



HALL COUNTY AIRPORT AUTHORITY | MINUTES
Regular Meeting | July 15, 2021

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 July 15, 2021. Notice of Meeting was given in the *Grand Island Independent* on July 7, 2021. Board Chair Quandt called the meeting to order at 8:02 a.m. and announced location of the Nebraska Open Meeting Act for public viewing.

REVIEW OF AGENDA.

PUBLIC COMMENT REQUESTS: Vince Dugan, 3021 W Leota, North Platte, NE, Trego-Dugan Aviation of Grand Island, Inc. requested to speak on Agenda Item Number 7, F. Tenant Update.

PLEDGE OF ALLEGIANCE: Was said in unison.

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

AIRPORT AUTHORITY BOARD MEMBER(S) ABSENT: None.

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: Airport Authority Attorney Ron Depue.

REVIEW AND APPROVAL OF ADMINISTRATIVE CONSENT AGENDA:

- Minutes from the Regular Meeting held June 16, 2021
- RESOLUTION 21-38: Claims 3641-3652
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Motion by O'Neill, second by Cook to approve the Consent Agenda. Upon roll call vote, motion was approved with 5 Yes votes: Cook, Werner, Quandt, O'Neill, Victor.

DISCUSSION AND ACTION AGENDA:

Financial Report: Accounting Manager Debbie Hand.

Budget Narrative Ending June, 2021 3rd Month of 3rd Qtr.: 75.00%	Current Amount June	YTD Amount Oct 20 - Sep 21	Yearly Budget Amount	YTD %	Remaining Budget Amount
Operating Income	\$109,586.99	\$1,164,938.99	\$1,525,660.00	76.36%	\$360,721.01
Operating Expenses	\$207,145.17	\$1,714,329.64	\$2,235,274.00	76.69%	\$520,944.36
Total Operating Income/(Loss)	(\$97,558.18)	(\$549,390.65)	(\$709,614.00)	77.42%	(\$160,223.35)
Tax Levy - Bond	\$94,575.92	\$841,802.82	\$1,176,471.00	71.55%	\$334,668.18
Tax Levy - General	\$10,069.14	\$146,428.98	\$217,322.00	67.38%	\$70,893.02
Tax Levy - General Fund Designated for Air Service Development	\$31,517.60	\$223,712.14	\$300,000.00	74.57%	\$76,287.86
Net Income/(Loss)	(\$232,324.87)	(\$155,450.21)	(\$1,786,119.00)	8.70%	(\$1,530,668.79)

ACTIVITY REPORTS:

GRI Air Traffic Operations Report: By Executive Director Olson.

Air traffic stats are only reported during tower hours of 7 a.m. to 8 p.m. An Air Taxi is a plane with 60 or fewer seats while an Air Carrier is a plane with more than 60 seats. Allegiant would be classified as an air carrier. Allegiant's late-night scheduled flights prevented the reporting of around 32 air carrier operations.

GRI	Itinerant Operations					Local Operations			Overall Total TRF
	Air Carrier	Air Taxi	Civil Aviation	Military	TOTAL OPS	Civil	Military	TOTAL LCL	
June 2021	4	300	625	105	1,034	226	22	248	1,282
June 2020	25	247	596	114	982	348	166	514	1,496
% Change	-84%	21%	5%	-8%	5%	-35%	-87%	-52%	-14%

Enplanement Report: By Executive Director Olson.

	Allegiant	No. of Flights LAS IWA	Load Factor	American	No. of Flights	Load Factor	Charters	No. of Flights	Monthly Enplanements	Year to Date
Jun 2021	2,267	16 8 8	85%	2,242	60	75%	115	1	4,624	25,869
Jun 2020	1,255	17 8 9	46%	695	30	52%	94	1	2,044	16,675
+/- %	81%	-6%	85%	223%	100%	43%	18%	0%	126%	55%

Operations Report: Operations Manager Doug Brown.

A Trego-Dugan Aviation FBO employee committed a pedestrian deviation on taxiway alpha during a charter flight. Incident was reported by the tower and investigated by FAA Part 139 inspectors. Operations held four separate ramp safety standdown meetings with all Trego-Dugan Aviation FBO personnel. The FAA closed investigation. Lightning strikes from last Friday hit runway 35 papi's which have been repaired. A regulator in the vault was hit affecting wiring to runway 13-31. Mowing is on-going. Runway and taxiway painting has been completed and will start on the ramp. Service has been scheduled regarding problems with foam/water connection on Rescue #2. The drive shaft was replaced in Case tractor. Annual inspections on ARFF trucks and emergency generator inspections have been completed. Annual maintenance of SCBA's has been completed. Monthly and quarterly maintenance has been completed on all equipment. The annual FAA Part 139 inspection is scheduled for August 10th & 11th and we are reviewing Part 139 records. The annual insurance inspection is scheduled for August. Numerous other daily projects and repairs completed and scheduled.

