



HALL COUNTY AIRPORT AUTHORITY | MINUTES
Regular Meeting | September 14, 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 September 14, 2016. Pursuant to proper legal notice, Board Chair Werner called the meeting to order at 8:07 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, HR/Accounting Manager Annette Schimmer, Operations Manager Doug Brown, Assistant Operations Manager Steve Magnuson, Maintenance Technicians John Hovie, Wes Harris and Justin Astrones, and Seasonal Workers Wayne Vian and Dean Dannehl.

LEGAL COUNSEL PRESENT: Airport Authority Attorney Ron Depue.

OTHERS PRESENT: Bob Beran from Dana F. Cole and Company, LLP, Dave Hansen Tower Manager, Brad Kissler from Cannon Moss Brygger Architects, and Tracy Overstreet from the Grand Island Independent.

The Pledge of Allegiance was said during Budget Hearing meeting.

PUBLIC REQUEST TO SPEAK ON AGENDA: None.

REVIEW AND APPROVAL OF ADMINISTRATIVE CONSENT AGENDA:

- Minutes from the Regular Meeting August 10, 2016.
- Minutes from the Scoping Session August 10, 2016.
- Resolution 16-50: Claims 3181-3185.

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.

AWARD OF MEDAL OF EXCELLENCE: Board Member Joe Cook presented Operations Manager Doug Brown the 2016 Medal of Excellence Award received during the Federal Aviation Administration Part 139 Inspection in August of 2016. Mr. Olson stated this is the 12th year in a row the Central Nebraska Regional Airport has received this award and commended Mr. Brown and staff on this achievement.

CONSIDERATION AND APPROVAL OF RESOLUTION NO. 16-51: FINAL APPROVAL OF BUDGET FOR FISCAL YEAR 2016/2017.

Motion by Quandt, seconded by Setlik 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 and 0 No vote.

FINANCIAL REPORTS | AUGUST 2016

Report presented by HR/Accounting Manager Annette Schimmer.

- Operating Income and Operating Expenses.
 - Operating Income is at 94.76% | \$92,211.32 | YTD \$1,191,727.64
 - Operating Expenses is at 81.07% | \$96,980.62 | YTD \$1,323,386.33
 - Total Operating Income/Loss is at 35.13% | (\$4,769.30) | YTD (\$131,658.69)
 - Total Net Income/Loss is at 60.27% | (\$157,083.81) | YTD (\$3,554,474.05)

- Past Dues Report: (Aging over 30 days) \$6,618.48 as of today. Executive Director Olson will draft letter to K2 regarding the outstanding balance since June 2016 of \$4,695.56.

ACTIVITY REPORTS | AUGUST 2016
 GRI Air Traffic Operations Report by Tower Manager Dave Hansen.

Central Nebraska Regional Airport

Itinerant Operations	Sept 2015	Sept 2016	% Change
Air Carrier	31	36	16
Air Taxi	258	304	18
Civil Aviation	897	646	-28
Military	60	122	103
Total OPS	1246	1108	-11

Local Operations

Civil	434	274	-37
Military	20	50	150
Total LCL	454	324	-29
TOTAL TRF	1700	1432	-16

Enplanement Report by Executive Director Mike Olson.

	2016 Aug	2016 Load Factor %	2015 Aug	66 +/- %
Allegiant	2,748	84%	2,614	5%
American	1,953	75%	2,068	-6%
Charters	122		0	100%
Mo. Emp	4,823		4,682	3%
Yr to Date	47,698		41,543	15%

Operations Report by Operations Manager Doug Brown.

- 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 one Charter. Several flights were cancelled and delayed during the month.
- 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 Building 100 (New Passenger Terminal).
- Amended FAA Part 139 Airport Certification Manual to include major changes to snow operations. Revisions were submitted to FAA prior to the September 1st deadline and implementation will take place on October 1st.
- Ongoing sprinklers repairs.
- Painting and repairs completed in Building 112 (Trego/Dugan Aviation of Grand Island).
- Performing maintenance on all snow equipment.
- Changes have been made to Notice to Airmen (NOTUMs) for weather conditions. A NOTUM is a notice filed with an aviation authority to alert aircraft pilots of potential hazards along a flight route or at a location that could affect the safety of the flight. They will no longer use friction ratings (MUs). Training will take place in November.
- Concrete repairs were completed in warehouse for Building 804 (Blue Knight Energy Partners).
- Repaired water valve on AIR 21 Fire Truck (RESCUE 1) 2005.
- Sprayed weeds and continuous mowing.
- Repairs made to overhead door on Building 2A (Trego/Dugan Aviation).
- City completed installation of a new 8" water line in the Industrial Park.

