HALL COUNTY AIRPORT AUTHORITY | MINUTES
Regular Meeting | January 19, 2022

Pursuant to due call and notice thereof, the Regular Meeting of the Hall County Airport Authority (HCAA) Board was held at the Airport Authority Board Room located at 3579 Sky Park Road, Grand Island, Nebraska 68801 on January 19, 2022. Notice of Meeting was given in the *Grand Island Independent* on January 12, 2022. Board Chair Quandt called the meeting to order at 8:05 a.m. and announced location of the Nebraska Open Meeting Act for public viewing.

REVIEW OF AGENDA.

PUBLIC COMMENT REQUESTS: None.

PLEDGE OF ALLEGIANCE: Was said in unison.

AIRPORT AUTHORITY BOARD MEMBER(S) PRESENT: Chair Brian Quandt, Secretary-Treasurer Ryan O'Neill, Joe Cook, Tim Victor.

AIRPORT AUTHORITY BOARD MEMBER(S) ABSENT: Vice-Chair Lynne Werner

AIRPORT AUTHORITY STAFF PRESENT: Executive Director Mike Olson, Accounting Manager Debbie Hand, Office Manager Debra Potratz, Operations Manager Doug Brown, Facility Manager Steve Magnuson.

LEGAL COUNSEL PRESENT: None.

REVIEW AND APPROVAL OF ADMINISTRATIVE CONSENT AGENDA:
- Minutes from the Regular Meeting and Planning Session held December 15, 2021.
- RESOLUTION 22-01: Claims 3700-3708.

Motion by O'Neill, second by Victor to approve the Consent Agenda. Upon roll call vote, motion was approved with 4 Yes votes: Cook, Quandt, O'Neill, Victor.

DISCUSSION AND ACTION AGENDA:

ELECTION OF OFFICERS: *Motion by O'Neill, second by Victor to keep the current slate of officers: Chair Brian Quandt, Vice-Chair Lynne Werner, Secretary/Treasurer Ryan O'Neill. Upon roll call vote, motion was approved with 4 Yes votes: Cook, Quandt, O'Neill, Victor.*

Financial Report: Presented Accounting Manager Debbie Hand.

Budget Narrative Ending December, 2021 3rd Month of 1st Qtr: 25.00%	Current Amount December	YTD Amount Oct 21 - Sep 22	Yearly Budget Amount	YTD %	Remaining Budget Amount
Operating Income	$156,348.55	$447,775.07	$1,639,617.00	27.31%	$1,191,841.93
Operating Expenses	$205,855.98	$634,617.54	$2,454,136.00	25.86%	$1,819,518.46
Total Operating Income/(Loss)	($49,507.43)	($186,842.47)	($814,519.00)	22.94%	($627,676.53)
Tax Levy - Bond	$5,391.59	$62,124.13	$1,372,549.00	4.53%	$1,310,424.87
Tax Levy - General	$2,370.80	$27,317.15	$316,733.00	8.62%	$289,415.85
Tax Levy - General Fund Designated for Air Service Development	$0.00	$0.00	$230,000.00	0.00%	$230,000.00
Net Income/(Loss)	($148,875.69)	$78,186.67	($858,687.00)	-9.11%	($936,873.67)

ACTIVITY REPORTS:

GRI Air Traffic Operations Report: By Executive Director Olson. The new tower manager should be here next month.

GRI	Itinerant Operations					Local Operations			
	Air Carrier	Air Taxi	Civil Aviation	Military	**TOTAL OPS**	Civil	Military	**TOTAL LCL**	**Overall Total TRF**
Dec 2021	30	296	477	90	**893**	242	58	**300**	**1,193**
Dec 2020	36	292	350	90	**768**	317	86	**403**	**1,171**
% Change	-17%	1%	36%	0%	**16%**	-24%	-33%	**-26%**	**2%**

Enplanement Report: Presented by Executive Director Olson. Jan. 2nd through Feb. 19th Allegiant will have three flights a week to Arizona.

