



HALL COUNTY AIRPORT AUTHORITY | MINUTES
Regular Meeting | November 17, 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 November 17, 2021. Notice of Meeting was given in the *Grand Island Independent* on November 10, 2021. Board Chair Quandt called the meeting to order at 8:00 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, Vice-Chair Lynne Werner, Secretary-Treasurer Ryan O'Neill, Joe Cook, Tim Victor.

AIRPORT AUTHORITY BOARD MEMBER(S) ABSENT: None

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

LEGAL COUNSEL PRESENT: Airport Authority Attorney Ron Depue.

REVIEW AND APPROVAL OF ADMINISTRATIVE CONSENT AGENDA:

- Minutes from the Regular Meeting held October 20, 2021
- RESOLUTION 21-61: Claims 3682-3689

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: Presented by Accounting Manager Debbie Hand.

Budget Narrative Ending October, 2021 1st Month of 1st Qtr: 8.33%	Current Amount October	YTD Amount Oct 21 - Sep 22	Yearly Budget Amount	YTD %	Remaining Budget Amount
Operating Income	\$142,467.21	\$142,467.21	\$1,639,617.00	8.69%	\$1,497,149.79
Operating Expenses	\$181,839.02	\$181,839.02	\$2,454,136.00	7.41%	\$2,272,296.98
Total Operating Income/(Loss)	(\$39,371.81)	(\$39,371.81)	(\$814,519.00)	4.83%	(\$775,147.19)
Tax Levy - Bond	\$44,065.16	\$44,065.16	\$1,372,549.00	3.21%	\$1,328,483.84
Tax Levy - General	\$19,376.28	\$19,376.28	\$316,733.00	6.12%	\$297,356.72
Tax Levy - General Fund Designated for Air Service Development	\$0.00	\$0.00	\$230,000.00	0.00%	\$230,000.00
Net Income/(Loss)	\$35,396.13	\$35,396.13	(\$858,687.00)	-4.12%	(\$874,083.13)

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. Olson reported one controller resigned and other administrative changes are being made.

GRI	Itinerant Operations					Local Operations			Overall Total TRF
	Air Carrier	Air Taxi	Civil Aviation	Military	TOTAL OPS	Civil	Military	TOTAL LCL	
Oct 2021	16	289	523	57	885	168	40	208	1,093
Oct 2020	37	274	709	113	1,133	340	132	472	1,605
% Change	-57%	5%	-26%	-50%	-22%	-51%	-70%	-56%	-32%

Enplanement Report: Presented by Executive Director Olson. Olson reported in December Allegiant added six additional flights, four to LAS and two to AZA.

	Allegiant	No. of Flights LAS IWA	Load Factor	American	No. of Flights	Load Factor	Charters	No. of Flights	Monthly Enplanements	Year to Date
Oct 2021	2,455	18 9 9	81%	2,577	61	85%	0	0	5,032	44,641
Oct 2020	1,820	18 9 9	61%	1,839	62	66%	59	1	3,718	29,311
+/- %	35%	0%	33%	40%	-2%	27%	-100%	-100%	35%	52%

Operations Report: Presented by Operations Manager Doug Brown.

Work Complete and In-Progress:

- All snow equipment ready for deployment.
- Removed trees in perimeter fence.
- Fixed Hyd leak on 2009 Int Plow.
- Working Rescue #2 water pump problems.
- Fixed taxiway and runway light bases.
- Sprayed weeds along perimeter fence.
- Fixed caster wheels Kodiak Broom.
- Worked on gate closure unit for gate 4.
- Wausau training on maintenance and operations.
- Worked with FAA contractor on 13-31.
- Monthly and Quarterly maintenance performed on all equipment.
- Numerous other daily projects and repairs completed and scheduled.

Facility Report: Presented by Facility Manager Steve Magnuson.

- Checked out Hiniker plow.
- Repairs completed on Kubota broom.
- Replaced bad concrete in GroRite warehouse.
- Secured rental tenant for Ammo bunker 308.
- Replaced bad REPM in #1 parking machine (all machines currently operating).
- Interior ceiling repairs completed on Clean Community.
- Terminal ramp lights repaired.
- Operating with one man short.
- Monthly maintenance and daily operation inspections on jet bridge completed.
- Final mowing is almost complete.
- Conduct bi weekly 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 Executive Director Olson.

AIP-040 – SRE Broom/Blower Acquisition.

- Wausau fixing/quality controlling the vehicle. Vehicle was delivered on November 15th.
- 3-Year extended warranty (Starting from vehicle return).

AIP-043 – Wildlife Fence

- Benesch finalizing closeout documents. Benesch to submit closeout to HCAA by end of Nov./early Dec.
- Overall Project/Grant \$ is Underrun.

CARES Act Grant -044 - SRE Broom Acquisition & SRE Rotary Plow (Blower) Acquisition

- Vendor: M-B.
- Contracts with M-B on both projects now fully executed.
- NTP was issued for both projects on Thursday Nov. 4, 2021.
- Allotted Contract Time: 320 Calendar Day allowance = Sept. 19, 2022 delivery deadline.
- Pre-con meeting for both projects completed yesterday (11/16/2021) with M-B, FAA, HCAA, and Benesch.