- 92 • City is installing a new 8" water main west of Building 100 (New Passenger Terminal).
- 93 • Conducted numerous tours for schools.
- 94 • Following the 4-States Conference in Kansas City, MO on August 29th -31st, I drove to the Columbia
- 95 Regional Airport in Columbia, MO to observe their airport operations.
- 96 • Numerous other daily projects and repairs completed and scheduled.
- 97

98 Building Report by Assistant Operations Manager Steve Magnuson:

- 99 • Provided update on custodian work status.
- 100 • Hired a third part-time custodian.
- 101 • Concrete has been poured in the car rental return area and emergency generator.
- 102 • In process of installing parking signage for car rentals and employee parking in the area south of
- 103 tower.
- 104 • Baggage door opener loops have been installed and should be activated today.
- 105 • Ameribridge came out to provide preventative maintenance on the jet bridge.
- 106 • Preparing to switch over to the heating system for the winter.
- 107 • New parking lot landscaping is almost complete and staff has been watering the plants on a daily
- 108 basis.
- 109 • The plaque acknowledging the Board of Directors and construction principals has been installed on
- 110 the wall inside the South doors and around the corner to the North. Sign was provided by
- 111 Hausmann Construction.
- 112

113 Construction & Planning Report: No representation from Mead & Hunt. Executive Director Olson reported
 114 we are waiting for the baggage door loops need to be activated. The intercom system is still not operating
 115 properly. Authority is still waiting on FAA reimbursable agreements to close out project. If not closed out by
 116 October 1st, Executive Director will do a Congressional inquiry. The City of Grand Island is installing a new
 117 8" water main to the new Passenger Terminal. The north parking lot on the east side is open for parking.
 118 Landscaping has begun and sprinklers will be installed by end of this week.

119
 120 Brad Kissler from Cannon Moss Brygger Architects discussed the options of expanding Building 129
 121 (Maintenance). These figures are estimates only. The cost to add on to existing Maintenance/Snow Removal
 122 Equipment (SRE) building is \$975,260 (\$410,000 for new 55'x80'x18' addition, in-floor heat & boiler piping,
 123 4 overhead doors & pipe bollards, and 6" concrete floor slab; \$216,000 to remodel 1,800 SF at \$5/SF existing
 124 office; \$130,000 to replace exterior 26,000 SF of paving at \$5/SF; \$50,000 to relocate gates; \$80,000 for a
 125 10% contingency; and \$88,660 for 10% Architect/Engineer fees).

126
 127 The cost to construct a new Maintenance/SRE building would be \$2,308,005 (\$1,420,000 –(Federal eligible
 128 cost share of 90/10) to construct 352'x80'x18' maintenance/storage facility, 6 overhead doors, 6 walk-thru
 129 doors, includes no exterior paving and no utilities to structure; \$420,000 for 45'x60' office, 4 windows, 1 walk
 130 door and 1 overhead door; \$200,000 for site work; \$102,000 for a 5% contingency; and 166,005 for 7.75%
 131 Architect/Engineer fees).

132
 133 **CONSIDERATION AND APPROVAL OF RESOLUTION NO. 16-52: REJECTION OF TERRORISM AND**
 134 **WAR INSURANCE COVERAGE WITH ACE PROPERTY AND CASUALTY INSURANCE COMPANY.**

135
 136 Executive Director will get clarification as to what, if anything, is covered under current liability policy for
 137 terrorism, and what the deductible would be on this Terrorism/War policy and report back at the October
 138 meeting.

