



HALL COUNTY AIRPORT AUTHORITY | MINUTES
Regular Meeting | April 13, 2016

The Regular Meeting of the Hall County Airport Authority (HCAA) Board was held at the Airport Authority Administration Conference Room located at 3855 Sky Park Road, Grand Island, Nebraska 68801 on April 13, 2016. Pursuant to proper legal notice, Board Chair Werner called the meeting to order at 8:05 a.m., and announced location of the Nebraska Open Meeting Act for public viewing.

AIRPORT AUTHORITY BOARD MEMBER(S) PRESENT: Chair Lynne Werner, Vice-Chair Brian Quandt, Secretary/Treasurer Ken Caldwell, Joe Cook and Michelle Setlik.

AIRPORT AUTHORITY BOARD MEMBER(S) ABSENT: None.

AIRPORT AUTHORITY STAFF PRESENT: Executive Director Mike Olson, HR/Accounting Manager Annette Schimmer, Operations Manager Doug Brown, and Administrative Assistant Debra Potratz.

LEGAL COUNSEL PRESENT: Airport Authority Attorney Ron Depue.

OTHERS PRESENT: Paul Strege from Mead & Hunt, Zach Thompson and Michele Gonzalez from Trego/Dugan Aviation of Grand Island, Dave Hansen from Midwest Air Traffic Control Service, and Paul Grieger from D.A. Davidson & Associates.

The Pledge of Allegiance was said in unison.

REVIEW OF AGENDA.

PUBLIC REQUEST TO SPEAK ON AGENDA: None.

REVIEW AND APPROVAL OF ADMINISTRATIVE CONSENT AGENDA:

- Minutes from the Regular Meeting March 9, 2016 and Special Meeting on March 24, 2016.
- Resolution 16-11: Claims 3147-3153.

Motion by Quandt, second by Setlik to approve the Consent Agenda. Upon roll call, motion was approved with a 4 Yes to 0 No vote.

BONDING RATE UPDATE: Paul Grieger from D.A. Davidson & Associates presented an update on the market conditions and bond rating process. The Board will approve bond resolution and approve the Bond Purchase Agreement at the June meeting, and close BANs by August 15, 2016.

FINANCIAL REPORTS | MARCH 2016

Report presented by HR/Accounting Manager Annette Schimmer.

- Operating Income and Operating Expenses.
 - Operating Income is at 56.58% | \$170,843.30 | YTD \$711,524.75
 - Operating Expenses is at 43.77% | \$107,126.07 | YTD \$714,519.17
 - Total Operating Income/Loss is at .80% | \$63,717.23 | YTD (\$2,994.42)
 - Total Net Income/Loss is at 36.09% | (\$84,851.74) | YTD (\$2,128,744.36)

Under Non-Operating Expenses, a line item for Emergency Repair Expense has been added. This is for engine repairs on AIR 20 (1987 Oshkosh Snow Blower Model 92). These expenses were taken out of reserves. The transmission expenses for AIR 21 Fire Truck (RESCUE 1) 2005 will also come out of this fund.

- Past Dues Report: (Aging over 30 days) \$1,528.59 as of today.

57 Board Member Joe Cook arrived at 8:20 a.m.

58
59 Accounting Manager distributed an updated 2015 BANS/2016 Bond Budget. Change Order 08 is on today's
60 agenda for consideration and approval. Change Order 09 for ineligible costs will be presented at next months
61 meeting. It is anticipated there will be a Change Order for the Parking Lot project as well. All costs must be
62 finalized by May 31, 2016 in order to determine the bond amount.

63
64 **ACTIVITY REPORTS | MARCH 2016**

65 GRI Air Traffic Operations Report by Tower Manager Dave Hansen. Mr. Hansen is originally from Harvard,
66 NE, he now lives in Grand Island and has been here for about six weeks. Mr. Hansen was the tower manager
67 in Salinas, Kansas for 14 months. Before that he was with FAA in Sioux City, Lincoln and Omaha for 13
68 years, and before that he was a controller in the Navy for 20 years.

69 **Central Nebraska Regional Airport**

Itinerant Operations	Mar 2015	Mar 2016	% Change
Air Carrier	54	52	-4
Air Taxi	261	226	-13
Civil Aviation	958	545	-43
Military	87	58	-33
Total OPS	1360	881	-35
Local Operations			
Civil	342	170	-50
Military	52	56	8
Total LCL	394	226	-43
TOTAL TRF	1754	1107	-37

70
71 Enplanement Report by Executive Director Mike Olson: Olson reported March 2016 was the second highest
72 number of enplanements in history. A press release on enplanement stats will be sent out this week.

