP process and its supplemental scope and fee has been internally evaluated and found to be fair and reasonable. The revised total will not exceed \$81,130. This design project will be funded from SARAA's 2024 Capital Improvement account.

Motion: A motion was made by Mr. Hume that the Board authorize the Executive Director to supplement the current professional services contract with Century Engineering, LLC of New Cumberland, PA in the not-to-exceed amount of \$20,750 to incorporate Variable Refrigerant Flow (VRF) units and a Dedicated Outside Air System (DOAS) into the HVAC design for the Building 513 Rehab at HIA. The motion was

seconded by Mr. Anderson and unanimously approved. Mr. Libhart was not present when this vote was taken.

e) CXY Obstruction Removal, Phase 5, Design & Bid Phase Services: Mr. Edwards reported that this is to authorize the Executive Director to execute a Professional Services Agreement with Urban Engineers in an amount not-to-exceed \$180,000 to provide design, packaging and bid phase services for the third and final construction phase to remove obstructions on the approach end of Runway 8 at CXY. Urban's services will include completing final design, developing the project manual for bidding, issuing bid documents, providing bidding assistance, issuing addendums, reviewing bids and providing a recommendation for award. Urban is recommended to provide the services because they are the engineer of record for this project. This project will be paid for through an FAA Grant at 90% funding with a 10% local match out of SARAA's Capital Improvement Account.

Motion: A motion was made by Mr. Leonard that the Board authorize the Executive Director to execute a Professional Services Agreement with Urban Engineers of Mechanicsburg, PA in an amount not-to-exceed \$180,000 to provide design, packaging and bid phase services for the third and final construction phase to remove obstructions on the approach end of Runway 8 at the Capital City Executive Airport. The motion was seconded by Mr. Anderson and unanimously approved. Mr. Libhart was not present when this vote was taken.

Executive Director's Report:

a) Financials & Dashboard (through October): Total YTD Revenues were \$24.2 million vs \$23.9 million budgeted, or 1.2% above budget. Total YTD Operating Expenses are \$17.8 million vs. \$18.7 million budgeted, or 5% below budget. YTD Net Operating Revenue is \$6.3 million vs \$5.1 million budgeted, or 23.6% above budget. The Variance to Budget was (\$934,754). Adding the Extraordinary Cash Inflows resulted in a Net Position of \$1,635,247. The Debt Coverage Ratio is 2.33 on a 1.25 requirement. The Total Covid Grant Fund Balance is \$7.6 million. On the Sales and Revenue Summary, YTD enplanements were 3.2% above 2022 enplanements. Food/Gift sales are up 13.6%. Hotel Sales are up 2.6%. Rental Car sales are down 0.1%. CFC Days are down 1.8%. On the Accounts Receivable Trade Summary, the total 60-plus day receivables are 9% 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. The anticipated contract completion date is 11/1/2024.

Airport Drive Phase 3B, Third Street Intersection: This project is substantially complete. Final inspection and ribbon cutting ceremony is being planned for Spring 2024.

Water Plant PFOS Remediation Upgrade: Finalizing the new GAC vessel 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.

Capital City Executive Airport:

Remove Obstructions-Off Airport Tree Removal Phase IV: Tri-State issued NTP for October 2, 2023. This work is substantially complete pending final survey and inspection.

Gettysburg Regional Airport:

Construct South Aircraft Parking Apron, Phase V: . Final inspection was held on 10/31/2023. The project is currently being closed out.

Franklin County Regional Airport:

Update Master Plan: Public Open House Meeting was held on 11/2/23 from 6:00 p.m. to 8:00 p.m. at Greene Township Municipal Building. The contract completion date is 7/12/2024.

c) Enplanement Report: Mr. Edwards reported that October 2023 CXY Operations were up 23% vs October 2022. YTD CXY Operations were up 15% vs 2022. October 2023 MDT Operations were up 19% vs October 2022. YTD MDT Operations are up 9% vs 2022. October 2023 air Cargo Tonnage was up 4% vs October 2022. YTD Air Cargo Tonnage was down 4% vs 2022. October 2023 enplanements were up 6.5% vs October 2022 and were above budget by 10%. YTD enplanements were up 3.2% vs 2022 and on budget. The 2023 Thanksgiving travel week was the second busiest on record – at 87% of 2019’s record.

Executive Session:

Mr. Helsel convened an Executive Session to discuss a litigation matter at 9:01 a.m. He reconvened the public Board meeting at 9:25 a.m. No action was taken resulting from the Executive Session.

Board Member Comments:

Mr. Helsel: Mr. Helsel said this is his last meeting as Chairman and thanked the Board and staff for their support during his five years as Chair.

Mr. Leonard: Mr. Leonard complimented staff on a great job with the budget. He is looking forward to serving as Chairman.

Ms. Van Newkirk: Ms. Van Newkirk said she is impressed with the tremendous growth at Gettysburg Regional Airport.

Mr. Enterline: Mr. Enterline thanked Mr. Helsel for his leadership. He also said the Air Show is huge for the airport.

Ms. Wright: Mr. Wright thanked Mr. Helsel for his leadership.

Mr. Hume: Mr. Hume thanked Mr. Helsel for his service as Chairman.

Next Board Meeting:

**Wednesday, January 31, 2024, 8:00 a.m.
Harrisburg International Airport**

Adjournment:

There being no further business to discuss, Mr. Helsel adjourned the meeting at 9:28 a.m.

Respectfully submitted:

Erik Hume,
SARAA Secretary

Prepared by Camille Springer