	Allegiant	**No. of Flights LAS|IWA**	**Load Factor**	**American**	**No. of Flights**	**Load Factor**	**Charters**	**No. of Flights**	**Monthly Enplanements**	**Year to Date**
Dec 2021	3,286	24 13|11	84%	2,598	63	84%	0	0	**5,884**	55,645
Dec 2020	1,891	19 7|12	60%	2,094	59	72%	24	1	**4,009**	36,847
+/- %	74%	0%	40%	24%	7%	17%	-100%	-100%	47%	51%

Operations Report: Presented by Operations Manager Doug Brown.
Work Complete and In-Progress:
FAA part 139 and TSA required training.
No snow/no ice, saving lots of money on deicer, broom wafers and over-time.
Installed new 360-degree cameras in the SIDA areas.
Airport Security Program -still fine-tuning changes- myself and Carole.
Performed annual aircraft audit for FAA and will turn-over report to Hall County Assessor, we had 26 aircraft stationed here, last year was 28.
Replaced 2- Hold Short signs, with new signs, our signs are obsolete.
Replaced center field windsock.
Changed out LED lights on Runway 35 windsock.
Repaired FBO card reader.
Repaired Gate 4 card reader.
Repaired fuel pump tenant sweeper.
Fixed roof at Nebraska Mushroom, wind damage.
Numerous other daily projects and repairs completed and scheduled.

Facility Report: Presented by Facility Manager Steve Magnuson.
Made further repairs to heaters in Adventure Bus, Hertz/Thrifty car wash, and Tri City Agency.
Multiple issues with parking lot machines #7 and #8 payment and credit card reading/processing.
Due to weathering deterioration of outdoor parking lot machines, I have requested a cost estimate for replacement. I am recommending replacements before December 2022.
Trained two Trego employees on the jet bridge.
Currently reviewing applications for Assistant Facility Manager.
Two employees' have tested positive for Covid, one employee is still out.
Still operating with one employee short.
Completed monthly maintenance and daily operation inspections on jet bridge.
Conduct biweekly parking lot surveys.
Provide exit door security on all departing commercial flights.
Maintain a clean, safe, and functional terminal building.

Project Reports: Benesch Project Update presented by Andy Beil.

AIP-043 – Wildlife Fence

- HCAA Finalized/Signed Closeout booklets and sent booklets onto FAA.
- FAA Reviewed and authorized final federal drawdown on Jan. 11, 2022.

AIP-044 – CARES Act Grant

CARES Act – SRE Broom Acquisition & SRE Rotary Plow (Blower) Acquisition

- Vendor: M-B
- NTP was issued for both projects on Thursday Nov. 4, 2021.
- Allotted Contract Time: 320 calendar days (Sept. 19, 2022 delivery).
- M-B hoping to deliver both Vehicles in mid-August of 2022 (month early).
- Owner Training & Vehicle Performance Testing upon delivery.

AIP-045 – SRE Plow/Spreader Acquisition

- Vendor: M-B
- NTP was issued on Tuesday, July 13, 2021.
- Allotted Contract Time: 300 calendar days (May 10, 2022 delivery).
- Owner Training & Vehicle Performance Testing upon delivery.
- M-B obtaining Chassis lead time updates. To date no justification received to warrant calendar day extension.
- L.D. rate is $250/day.

Tenant Update: None.

CONSIDERATION & APPROVAL OF RESOLUTION NO. 22-02: GRANT PERMANENT SANITARY SEWER EASEMENT TO THE CITY OF GRAND ISLAND, NEBRASKA FOR THE CENTRAL NEBRASKA REGIONAL AIRPORT SANITARY SEWER COLLECTION SYSTEM REHABILITATION PROJECT NO. 2017-S-4.

Motion by Cook, second by O'Neill, authorizing the Board Chair to execute the Permanent Sanitary Sewer Easement to the City of Grand Island, Nebraska for the Central Nebraska Regional Airport Sanitary Sewer Collection System Rehabilitation, Project No. 2017-S-4. The Hall County Airport Authority in consideration of ONE & 00/100 DOLLAR ($1.00) and other consideration, receipt of which is hereby acknowledged, hereby grant and convey unto the City of Grand Island, Nebraska, a municipal corporation in Hall County, State of Nebraska, a permanent and perpetual utility easement to construct, operate, maintain, extend, repair, replace, and remove utilities, including but not limited to manholes, pipelines, surface markers, and other appurtenances, upon, over, along, across, in, underneath a tract of land dedicated for sanitary sewer easement purposes as described in project. Upon roll call vote, motion was approved with 4 Yes votes: Cook, Quandt, O'Neill, Victor.