Facility Report: Facility Manager Steve Magnuson.

Record Door performed annual maintenance on automatic doors in terminal. Parking lot machine #1 is not working, but #7 has been repaired. Grub control and weed spray was applied to grass and parking lots. Repaired air conditioner units in telecom rooms of terminal. A property inspection was conducted on the FedEx building with Mike. Researching awnings/coverings for parking lot exit machines. Conducted monthly maintenance and daily operation checks on jet bridge. Mowing is ongoing. Conducted bi-weekly parking lot surveys. Provided exit door security on all departing commercial flights. Maintain a clean, safe and functional terminal building.

Project Reports: Benesch Project Update presented by Executive Director Olson.

Executive Director Olson reported we have 10 open grants at this time.

AIP-040 – SRE Broom/Blower Acquisition

- Wausau is still fixing and conducting quality control checks on the vehicle. Delivery deadline is schedule for Sept. 30, 2021

- 3-Year Extended Warranty (starting from vehicle return)

AIP-041 – ARFF (Fire Fighting) Truck

AIP-042 - ARFF (Fire Station) Facility

· Awaiting final grant amendments from FAA. FAA is processing amendments
AIP-043 – Wildlife Fence
· Contractor: Elkhorn Fence (from Valley, NE)
· Substantial completion was issued on 4/30/2021
· *Remaining Work*: Seed/mulch (in fall)
· Benesch will expedite closeout directly following fall seeding efforts
CARES Act Grant 044 –
CARES Act Grant 044– SRE Broom Acquisition
· Bids Opened: Thursday June 10, 2021 at 9 a.m.
· 4 Total Bidders.
· LaRue was disqualified by the FAA due to not meeting Buy America waiver requirements.
· Kodiak has second to the lowest bid and M-B is third lowest bid.
· FAA is now re-considering allowing the regen under operational power requirement. FAA approved project to be re-bid to include regen requirement. Benesch has drafted language for HCAA to formally request additional requirement inclusion from FAA
· FAA will cover “reasonable” re-bidding fees (Benesch) under CARES Act
CARES Act Grant 044– SRE Blower Acquisition
· Benesch completed design docs.
· Currently advertising for bids.
· Bid opening date: Thursday July 29, 2021 at 9 a.m.
· Addendum No. 01: Will require regen under operational power. Approval has been obtained from FAA to include requirement (Dan Wilson told Benesch to go ahead and issue addendum with requirement)
AIP-045 – SRE Plow/Spreader Acquisition
· Vendor: M-B
· FAA Grant Offer and M-B contracts fully executed.
· Pre-con meeting Tuesday July 13, 2021. NTP directly following meeting.
· Allotted Contract Time: 300 Calendar Days. M-B reported delivery may take up to 450 calendar days due to the supply chain issues.

Tenant Update: Vince Dugan, President of Trego-Dugan Aviation (TDA), stated the airline industry is emerging from the pandemic. The ultra-low-cost airlines are beginning to take on legacy carriers in traditional metro markets as there are a lot of routes that are available, as well as existing routes that are being underserved.

Trego-Dugan has opened nine new operations within the last two months, with both new and existing airlines all across the country. TDA currently provides ground handling services at 40 locations. They also have responded to 12-14 airline ground handling request for proposals. TDA has opened a cargo facility and became a logistics partner for Amazon. This adventure has gone extremely well and they plan to expand with Amazon as e-commerce continues to be strong. TDA also operates a cargo facility at Pittsburg International Airport. There is a demand for cargo services and they don't have time to wait for a building to be built, so they are looking at what is available to modify or convert an existing facility, but it's best if the building is purpose built for cargo use.

At the Grand Island airport, TDA has moved its ground services equipment operations into the former avionics shop. There is a substantial demand in GSE (ground services equipment). TDA has at least three more facilities opening up in September, October and November, and all are going to require significant GSE.