73
74 For the month of May, June and part of July, American Airlines is changing their arrival time from 1:30 p.m.
75 to 4:40 p.m., and departing at 5:20 p.m. and last arrival time will change from 10:25 p.m. to 11:56 p.m. The
76 first departure of the day will be at 7:20 a.m. instead of 6:00 a.m. Executive Director Olson met with American
77 Airlines two weeks ago and expressed his displeasure of these time changes.

78
79 Executive Director Olson also stated we are going to lose Envoy as American Airlines is going to use Express
80 Jet starting in mid-July. Executive Director Olson expressed his displeasure with this switch as well.

81
82 Board Member Werner asked how Afternooners' business is doing in the new passenger terminal. Doug
83 Brown stated business during the delayed flights has been very good. Passengers are pleased to have a
84 restaurant/lounge on secure side. Business on the public side is coming along, it is tough to serve
85 customers when there are flights. There will be no fish fry's on Fridays in May and June due to the flight
86 schedule.

87

	2016 Mar	2016 Load Factor %	2015 Mar	88 +/- %
Allegiant	4,797	92%	3,846	25%
American	2,282	74%	2,113	8%
Charters	147		97	52%
Mo. Emp	7,226		6,056	19%
Yr to Date	18,722		16,181	16%

89
90 Operations Report by Operations Manager Doug Brown:

- 91 • Provided Security and Aircraft Rescue and Fire Fighting (ARFF)/Direct Ramp Observation (DRO) for
92 Allegiant flights, provided ARFF for American Airline daily flights, and one Charter flight. Due to the
93 location of the exit (away from TSA) in the new terminal, it is required by the Transportation Security
94 Administration (TSA) to have a security person at that exit door at all times when there are
95 passengers in the secure holding area. The last three Las Vegas flights have been delayed so staff
96 was stationed there anywhere from 4 to 6 hours during those delays.
- 97 • Conducted monthly ARFF drills and weekly training held on Part 139 Training, Safety, and
98 Transportation Security Administration procedures.
- 99 • Coordinating with sub-contractors with repairs and adjusting equipment in passenger terminal. One
100 full-time employee Assistant Operations Manager Steve Magnuson is now in charge of building
101 maintenance for Bldg 100 (New Passenger Terminal).
- 102 • Performed quarterly fuel farm and truck inspections.
- 103 • Performed quarterly Runway 35 PAPI Calibrations.
- 104 • Updated the Airport Certification Manual.
- 105 • Started spraying weeds and started mowing.
- 106 • In the final stages of planning for the Mass Causality Drill to be held on May 14, 2016.
- 107 • The City of Grand Island is going to install a new 8" water line in the Industrial Park next week.
108 Project should take around three months to complete.
- 109 • Repaired back room and restroom in Bldg 109 (Rogue Mfg).
- 110 • Repaired hangar door on Bldg 112 (Rogue Mfg).
- 111 • Repaired front door on Bldg 129 (Maintenance).
- 112 • Repaired roof on Bldgs 847, 851, 853 and 855 (Gro-Rite).
- 113 • Performed monthly preventative maintenance on equipment.
- 114 • Conducted Annual Fire Extinguisher Training for Trego/Dugan Aviation of Grand Island and Authority
115 employees.
- 116 • Provided construction support.
- 117 • Conducted numerous tours.
- 118 • Numerous other daily projects and repairs completed and scheduled.

119
120 Construction & Planning Report: Mead & Hunt representative Paul Strege reported issues with the boarding
121 bridge and have coordinated with Hausmann and Ameribridge to repair. Only one lead in line has been
122 painted for aircraft by Gate 1. Lead in lines for Gate 2 needs to be painted, and a third lead in line will be
123 added parallel north of primary parking area now. Robert Kaspner has been logging issues with the new
124 passenger terminal.

125
126 Change Order 08 has been approved by the Federal Aviation Administration (FAA) and is on this agenda for
127 consideration and approval. Change Order 09 for ineligible costs will be presented at next months meeting.

128
129 Board Chair Werner asked if the speakers hanging from the ceiling can be raised because they obstruct the
130 view of the murals.

