

expenditures, and passenger facility charges (PFCs). There are no findings, no deficiencies, and no material weaknesses and McGill Power Bell has issued an unmodified opinion. He highlighted the following for the Board: deferred revenue, statements of revenue and expenses, changes in net position, operating revenue and expenses, and other revenue.

Mr. Giannelli introduced and welcomed the new Board Member- Dorothy Smith-Frazier.

Public Comments

Brad Peganoff, Millcreek County with address on file, acknowledged the new Board Member and addressed the Board on the following: the Executive Director's employment contract referencing page 4, embarkment fees- \$20 verses the \$18 reported in October 2022, the money needed each year for new service, and Resolutions 2022-17, 2022-18, and 2022-19. Mr. Peganoff asked if American Airlines has even signed a contract yet. He also asked where the money would come from to make up for the revenue lost with United leaving. Mr. Peganoff stated that we will need to start paying the \$15,000 a month again in 2024 for the MMO.

Committee Reports

Finance Committee- Finance Committee Chair David Hallman, Jr. reported that the Committee met on April 25, 2023. The Committee received a detailed presentation of the 2022 audit from McGill Power Bell. The Committee also reviewed the current Cash Forecast and AR Summary, the March Finance Report, current Bills to be Paid, and Expense Reports. Mr. Hallman stated the Finance Committee recommends approval of the bills and made the motion to approve; seconded by Brian Slawin. Approved by Yeas: Andrea Zdaniewski, Aaron Susmarski, Richard Wagner, Daniel Giannelli, Peter Burton, Eric Rogers, Brian Slawin, David Hallman, Jr., and Dorothy Smith-Frazier.

Financial Report- James Pacansky reviewed the March report. The net surplus for the month of March was \$19,092. The year to date net surplus is \$39,789. We are favorable to budget year to date \$53,590 with revenue unfavorable to budget \$19,379 and expenses favorable to budget \$72,969.

Mr. Martin asked Mitch Kalkhof of McGill Power Bell if the Authority has a pension surplus. Mr. Kalkhof confirmed that the Authority's pension surplus was \$637 k as of the end of 2022. Mr. Slawin asked if this is fiscally prudent and wise. Mr. Kalkhof confirmed that it is very good!

Unfinished Business

Mr. Martin stated that Board Member Peter Burton has spent a lot of time with the hangar tenants to better understand their concerns. Mr. Martin and Mr. Burton met with McCormick the contractor doing the general aviation apron rehab work. The cost to pave at Hangar 20 would be about \$8,000. If Hangar 20 wants this work done, then the cost would be added to the monthly rent for the next 12 months resulting in an increase in monthly payment. Jack Bendig representing Hangar 20 stated that this would need to be discussed further. Mr. Burton added that he believes Hangar 20 deserves some of our

attention. General aviation is a big part of our airport. Hangar 20 has no water and no electricity. The hangars on the west side of the airport do plus they have electrified gates. Mr. Giannelli suggested we bring this to a Committee, either Capital Improvements or Facilities and Operations for the fence/gate, automobile asphalt road, and the sign. Mr. Martin stated that the sign is a dead issue. Mr. Burton believes the next step is to meet with Jack Bendig/Hangar 20.

Resolutions

Mr. Martin explained the lease is for a term of 10 years and is retroactive back to October 1, 2022. In response to a question from Ms. Zdaniewski, Mr. Martin stated that the increase is 4% per year over the term of the lease.

RESOLUTION 2023-03

AUTHORIZE EXECUTIVE DIRECTOR TO ENTER INTO LEASE AGREEMENT WITH THE FAA

WHEREAS, the Federal Aviation Administration ("FAA") and the Erie Regional Airport Authority ("Authority") has a lease agreement for terminal space: FAA Contract No: 69435Z-23-L-00045 for ERI ATCT;

WHEREAS, both the FAA and the Authority have come to an agreement of \$207,177.10 per year (for a total of 6,929 square feet of rented space) beginning October 1, 2022. The lease term will commence October 1, 2022, and expire September 30, 2032.

NOW, THEREFORE BE IT HEREBY RESOLVED THAT, the Executive Director is authorized to enter into FAA Contract No: 69435Z-23-L-00045 with the FAA.

David Hallman, Jr. moved, and Peter Burton seconded. Approved by Yeas: Andrea Zdaniewski, Aaron Susmarski, Richard Wagner, Daniel Giannelli, Peter Burton, Eric Rogers, Brian Slawin, David Hallman, Jr., and Dorothy Smith-Frazier.