Dugan talked about the labor force nationwide with employees not returning to work, absenteeism, and tardiness, plus competing with federal unemployment payments. The labor force is reluctant to return to work at pre-pandemic wages which drove TDA to increase employee wages.

The Scully system has been installed on the FBO fuel farm.

CONSIDERATION & APPROVAL OF RESOLUTION NO. 21-39: BUDGET FOR FISCAL YEAR 2021-2022.

Executive Director introduced Kayla Schulte, CPA, from Lutz. Ms. Schulte assisted staff and board in preparing this budget.

Resolution approving the budget for fiscal year 2021-2022, subject to formal adoption of the 2021-2022 budget in accordance with state auditor requirements. Motion by Ryan O'Neill, second by Lynne Werner, to adopt Resolution 21-39. Voting Yes: Joe Cook, Lynne Werner, Brian Quandt, Ryan O'Neill, Tim Victor. Voting No: None. Abstained: None. Absent: None. Motion was Adopted dated this 15th day of July, 2021.

CONSIDERATION & APPROVAL OF RESOLUTION NO. 21-40: PRELIMINARY LEVY ALLOCATION FROM HALL COUNTY BOARD OF COMMISSIONERS.

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 of Commissioners 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 2021-2022:

<u>FUND</u>	<u>TAX REQUEST</u>
General Fund - Operations	<u>\$327,668</u>
General Fund Designated for Air Service Development	<u>\$230,000</u>
TOTAL	<u>\$557,668</u>

BE IT FURTHER RESOLVED that said Board has Bonds for \$14,925,000, with an additional \$9,285,000 to be covered by escrow - both are not included in the above tax request as allowed by law. Motion by Ryan O'Neill, second by Tim Victor to adopt Resolution 21-40. Voting Yes: Joe Cook, Lynne Werner, Brian Quandt, Ryan O'Neill, Tim Victor. Voting No: None. Abstained: None. Absent: None. Motion Adopted dated this 15th day of July, 2021.

CONSIDERATION & APPROVAL OF RESOLUTION NO. 21-41: INCREASE IN RESTRICTED FUNDS BY ONE PERCENT FOR FISCAL YEAR 2021-2022.

Resolution approving a One Percent increase in Restricted Funds for Fiscal Year 2021-2022 in accordance with the State Allowable Increase in Base Limitation (Statute 13-519). Action requires 75 percent majority approval of board. Motion by Joe Cook, second by Ryan O'Neill to adopt Resolution 21-41. Voting Yes: Joe Cook, Lynne Werner, Brian Quandt, Ryan O'Neill, Tim Victor. Voting No: None. Abstained: None. Absent: None. Motion Adopted dated this 15th day of July, 2021.

EXECUTIVE DIRECTOR REPORT: Executive Director Olson.

Provided an overview of the four federal programs the airport is involved in.

Law Enforcement Officer (LEO): The TSA reimbursement program has very good support from the Senate, Congress, and both parties, and funds should continue.

Contract Tower program. The Grand Island airport has the only control tower between Lincoln and Denver. There is very good support from the Senate, Congress, and both parties, and should continue to be funded.

Essential Air Service (EAS) program: There is very good support from the Senate, Congress, and both parties since the pandemic and funds should continue.

Airport Improvement Program (AIP): This is part of our entitlements and discretionary funding. There is very good support from the Senate, Congress, and both parties. There has been a new supplemental funding source added to this program. Passenger terminal expansion and a second jet bridge may be options for this funding.

ANNOUNCEMENTS:

- a) Next Board meeting is August 18, 2021.

EXECUTIVE SESSION:

194 *Motion by O'Neill, second by Werner to go into Executive Session at 8:57 a.m. to discuss airline, lease,*
195 *contract negotiations and personnel negotiations. Upon roll call vote, motion was approved with 5 Yes*
196 *Votes: Cook, Werner, Quandt, O'Neill, Victor.*

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198 *Motion by Werner, second by Cook to come out of Executive Session with no decisions being made and*
199 *reconvene to Regular Session at 10:18 a.m. Upon roll call vote, motion was approved with 5 Yes Votes:*
200 *Cook, Werner, Quandt, O'Neill, Victor.*

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202 ADJOURNMENT:
203 Meeting was adjourned at 10:21 a.m.

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205 HALL COUNTY AIRPORT AUTHORITY

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209 _____
Debra Potratz | Office Manager

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213 _____
Brian Quandt | Board Chair

Ryan O'Neill | Board Secretary/Treasurer

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215 (SIGNATURES ON FILE)