131
132 Diamond Engineering hit a geothermal field line while working on the parking lot. Contaminates were
133 introduced into the lines so the filters were replaced, fluid was added, and a pump was rebuilt. Diamond
134 Engineering will pay around \$20,000 for this mishap.

135
136 For the Parking Lot Project they are still working on tie-downs, working on Parking Lot B, entrance loop road,
137 and old parking lot.

138
139 The General Aviation Terminal road is being poured. Trego/Dugan Aviation of Grand Island will have a sign
140 by new entrance. The old gravel road will remain as access to their shop.

141
142 **CONSIDERATION AND APPROVAL OF RESOLUTION NO. 16-12: EXTENSION OF LEASE**
143 **AGREEMENT WITH NOVA TECH, INCORPORATED.**

144
145 *Motion by Setlik, second by Cook authorizing the Executive Director to execute Extension of Lease*
146 *Agreement with Nova Tech, Inc., for Building 803 located at 1971 Citation Way, Grand Island, Nebraska.*

147 Lease term commences July 1, 2016 and terminates June 30, 2017. Rent will be \$352.22, plus \$20.50/month
148 for insurance. Upon roll call, motion was approved with a 5 Yes to 0 No vote.

149
150 **CONSIDERATION AND APPROVAL OF RESOLUTION NO. 16-13: FIRST AMENDMENT TO LEASE**
151 **AGREEMENT WITH FEDERAL EXPRESS CORPORATION.**

152
153 *Motion by Setlik, second by Quandt authorizing the Executive Director to execute First Amendment to*
154 *Lease Agreement with Federal Express Corporation for Building 710 located at 3900 Sky Park Road,*
155 *Grand Island, Nebraska. Lease term commences November 1, 2015 and terminates October 31, 2018,*
156 *with one option of a five (5) year term. Rent will be \$2,929.08/month. Upon roll call, motion was approved*
157 *with a 5 Yes to 0 No vote.*

158
159 **CONSIDERATION AND APPROVAL OF RESOLUTION NO. 16-14: LEASE EXTENSION AGREEMENT**
160 **WITH BUSCO INC., DBA ARROW STAGE LINES.**

161
162 *Motion by Quandt, second by Cook authorizing the Executive Director to execute Lease Extension*
163 *Agreement with Busco, Inc., DBA Arrow Stage Lines for Building 700B located at 1982 Metro Street, Grand*
164 *Island, Nebraska. Lease term is extended for three (3) years effective May 1, 2016 and terminating April 30,*
165 *2019. Rent will be \$1,575.44/month, plus \$104.90/month for insurance. Upon roll call, motion was approved*
166 *with a 5 Yes to 0 No vote.*

167
168 **CONSIDERATION AND APPROVAL OF RESOLUTION NO. 16-15: AWARD OF AUTOMATED TELLER**
169 **MACHINE (ATM) CONCESSION AGREEMENT.**

170
171 *Motion by Setlik, second by Quandt authorizing the Executive Director to award Automated Teller Machine*
172 *(ATM) Service in the New Passenger Terminal to First National Bank of Omaha from Omaha, Nebraska.*
173 *Legal notice for Request for Proposal was published February 29th and March 7th, 2016 in the Grand Island*
174 *Independent. One proposal was received, opened, and made publically available on March 30, 2016. First*
175 *National Bank offered two options for Annual Concession Fee. First Option: A two (2) year contract at*
176 *\$750/month guaranteed fixed payment with 20% of Surcharges; or Second Option: A three (3) year contract*
177 *at \$500/month guaranteed fixed payment with 20% of Surcharges. The Surcharge Fee proposed was \$3.50*
178 *for cash withdrawals and cash advances. The Review Committee met and found proposal to be responsive*
179 *and responsible. Committee recommends the award to First National Bank of Omaha with the two (2) year*
180 *contract option. Upon roll call, motion was approved with a 4 Yes, 0 No and 1 Abstain vote.*

181
182 **CONSIDERATION AND APPROVAL OF RESOLUTION NO. 16-16: CHANGE ORDER 08 FOR**
183 **PASSENGER TERMINAL PROJECT AIP NO. 3-31-0034-37/38 (DATED MARCH 30, 2016) FROM MEAD**
184 **& HUNT, INC., FOR HAUSMANN CONSTRUCTION.**