139
 140 *Motion by Setlik, second by Cook to authorize the Board Chair to reject the Terrorism Insurance and War*
 141 *Insurance coverage with Ace Property and Causality Insurance Company for the policy period of September*
 142 *13, 2016 through September 13, 2017. Upon roll call, motion was approved with a 4 Yes to 0 No vote.*

143
 144 **CONSIDERATION AND APPROVAL OF RESOLUTION NO. 16-53: AGREEMENT WITH MIDWEST AIR**
 145 **TRAFFIC CONTROL SERVICE, INCORPORATED.**

146
 147 *Motion by Cook, second by Quandt to authorize the Executive Director to execute Agreement with Midwest*
 148 *Air Traffic Control (ATC) Service, Inc., to provide air traffic control services at the Central Nebraska Regional*
 149 *Airport (GRI). In accordance with Central Nebraska Regional Airport's cost-sharing agreement with the FAA,*

150 payment to Midwest ATC Service, Inc., shall be \$6,490.00/month from July 1, 2016 to September 30, 2016.
151 This figure is based upon the airport's portion of the FAA Contract (No. DTFAWA-15-C-00019) monthly price
152 of \$32,449.00. The airport's portion has been based upon the most recent Benefit Cost information of .80,
153 making airport's obligation 20%. Upon roll call, motion was approved with a 4 Yes to 0 No vote.
154

155 **CONSIDERATION AND APPROVAL OF RESOLUTION NO. 16-54: AGREEMENT WITH CANNON MOSS**
156 **BRYGGER ARCHITECTS TO PROVIDE BASIC ARCHITECTURAL AND PARKING CONSULTANT**
157 **SERVICES FOR PHASE I OF THE PARKING REVENUE CONTROL SYSTEM.**
158

159 Motion by Setlik, second by Cook authorizing the Executive Director to execute Agreement with Cannon
160 Moss Brygger Architects to Provide Basic Architectural and Parking Consultant Services for Phase I of the
161 Parking Revenue Control System. Scope includes Phase I: Integrity Parking Systems (IPS) to: 1) An analysis
162 of three like airports where Allegiant Air and American Airlines provides services to include: a) Method of
163 operation; b) Parking revenue per enplaned passenger; c) Estimated cost of operations; d) Estimated net
164 income realized by the airport authority from paid parking operations; e) Analyze existing parking statistics
165 maintained at GRI; and f) Timeframe for completion to be 90 days from receipt of signed contract for services.
166 2) Based on the above studied results, IPS will prepare a ten (10) year projection of revenues and expenses
167 based on the method of operation being self-operated or third party providing the parking operational
168 services. Professional fees for Integrity Parking System is \$9,900.00 Cannon Moss Brygger Architects fees
169 are 10% or \$990.00, for a total of \$10,890. Reimbursable expenses shall include travel and subsistence
170 costs for parking consultant only of \$1,200.00 maximum per pre-approved trip (maximum of 3 trips
171 anticipated). Upon roll call, motion was approved with a 4 Yes to 0 No vote.
172

173 **CONSIDERATION AND APPROVAL OF RESOLUTION NO. 16-55: LEASE AGREEMENT WITH**
174 **TREGO/DUGAN AVIATION OF GRAND ISLAND FOR BUILDING 112.**
175

176 Motion by Quandt, second by Cook to authorize the Executive Director to execute Hangar Lease Agreement
177 with Trego/Dugan Aviation of Grand Island for Building 112 located at 3841 Sky Park Road. Term is for three
178 (3) years commencing September 1, 2016 and terminating August 31, 2019. Base Rent is \$2,500/month for
179 First Year plus \$218.42/month for insurance. Base rent shall increase in the amount of one percent (1%) per
180 year over the prior year's rent commencing September 1, 2017 and September 1 of each year thereafter.
181 Upon roll call, motion was approved with a 4 Yes to 0 No vote.
182

183 **CONSIDERATION AND APPROVAL OF RESOLUTION NO. 16-56: LEASE AGREEMENT WITH**
184 **TREGO/DUGAN AVIATION OF GRAND ISLAND FOR CONCRETE PAD.**
185

186 Motion by Setlik, second by Quandt to authorize the Executive Director to execute Agreement with
187 Trego/Dugan Aviation of Grand Island for use of concrete pad located on the southwest corner of the FBO
188 fuel farm with dimensions of approximately 150' by 150'. Tenant's use of the Leased Premises is limited to
189 storage. Term is on a Month-to-Month basis commencing September 1, 2016. Rent is \$200/month. Upon roll
190 call, motion was approved with a 4 Yes, 0 No.
191

