



HALL COUNTY AIRPORT AUTHORITY | MINUTES
Regular Meeting | November 16, 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 November 16, 2022. Notice of Meeting was given in the *Grand Island Independent* on November 9, 2022. Board Vice Chair Werner called the meeting to order at 8:00 a.m. and announced location of the Nebraska Open Meetings Act for public viewing.

REVIEW OF AGENDA.

PUBLIC COMMENT REQUESTS: Vince Dugan, President, Trego-Dugan Aviation of Grand Island, Inc. 7.f. Tenant Update.

PLEDGE OF ALLEGIANCE: Was said in unison.

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

AIRPORT AUTHORITY BOARD MEMBER(S) ABSENT: Chair Brian Quandt.

AIRPORT AUTHORITY STAFF PRESENT: Executive Director Mike Olson, Office Manager Debra Potratz, Operations Manager Wes Harris, Facility Manager Chris Anderson, Accounting Assistant Katrina Timmerman.

LEGAL COUNSEL PRESENT: Attorney Ron Depue.

REVIEW AND APPROVAL OF ADMINISTRATIVE CONSENT AGENDA:

- Minutes from Regular Meeting on October 19, 2022.
- RESOLUTION 22-57: Payment of Claims 3819-3826.

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

DISCUSSION AND ACTION AGENDA:

Financial Report: Presented by Executive Director Olson.

Budget Narrative Ending October, 2022 1st Month of 1st Qtr.: 8.33%	Current Amount October	YTD Amount Oct 22 - Sep 23	Yearly Budget Amount	YTD %	Remaining Budget Amount
Operating Income	\$195,467.37	\$195,467.37	\$2,016,551.00	9.69%	\$1,821,083.63
Operating Expenses	\$280,591.47	\$280,591.47	\$3,235,514.00	8.67%	\$2,954,922.53
Total Operating Income/(Loss)	(\$85,124.10)	(\$85,124.10)	(\$1,218,963.00)	6.98%	(\$1,133,838.90)
Tax Levy - Bond	\$64,952.04	\$64,952.04	\$1,421,569.00	4.57%	\$1,356,616.96
Tax Levy - General	\$25,865.31	\$25,865.31	\$246,733.00	10.48%	\$220,867.69
Tax Levy - General Fund Designated for Air Service Development	\$0.00	\$0.00	\$300,000.00	0.00%	\$300,000.00
Net Income/(Loss)	(\$2,133.37)	(\$2,133.37)	(\$529,733.00)	0.40%	(\$527,599.63)

GRI Air Traffic Operations Report: By Executive Director Olson. These stats are from when the tower is open between 7 am to 8 pm.

GRI	Itinerant Operations				TOTAL OPS	Local Operations		TOTAL LCL	Overall Total TRF
	Air Carrier	Air Taxi	Civil Aviation	Military		Civil	Military		
October 2022	111	193	617	96	1,017	276	112	388	1,405
October 2021	16	289	523	57	885	168	40	208	1,093
% Change	594%	-33%	18%	68%	15%	64%	180%	87%	29%

Enplanement Report: Presented by Executive Director Olson. Allegiant added eight additional flights in December. According to our parking lot license plate statistics, the top 10 counties are Hall -19%, Buffalo – 12%, Lancaster/Douglas – 10%; Adams – 9%, Dawson – 5%, Hamilton – 3% and Platte, Holt, Lincoln and Merrick at 2%.

	Allegiant	No. of Flights LAS	No. of Flights IWA	No. Total Flights	Load Factor	American	No. of Flights	Load Factor	Charters	No. of Flights	Total Monthly Enplanements	Year to Date
Oct. 2022	2,871	9	9	18	90%	3,395	60	87%	105	1	6,371	53,620
Oct. 2021	2,455	9	9	18	81%	2,577	61	85%	0	0	5,032	44,641
+/- %	17%	0%	0%	0%	11%	32%	-2%	3%			27%	20%

ACTIVITY REPORTS: Printed as received.

Operations Report: Presented by Operations Manager Wes Harris.

60 workorders completed.
 Rescue 1 repaired by Global ARFF. Oshkosh will warranty Clutch repair.
 Marked new cargo SIDA Area on ramp.
 Reviewed and updating ASP.
 Decals re-done on AP 86, 34, 1.
 Installed pallet racking in shop.
 Working on Airshow operations plans for FAA submittal.
 Platte Valley Installed air to ground radios in new broom and blower.
 Working on ACM updates.
 Weekly and monthly inspections completed.
 Monthly and Quarterly maintenance performed on all equipment.
 Numerous other daily projects and repairs completed and scheduled.

Facility Report: Presented by Facility Manager Chris Anderson.

