



HALL COUNTY AIRPORT AUTHORITY | MINUTES
Regular Meeting | May 11, 2016

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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 May 11, 2016. Pursuant to proper legal notice, Board Chair Werner called the meeting to order at 8:03 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 Joe Cook.

AIRPORT AUTHORITY BOARD MEMBER(S) ABSENT: Michelle Setlik.

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 Aaron Hall from Trego/Dugan Aviation of Grand Island, Dave Hansen from Midwest Air Traffic Control Service, Jack Santa from Integrity Parking, and Hall County Hero Flight Committee members Don Shuda from Hall County Veteran’s Services Don Smith from the Grand Island Independent, Mike Ponte from the Veteran’s Club, and Willie Skala.

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 April 13, 2016.
- Resolution 16-17: Claims 3154-3161.

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

VIETMAN VETERAN HERO FLIGHT COMMITTEE: Committee members from the Hero Flight thanked the Board and staff for their efforts in providing a hero’s welcome to the Vietnam Veterans on May 3rd. A second Vietnam Veterans flight is being planned with Allegiant to fly out of Grand Island. Executive Director Olson commended the Hero Flight Committee for rallying the community around this cause and should be very proud of their accomplishments.

REVENUE PARKING PRESENTATION: Jack Santa from Integrity Parking will be working with Brad Kissler from Cannon Moss Brygger Architects to help the Board conduct a study to determine a solution for paid parking.

Two-thirds of the parking spaces are across the street in the west parking lot and one-third of the spaces are near the passenger terminal. Santa will provide the Board will several different options on how best to manage and minimize costs.

TREGO/DUGAN AVIATION OF GRAND ISLAND: Zach Thompson and Aaron Hall presented a brief PowerPoint on Trego/Dugan’s growth. There are two huge developments that will directly impact Grand Island. The first development is they have established a full refurbishment shop for ground handling

57 equipment. They have added three full-time employees and plan to hire more. As of June 15th Trego/Dugan
58 will have 23 ground handling stations for 16 different air carriers and they need massive amounts of ground
59 support equipment for those stations. They chose to set up shop at this location due to the relationship they
60 have with the Executive Director and Board.

61
62 The second development is they have received their Automatic Dependent Surveillance Broadcast
63 Supplemental Type Certificate (ADSB-STC). Grand Island will be the epi center for ADS-B installations and
64 they plan on hiring 5-6 more staff within a year. There has been some recent changes in the ADS-B market
65 that makes their STC more appealing. The mandate for installation of ADS-B's will take effect in 2020.
66 Nebraska offers an attractive tax incentive so no tax would be charged for installation of an ADS-B. The
67 Central Nebraska Regional Airport has been a test site for the ADS-B for six years. The ITT test tower is
68 located northeast of the TSA office building.

69
70 As Trego/Dugan continues to grow they will need support of the Board and would like Hangar 113 back for
71 future use.

72
73 **FINANCIAL REPORTS | APRIL 2016**

74 Report presented by HR/Accounting Manager Annette Schimmer.

- 75 • Operating Income and Operating Expenses.
 - 76 ▪ Operating Income is at 63.88% | \$91,867.95 | YTD \$803,416.12
 - 77 ▪ Operating Expenses is at 50.15% | \$109,228.74 | YTD \$818,681.43
 - 78 ▪ Total Operating Income/Loss is at 4.07% | (\$17,360.79) | YTD (\$15,265.31)
 - 79 ▪ Total Net Income/Loss is at 52.80% | (\$985,254.96) | YTD (\$3,113,975.90)
- 80
- 81 • Past Dues Report: (Aging over 30 days) \$4,253.65 as of today.
- 82

83 Accounting Manager distributed an updated 2015 BANS/2016 Bond Budget. Figures for Change Orders 09
84 and 10 are included and are on today's agenda for consideration and approval. All costs must be finalized
85 by May 31, 2016 in order to determine the bond amount. The Board will approve the Bonds at the June 9th
86 meeting.

87
88 Accounting Manager will be scheduling meetings with the Board committees to review budget.

