



HALL COUNTY AIRPORT AUTHORITY | MINUTES
Regular Meeting | August 10, 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 August 10, 2016. Pursuant to proper legal notice, Board Chair Werner called the meeting to order at 8:02 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, Joe Cook and Michelle Setlik. Secretary/Treasurer Ken Caldwell arrived at 9:40 a.m.

AIRPORT AUTHORITY BOARD MEMBER(S) ABSENT: None.

AIRPORT AUTHORITY STAFF PRESENT: Executive Director Mike Olson, HR/Accounting Manager Annette Schimmer, Maintenance Technician Wes Harris, and Administrative Assistant Debra Potratz.

LEGAL COUNSEL PRESENT: Airport Authority Attorney Ron Depue.

OTHERS PRESENT: Dave Hansen Tower Manager, Vince Dugan and Zach Thompson from Trego/Dugan Aviation of Grand Island.

The Pledge of Allegiance was said in unison.

REVIEW OF AGENDA. Executive Director Olson requested to pull from the Agenda No. 6 – Present Medal of Excellence from FAA Part 139 Inspection to Hall County Airport Authority Staff and present at the September 14th Board meeting.

PUBLIC REQUEST TO SPEAK ON AGENDA: None.

REVIEW AND APPROVAL OF ADMINISTRATIVE CONSENT AGENDA:

- Minutes from the Regular Meeting July 13, 2016.
- Resolution 16-45: Claims 3174-3180.

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

FINANCIAL REPORTS | JULY 2016

Report presented by HR/Accounting Manager Annette Schimmer.

- Operating Income and Operating Expenses.
 - Operating Income is at 87.43% | \$88,297.27 | YTD \$1,099,516.32
 - Operating Expenses is at 75.28% | \$113,420.86 | YTD \$1,228,823.71
 - Total Operating Income/Loss is at 34.51% | (\$25,123.59) | YTD (\$129,307.39)
 - Total Net Income/Loss is at 57.61% | (\$679,300.40) | YTD (\$3,397,408.24)
- Past Dues Report: (Aging over 30 days) \$5,241.67 as of today.

ACTIVITY REPORTS | JULY 2016

GRI Air Traffic Operations Report by Tower Manager Dave Hansen.

Central Nebraska Regional Airport

Itinerant Operations	Aug 2015	Aug 2016	% Change
Air Carrier	31	36	16

Air Taxi	258	304	18
Civil Aviation	897	646	-28
Military	60	122	103
Total OPS	1,246	1,108	-11
Local Operations			
Civil	434	274	-37
Military	20	50	150
Total LCL	454	324	-29
TOTAL TRF	1,700	1,432	-16

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54

	2016	2016	2015	55
	Aug	Load Factor %	Aug	+/- %
Allegiant	2,748	84%	2,614	5%
American	1,953	75%	2,068	-6%
Charters	122		0	-122%
Mo. Emp	4,823		4,682	3%
Yr to Date	47,698		41,543	15%

56

57 Executive Director Olson reviewed the Central Region Airports report from Mead & Hunt for year ending March
58 31, 2016. This report represents 35 airports in Nebraska, Iowa, Missouri and Kansas. The Central Nebraska
59 Regional Airport (GRI) ranked 9th for number of total number of enplanements, had an 8% increase in revenue,
60 a 2% decrease in average fares, and a 5% decrease in average yield.

61

62 Operations Report by Maintenance Technician Wes Harris:

63

- 64 • Provided Security and Aircraft Rescue and Fire Fighting (ARFF)/Direct Ramp Observation (DRO) for
65 Allegiant flights, and provided ARFF for American Airline daily flights and Charters. Several flights
66 were cancelled and delayed.
- 67 • Conducted monthly ARFF drills and weekly training held on Part 139 Training, Safety, and
68 Transportation Security Administration procedures.
- 69 • Coordinating with sub-contractors with repairs and adjusting equipment in passenger terminal. One
70 full-time employee Assistant Operations Manager Steve Magnuson is now in charge of building
71 maintenance for Building 100 (New Passenger Terminal).
- 72 • Painting completed on runways, taxiways and ramps.
- 73 • Ongoing sprinklers repairs.
- 74 • Federal Aviation Administration Part 139 inspection was held July 28th-29th. No discrepancies were
75 noted.
- 76 • Amending FAA Part 139 Airport Certification Manual to include major changes to snow operations.
77 Revisions must be completed by September 1st and implemented on October 1st.
- 78 • Completed annual insurance inspection and risk assessment.
- 79 • Maintenance staff is painting and making repairs in Building 112 (for new tenant Trego/Dugan Aviation
80 of Grand Island).
- 81 • Concrete repairs were completed in warehouse for Building 804 (Blue Knight Energy Partners).
- 82 • Loading dock bumpers were installed by Building 852 (Gro Rite).
- 83 • Sprayed weeds and continuous mowing.
- 84 • Repairs were made to AIR 49 (CAT 3306 Elec Vault Generator).
- 85 • General repairs were made to mowers.
- 86 • Repairs made to overhead door on Building 2A (Trego/Dugan Aviation).
- 87 • Conducted numerous tours for schools.
- 88 • City is still working on new 8" water line in the Industrial Park. Project will be completed once a
89 satisfactory water sample is verified.
- 90 • Numerous other daily projects and repairs completed and scheduled.