Mr. Martin explained that Greenleaf put off starting construction on their hangar due to the economic hit taken due to the global pandemic. This amendment required construction to begin May 31, 2024. In response to an inquiry from Mr. Rogers, Mr. Martin explained that there is language in the agreement regarding construction and what happens if it is not completed in a certain amount of time (the property reverts back to the airport in the same condition it started). Mr. Wagner added that Greenleaf's hangar would be a nice addition to our airport.

RESOLUTION 2023-04

Approval of Second Amendment to Hangar Land Lease Agreement- Greenleaf

WHEREAS, the Erie Regional Airport Authority (ERAA) and Greenleaf Corporation entered into the original hangar land lease agreement as of May 10, 2021 and amended as of May 24, 2022

WHEREAS, both parties have agreed once again to amend the original lease in the manner hereinafter set forth (document attached).

NOW, THEREFORE BE IT HEREBY RESOLVED THAT, the Second Amendment to Hangar Land Lease Agreement with Greenleaf is approved and the Executive Director is authorized to enter into said Second Amendment.

Peter Burton moved, and Eric Rogers seconded. Approved by Yeas: Aaron Susmarski, Richard Wagner, Daniel Giannelli, Peter Burton, Eric Rogers, Brian Slawin, David Hallman, Jr., Dorothy Smith-Frazier, and Andrea Zdaniewski.

Mr. Martin explained that we put our insurance out for bid last fall. Changing to a new plan saved the Authority about \$60 k even with a change to the employee portion (the new plan is based on age). This resolution clarifies the language in Derek Martin's contract regarding the employee portion of coverage.

RESOLUTION 2023-05

APPROVAL OF ADDENDUM TO EMPLOYMENT AGREEMENT WITH DEREK MARTIN

AND NOW, on this 26th day of April, 2023, it is hereby RESOLVED by the Board of Directors of the Erie Regional Airport Authority, the following:

1. That the Board approves the Addendum to its Employment Agreement with Executive Director, Derek Martin.
2. That Board President Dan Gianelli is authorized to execute the Addendum on behalf of the Authority.

Brian Slawin moved, and Dorothy Smith-Frazier seconded. Approved by Yeas: Richard Wagner, Daniel Giannelli, Peter Burton, Eric Rogers, Brian Slawin, David Hallman, Jr., Dorothy Smith-Frazier, Andrea Zdaniewski, and Aaron Susmarski.

Mr. Martin explained that this resolution puts the Authority's conflict of interest policy per state, federal, and ERAA employee handbook all in one place via this resolution. Mr. Slawin asked if this precludes us from sharing opportunities with the community and our own professional contacts. Jennifer Gornall stated that the conflict lies with those directly involved in decision making. Ms. Gornall explained that the lowest responsive and responsible bidder is awarded. Mr. Martin added that bids are almost always hand delivered and opened publicly.

RESOLUTION 2023 - 06

POLICY PERTAINING TO CERTIFICATION AND DISCLOSURE REGARDING POTENTIAL CONFLICTS OF INTEREST

WHEREAS, all public officials and public employees of the Erie Regional Airport Authority ("ERAA" or "Authority") are restricted by the Pennsylvania Public Official and Employee Ethics

Act, 65 Pa. C.S.A. §§1101 *et seq.* from engaging in conduct that constitutes a “conflict of interest;” and

WHEREAS, ERAA is required to include FAA Form 5100-135, Certification and Disclosure Regarding Potential Conflicts of Interest – Airport Improvement Program Sponsor Certification with every federal grant application; and

WHEREAS, additionally, ERAA’s “Employee Handbook” also contains an “ERAA Ethics” section which precludes ERAA employees from engaging in behavior that constitutes a “conflict of interest;” and

WHEREAS, in further effort to ensure compliance with the Federal Aviation Administration’s (“FAA”) requirements for conflicts of interest relative to the Authority’s receipt of federal grant funds for construction projects pursuant to the FAA Airport Improvement Program (“AIP”) and other federal awards, the ERAA is establishing the following standards of conduct governing conflict of interest and the performance of ERAA’s employees, officers and agents engaged in the award and administration of contracts pursuant to 2 C.F.R. §200.318(c), 2 C.F.R. §200.112 and 2 C.F.R. §1201.112.