89
90 **ACTIVITY REPORTS | APRIL 2016**

91 GRI Air Traffic Operations Report by Tower Manager Dave Hansen. A Local Runway Safety Action Team
92 (LRSAT) meeting will be held June 7th in the Authority Administration conference room.

Central Nebraska Regional Airport

Itinerant Operations	Apr 2015	Apr 2016	% Change
Air Carrier	36	48	33
Air Taxi	235	254	8
Civil Aviation	699	640	(8)
Military	81	84	4
Total OPS	1051	1026	(2)

Local Operations

Civil	202	210	4
Military	50	88	76
Total LCL	252	298	18
TOTAL TRF	1303	1324	2

93
94
95 Enplanement report by Executive Director Mike Olson. April was another record breaking month. Olson
96 stated the load factor for Allegiant may be a little low but that is due to the weekly Orlando-Sanford flight. In
97 June and July Allegiant is adding a second flight to Orlando so that should help the load factor. The Las
98 Vegas and Phoenix flights are doing above 90% load factor. The Orlando service will end August 13, 2016
99 and will start up again in February of 2017. Olson was disappointed in American's load factor, but April is a

100 slow month for them. The new flight schedule for American has started and will continue through July.
 101 Starting in mid-July American will use Express Jet instead of Envoy.
 102
 103 Mead & Hunt is working on the Passenger Demand Analysis and should have report by next Board meeting.
 104
 105

	2016	2016	2015	106
	Apr	Load Factor %	Apr	+/- %
Allegiant	3,064	79%	2,371	29%
American	1,978	69%	2,149	-8%
Charters	121		163	-26%
Mo. Emp	5,163		4,683	10%
Yr to Date	23,885		20,864	14%

107
 108 Operations Report by Operations Manager Doug Brown:

- 109 • Provided Security and Aircraft Rescue and Fire Fighting (ARFF)/Direct Ramp Observation (DRO) for
 110 Allegiant flights, provided ARFF for American Airline daily flights, and three Charter flights including
 111 the Vietnam Veterans Hero Flight and Army Reserves with a C-17 taking 132 troops to North
 112 Carolina.
- 113 • Due to the location of the exit (away from TSA screening area) in the new terminal, it is required by
 114 the Transportation Security Administration (TSA) to have a security person at that exit door at all
 115 times when there are passengers in the secure holding area. This set up has put a time demand for
 116 maintenance staff having to man the area during flights and throughout any delayed flights, and is
 117 an added expense for the Authority.
- 118 • Conducted monthly ARFF drills and weekly training held on Part 139 Training, Safety, and
 119 Transportation Security Administration procedures.
- 120 • Repairs made to back room and restroom in Bldg 109 (Rogue Mfg).
- 121 • Coordinating with sub-contractors with repairs and adjusting equipment in passenger terminal. One
 122 full-time employee Assistant Operations Manager Steve Magnuson is now in charge of building
 123 maintenance for Bldg 100 (New Passenger Terminal).
- 124 • The Transportation Security Administration gave the Authority a letter of instruction to resolve
 125 security issues in the new passenger terminal. Authority is waiting for Mead & Hunt to resolve issues.
- 126 • There were numerous issues in the heating and air conditioning systems in the new passenger
 127 terminal. This has required staff to come in on weekends to escort and assist the technicians.
- 128 • Spraying weeds and mowing.
- 129 • Held a tabletop meeting for the Emergency Disaster drill to be held on May 14, 2016.
- 130 • The City of Grand Island is installing a new 8" water line in the Industrial Park and should take around
 131 three months to complete.
- 132 • Received back revisions for the Airport Certification Manual (ACM), and further revisions are needed
 133 for the Airport Security Plan (ASP).
- 134 • Performed monthly preventative maintenance on equipment.
- 135 • Provided construction support.
- 136 • Conducted numerous tours.
- 137 • Numerous other daily projects and repairs completed and scheduled.

