

Susquehanna Area Regional Airport Authority
Meeting Minutes
August 28, 2024

A meeting of the Susquehanna Area Regional Airport Authority was called to order by Mr. Leonard at 8:00 a.m., on Wednesday, August 28, 2024. The following Board members were in attendance:

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

*Mr. Paoletti, Ms. Van Newkirk and Ms. Wright arrived after Roll Call was taken.

Also attending were: Timothy Edwards (Executive Director), Ryan Collins (Deputy Executive Director), Michael Winfield (Post & Schell), Jamie Sides (Deputy Director, Maintenance), Kevin Bryner (Deputy Director, IT), Belinda Svirbely (Deputy Director, Operations, Security & Public Safety), Lou Pirozzi (Deputy Director, Engineering & Planning), Scott Miller (Deputy Director, Marketing & Business Development), Mick Burkett (Deputy Director, Human Resources), and Camille Springer (Executive Assistant).

Public Comments: None.

Consent Calendar:

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

1. Minutes of the July 31, 2024, Board Meeting

Motion: A motion was made by Mr. Helsel that the Board approve the Consent Calendar item. The motion was seconded by Mr. Geistwhite and unanimously approved. Mr. Paoletti, Ms. Van Newkirk and Ms. Wright were not present when this vote was taken.

Executive Committee:

a) Health Insurance Renewal: Mr. Edwards reported that this is to renew with Capital Blue Cross (CBC) as SARAA's health insurance carrier for the October 1, 2024 – September 30, 2025, policy period. The renewal includes a 4.1%, or \$60,434 increase in total premium compared to current rates. 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, leaving employees with a deductible responsibility of \$250 and \$500 respectively. Premium costs are shared between SARAA and its employees, with

SARAA continuing to fund 100% of employee only coverage and most of the dependent coverage costs. The estimated annual premium is \$1,526,327.

Motion: A motion was made by Mr. Geistwhite that the Board renew with Capital Blue Cross as SARAA's health insurance carrier for the October 1, 2024 – September 30, 2025, policy period. The motion was seconded by Mr. Helsel and unanimously approved by those present, with the exception of Mr. Hume who recused himself from this vote. Mr. Paoletti and Ms. Wright were not present when this vote was taken.

b) **Workers Compensation Insurance Renewal:** Mr. Edwards reported that this is to approve selecting UPMC Workpartners as SARAA's workers compensation provider for the October 1, 2024 – September 30, 2025, policy period at an annual cost of \$107,425. This is a reduction of \$5,325 (4.7%) compared to the current. This is at least the fourth year in a row that SARAA's workers compensation premium has been decreased. The premium will be paid out of SARAA's general fund.

Motion: A motion was made by Mr. Hume that the Board approve selecting UPMC Workpartners as SARAA's workers compensation provider for the October 1, 2024 – September 30, 2025, policy period at an annual cost of \$107,425. The motion was seconded by Mr. Rodgers and unanimously approved by those present, with the exception of Mr. Enterline who recused himself from this vote. Mr. Paoletti and Ms. Wright were not present when this vote was taken.

c) **Vision Insurance Renewal:** Mr. Edwards reported that this is to approve renewing SARAA's vision insurance coverage with Highmark Blue Shield/Davis Vision for the October 1, 2024 – September 30, 2025, policy period with a 0% increase in cost. The renewal maintains the same level of coverage and benefits. The annual premium is estimated at \$15,040.

Motion: A motion was made by Mr. Geistwhite that the Board approve renewing SARAA's vision insurance coverage with Highmark Blue Shield/Davis Vision for the October 1, 2024 – September 30, 2025, policy period with a 0% increase in cost. The motion was seconded by Mr. Anderson and unanimously approved by those present, with the exception of Mr. Hume who recused himself from this vote. Ms. Wright was not present when this vote was taken.

d) **Dental Insurance Renewal:** Mr. Edwards reported that this is to renew with United Concordia as SARAA's dental insurance carrier for the October 1, 2024 – September 30, 2026, policy period. The renewal maintains the current rates for two years and includes a not-to-exceed rate cap of 7% for the third year. The annual premium is an estimated \$81,371.

