



HALL COUNTY AIRPORT AUTHORITY | MINUTES
Regular Meeting | February 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 February 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.

AIRPORT AUTHORITY BOARD MEMBER(S) ABSENT: Secretary/Treasurer Ken Caldwell.

AIRPORT AUTHORITY STAFF PRESENT: Executive Director Mike Olson, Operations Manager Doug Brown, Assistant Operations Manager Steve Magnuson, Administrative Assistant Debra Potratz, Operations Secretary Carole Harmon, Maintenance Technicians Chris Evans, Wes Harris, and Justin Astrones.

LEGAL COUNSEL PRESENT: Airport Authority Attorney Ron Depue.

OTHERS PRESENT: Paul Strege from Mead & Hunt and Zach Thompson from Trego/Dugan Aviation of Grand Island.

The Pledge of Allegiance was said in unison.

REVIEW OF AGENDA.

Executive Director Olson asked to move No.10. d. Central Nebraska Regional Airport Named 2015 Airport of the Year, to before No. 6. Financial Report.

PUBLIC REQUEST TO SPEAK ON AGENDA: None.

REVIEW AND APPROVAL OF ADMINISTRATIVE CONSENT AGENDA:

- Minutes from the Regular Meeting held January 20, 2016.
- Resolution 16-06: Claims 3135-3140.

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

Nebraska Department of Aeronautics Executive Director Ronnie Mitchell presented the Nebraska 2015 Airport of the Year award to Mike Olson at the Nebraska Symposium Banquet in Kearney on January 28th. This Airport has been the recipient of this award six times in the past nine years for commercial air carrier airports. Executive Director Olson acknowledged the staff for their hard work and dedication for making this a great airport. Several "2015 Airport of the Year" road signs will be posted at highway entry points into Grand Island.

FINANCIAL REPORTS | JANUARY 2016

Executive Director Mike Olson presented report.

- Operating Income and Operating Expenses.
 - Operating Income is at 27.35% | \$94,802.73 | YTD \$343,991.16
 - Operating Expenses is at 28.55% | \$122,446.31 | YTD \$466,058.69
 - Total Operating Income/Loss is at 32.57% | (\$27,643.58) | YTD (\$122,067.53)
 - Total Net Income/Loss is at 31.14% | (\$555,403.04) YTD (\$1,836,403.21).
- Past Dues Report: (Aging over 30 days) \$5,040.16 as of today.
- Fuel Flowage Report: Trego/Dugan Aviation of Grand Island

57 Jet A & 100LL ▪ 91,289.00 gallons delivered | YTD 455,346.00
 58 Fuel Flowage ▪ \$5,020.90 fuel flowage received | YTD \$25,044.03
 59 Diesel ▪ 1,450.00 gallons delivered | YTD 2,472.00
 60 Unleaded ▪ 500.00 gallons delivered | YTD 1,411.20
 61 Fuel Flowage ▪ \$107.25 fuel flowage received | YTD \$213.58
 62

63 **ACTIVITY REPORTS | JANUARY 2016**

64 GRI Air Traffic Operations: No report. Executive Director Olson stated once new tower manager starts the
 65 reports should resume next month.
 66

67 Enplanement Report by Executive Director Mike Olson: Olson reported January 2016 set an all-time record
 68 for enplanements.

	2016	2016	2015	69
	Jan	Load Factor %	Jan	+/- %
Allegiant	3,189	88%	2,847	12%
American	2,201	76%	2,271	-3%
Charters	266		277	-4%
Mo. Emp	5,665		5,395	5%
Yr to Date	5,665		5,395	5%

70
 71 Executive Director Olson distributed a Central Region Airports report from Mead & Hunt for year ending
 72 September 30, 2015. This report represents 35 airports in Nebraska, Iowa, Missouri and Kansas. The Central
 73 Nebraska Regional Airport (GRI) ranked 9th for number of total number of enplanements, had an 8% increase
 74 in revenue, 1% increase on average fares, and 1% increase on average yield.
 75

76 PenAir has shown interest in the Essential Air Service and may likely bid for service at airports in Kearney,
 77 North Platte and Scottsbluff. Aerodynamics has received their certification for commercial flights and could
 78 bid for service there as well.
 79

80 Executive Director Olson stated according to the U.S. Region Report the Central Nebraska Regional Airport
 81 had a 6% increase in enplanements this past year where the national average was 5%, and the Central
 82 Region, is what we are in, only reported a 2% increase.
 83

84 **Operations Report by Operations Manager Doug Brown:**

- 85 • Provided Aircraft Rescue and Fire Fighting (ARFF)/Direct Ramp Observation (DRO) for Allegiant
- 86 flights, provided ARFF for American Airline daily flights, and Charter flights.
- 87 • Conducted monthly ARFF drills and weekly training held on Part 139 Training, Safety, and
- 88 Transportation Security Administration procedures.
- 89 • Performed monthly preventative maintenance checks on equipment.
- 90 • Performed quarterly fuel farm and truck inspections.
- 91 • Performed quarterly Runway 35 PAPI Calibrations.
- 92 • In the process of updating the Airport Security Program and Airport Certification Manual to include
- 93 the new passenger terminal security.
- 94 • Received annual Depredation Permit.
- 95 • On February 2nd Grand Island received 18.3" of snow and Runway 17/35 was only closed for a total
- 96 of 37 hours between February 2nd & 3rd. There were only three American flights cancelled due to the
- 97 blizzard.
- 98 • AIR 20 (1987 Oshkosh Snow Blower Model 92) engine blew right after Runway 17/35 was opened.
- 99 Snow Blower was hauled to Omaha Diesel for engine repairs and should have back next week.
- 100 • Repaired overhead door on Bldg 108C (Car Wash - Budget).
- 101 • In the process of replacing six ramp lights.
- 102 • Provided construction support.
- 103 • Numerous other daily projects and repairs completed and scheduled.
- 104

105 Construction & Planning Report: Mead & Hunt representative Paul Strege reported they are down to the last
106 2% of the project. Weekly teleconferences have been held to go over final details. Mead & Hunt went
107 through punch list items and nothing major was found. A signage plan for interior and exterior signs has been
108 drafted for Executive Director Olson to review. The terminal will get a thorough cleaning once the trades are
109 out. All the mural gallery wraps are up on display. The exterior is a mess due to dirt and snow piles but area
110 will be cleaned up once weather warms up. Diamond Engineering installed storm sewer for the General
111 Aviation Terminal entrance road. Training continues on terminal maintenance and jet bridge operation.
112 Several warranty items for the General Aviation Terminal are being addressed.

113
114 **CONSIDERATION AND APPROVAL OF RESOLUTION NO. 16-07: REQUEST FROM ALOHA**
115 **INVESTMENTS LLC DBA AFTERNOONERS TO HOST 2016 CAR SHOWS.**
116

117 *Motion by Cook, second by Setlik authorizing the Executive Director to approve request from Aloha*
118 *Investments, LLC, DBA Afternooners to host 2016 Car Shows on Wednesday May 25th and Wednesday*
119 *August 24th from 5-8 p.m. Authority will pay for three (3) newspaper advertisements per show with cost not*
120 *to exceed \$320/show with ads to run on Sunday, Tuesday and Wednesday, and purchase Dash Plaques for*
121 *participants with cost not to exceed \$150. For each event Afternooners will provide six (6) \$20 gift certificates*
122 *to be awarded for Best Paint, Engine, Show, Interior, Bike one other category yet to be decided.*
123 *During car show Afternooners will offer a dinner special of Chicken Fried Steak including drink for \$9.99.*
124 *Upon roll call, motion was approved with a 4 Yes to 0 No vote.*
125

126 AIRPORT REVENUE PARKING: Executive Director Olson reviewed presentation provided at Study Session
127 in November 2015. Executive Director Olson stated since this is all new to the airport he wants to make sure
128 we do this right the first time. Various models and agreements were discussed. Executive Director Olson
129 does not feel self-management is an option at this time and talked about risk and costs. The Board agrees
130 paid parking needs to be implemented but need to decide what model and type of agreement to consider.
131 There was discussion of determining cost Authority doing this verses cost to contract out. Board would like
132 to hold a study session for further discussion. Executive Director Olson suggested hiring a consultant to help
133 define parameters and assist drafting a Request for Proposal.
134