138
 139 Construction & Planning Report: Mead & Hunt representative Paul Strege stated they will be working on the
 140 security issues at the passenger terminal and should have fixed by next week. Operations Manager is still
 141 receiving a sizeable amount of alarms from the secured doors.
 142

143 Change Order 09 is for non-eligible items and Change Order 10 is the eligible items. The Board questioned
 144 why the In/Outbound Overhead Door Operation Revision for \$15,029.00 in Change Order 09 was a non-
 145 eligible expense.

146 Parking lot paving is delayed due to rain. The entrance loop road will be paved next week to fully transfer
 147 traffic to the final loop road. Next week there will be some marking removal on the ramp and second lead in

148 line will be painted to allow four aircraft to be parked near the terminal. Landscaping should be completed
149 by the end of June.

150
151 Strege stated there will be additional construction management fees for the parking lot project. The parking
152 lot project is running under budget for construction and that Diamond Engineering has not been very efficient
153 in their operations.

154
155 The new General Aviation entrance road won't be opened until the street lights are installed.

156
157 **CONSIDERATION AND APPROVAL OF RESOLUTION NO. 16-18: AUTOMATED TELLER MACHINE**
158 **(ATM) CONCESSION AGREEMENT WITH FIRST NATIONAL BANK OF OMAHA.**

159
160 *Motion by Quandt, second by Caldwell authorizing the Executive Director to execute Automated Teller*
161 *Machine (ATM) Concession Agreement with First National Bank of Omaha from Omaha, Nebraska, to install,*
162 *operate and maintain one (1) ATM in the new passenger terminal at the Central Nebraska Regional Airport*
163 *located at 3773 Sky Park Road, Grand Island, NE. Term will be for two (2) years commencing June 1, 2016*
164 *and terminating May 31, 2018. Annual Concession Fee is \$750/month guaranteed fixed payment with 20%*
165 *of Surcharges. The Surcharge Fee proposed was \$3.50 for cash withdrawals and cash advances. Upon roll*
166 *call, motion was approved with a 3 Yes, 0 No and 1 Abstain vote (Werner).*

167
168 **CONSIDERATION AND APPROVAL OF RESOLUTION NO. 16-19: AUTHORIZING EXECUTIVE**
169 **DIRECTOR TO ENTER INTO NEGOTIATIONS FOR PROFESSIONAL SERVICE AGREEMENT FOR ON-**
170 **CALL ARCHITECTURAL / ENGINEER DESIGN AND CONSTRUCTION ADMINISTRATION SERVICES**
171 **FOR FEDERAL PROJECTS WITH ALFRED BENESCH & COMPANY.**

172
173 Executive Director Olson stated this will not be a blanket agreement for all projects and that contracts would
174 be based on a project-to-project basis according to our Airport Improvement Plan (AIP).

175
176 *Motion by Cook, second by Quandt authorizing the Executive Director to enter into negotiations for a*
177 *professional service agreement with Alfred Benesch & Company from Grand Island, NE for On-Call*
178 *Architectural/Engineering Design and Construction Administration Services for Federal Projects. If no*
179 *amicable financial arrangements can be made, permission to negotiate with Mead & Hunt from Minneapolis,*
180 *MN. The legal notice for the Solicitation for Qualifications was published in the Grand Island Independent on*
181 *February 5th & 12th, 2016, and was posted on the American Institute of Architects / Nebraska website. Two*
182 *(2) proposals were received, opened and publically read on March 25, 2016. Selection committee*
183 *interviewed both firms on April 26, 2016 and makes the recommendation of Alfred Benesch & Company.*
184 *Agreement will be presented at the June 9, 2016 meeting for Board for consideration and approval. Upon roll*
185 *call, motion was approved with a 4 Yes to 0 No vote.*

186
187 **CONSIDERATION AND APPROVAL OF RESOLUTION NO. 16-20: OTHER TRANSACTION**
188 **AGREEMENT HSTS01-13-H-CKP124 (MODIFICATION NUMBER: P00004) WITH THE DEPARTMENT OF**
189 **HOMELAND SECURITY/TRANSPORTATION SECURITY ADMINISTRATION.**