91 Building Report by Assistant Operations Manager Steve Magnuson: Absent. No report given.

92 Construction & Planning Report: No representation from Mead & Hunt. Executive Director Olson reported
93 paving is complete on the north side of the terminal. A few ADA issues still need to be addressed.
94 Landscaping/irrigation around Arrasmith Park and parking lots, parking lot striping and installation of three
95 more street lights should be completed next week. Board Member Setlik suggested the pedestrian walkway
96 be better defined to keep passengers off the entrance road. Landscaping/irrigation will also be completed on
97 the entrance road to the General Aviation terminal.
98

99 PRESENTATION FROM TREGO/DUGAN AVIATION OF GRAND ISLAND. Vince Dugan stated Trego/Dugan
100 Aviation of Grand Island is enjoying considerable amount of growth and success and plans on doubling the
101 number of employees from 40 to 80 in the next five years. Dugan discussed the progress of refurbishment of
102 airline ground handling equipment; installation of Automatic Dependent Surveillance–Broadcast (ADS-B) as
103 mandate takes effect in 2020; and fueling trends with the decline in fueling of general aviation aircraft. Articles
104 about Trego/Dugan Aviation of Grand Island were displayed in *Professional Pilot* and *Avionics News*. Dugan
105 stated should Trego/Dugan Aviation of Grand Island be awarded Hangar 112 it will primarily be used for
106 avionics, ADS-B installation, and as a paint booth to refurbish ground handling equipment for system use and
107 future sales.
108

109 **CONSIDERATION AND APPROVAL OF RESOLUTION NO. 16-46: AWARD BID TO LEASE HANGAR**
110 **(BUILDING 112) TO TREGO/DUGAN AVIATION OF GRAND ISLAND, INCORPORATED.**
111

112 Board Member Setlik stated after reviewing the proposals, bids from both Hornady and Trego/Dugan Aviation
113 of Grand Island were responsive and responsible proposals, and both had aviation focus which is what we
114 asked for, and that it came down to who had the higher bid. Board Member Quandt said not only the higher
115 bid but he also considered the economic impact for the community that helped whely his decision. Attorney
116 Depue stated for the record we received two compliant bids and the lease is being awarding to the highest
117 bidder.
118

119 *Motion by Quandt, second by Cook to Award Bid to Lease Hangar (Building 112) located at 3841 Sky Park*
120 *Road to Trego/Dugan Aviation of Grand Island, Inc. Legal notice for Request for Proposals was published in*
121 *the Grand Island Independent on July 6 & 13, 2016, and two proposals were received and opened on July 27,*
122 *2016. The Selection Committee reviewed proposals and both were found to be responsive and responsible.*
123 *The Committee recommends awarding the bid to Trego/Dugan Aviation of Grand Island, Inc. with the bid*
124 *amount of \$30,000/year or \$2,500/month. Lease term is for three (3) years commencing September 1, 2016*
125 *and terminating August 31, 2019. Upon roll call, motion was approved with a 4 Yes to 0 No vote.*
126

127 **CONSIDERATION AND APPROVAL OF RESOLUTION NO. 16-47: LEASE EXTENSION AGREEMENT**
128 **WITH GRAND ISLAND AREA CLEAN COMMUNITY SYSTEM, INC, FOR BUILDING 2B.**
129

130 *Motion by Setlik, second by Quandt authorizing the Executive Director to execute Lease Extension Agreement*
131 *with Grand Island Area Clean Community System, Inc., for Building 2B located at 3661 Sky Park Road. Lease*
132 *term is extended for three (3) years commencing October 1, 2016 and terminating September 30, 2019. Rent*
133 *is \$1,060.90/ month plus \$67.40/month for insurance. Upon roll call, motion was approved with a 4 Yes to 0*
134 *No vote.*
135

136 **CONSIDERATION AND APPROVAL OF RESOLUTION NO. 16-48: LEASE AGREEMENT WITH GRAND**
137 **ISLAND AREA CLEAN COMMUNITY SYSTEM, INC, FOR BUILDING 2C.**
138