Motion: A motion was made by Mr. Bashore that the Board renew with United Concordia as SARAA's dental insurance carrier for the October 1, 2024 – September 30, 2026, policy period. The motion was seconded by Mr. Hume and unanimously approved. Ms. Wright was not present when this vote was taken.

e) Life and Disability Insurance Renewal: Mr. Edwards reported that this is to increase benefit levels for SARAA's life insurance and short and long-term disability programs to align benefit levels with current salaries. The short-term disability benefit will continue to provide 60% of an employee's pre-disability salary but increase the weekly maximum payment from \$500 to \$700. The long-term disability benefit will continue to provide 60% of an employee's pre-disability salary but increase the monthly maximum payment from \$3,000 to \$4,000. Life insurance and accidental death and dismemberment coverage will increase from one-time annual salary up to \$40,000 to a flat \$50,000 for all covered employees. These changes will result in increasing the annual cost \$18,558.84, for a total of \$68,582.88. The premium will be paid out of SARAA's general operating fund.

Motion: A motion was made by Mr. Helsel that the Board increase benefit levels for SARAA's life insurance and short and long-term disability programs to align benefit levels with current salaries. The motion was seconded by Mr. Anderson and unanimously approved. Ms. Wright was not present when this vote was taken.

Airport Operations:

a) FCRA/GRA Pavement Rehabilitation: Mr. Edwards reported that this is to authorize the Executive Director to execute an agreement with Lobar Associates Construction for the resurfacing of pavements at Franklin County Regional Airport and Gettysburg Regional Airport. The total value of the agreement will not exceed \$291,694.62. The work will be procured via a Keystone Purchasing Network/Gordian contract. SARAA has worked with Lobar Associates in the past and has been satisfied with the work. Funding for this agreement will be from the SARAA 2024 Operating and Maintenance Budget.

Motion: A motion was made by Mr. Helsel that the Board authorize the Executive Director to execute an agreement with Lobar Associates Construction for the resurfacing of pavements at Franklin County Regional Airport and Gettysburg Regional Airport. The total value of the agreement will not exceed \$291,694.62. The motion was seconded by Mr. Anderson and unanimously approve.

b) Assignment of Glace Contracts to HIA: Mr. Edwards reported that the Board consent to Joe Hunt & Associates (JHA) assumption of Glace's current contracts with SARAA. Glace Associates, Inc. was acquired by JHA. Pursuant to this acquisition, Glace desires to assign its contracts to JHA with SARAA's consent. JHA shall be compensated for all performed work pursuant to the same terms and conditions as originally agreed to between Glace and SARAA.

Motion: A motion was made by Mr. Geistwhite that the Board approve consent to Joe Hunt & Associates (JHA) assumption of Glace's current contracts with SARAA. The motion was seconded by Mr. Rodgers and unanimously approved, with the exception of Mr. Hume who recused himself from this vote.

c) Adams Electric Facilities Easement Agreement, GRA: Mr. Edwards reported that this is to authorize the Executive Director to execute a Facilities Easement Agreement between SARAA and Adams Electric. The permanent, non-exclusive easement allows Adams Electric access to the easement area for the installation, construction, operation, maintenance, repair or removal of the equipment. If the easement is no longer necessary, it will terminate. The easement agreement will be reviewed by SARAA's legal counsel.

Motion: A motion was made by Mr. Anderson that the Board authorize the Executive Director to execute a Facilities Easement Agreement between SARAA and Adams Electric. The motion was seconded by Mr. Rodgers and unanimously approved.

Executive Director's Report:

a) Financials & Dashboard (through July 2024): Total Revenues were \$17.4 million vs \$17.4 million budgeted, down 0.01%. Total Operating Expenses were \$14.4 million vs. \$16.3 million budgeted, down 11.4%. Net Operating Revenue is \$3 million. The Variance to Budget was \$1,684,793. Adding the Extraordinary Cash Inflows resulted in a Net Position of \$3,942,031. The Debt Coverage Ratio is 2.00 on a 1.25 requirement. The Total Covid Grant Fund Balance is \$3.7 million. On the Sales and Revenue Summary, YTD enplanements were 10.2% above YTD 2023 enplanements. Food/Gift sales are up 9.5%. Hotel Sales are up 6.6%. Rental Car sales are up 4.7%. CFC Days are up 1.6%. On the Accounts Receivable Trade Summary, the total 60-plus day receivables are 8.4% of total outstanding receipts.