185
186 *Motion by Quandt, second by Caldwell authorizing the Executive Director to execute Change Order No. 08*
187 *for Passenger Terminal Project AIP No. 3-31-0034-37/38 (dated March 30, 2016) from Mead & Hunt, Inc.,*
188 *for Hausmann Construction in the amount of \$66,959.00.*

189
190 *Description of Change for Change Order No. 08:*

191 <i>COR 29: Header beam detail closure material change to metal panel.</i>	<i>\$14,530.00</i>
192 <i>COR 31: Added tile on East side of fireplace</i>	<i>\$ 1,182.00</i>
193 <i>COR 35: Canopy gutter and downspouts.</i>	<i>\$ 3,778.00</i>
194 <i>COR 38: Additional snow guards.</i>	<i>\$ 5,357.00</i>
195 <i>COR 40: Breaker change for Boiler.</i>	<i>\$ 1,045.00</i>
196 <i>COR 42: RFPC 18 Baggage belt revisions.</i>	<i>\$ 1,546.00</i>
197 <i>COR 43: RFPC 19 Valet baggage enclosure.</i>	<i>\$27,021.00</i>
198 <i>COR 44: RFPC 20 Door security revisions.</i>	<i>\$ 9,967.00</i>
199 <i>COR 46: Transformers for EF-1, 2 & 3.</i>	<i>\$ 726.00</i>
200 <i>COR 47: Miscellaneous electrical revisions.</i>	<i>\$ 1,437.00</i>
201 <i>COR 48: Additional restroom sign.</i>	<i>\$ 370.00</i>
202	<i>TOTAL</i>
203	<i>\$66,959.00</i>

204 *Passenger Terminal Project Original Contract Sum:* *\$13,956,000.00*

205		
206	Change Order No. 01 Temporary FAA/NWA Cable/Equipment Relocation:	+ \$ 152,299.00
207	Revised Contract Sum:	\$14,108,299.00
208		
209	Change Order No. 02 Structural Steel Revisions:	+ \$ 102,556.00
210	Revised Contract Sum:	\$14,210,855.00
211		
212	Change Order No. 03 Permanent FAA/NWS Cable/Equip Relocation:	+ \$ 160,626.00
213	Revised Contract Sum:	\$14,371,481.00
214		
215	Change Order No. 04 Mechanical Access, Trench Drains, Roof Ladders,	
216	& Credit on Electrical Revisions & Restroom Accessories:	+ \$ 11,048.00
217	Revised Contract Sum:	\$14,382,529.00
218		
219	Change Order No. 05 Revised (Date 12/15/15) TSA Floor Boxes,	
220	Framing & Drywall, Structural Component for Overhead Coiling Door for	
221	TSA Checkpoint, Breakers for Tenant Meter, Relocate VFD Rack & Pumps.	+ \$ 16,109.00
222	Revised Contract Sum:	\$14,398,638.00
223		
224	Change Order No. 06 <u>Non-Eligible Items.</u>	
225	For Kitchen Design Phase II. Drywall Sub, Countertops, Cabinets,	
226	Electrical, HVAC/Plumbing, Roofing Sub, Hausmann Fees.	+ \$ 114,633.00
227	Revised Contract Sum:	\$14,513,271.00
228		
229	Change Order No. 07 <u>Non-Eligible Items</u>	
230	Security Window & Door, Light Fixture Changes, Exhaust Venting,	
231	Make-up Air Unit and HVAC Controls for Kitchen, Casework for Ticket,	
232	Gate & Car Rental Counters.	+ \$ 56,274.00
233	Revised Contract Sum:	\$14,569,545.00
234		
235	Change Order No. 08 Header Beam, Additional Tile on Fire Place,	
236	Canopy Gutter & Downspouts, Additional Snow Guards, Breaker Change	
237	for Boiler, Baggage Belt Revisions, Valet Baggage Enclosure, Door	
238	Security Revisions, Transformers, Misc. Electrical Revisions, Additional	
239	Restroom Sign.	+ \$ 66,959.00
240	Revised Contract Sum:	\$14,636,504.00

241
242 Upon roll call, motion was approved with a 5 Yes to 0 No vote

243
244 UPDATE ON AIRPORT REVENUE PARKING: Executive Director Olson contacted several companies and
245 the only company that responded was Integrity Parking from Chagrin Falls, Ohio. Integrity Parking submitted
246 a list of various scopes for consideration. Once scope has been decided they will create a letter of agreement
247 for review and approval. The letter of agreement will include task timeline, consultancy service pricing and
248 other key terms. Board Member Setlik wanted a list of other companies that were contacted and responses
249 as to why they declined our request. Executive Director Olson will see if Integrity Parking can attend the next
250 Board meeting.