190
191 *Motion by Quandt, second by Cook authorizing the Executive Director to execute the Other Transaction*
192 *Agreement HSTS01-13-H-CKP124 (Modification Number: P00004) with the Department of Homeland*
193 *Security/Transportation Security Administration. This agreement obligates additional funding for*
194 *reimbursement of fixed electrical and janitorial cost for the Transportation Security Administration Security*
195 *Checkpoint and Baggage Screening Areas relating to the Central Nebraska Regional Airport (GRI). This is*
196 *additional funding to the Other Transaction Agreement HSTS01-13-H-CKP124 (Modification Number:*
197 *P00003). Term commences May 15, 2016 and terminates February 28, 2017. The Transportation Security*
198 *Administration's total additional costs per year to the Hall County Airport Authority will be \$1,403.20/yr*
199 *(\$1,028.47/yr for electricity and \$374.73/yr for Janitorial Services). Upon roll call, motion was approved with*
200 *a 4 Yes to 0 No vote.*

201
202 **CONSIDERATION AND APPROVAL OF RESOLUTION NO. 16-21: CHANGE ORDER NO. 09 FOR**
203 **PASSENGER TERMINAL PROJECT AIP NO. 3-31-0034-37/38 (DATED MAY 5 2016) NON-ELIGIBLE**
204 **ITEMS FROM MEAD & HUNT, INCORPORATED, FOR HAUSMANN CONSTRUCTION.**

205

206 The Board asked Mr. Strege if the In/Outbound Overhead Door Operation Revision for \$15,029.00 had been
207 submitted to FAA for possible consideration of federal funding. Mr. Strege stated this one had not specifically
208 been submitted, but similar items had been submitted prior and were rejected by FAA. The Board asked
209 Strege to submit this item to FAA for possible reimbursement.
210

211 *Motion by Quandt, second by Caldwell authorizing the Executive Director to execute Change Order No. 09*
212 *for Passenger Terminal Project AIP No. 3-31-0034-37/38 (dated May 5, 2016) Non-Eligible Items from Mead*
213 *& Hunt, Inc., for Hausmann Construction in the amount of \$44,815.00.*
214

215 *Description of Change for Change Order No. 09:*

216		
217	COR 36: Technology System Clarifications	\$ 6,691.00
218	COR 37: Kitchen Revisions – Electrical Not Included in CO 6	\$ 15,456.00
219	COR 39: Tenant Requested Power/Data Adds	\$ 3,646.00
220	COR 41: Car Rental Inserts	\$ 2,799.00
221	COR 45: In/Outbound Overhead Door Operation Revision	\$ 15,029.00
222	COR 50: Telecom Wire Management	\$ 1,194.00
223		
224		
	TOTAL	\$ 44,815.00

225	<i>Passenger Terminal Project Original Contract Sum:</i>	<i>\$13,956,000.00</i>
226	<i>Total Sum of Change Orders (1-08) (See Resolution)</i>	<i>\$ 680,504.00</i>
227	<i>Change Order 09</i>	<i>\$ 44,815.00</i>
228	<i>Revised Contract Sum:</i>	<i>\$14,681,319.00</i>
229		

230 *Upon roll call, motion was approved with a 4 Yes to 0 No vote.*

231
232 **CONSIDERATION AND APPROVAL OF RESOLUTION NO. 16-22: CHANGE ORDER NO. 10 FOR**
233 **PASSENGER TERMINAL PROJECT AIP NO. 3-31-0034-37/38 (DATED MAY 5 2016) ELIGIBLE ITEMS**
234 **FROM MEAD & HUNT, INCORPORATED, FOR HAUSMANN CONSTRUCTION.**
235

236 *Motion by Caldwell, second by Quandt authorizing the Executive Director authorizing the Executive Director*
237 *to execute Change Order No. 10 for Passenger Terminal Project AIP No. 3-31-0034-37/38 (dated May 5,*
238 *2016) Eligible Items from Mead & Hunt, Inc., for Hausmann Construction in the amount of \$28,005.00.*
239