New part time custodian Kathryn Parker began 11/7/22 and is doing great. Still short one full time facility worker. Another part time facility worker will be leaving us in February.
 Building 106 [old firehouse] updates being completed to help cut heating costs. Framed in partial walls at top of overhead doors. New windows by end of month.
 Building 700B. Overhead doors have been cut in and hung. Waiting on electrician to wire them in. Ready for concrete work to install driveway to new doors.
 Building 113. Weathercraft has completed the replacement of the rubber and substrate. Working on flashings and trin [3 weeks].
 Vacant buildings 850,109. 710 [Fedex], they are moved out, but lease ends at month end.
 Jet Bridge. Replaced canopy actuator and capacitor. Now operating at 100%.
 Parcs Machines. #1 is down for bad printer. POF has been repaired and is now back in operation.
 Completed monthly maintenance and daily operation inspections on jet bridge.

Conduct twice weekly parking lot surveys.
Provide exit door security on all departing commercial flights.
Maintain a clean, safe, and functional terminal building.

Project Reports: Benesch Report Presented by Executive Director Olson.

Sewer Project: Olson reported the road will be closed through next Monday to hook up the new line to the Terminal. Dewatering pumps were removed last week. The forced main is done and they are working on the gravity main. The well house is being built off-site and will be delivered next month. Water will need to be turned off to install. Tenants will be notified. Completion date is now the end of January or first part of February of 2023.

AIP-044 – CARES Act Grant

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

- Vendor: M-B
- Delivery of Equipment & Final Inspection Was Sept. 19 & 21, Respectively.
- M-B Has Followed Up On All Remaining “Closeout” Paperwork.
- The Outstanding 50/50 Poly/Wire Cassettes Were Delivered.
- Benesch Has Closeout Booklets All Prepared. Benesch To Finalize Financial Forms And Submit Booklets In November 2022.

AIP-045 – SRE Plow/Spreader Acquisition

- Vendor: M-B
- Revised (C.O. No. 01) Delivery Deadline = February 14, 2023
- Owner Training & Vehicle Performance Testing Upon Delivery
- Closeout To Follow Final Inspections.

AIP-050 - Airfield Lighting & NAVAID Upgrades

- Benesch To Submit 95% Plans, Specs, Engineer’s Report to HCAA & FAA Late This Week (On Schedule).
- Current Engineer’s Estimate (95% Design) Tracking Slightly Below ACIP Data Sheet Estimate.
- Advertising and Bid Opening Dates Will Be Set Once FAA 95% Comments Are Received. Likely Advertise & Bid in January 2023.
- Executive Director Olson reported this project will include a new Beacon.

Locally Funded – Parking Lot Improvements (Canopies, Concrete Median Upgrades)

- Project Is Being Advertised This Week.
- Bid Opening Scheduled For December 8, 2022.
- Benesch/Integrity Letter of Recommendation (on Award of Bids) Will Go To December 2022 Board Meeting.
- Benesch To Work With HCAA on Amendment For Limited Construction/Testing Services. Amendment To Go To December Board Meeting.

Locally Funded – Landside Planning Study

- Benesch Submitted Draft Exhibit, with Short Narrative, for HCAA Review.
- HCAA Provided Comments/Feedback To Benesch Last Week.
- Benesch To Provide Updated Exhibit by Friday (11/18/2022).

Tenant Report: Vince Dugan, President of Trego-Dugan Aviation (TDA) provided an update on the industry.

There are two new ultra-low-cost airlines Breeze and Alevo. Ultra-low-cost/charter airline Sun Country is transitioning to Essential Air Service at Eau Claire, WI on December 1st. In May of 2023 Sun Country will provide twice weekly flights from Omaha to St. Paul, MN. Frontier attempted to purchase Spirit but collapsed. Jet Blue purchased Spirit not for their brand, but for their airplanes and flight crews. Legacy carriers are struggling and ultra-low-cost carriers are taking on the legacy carrier’s main city destinations.

Cargo has seen massive growth in the past two years during the pandemic, but there is uncertainty and is slowing down. Trego-Dugan Aviation is opening their seventh Amazon facility today in Boston, MA. E-commerce is here to stay. Due to the cargo ship delays, there has been growth in international air cargo facilities.

Private charters are very strong despite being 5-6% down from last year. Prices for private aircraft have skyrocketed over the past two years.

Dugan expects the trend for jet fuel sales to continue to increase, and expects the 100LL to become a specialty product and only sold at a few locations due the difficulty to get.

The local aircraft maintenance demand is substantial as they receive requests from all over the country for service, repairs and pre-purchase inspections. TDA is finding it difficult to find reliable service for their fleet across the nation due to mechanic shortages and supply chain issues.

Fuel sales in Grand Island are up 84% and up 12% in North Platte. The increase sales in GRI are due to the cargo flights.

Dugan stated they have a major advantage of having their own Grounds Support Equipment (GSE) as it is difficult to get new GSE equipment. TDA refurbishes GSE equipment and ships nationwide. There are plans to expand GSE services here in Grand Island.