251
252 UPDATE ON STATEMENT OF QUALIFICATIONS FOR ON-CALL ARCHITECTURAL/ENGINEERING
253 SERVICES FOR FEDERAL FUNDED PROJECTS: Two proposals were received. One from Mead & Hunt,
254 Inc., from Minneapolis, MN and one from Benesch from Grand Island. The selection committee reviewed
255 proposals and committee suggested both firms be interviewed before a final recommendation is made.
256 Executive Director Olson will schedule interviews within the next couple of weeks.

257
258 EXECUTIVE DIRECTOR'S REPORT:

- 259 a) Legislative Update. In September 2015, the U.S. Senate agreed to reauthorize and extend funding
260 for the FAA for an additional six months through the end of March 2016. During this time other law
261 makers submitted 180 amendments to the reauthorization bill and some amendments do not ever
262 pertain to aviation. The Senate is now debating an 18-Month FAA reauthorization bill.

263
264 Senator James Lankford from OK submitted amendments to kill the Essential Air Service (EAS)
265 program and the small community air service development program. The EAS program will be
266 authorized at \$155 million, plus additional \$100 million for overflight fees.
267
268 The Department of Transportation (DOT) gave final notice on enforcement policy how its intends to
269 enforce compliance with the requirements of the Department of Transportation and Related Agencies
270 Appropriations Act, 2000, which prohibits the Department from subsidizing Essential Air Service
271 (EAS) to communities located within the 48 contiguous States receiving per passenger subsidy
272 amounts exceeding \$200, unless the communities are located more than 210 miles from the nearest
273 large or medium hub airport.
274
275 b) Attended Mead & Hunt Air Service Development Conference in Scottsdale, AZ March 30th – April 1,
276 2016. Forty airports and seven representatives from airlines were in attendance. Olson met with
277 two airlines, American Airlines and Alaskan Airlines. Olson requested to meet with eight airlines at
278 the Jump Start Conference in Denver, CO in June.
279 c) The ribbon cutting ceremony for the new passenger terminal was Tuesday, April 5th at 11:00 a.m.
280 and was well attended.

281 Airport Attorney Depue stated LB1014 - Change provisions relating to levy limitations and budget
282 limitations for public airports, was rolled into LB774 - Change revenue and taxation provisions, and was
283 approved yesterday by the Legislature and forwarded to the Governor to sign. This will confirm that the
284 Airport Authority has unlimited bonding authority which will enable us to move ahead with future projects.

285 ANNOUNCEMENTS:

- 286 a) Hero Flight for Vietnam Veterans (departs May 1st 7 at a.m. and returns May 3rd at 5:30 p.m.).
287 b) Next Board Meeting May 11, 2016.
288 c) Emergency Disaster Drill May 14th 8 a.m. to 12 p.m.
289 d) Blood Drive May 24, 2016 from 10 a.m. to 3 p.m. at the Nebraska Law Enforcement Training
290 Center.
291 e) Car Show May 25th from 5-8 p.m.
292 f) The Airport now has Facebook. Go to Fly GRI – Central Nebraska Regional Airport to like and
293 share our page.
294

295 EXECUTIVE SESSION:

296 *Motion by Quandt, second by Setlik to go into Executive Session to discuss airline and lease negotiations.*
297 *Upon roll call, motion was approved with a 5 Yes to 0 No vote, and Board went into Executive Session at*
298 *9:32 a.m.*
299

300 *Motion by Quandt, second by Setlik to come out of Executive Session with no decisions being made and*
301 *reconvene to Regular Session. Upon roll call, motion was approved with a 5 Yes to 0 No vote, and Board*
302 *came out of Executive Session and into Regular Session 10:45a.m.*
303

304 ADJOURNMENT:

305 *Motion by Cook, second by Setlik to adjourn the meeting. Upon roll call, motion was approved with a 5 Yes*
306 *to 0 No vote, and meeting was adjourned at 10:46 a.m.*
307

308 HALL COUNTY AIRPORT AUTHORITY
309

310
311
312 _____
Debra Potratz | Administrative Assistant

313
314
315
316 _____
Lynne Werner | Board Chair

317 _____
Ken Caldwell | Board Secretary/Treasurer

318 (SIGNATURES ON FILE)