AND NOW, THEREFORE, on this 26th day of April, 2023, it is hereby RESOLVED by the Board of Directors of the Erie Regional Airport Authority, to approve the following policy and standards of conduct covering conflicts of interest and governing the actions of ERAA employees, officials and agents who are engaged in the selection, award and administration of contracts funded by the Airport Improvement Program and other federal awards:

1. No ERAA employee, officer or agent may participate in the selection, award or administration of a contract supported by a federal award, if he or she has a real or apparent conflict of interest. Such a conflict of interest would arise when the employee, officer or agent, any member of his or her immediate family, his or her partner or an organization which employs or is about to employ any of the parties indicated herein, has a financial or other interest in or a tangle personal benefit from a firm considered for a contract with ERAA. In order to implement this policy directive, ERAA requires the following:
 - a. For each contract supported by a federal award, ERAA’s Executive Director shall specifically identify those employees, officers or agents (the term “agents” shall, for purposes of this Policy only, include ERAA’s professional consultants) directly engaged in the selection, award and administration of those contracts supported by a federal award.
 - b. ERAA shall require certification that those individuals specifically identified in Section 1.a, above, do not have a conflict of interest with the firm considered for a contract supported by a federal award.
 - c. ERAA prohibits any employee, officer or agent directly engaged in the selection, award and administration of a contract supported by a federal award (as identified in Section 1.a, above) from consulting with or discussing the selection, award and/or administration of that contract with any individual who does have a conflict of interest with the firm considered for or awarded the contract.

2. The officers, employees and agents of ERAA identified in Section 1.a, above, may neither solicit nor accept gratuities, favors or anything of monetary value from contractors of those contracts supported by a federal award.
3. The Executive Director shall be responsible for monitoring and enforcing provisions, to the best of his knowledge, of this policy. The Executive Director may inquire about employee, officer and agent, as defined in Section 1.a. above, financial interests or conflicts of interests when in question.
4. Disciplinary actions shall be applied for violations of these standards by officers, employees or agents identified in Section 1.a, above.

Eric Rogers moved, and Andrea Zdaniewski seconded. Approved by Yeas: Daniel Giannelli, Peter Burton, Eric Rogers, Brian Slawin, David Hallman, Jr., Dorothy Smith-Frazier, Andrea Zdaniewski, Aaron Susmarski, and Richard Wagner.

Mr. Martin explained that this resolution clarifies the authority of the Executive Director. Ms. Gornall further explained that it authorizes the Executive Director to take steps to accept and execute grants with the need to call a special meeting for projects that were previously approved by the Board. Mr. Slawin stated that this was always clear; now it is really crystal clear!

RESOLUTION 2023 - 07

REVISION OF BYLAWS REGARDING EXECUTIVE DIRECTOR AUTHORITY

WHEREAS, every calendar year, the Board of Directors ("Board") of the Erie Regional Airport Authority ("Authority" or "ERAA") approves a Capital Budget which delineates those projects which are necessary and desirable to the Erie International Airport; and

WHEREAS, the funding for these capital projects often comes in the form of grants awarded and issued by the Federal Aviation Administration ("FAA"); and

WHEREAS, ERAA is obligated to comply with FAA Grant Assurances as a condition of receipt of federal grants; and

WHEREAS, FAA Grant Assurance 2.a provides as follows:

[That a Public Agency Sponsor] has legal authority to apply for this Grant, and to finance and carry out the proposed project; that a resolution, motion or similar action has been duly adopted or passed as an official act of the applicant's governing body authorizing the filing of the application, including all understandings and assurances contained therein, and directing and authorizing the person identified as the official representative of the applicant to act in connection with the application and to provide such additional information as may be required;

and

WHEREAS, the Bylaws of the Erie Regional Airport Authority (“Authority”), in Article III, Section C.1, outlines the types of actions the Board authorizes its Executive Director to perform on behalf of the Authority, as follows:

The Executive Director shall implement policy set by the Board, recommend policy to the Board, and administer the affairs of the Authority: employ subordinate staff for positions approved by the Authority, collect and disburse funds approved by the Board in the annual budgets, carry out capital projects including authorizing change orders as necessary, keep complete and accurate records of Authority business, apply for grant funds, and all other necessary and desirable actions. Performance of the Executive Director shall be reviewed annually by the Personnel Committee of the Board;

and

WHEREAS, in order to ensure compliance with FAA Grant Assurance 2.a, the Board desires to clarify the authority it delegates to the ERAA Executive Director relative to applying for federal grants and executing those grants on behalf of the Authority when awarded by the FAA; and

WHEREAS, the Board was provided notice of this proposed amendment to the Bylaws through receipt of a copy of this Resolution via email seven calendar days in advance of the date of the April 26, 2023 regular Board meeting.