Executive Director Olson stated the Hall County Board of Commissioners approved this yesterday. A pre-construction meeting is scheduled on February 2nd.

CONSIDERATION & APPROVAL OF RESOLUTION NO. 22-03: AIRPORT CAPITAL IMPROVEMENT PLAN (ACIP) 2022-2026 DATED JANUARY 18, 2022 AS AMENDED.

Motion by O'Neill, second by Victor, to amend resolution to state approval of the Airport Capital Improvement Plan (ACIP) for 2022-2026 dated January 18, 2022 (instead of January 13, 2022). The ACIP will be sent to the Nebraska Department of Transportation, Aeronautics Division and the Federal Aviation Administration for review. Upon roll call vote, motion was approved with 4 Yes votes: Cook, Quandt, O'Neill, Victor.

Olson reported that after further review from the FAA, changes have been made to the ACIP.

Executive Director Olson noted Andy Beil from Benesch and Dave Taylor from the Grand Island Area Economic Development, were asked to speak on other projects. Mr. Taylor was asked to talk about the needs in Grand Island and what size and type of buildings are sought after to help us define a spec building. Mr. Taylor stated he routinely receives inquiries for the need of warehouse space for 10K - 80K SF buildings. The EDC owns about 500 acres along the south 281 corridor known as the Platte Valley Industrial Park East. Within the industrial/technology park there are two spine roads and six shovel ready pads. Some clients can look at a cornfield and know that is where they want their building. Others want to move quicker so if you have an area that is pad ready with utilities, they can start their construction right away. EDC has thought about constructing a 30K SF building with the tenant either renting out the entire building, or having the option of partitioning it off in various sections and making it specific for more than one user. Some of the challenges are tenants only want to sign a two-year lease, whereas a longer-term lease would be needed. There is definitely a demand for warehouses.

Open warehouses that are easily accessible and in good condition, are hard to find. Challenges EDC finds are requests for ground level docs or a drive-through doc, as well as, does the building need to have heat and air-conditioning or how much office and storage space are needed.

Executive Director Olson was concerned that we would be competing against each other. Mr. Taylor stated not everyone needs access to the interstate. Board Chair Quandt stated if the Authority would build a spec building, we would be competing against each other. We want a conservative growth plan, but be good stewards of the tax-payers money. Executive Director Olson stated a 30K SF building with concrete, infrastructure, utilities and a shell, would lease for $8 to $12 SF. We could construct a 10K SF building and see what the market would be for that. Mr. Taylor stated there are no grants available for spec buildings.

Board Chair Quandt asked Mr. Taylor his viewpoint on what the airport offers or could leverage for the community. Mr. Taylor stated he could market a warehouse building for the airport. When recruiting business or employees, the airport is part of their tour. The highlights of the tour consist of the airport, the south 281 corridor, secondary education, Fonner Park, CPI, and downtown. The airport contributes to the quality of life for the community by providing continual commercial air service to various destinations, and having service to Dallas/Fort Worth, TX, you can fly to anywhere in the world. The facilities and flights bode very well. They have met clients at both the passenger and general aviation terminals and both are professional looking and you get the feel of a bigger city airport.

Executive Director Olson stated the $620,000 44-Stall Paid Covered Parking project at $13/day, with a 50% occupancy rate, could generate substantial revenue for us at $286/day or $104,000/year, and the return on investment for this project is 5.94 years. The cost of the Covered Parking does not include the PARCS machines. Whereas, the $700,000 Self-Fueling Station with selling 100 LL at 1,000 gallons per month, with a $1.00 per gallon profit, would provide a yearly income of $12,000. This does not include the cost of maintaining the station. The return on investment is 58 years. The number of based aircraft at GRI has declined significantly. The number of aircraft currently based here is 28, this is down from 50 in 2005. Board Chair Quandt would like to see Trego-Dugan Aviation improve their relationships with 100LL customers.

Benesch representative Andy Beil stated those who fly General Aviation aircraft go to GA airports with self-fueling facilities. The biggest difference between Commercial and GA airports is that GA airports have the option to use their entitlement funds to install self-fuel facilities, whereas the Commercial airports are not eligible for revenue producing facilities. General Aviation airports can bank up their $150,000/year in entitlements for four years and install a $600,000 self-fueling facility because they are eligible to receive federal funds that pay 90% for those facilities, so the cash flow at the GA makes sense. Where commercial airports are not eligible to receive any federal funds and are cash-flowing the entire project. That's what makes it difficult.