192 **CONSIDERATION AND APPROVAL OF RESOLUTION NO. 16-57: STORAGE LEASE AGREEMENT**
193 **WITH TEHAMA SHRINERS/CENTRAL NEBRASKA SHRINE CLUB FOR BUILDING 86, T-HANGAR F.**
194

195 Motion by Quandt, second by Setlik to authorize the Executive Director to execute Storage Lease Agreement
196 with Tehama Shriners/Central Nebraska Shrine Club for Building 86, T-Hangar F, located at 2501 Sky Park
197 Road. The Lease Term is on a Month-to-Month basis commencing September 1, 2016. Rent is
198 \$106.00/month, plus \$10.00/month for Utilities. Upon roll call, motion was approved with a 4 Yes, 0 No.
199

200 **CONSIDERATION AND APPROVAL OF RESOLUTION NO. 16-58: TO PROCEED WITH DEMOLITION**
201 **OF BUILDING 101 (OLD PASSENGER TERMINAL) EXCLUDING HOLD ROOM.**
202

203 Board members discussed issues of building maintenance, insurance, costs to demolish, funding for
204 demolition, and potential site use.
205

206 Motion by Setlik second by (None) to Amend Resolution 16-58 to explore the demolition of Building 101 to
207 include cost of demo, cost of reusing site and evaluating how it will be paid for. With no Second, Motion
208 Failed.

209
210 *Motion Quandt, second by Cook, to Amend Resolution 16-58 to proceed with obtaining bids for demolition*
211 *Building 101 (Old Passenger Terminal), and Alternate bids to Demolish the Hold Room and the Old*
212 *FBO. This Resolution was tabled without a vote on the pending Motion to Amend.*
213

214 Brad Kissler volunteered to provide a cost estimate to demolish Building 101 (Old Passenger Terminal), Hold
215 Room, and Old General Aviation Terminal, and present a Letter of Agreement to include Specs and Cost at
216 the October meeting.

217
218 *Motion by Quandt, second by Setlik to Table Resolution 16-58. Upon roll call, motion was approved with a*
219 *4 Yes, 0 No.*
220

221 EXECUTIVE DIRECTOR'S REPORT:

- 222 a) Legislative Update. Congress is back in session and they will need to pass an appropriations bill for
223 FAA operations beyond September 30th. Changes in the Legislative bill include funding for TSA to
224 increase FTE; to control access to the sterile side of the airport or the area beyond the TSA screening
225 checkpoint, and active shooter training and exercises.

226 Governor Pete Ricketts will be at the Grand Island Library on September 19th.

- 227
228
229 b) Executive Director and Airport Attorney attended the AAEE/AMCG Sponsor Assurances, Leasing
230 Policies and Minimum Standards conference in Denver, CO August 23-24, 2016. Both felt it was a
231 good review and will help when Authority updates their Minimum Standards.

- 232
233 c) Executive Director, Operations Manager, and Board Member Cook attended the 4-States
234 Conference in Kansas City MO, August 29-31, 2016.

- 235
236 d) The Board reviewed the 2017 Tentative Board Meeting Schedule and will report any conflicts at the
237 October meeting.
238

239 ANNOUNCEMENTS:

- 240 a) Next Board meeting will be held October 12, 2016.
241

242 EXECUTIVE SESSION:

243 *Motion by Quandt, second by Cook to go into Executive Session to discuss airline, lease, and personnel*
244 *negotiations. Upon roll call, motion was approved with a 4 Yes to 0 No vote, and Board went into Executive*
245 *Session at 9:39 a.m.*
246

247 *Motion by Setlik second by Cook to come out of Executive Session with no decisions being made and*
248 *reconvene to Regular Session. Upon roll call, motion was approved with a 4 Yes to 0 No vote, and Board*
249 *came out of Executive Session and into Regular Session 10:44 a.m.*
250

251 ADJOURNMENT:

252 *Motion by Setlik, second by Quandt to adjourn the meeting. Upon roll call, motion was approved with a 4 Yes*
253 *to 0 No vote, and meeting was adjourned at 10:45 a.m.*
254

255 HALL COUNTY AIRPORT AUTHORITY

256
257
258 _____
259 Debra Potratz | Administrative Assistant
260

261
262 _____
263 Lynne Werner | Board Chair

261
262 _____
263 Ken Caldwell | Board Secretary/Treasurer

264 (SIGNATURES ON FILE)