139 *Motion by Cook, second by Quandt authorizing the Executive Director to execute Lease Agreement with Grand*
140 *Island Area Clean Community System, Inc., for Building 2C located at 3661 Sky Park Road. Lease is on a*
141 *month-to-month basis commencing August 1, 2016. Rent is \$150.00/ month plus \$9.44/month for insurance.*
142 *Upon roll call, motion was approved with a 4 Yes to 0 No vote.*
143

144 **CONSIDERATION AND APPROVAL OF RESOLUTION NO. 16-49: AIRLINE OPERATING AGREEMENT**
145 **AND TERMINAL LEASE EXTENSION WITH ALLEGIANT AIR LLC, (LAS VEGAS).**
146

147 *Motion by Cook, second by Setlik authorizing the Board Chair to approve the Airline Operating Agreement and*
148 *Terminal Lease Extension with Allegiant Air LLC, (Las Vegas). Airline agrees to provide regularly scheduled*

149 twice weekly nonstop roundtrip jet service (minimum capacity of 120 passengers) from the Central Nebraska
150 Regional Airport (GRI) to McCarran International Airport in Las Vegas, Nevada (LAS). The term of this
151 agreement is extended for a period of two (2) years commencing September 1, 2016 and terminating August
152 31, 2018. Rent is \$600/month for the nonexclusive use of 91 SF of ticket counter space and 413 SF of office
153 space. Per the Air Service Incentive Program, the Authority will provide a credit of \$65,000 per fiscal year, for
154 Allegiant Air, LLC, to use for local cost centers of fuel flowage fees, ground handling fees, into plane fueling
155 fees and landing fees and terminal rents; and provide a marketing fund of \$30,000 per fiscal year to promote
156 the Eligible Air Service. Upon roll call, motion was approved with a 4 Yes, 0 No.

157
158 EXECUTIVE DIRECTOR'S REPORT:

- 159 a) Legislative Update. Congress passed an aviation bill to extend the Federal Aviation Administration's
160 programs at current funding levels through September 30, 2017, but no appropriations have been
161 made for 2017. The Airport Improvement Program will continue at \$3.35 billion and we will continue
162 to receive our \$1 million a year, providing we have 10,000 boardings. The Contract Tower Program
163 is authorized at \$10.35 million a year however there has been no reform on the Air Traffic Control
164 Program. The Essential Air Service will receive \$175 million plus \$100 million for overflight fees. The
165 Transportation Security Administration bills in this package include aviation security items such as
166 background checks, access control, security perimeter, TSA screening models, risk assessment and
167 viper teams. We won't know how these items will affect us until we hear from our Flight Standards
168 District Office (FSDO). The FAA is looking into the varied unmanned aircraft systems and will regulate
169 accordingly.
- 170 b) The Budget Presentation to the Hall County Board of Supervisors on July 20th went well and the County
171 will vote on our tax request on August 23rd.
- 172 c) Attorney Depue and Executive Director Olson will be attending an AAE/AMCG Sponsor Assurances,
173 Leasing Policies and Minimum Standards conference in Denver, CO August 23-24, 2016.
- 174 d) Executive Director Olson, Operations Manager Doug Brown and Board Member Joe Cook will be
175 attending the 4-States Conference in Kansas City MO, August 29-31, 2016.

176
177 ANNOUNCEMENTS:

- 178 a) Car Show will be held on the south ramp August 24th from 5-8 p.m.
179 b) Budget Hearing and next Board meeting will be September 14, 2016.

180
181 EXECUTIVE SESSION:

182 *Motion by Quandt, second by Cook to go into Executive Session to discuss airline, lease, and personnel*
183 *negotiations. Upon roll call, motion was approved with a 4 Yes to 0 No vote, and Board went into Executive*
184 *Session at 9:30 a.m.*

185
186 *Motion by Cook second by Quandt to come out of Executive Session with no decisions being made and*
187 *reconvene to Regular Session. Upon roll call, motion was approved with a 5 Yes to 0 No vote, and Board came*
188 *out of Executive Session and into Regular Session 9:55 a.m.*

189
190 ADJOURNMENT:

191 *Motion by Quandt, second by Caldwell to adjourn the meeting. Upon roll call, motion was approved with a 5*
192 *Yes to 0 No vote, and meeting was adjourned at 9:56 a.m.*

193
194 HALL COUNTY AIRPORT AUTHORITY

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198 _____
199 Debra Potratz | Administrative Assistant

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201
202 _____
203 Lynne Werner | Board Chair

204 _____
Ken Caldwell | Board Secretary/Treasurer

(SIGNATURES ON FILE)