The Self-Fueling Station was moved to year 2025 and the Protective Shelter for PARCS machines and Replacement was moved up to 2023.

Executive Director Olson stated the ACIP projects are broken down into different funds. The funds for Federal Projects on the ACIP come from Entitlements ($1 million/year), Discretionary funds and Local Funds. The FAA distributes discretionary funds to projects that best carry out the purpose of the AIP, with highest priority given to safety, security, reconstruction, capacity and standards. The 2023 Airfield Lighting Upgrades would be considered a high ranked project. We want to maximize our projects in order to receive Federal funds for those projects.

The funds for the Federal Projects for the ACIP Supplemental come from Grants and Local Funding. The Grant Funds consist of the BIL -Bipartisan Infrastructure Law Funds $1,045,000 to be received over the next five years; and Terminal Funds which is part of the BIL Funds, but are competitive grant funds broken down in to large, medium and small hubs and primary non-hubs which is what GRI is considered. Both BIL funds can be carried over from year-to-year up to five years and combine multi-years of BIL funds into one project. We have a SOQ due January 31st for the Airport Consultant for 2023 Terminal Expansion design, bid, and construction administration. A needs assessment would need to be conducted for the 2024 Terminal Expansion construction project to determine how many additional square feet are needed for the current and future fleet mix.

Executive Director Olson will submit the ACIP and Data Sheets to the FAA portal. The NDOT Aeronautics Division will have access to our ACIP.

CONSIDERATION & APPROVAL OF RESOLUTION NO. 22-04: LEASE EXTENSION AGREEMENT WITH CORNERSTONE OVERHEAD DOOR, LLC, FOR BUILDING 854.

Motion by Cook, second by O'Neill, authorizing the Executive Director to execute the Lease Extension Agreement with Cornerstone Overhead Door, LLC for Building 854 located at 1850 Citation Way, Grand Island, NE. Term of lease shall be extended for one (1) year effective March 1, 2022 and terminating February 28, 2023. Rent shall be $566.50 per month, plus $74.93 per month for insurance. Upon roll call vote, motion was approved with 4 Yes votes: Cook, Quandt, O'Neill, Victor.

CONSIDERATION & APPROVAL OF RESOLUTION NO. 22-05: STORAGE BUNKER LEASE AGREEMENT WITH WILLIAM KAY DBA KACO SUPPLIES FOR BUNKER 306 LOCATED AT 2563 AMMUNITION WAY.

Motion by O'Neill, second by Cook, authorizing the Executive Director to execute the Storage Bunker Lease Agreement with William Kay DBA KACO Supplies for Bunker 306 located at 2563 Ammunition Way, Grand Island, NE. Lease Term commenced December 22, 2021 and is on a month-to-month basis. Rent is $50 per month. Upon roll call vote, motion was approved with 4 Yes votes: Cook, Quandt, O'Neill, Victor.

EXECUTIVE DIRECTOR REPORT: Executive Director Olson.
a) Airport Consultant SOQ opening 11 a.m. on January 31, 2022.
b) Chamber Annual Event is March 31, 2022.

ANNOUNCEMENTS:
a) Next Board meeting is February 16, 2022.

EXECUTIVE SESSION:
Motion by Victor, second by Cook to go into Executive Session at 9:54 a.m. to discuss airline, lease, contract negotiations and personnel negotiations. Upon roll call vote, motion was approved with 4 Yes votes: Cook, Quandt, O'Neill, Victor.

Motion by Victor, second by O'Neill to come out of Executive Session with no decisions being made and reconvene to Regular Session at 10:15 a.m. Upon roll call vote, motion was approved with 4 Yes votes: Cook, Quandt, O'Neill, Victor.

ADJOURNMENT:
Meeting was adjourned at 10:16 a.m.

HALL COUNTY AIRPORT AUTHORITY

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Debra Potratz │Office Manager

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Brian Quandt │Board Chair Ryan O'Neill │Board Secretary/Treasurer

(SIGNATURES ON FILE)