240 *Description of Change for Change Order No. 10:*

241	COR 44-R1: Door Security Revisions	\$ 21,457.00
242	COR 51: Gate 1 & 2 Additional Audio & Visual Alarms	\$ 6,548.00
243		
244	TOTAL	\$ 28,005.00

245	<i>Passenger Terminal Project Original Contract Sum:</i>	<i>\$13,956,000.00</i>
246	<i>Total Sum of Change Orders (1-09) (See Resolution)</i>	<i>\$ 725,319.00</i>
247	<i>Change Order 10</i>	<i>\$ 28,005.00</i>
248	<i>Revised Contract Sum:</i>	<i>\$14,709,324.00</i>
249		

250 *Upon roll call, motion was approved with a 4 Yes to 0 No vote.*

251
252 **CONSIDERATION AND APPROVAL OF RESOLUTION NO. 16-23: AGREEMENT TO TERMINATE**
253 **LEASE WITH ROGUE MANUFACTURING, INC., FOR BUILDING 112.**
254

255 *Motion by Quandt, second by Cook authorizing the Executive Director to execute Agreement to Terminate*
256 *Lease with Rogue Manufacturing, Inc., for Building 112 located at 3841 Sky Park Road. The Lease shall*
257 *terminate effective June 30, 2016. Tenant will pay all rent, utilities, property taxes and insurance*
258 *reimbursement for the Property through the effective date of termination. Upon roll call, motion was approved*
259 *with a 4 Yes to 0 No vote*
260

261 **EXECUTIVE DIRECTOR'S REPORT:**

- 262 a) Legislative Update. Olson reported a reauthorization bill has been approved by the Senate but it
263 appears the House wants to make changes so it will be sent back to the Senate. It was hoped to be

- 264 done by the July 15th recess because the short term resolution goes through the end of July.
265 Indications point to another continuing resolution to the end of the year.
266 b) Olson was contacted by the Omaha World Herald in Washington, DC, asking about Senator Fischer's
267 and Senator Sasse's support to fund for the Contract Tower Program and Essential Air Service
268 Program which are part of the Senate bill.
269 c) June 22 & 23, 2016, Olson will be attending the Contract Tower Workshop in Washington, DC and
270 plans on meeting with the congressional delegates.

271 Airport Attorney Depue stated LB774 - Change revenue and taxation provisions was approved by the
272 Legislature and signed by the Governor. This confirms that the Airport Authority has unlimited bonding
273 authority which will enable us to move ahead with future projects.

274 ANNOUNCEMENTS:

- 275 a) The Emergency Disaster Drill will be held May 14th from 8-11 a.m.
276 b) Blood Drive is scheduled for May 24th at the Nebraska Law Enforcement Training Center.
277 c) Car Show May 25th from 5-8 p.m.
278 d) Next Board Meeting Thursday, June 9, 2016.
279

280 EXECUTIVE SESSION:

281 *Motion by Quandt, second by Cook to go into Executive Session to discuss airline and lease negotiations.*
282 *Upon roll call, motion was approved with a 4 Yes to 0 No vote, and Board went into Executive Session at*
283 *9:59 a.m.*

284
285 *Motion by Caldwell, second by Quandt to come out of Executive Session with no decisions being made and*
286 *reconvene to Regular Session. Upon roll call, motion was approved with a 4 Yes to 0 No vote, and Board*
287 *came out of Executive Session and into Regular Session 10:47a.m.*

288
289 ADJOURNMENT:

290 *Motion by Quandt, second by Cook to adjourn the meeting. Upon roll call, motion was approved with a 4 Yes*
291 *to 0 No vote, and meeting was adjourned at 10:48 a.m.*
292

293 HALL COUNTY AIRPORT AUTHORITY
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296 _____
297 Debra Potratz | Administrative Assistant
298
299

300 _____
301 Lynne Werner | Board Chair
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300 _____
301 Ken Caldwell | Board Secretary/Treasurer
302

303 (SIGNATURES ON FILE)