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

HIA:

Cargo Apron Expansion, Phase 5: Completed drainage pipe and structure installation. Continue to place 17" concrete surface.

Water Plant PFOS Remediation Upgrade: This project was completed underbudget and ahead of schedule.

Baggage Handling System Control: The contract completion date is 7/13/2025.

Replace Passenger Board Bridges: The low bidder was Oshkosh Aerotech (JBT).

Rehab Water Tower: Project complete, on time and schedule.

Capital City Executive Airport:

Remove Obstructions-Off Airport Tree Removal Phase V: Grant received last week. NOA to be issued to Tristate.

Gettysburg Regional Airport:

Construct South Aircraft Parking Apron, Phase VI/VII: Construction previously awarded to Conewago for \$731,229.

Franklin County Regional Airport:

Update Master Plan: Preparing final master plan and ALP deliverables.

c) **Enplanement Report:** Mr. Edwards reported that July 2024 MDT operations were 4,570, down 1.8% vs July 2023. YTD MDT operations are down 1.8% vs YTD 2023. July CXY operations were 2,834, up 12.9% vs July 2023. YTD 2024 CXY operations are up 0.4% vs YTD 2023. July 2024 Air Cargo Tonnage decreased 3.6% vs July 2023. YTD 2024 Air Cargo Tonnage is down 3.3% vs YTD 2023. July 2024 enplanements totaled 62,743, up 0.7% vs July 2023. YTD 2024 enplanements are up 10.2% vs YTD 2023, and up 6.2% vs budget. CY 2024 is currently pacing for around 720,000 enplanements on a budget of 668,000, plus 7%. American is MDT's market leader at 44% of traffic followed by Allegiant (20%), Delta (17%) and United (16%). 88% of 2024's growth has been provided by American as their traffic is up 23%. Since January 2023, the average MDT one way fare is around \$239, about 40% above BWI, 10% above PHL and 6% below the national average. Rising costs are outpacing revenue increases, which is hurting earnings for all airlines.

May 2024 Air Show Update:

- SARAA staff met with Air.Show Tour to coordinate parking lot locations and logistics. The final plan is being prepared.
- Air.Show Tour is working with HERCO to finalize participation. The preliminary package information is now available.

Executive Session:

Mr. Leonard did not convene an Executive Session.

Board Member Comments:

Mr. Bashore: Mr. Bashore said he appreciated the tour of the CXY airport.

Ms. Helsel: Mr. Helsel complimented staff on their efforts with the Air Show.

Mr. Enterline: Mr. Leonard reminded everyone that the September 20, 2024, Committee meetings will be held at the Franklin County Regional Airport.

Next Board Meeting:

**Wednesday, September 25, 2024, 8:00 a.m.
Harrisburg International Airport**

Adjournment:

There being no further business to discuss, Mr. Leonard adjourned the meeting at 8:36 a.m.

Respectfully submitted:

James Gross,
SARAA Secretary
Prepared by Camille Springer

WRITTEN MEMORANDUM OF VOTING CONFLICT OF INTEREST

TO: Camille Springer

FROM: BRIAN D ENTERLINE

MEETING DATE: 28 AUG 24

AGENDA ITEM(S): ITEM ~~5(B)~~ 5(B) WORKERS COMP.

The undersigned is abstaining from voting on the above referenced agenda item(s) due to the following actual or potential conflict of interest:

BOARD MEMBER UPMC LIFEBAM

Date: 28 AUG 24

BRIAN D ENTERLINE

Print Name:



WRITTEN MEMORANDUM OF VOTING CONFLICT OF INTEREST

TO: Camille Springer

FROM: Erik M. Hume

MEETING DATE: August 28, 2024

AGENDA ITEM(S): 5.a, 5.c, 6.b

The undersigned is abstaining from voting on the above referenced agenda item(s) due to the following actual or potential conflict of interest:

Existing business relationships.

Date: 8/28/2024



Print Name: