



HALL COUNTY AIRPORT AUTHORITY | MINUTES
Regular Meeting | July 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 July 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, and Michelle Setlik.

AIRPORT AUTHORITY BOARD MEMBER(S) ABSENT: Joe Cook.

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: Dave Hansen ATC Manager and Bob Beran from Dana F. Cole & Company

The Pledge of Allegiance was said in unison.

PUBLIC REQUEST TO SPEAK ON AGENDA: None.

REVIEW AND APPROVAL OF ADMINISTRATIVE CONSENT AGENDA:

- Minutes from the Regular Meeting June 9, 2016.
- Resolution 16-37: Claims 3168-3174

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.

Hall County Board of Supervisor Gary Quandt serves on the Hero Flight Committee. Mr. Quandt stated all the Vietnam Veterans never received the homecoming they deserved. The welcome they received here at the Central Nebraska Regional Airport on May 3rd was healing for these veterans. On behalf of the Hero Flight Committee, DVDs of the return flight, produced by Don Smith from the Grand Island Independent, were distributed. The committee appreciated everything the Airport did and thanked the Board, Mike Olson and Doug Brown for providing such a heartfelt homecoming for our Veterans. The homecoming is what made the trip and the veterans really appreciated everyone's efforts. The Authority Board thanked the Hero Flight Committee for arranging these flights to commemorate our Veterans. Mr. Quandt stated there will be several Veteran appreciation events during the Hall County Fair on Sunday, July 17th.

FINANCIAL REPORTS | JUNE 2016

Report presented by HR/Accounting Manager Annette Schimmer.

- Operating Income and Operating Expenses.
 - Operating Income is at 80.41% | \$85,486.40 | YTD \$1,011,219.05
 - Operating Expenses is at 68.61% | \$152,389.33 | YTD \$1,120,007.28
 - Total Operating Income/Loss is at 29.03% | (\$66,902.93) | YTD (\$108,788.23)
 - Total Net Income/Loss is at 46.09% | (\$26,183.77) | YTD (\$2,718,107.84)
- Past Dues Report: (Aging over 30 days) \$1,201.61 as of today.

ACTIVITY REPORTS | JUNE 2016

GRI Air Traffic Operations Report by ATC Manager Dave Hansen.

Central Nebraska Regional Airport

Itinerant Operations	June 2015	June 2016	% Change
Air Carrier	40	52	30
Air Taxi	294	312	6
Civil Aviation	681	676	-1
Military	68	129	90
Total OPS	1083	1169	8
Local Operations			
Civil	188	278	48
Military	28	50	79
Total LCL	216	328	52
TOTAL TRF	1299	1497	15

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Olson reported American Airlines is the world's largest airline with 944 airplanes, 351 destinations and 6,908 daily flights worldwide. The second and third largest airlines are Delta and United. This month American Airlines starting using Express Jet instead of Envoy.

	2016 June	2016 Load Factor %	2015 June	63 +/- %
Allegiant	4,187	84%	2,969	41%
American	2,107	78%	2,166	-3%
Charters	0		0	0%
Mo. Emp	6,294		5,135	23%
Yr to Date	36,046		31,214	15%

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Operations Report by Operations Manager Doug Brown:

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- Provided Security and Aircraft Rescue and Fire Fighting (ARFF)/Direct Ramp Observation (DRO) for Allegiant flights, and provided ARFF for American Airline daily flights and Charters. In June there were 30 Allegiant flights and 56 American flights.
- Due to the location of the secure waiting area exit, it is mandated by TSA that staff be stationed at the exit door when passengers are in the secure holding area. This includes all regular and/or delayed flights. This set up has put a time demand on maintenance staff (averaging 150-200 hours a month) and has become an added expense for the Authority.
- Conducted monthly ARFF drills and weekly training held on Part 139 Training, Safety, and Transportation Security Administration procedures.
- Coordinating with sub-contractors with repairs and adjusting equipment in passenger terminal. One full-time employee Assistant Operations Manager Steve Magnuson is now in charge of building maintenance for Bldg 100 (New Passenger Terminal).
- Replaced elevated guard light on Charlie East.
- Repairs made to 17-35 distance sign.
- Sprayed washed all runway/taxiway signs and lights.
- Painting in progress for runway, taxiway and ramps.
- Federal Aviation Administration inspection will be held July 28th -30th and insurance inspection scheduled the first week of August.
- Filled ruts around runways/taxiways.
- Sprayed weeds and continuous mowing.
- Conducted numerous tours for schools, daycares and clubs.
- Numerous other daily projects and repairs completed and scheduled.
- Operations Manager receives numerous calls during the night and weekend to provide AARF for hot fueling of aircraft. The Authority will start charging for this service.

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

Construction & Planning Report: No representation from Mead & Hunt. Executive Director Olson reported most of the concrete is poured in east parking lot with exception of the exit lane and area around geothermal field. K2 needs to lower the lid on the vault before concrete can be poured. The area north of the terminal will be poured this week. Light poles bases are being poured this week and light poles will be installed next week. Landscaping and irrigation will not be completed until the end of the project.

The outstanding items on the Passenger Terminal are slowly being taken care of. The hardware on the security doors has been changed out and appears to be working now. Installation of the loops for the inbound and outbound baggage handling areas will begin this week. As of the last rain, all known leaks in the roof have been repaired. The cracks in the terrazzo floor have been repaired. Work continues on setting up the valet baggage system for the jet bridge.

CONSIDERATION AND APPROVAL OF RESOLUTION NO. 16-44: REVISION OF THE EMPLOYEE CELL PHONE ALLOWANCE POLICY EFFECTIVE OCTOBER 1, 2016.

Motion by Setlik, second by Quandt authorizing the Board Chair to approve the increasing the amount of Human Resource/Accounting Manager reimbursement from \$50/month to \$75/month, plus reimbursing same amount for newly created positions of Facilities Manager and Maintenance Supervisor, and deleting position Assistant Operations Manager, effective October 1, 2016. Exempt employees whose job duties include frequent (business) use of a cell phone shall receive an allowance towards costs. On October 1, 2012, the Authority terminated all existing Authority paid cell phone plans inclusive (except the Transportation Security Administration Security Emergency cell phone) and employees transferred mobile phone numbers to employee's private plan. Employees will be responsible of selecting their own wireless plan and carrier and must be available 24/7 as business dictates. The Authority will not reimburse employee for any early termination fees for any existing personal accounts. The following amounts will be reimbursed on a monthly basis: Executive Director- \$100/month, Operations Manager-\$100/month, Human Resource/Accounting Manager-\$75/month, Facilities Manager-\$75/month and Maintenance Supervisor -\$75/month. Upon roll call, motion was approved with a 4 Yes to 0 No vote.

CONSIDERATION AND APPROVAL OF RESOLUTION NO. 16-38: APPROVE BUDGET FOR FISCAL YEAR 2016-2017.

Executive Director Olson thanked HR/Accounting Manager Annette Schimmer, Auditor Bob Beran and the Board for their assistance in putting together a solid budget.

Mr. Beran stated the Authority has been making strides in increasing the general operating fund as revenues have been flat for several years and hopes the County will continue to fund our request.

Motion by Quandt, second by Caldwell to approve the budget for fiscal year 2016-2017, subject to formal adoption of the 2016-2017 budget in accordance with state auditor requirements. Upon roll call, motion was approved with a 4 Yes to 0 No vote.

CONSIDERATION AND APPROVAL OF RESOLUTION NO. 16-39: PRELIMINARY LEVY ALLOCATION FROM COUNTY BOARD.

Motion by Setlik, second by Quandt WHEREAS, Nebraska Statute 77-3443 (3) requires all political subdivisions subject to county levy authority to submit a preliminary request for levy allocation to the county board; and WHEREAS, the Hall County Board is the levy authority for the Hall County Airport Authority (Board). NOW, THEREFORE BE IT RESOLVED that the following is said Board's tax request for budget year 2016-2017: General Fund – Operations - \$277,668, General Fund Designated for Air Service Development - \$250,000 for a total of \$527,668. BE IT FURTHER RESOLVED that said Board has Bonds for \$6,550,000 dollars, and Bond Anticipation Notes of \$7,745,000 that are not included in the above tax request as allowed by law. Upon roll call, motion was approved with a 4 Yes, 0 No.

146 **CONSIDERATION AND APPROVAL OF RESOLUTION NO. 16-40: INCREASING RESTRICTED**
147 **FUNDS BY 1% FOR FISCAL YEAR 2016-2017.**

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149 *Motion by Setlik, second by Caldwell to approve a 1% increase in Restricted Funds for Fiscal Year 2016-*
150 *2017 in accordance with the State Allowable Increase in Base Limitation (Statute 13-519). Action requires*
151 *75 percent majority approval of board. Upon roll call, motion was approved with a 4 Yes to 0 No vote.*

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153 **CONSIDERATION AND APPROVAL OF RESOLUTION NO. 16-41: ENGAGEMENT LETTER BETWEEN**
154 **THE HALL COUNTY AIRPORT AUTHORITY AND DANA F. COLE & COMPANY, LLP FOR THE FISCAL**
155 **YEAR 2016-17 BUDGET MEETINGS AND BUDGET DOCUMENTS.**

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157 *Motion by Caldwell, second by Quandt authorizing the Board Chair to execute the Engagement Letter*
158 *between the Hall County Airport Authority and Dana F. Cole & Company, LLP for the Fiscal Year 2016-17*
159 *Budget Meetings and Budget Documents. Charges to the Airport Authority will be based on the work as*
160 *required at regular standard rates plus any other direct expenses, but will not exceed \$1,095.00. Upon roll*
161 *call, motion was approved with a 4 Yes to 0 No vote.*