135 EXECUTIVE DIRECTOR'S REPORT:

- 136 a) Olson conducted numerous interviews with the news media and has given many tours of the new
137 passenger terminal.
- 138 b) The Governor Fly-In State-of-the-State address was held at the current passenger terminal on
139 January 14th with approximately 50 in attendance.
- 140 c) Olson presented a PowerPoint to the Third City Sertoma Club on January 27th with 10 in attendance.
- 141 d) Olson updated the Board on Legislative issues.
 - 142 a. In December 2015 Congress approved an Omnibus that allocates the dollars for the Federal
143 budget for 2016, but each program has to have individual approval to access funds.
 - 144 b. In September 2015, the U.S. Senate agreed to reauthorize and extend funding for
145 the Federal Aviation Administration for an additional six months through the end of March
146 2016.
 - 147 c. Senator Bill, Shuster [R-PA] introduced H.R.4441 - Aviation Innovation, Reform, and
148 Reauthorization Act of 2016. This Act would transfer operation of air traffic services currently
149 provided by the Federal Aviation Administration to a separate not-for-profit corporate entity,
150 to reauthorize and streamline programs of the Federal Aviation Administration, and for other
151 purposes.
 - 152 d. FAA has established risk base permitting and parameters for drones. On-line registration is
153 available on FAAs website.

154
155 Airport Attorney Depue stated during the Study Session back in November 2015, the Board talked about the
156 bonding limitations and the uncertainty whether the Airport Authority is subject to the 3.5% cap. Scottsbluff
157 Airport Authority was going through bonding procedures and their bond counsel stated they are at the 3.5
158 cent limit for general operating funds and therefore could not request additional bonds. This started the
159 discussion with our current bond counsel. All agree the Airport Authority's bonding authority needs to be
160 clarified.
161

162 The Nebraska State Auditor was in agreement with the prior opinion that a County Airport Authority has no
163 limit on bonding authority and is not subject to the 3.5 cent cap, but stated in their opinion letter they are not
164 attorneys and the courts may disagree with them. Authority Attorney Depue wanted to obtain clarification
165 through an Attorney General's opinion and recommended further discussion before introducing any
166 legislative proposals.

167 Before any discussion could be initiated, Scottsbluff's State Senator submitted a legislative bill to clarify
168 a County Airport Authority's bonding power.

169 In addition, on January 14, 2016, Legislative Bill 958 was introduced by Senator Mike Gloor at the request of
170 the Governor. This bill relates to revenue and taxation and to change provisions relating to budgets, the
171 valuation of agricultural land, and levy limitations. LB 958 would eliminate the Authority's ability to pass bonds
172 without the vote of the electorate and would limit our budget growth to 3% whether this is capital or
173 otherwise. This bill would be detrimental to the future growth of the airport. With the Authority being able to
174 bond, the Airport has been able to complete a number of major projects, including the new passenger
175 terminal.

176 Executive Director Olson is attending the Legislative Conference in Washington, DC next month and has
177 visits scheduled with Senator Fischer and Congressman Smith.

178
179 ANNOUNCEMENTS:

- 180 a) Soup Supper will be held in the current terminal Tuesday, March 1st from 4:00-6:30 p.m.
- 181 b) Next Board Meeting is March 9, 2016.
- 182 c) Ribbon Cutting for the new passenger terminal will be Tuesday, April 5th at 11 a.m.

183
184 EXECUTIVE SESSION:

185 *Motion by Quandt, second by Cook to go into Executive Session to discuss airline, lease, and personnel*
186 *negotiations. Upon roll call, motion was approved with a 4 Yes to 0 No vote, and Board went into Executive*
187 *Session at 9:37 a.m.*

188
189 *Motion by Cook, second by Quandt to come out of Executive Session with no decisions being made and*
190 *reconvene to Regular Session. Upon roll call, motion was approved with a 4 Yes to 0 No vote, and Board*
191 *came out of Executive Session and into Regular Session 9:57 a.m.*

192
193 ADJOURNMENT:

194 *Motion by Setlik, second by Quandt to adjourn the meeting. Upon roll call, motion was approved with a 4 Yes*
195 *to 0 No vote, and meeting was adjourned at 10:00 a.m.*

196
197 HALL COUNTY AIRPORT AUTHORITY

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199
200
201 _____
202 Debra Potratz | Administrative Assistant

203
204
205 _____
206 Lynne Werner | Board Chair

207 _____
Ken Caldwell | Board Secretary/Treasurer

(SIGNATURES ON FILE)