AND NOW, on this 26th day of April, 2023, the Erie Regional Airport Authority **RESOLVES** that the Article III, Section C.1 of the Bylaws, pertaining to Appointed Officials, be amended as follows:

1. The Executive Director shall implement policy set by the Board, recommend policy to the Board, and administer the affairs of the Authority: employ subordinate staff for positions approved by the Authority, collect and disburse funds approved by the Board in the annual budgets, carry out capital projects which have been previously approved by the Board, including authorizing change orders as necessary, keep complete and accurate records of Authority business, apply to the Federal Aviation Administration (“FAA”) for grants to fund capital projects previously approved by the Board, and all other necessary and desirable actions, including the solicitation of public bids for those capital projects previously approved by the Board, provided, however, the award of such bids shall be approved by the Board consistent with Pennsylvania and federal law. The Board directs and authorizes the Executive Director to execute any FAA grant agreements or grant documents on behalf of the Authority for any capital project previously approved by the Board. Performance of the Executive Director shall be reviewed annually by the Personnel Committee of the Board.

Brian Slawin moved, and David Hallman, Jr. seconded. Approved by Yeas: Peter Burton, Eric Rogers, Brian Slawin, David Hallman, Jr., Dorothy Smith-Frazier, Andrea Zdaniewski, Aaron Susmarski, Richard Wagner, and Daniel Giannelli.

There was no **New Business**.

Liaison Comments

City Council Liaison Michael Keys welcomed the new Board Member. He stated that for the first time in four years he can look out and see someone of the same color other than Mr. Martin. Diversity and inclusion do matter! He commended the Board for passing the conflict of interest policy clarification resolution. Mr. Keys stated that he is hoping for movement on another carrier coming to Erie or some alternative. Regarding general aviation, Mr. Keys stated that the pilots invest in their planes, and they want nice things for their planes. The airport needs to do whatever is needed to have a first rate facility so people want to park there instead of elsewhere.

Board Member Comments

Mr. Wagner suggested we invite Erie Bank bi-annually (June and December). He stated that Erie Bank must have something magical there for us to have a pension surplus when everyone else lost 18%.

Mr. Slawin stated that this Board is now at the highest level. It is embarrassing to suggest that any of us were selected for this Board for any reason other than we are qualified to serve here.

Regarding air service, there are certain discussions that Derek Martin/the airport cannot be involved in which is why the Chamber is actively involved in our air service development efforts. Mr. Gianelli said that the Chamber has been a valuable resource. We have been receiving positive input from the City, County, State, and our local business community.

Mr. Hallman stated that ERI is one of the nicest airports to fly in and out of. There is an air traffic control tower and a first rate FBO at North Coast Air. North Coast does not overcharge. Mr. Hallman stated that he has been hanging his aircraft at North Coast Air for years. The hangar is heated, the service is fantastic, and he has never had any issues with them. Anyone saying that ERI is not friendly to general aviation has no idea what they are talking about!

Executive Director's Report

Mr. Martin reported and/or addressed the following:


- ERI is a quality facility. Hangar 20 negotiated their own lease.
- Fundamentals Flight Training acquired a new flight simulator. This is the only simulator in this area. Fundamentals has seen much success in the short time they have been open.
- Delta made a business decision to stop operations at ERI as well as several other airports across the country. Since April 2022, 73 communities have lost service on either American, United, or Delta. This is not just an Erie issue! We are working with American on a plan to try to reduce their operations costs for 2024-2025 then add a third frequency to Charlotte and reinstate American's service to Chicago.
- We are applying for a Small Community Air Service Development grant through the Department of Transportation. The grant application will include letters of

support from our local business partners and officials. We are also trying to secure a letter of support from the target airline.

- Congressman Mike Kelly has set up meetings with Delta and United to what if anything we can do to get them back.
- We are looking at a program similar to the Jobs Ohio for Us.

Andrea Zdaniewski made a motion to adjourn, and Peter Burton seconded. Approved by Yeas: Andrea Zdaniewski, Aaron Susmarski, Richard Wagner, Daniel Giannelli, Peter Burton, Eric Rogers, Brian Slawin, David Hallman, Jr., and Dorothy Smith-Frazier.

Adjournment: 1:16 PM



Brian Slawin, Secretary