Ground handling and line services are stable, but they plan on hiring a few more line service staff. Starting wage is \$17/hour.

TDA operates at over 50 airports and 27 cities across the country. Amazon and Allegiant are their largest customers.

CONSIDERATION & APPROVAL OF RESOLUTION NO. 22-58: DISADVANTAGED BUSINESS ENTERPRISE (DBE) PROGRAM FOR FISCAL YEARS 2022-2023-2024 AND POLICY STATEMENT.

Motion by Cook, second by O'Neill authorizing the Board Chair to execute the Disadvantaged Business Enterprise (DBE) Program for Fiscal Years 2022-2023-2024 and Policy Statement. Upon roll call vote, motion was approved with 4 Yes votes: Cook, Werner, O'Neill, Victor.

CONSIDERATION & APPROVAL OF RESOLUTION NO. 22-59: AMENDMENT TO EMPLOYMENT AGREEMENT WITH MICHAEL J. OLSON.

Motion by O'Neill, second by Victor authorizing the Board Chair to execute the Amendment to the Employment Agreement between the Hall County Airport Authority and Michael J. Olson. Except as set forth herein, the terms and conditions of the October 1, 2019 Employment Agreement shall remain in full force and effect. The Employment Agreement is revised to read as follows: 1. Except as set forth herein, the terms and conditions of the Employment Agreement shall remain in full force and effect. 2.Paragraph 4.a. of the Employment Agreement is revised to read as follows: Salary at annualized rate of ONE HUNDRED FORTY THOUSAND THREE HUNDRED SIXTY AND 43/100 DOLLARS (\$140,360.43) payable bi-weekly at the rate of FIVE THOUSAND THREE HUNDRED NINETY-EIGHT AND 48/100 DOLLARS (\$5,398.48) effective pay date November 23, 2022, through September 30, 2023. 3. Director's annual salary and benefits shall be reviewed effective October 1 of each year commencing October 1, 2023. Upon roll call vote, motion was approved with 4 Yes votes: Cook, Werner, O'Neill, Victor.

CONSIDERATION & APPROVAL OF RESOLUTION NO. 22-60: ASSIGNMENT OF RESTAURANT/LOUNGE MANAGEMENT AGREEMENT WITH ALOHA INVESTMENTS, LLC.

Motion by Cook, second by Victor Effective January 1, 2023, Aloha Investments, L.L.C., a Nebraska limited liability company (the "Company"), by and through Terry L. Brown, its Manager and sole Member, hereby assigns

to Kialani Hose all right, title and interest in and to the Restaurant/Lounge Management Agreement entered into by the Company and the Hall County Airport Authority dated August 12, 2015, as amended and extended thereafter with expiration date of December 31, 2024 (the "Agreement"). This Assignment is conditional upon Kialani Hose purchasing the Company. Kialani Hose hereby accepts the foregoing Assignment effective January 1, 2023, conditional upon purchasing the Company, agrees to comply with all terms and conditions of the Agreement and hold Terry L. Brown harmless from the same. The Hall County Airport Authority hereby approves the foregoing Assignment effective January 1, 2023 conditional upon Kialani Hose purchasing the Company. Upon roll call vote, motion was approved with 4 Yes votes: Cook, Werner, O'Neill, Victor.

EXECUTIVE DIRECTOR REPORT: Executive Director Olson.

- a) 2023 Nebraska State Fly In will be held in Grand Island on Saturday, June 3rd. Staff continue to work on this event in securing performers, food vendors, Air Boss, announcer, activities, etc.
- b) Amendment No. 1 Nebraska Constitutional Amendment Legislative Resolution 283CA was approved by voters following the November 8th election. This amendment authorizes any city, county, or other political subdivision owning or operating an airport to expend its revenues for the public purpose of developing or encouraging the development of new or expanded regularly scheduled commercial passenger air service at such airport.
- c) Brian Quandt was re-elected for a six-year term on the Hall County Airport Authority Board.

ANNOUNCEMENTS:

- a) Next Board Meeting is December 21, 2022.
- b) Planning Session will follow the December 21, 2022 Board Meeting.

EXECUTIVE SESSION:

Motion by O'Neill, second Cook to go into Executive Session at 9:06 a.m. to discuss airline, lease, and personnel negotiations. Upon roll call vote, motion was approved with 4 Yes votes: Cook, Werner, O'Neill, Victor.

Motion by O'Neill, second by Cook to come out of Executive Session with no decisions being made and reconvene to Regular Session at 9:40 a.m. Upon roll call vote, motion was approved with 4 Yes votes: Cook, Werner, O'Neill, Victor.

ADJOURNMENT:

Meeting was adjourned at 9:45 a.m.

HALL COUNTY AIRPORT AUTHORITY

Debra Potratz | Office Manager

Brian Quandt | Board Chair

Ryan O'Neill | Board Secretary/Treasurer

(SIGNATURES ON FILE)