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163 **CONSIDERATION AND APPROVAL OF RESOLUTION NO. 16-42: ENGAGEMENT LETTER BETWEEN**
164 **THE HALL COUNTY AIRPORT AUTHORITY AND DANA F. COLE & COMPANY, LLP FOR THE FISCAL**
165 **YEAR 2015-2016 AUDIT.**

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167 *Motion by Setlik, second by Quandt authorizing the Board Chair to execute the Engagement Letter*
168 *between the Hall County Airport Authority and Dana F. Cole & Company, LLP for the Fiscal Year 2015-*
169 *2016 Audit. Charges for Audits are: \$9,780 for the Financial Audit, \$1,810 for the Passenger Facility*
170 *Charge (PFC) Audit, and \$3,820 for the Single Audit. Upon roll call, motion was approved with a 4 Yes to 0*
171 *No vote.*

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173 **CONSIDERATION AND APPROVAL OF RESOLUTION NO. 16-43: LEASE EXTENSION AGREEMENT**
174 **WITH RICHARD GREENWALT DBA GREENWALT SANDBLASTING FOR BUILDINGS 315 & 316**
175 **LOCATED AT 2570 & 2569 AMMUNITION WAY.**

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177 *Motion by Quandt, second by Caldwell authorizing the Executive Director to execute Lease Extension*
178 *Agreement with Richard Greenwalt DBA Greenwalt Sandblasting for Buildings 315 & 316 located at 2570 &*
179 *2569 Ammunition Way. Lease term will be extended for three (3) years commencing September 1, 2016 and*
180 *terminating August 31, 2019. Rent is \$495.22/month, plus \$34.17/month for fire and extended coverage*
181 *insurance. Upon roll call, motion was approved with a 4 Yes to 0 No vote.*

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183 **EXECUTIVE DIRECTOR'S REPORT:**

- 184 a) Legislative Update. Congress passed an aviation bill to extend the Federal Aviation Administration's
185 programs at current funding levels through September 30, 2017. Included in the bill were aviation
186 security items such as background checks, access control, security perimeter, TSA screening
187 models, and risk assessment. We won't know how these items will affect us until we hear from our
188 Flight Standards District Office (FSDO). There has been no reform on the Air Traffic Control
189 Program.
190 b) Met with two airlines during Jump Start Air Service Conference in Denver, CO June 13-15, 2016.
191 c) FAA spoke at the Contract Tower Workshop in Washington, DC on June 22 & 23, 2016 but played
192 the blame game on why a new benefit cost analysis has not been conducted. While in DC, Executive
193 Director Olson met with all three congressional delegates.
194 d) Moody's conducted a bond rating for the Airport and we received an A2 rating.
195 e) The plaque denoting Board Members for the new terminal is in and Executive Director Olson will
196 work with the Freemasons for a cornerstone.
197 f) Attorney Depue and Executive Director Olson will be attending a AAAE/AMCG Sponsor Assurances,
198 Leasing Policies and Minimum Standards conference in Denver, CO August 23-24, 2016.
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200 Board Member Setlik stated in June students from the Hard Hats and Heels camp came out to the Airport as
201 this year's focus was on history and its effect on the present transportation world. Setlik had just attended a
202 wrap up meeting with the Department of Roads and the report revealed the Airport was one of their favorite

203 days of the two week camp. A lot of praise was given to Executive Director Olson and Operations Manager
204 Brown for participating in the camp and for all they do.

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206 ANNOUNCEMENTS:

- 207 a) Budget Presentation to the Hall County Board of Supervisors July 20, 2016 at 1:15 p.m.
- 208 b) Next Board Meeting August 10, 2016. Following meeting a scoping session will be held with Cannon
209 Moss Brygger Architects.
- 210 c) Car Show August 24th.

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212 EXECUTIVE SESSION:

213 *Motion by Setlik, second by Caldwell to go into Executive Session to discuss airline, lease, and personnel*
214 *negotiations. Upon roll call, motion was approved with a 4 Yes to 0 No vote, and Board went into Executive*
215 *Session at 9:24a.m.*

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217 *Motion by Quandt, second by Setlik to come out of Executive Session with no decisions being made and*
218 *reconvene to Regular Session. Upon roll call, motion was approved with a 4 Yes to 0 No vote, and Board*
219 *came out of Executive Session and into Regular Session 10:03 a.m.*

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221 ADJOURNMENT:

222 *Motion by Caldwell, second by Setlik to adjourn the meeting. Upon roll call, motion was approved with a 4*
223 *Yes to 0 No vote, and meeting was adjourned at 10:05 a.m.*

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225 HALL COUNTY AIRPORT AUTHORITY

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Debra Potratz | Administrative Assistant

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Lynne Werner | Board Chair

Ken Caldwell | Board Secretary/Treasurer

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235 (SIGNATURES ON FILE)