AIP-045 – SRE Plow/Spreader Acquisition

- Vendor: M-B.
- NTP was issued on Tuesday, July 13, 2021.
- Allotted Contract Time: 300 calendar day (May 10, 2022 Delivery). M-B may have issues getting chassis (Potential C.O. to allow 400 days or until April 2023). To date, M-B has not submitted justification required to extend calendar days.
- L.D. Rate is \$250/day.

Tenant Update: None.

CONSIDERATION & APPROVAL OF RESOLUTION NO. 21-62: HALL COUNTY ELECTION COMMISSION FACILITY USE AGREEMENT FOR USE OF THE HALL COUNTY AIRPORT AUTHORITY ADMINISTRATION BUILDING AS A POLLING SITE FOR THE 2022 ELECTIONS.

Motion by O'Neill, second by Werner, authorizing the Executive Director to execute the Hall County Election Commission Facility Use Agreement to use the Hall County Airport Authority Administration Building located at 3579 Sky Park Road as a polling site for Precinct 18 during the 2022 Primary and General Elections. Upon roll call vote, motion was approved with 5 Yes votes: Cook, Werner, Quandt, O'Neill, Victor.

CONSIDERATION & APPROVAL OF RESOLUTION NO. 21-63: AIRLINE OPERATING AGREEMENT AND TERMINAL LEASE EXTENSION WITH ALLEGIANT AIR, LLC, FOR PHOENIX, ARIZONA SERVICE.

Motion by Cook, second by Victor, Resolution to approve and authorize the Board Chair to execute the Airline Operating Agreement and Terminal Lease Extension with Allegiant Air, LLC for Phoenix, Arizona service. The term of the agreement is extended for a period of two (2) years effective November 1, 2021 and terminating October 31, 2023. The marketing funds shall be \$32,500.00 per fiscal year. Upon roll call vote, motion was approved with 5 Yes votes: Cook, Werner, Quandt, O'Neill, Victor.

CONSIDERATION & APPROVAL OF RESOLUTION NO. 21-64: AUTHORIZING THE HALL COUNTY AIRPORT AUTHORITY EXECUTIVE DIRECTOR, BOARD CHAIR AND AIRPORT ATTORNEY TO ACCEPT FEDERAL FUNDING FROM THE DEPARTMENT OF TRANSPORTATION/FEDERAL AVIATION ADMINISTRATION FOR GRI (CENTRAL NEBRASKA REGIONAL) UNDER THE AMERICAN RESCUE PLAN ACT OF 2021 FOR MAG AND CONCESSION RELIEF.

Motion by O'Neill, second by Werner, this Resolution authorizes the Hall County Airport Authority's Executive Director in consultation with Brian Quandt, board chair, and Ronald Depue, board attorney, to Accept Federal Funding from the Department of Transportation/Federal Aviation Administration for GRI (Central Nebraska Regional) under the American Rescue Plan Act of 2021 for MAG and Concession Relief in the amount of \$60,405. The breakdown is as follows: \$48,324 to provide relief from rent and Minimum Annual Guarantees (MAGs) to eligible small airport concessions located at primary airports; and \$12,081 to provide relief from rent and Minimum Annual Guarantees (MAGs) to eligible large airport concessions located at primary airports. Upon roll call vote, motion was approved with 5 Yes votes: Cook, Werner, Quandt, O'Neill, Victor.

CONSIDERATION & APPROVAL OF RESOLUTION NO. 21-65: STORAGE BUNKER LEASE AGREEMENT WITH WILLIAM KAY DBA KACO SUPPLIES FOR BUILDING 308.

Motion by O'Neill, second by Victor, authorizing the Executive Director to execute the Storage Bunker Lease Agreement with William Kay DBA KACO Supplies for Building 308 located at 2563 Ammunition Way, Grand Island, NE. Lease Term commenced November 8, 2021 and is on a month-to-month basis. Rent is \$50 per month plus a \$50 damage deposit. Upon roll call vote, motion was approved with 5 Yes votes: Cook, Werner, Quandt, O'Neill, Victor.

CONSIDERATION & APPROVAL OF RESOLUTION NO. 21-66: MEMORANDUM AGREEMENT WITH BUCK ENTERPRISES, INC., DBA HERTZ CAR RENTAL.

Motion by Werner, second by Cook, authorizing the Executive Director to execute the Memorandum Agreement with Buck Enterprises, Inc., DBA Hertz Car Rental. The Authority and Tenant executed the Agreement for Operation of an On-Airport Car Rental Concession at the Central Nebraska Regional Airport on January 16, 2019, and Agreement requires Tenant to pay Authority a Privilege Fee of ten percent (10%) of Gross Revenue, but not less than a Minimum Annual Guaranteed Payment ("MAG") in the amount of \$68,600.00 for the Lease Years commencing April 1, 2019 and ending March 31, 2020 ("First Lease Year"), commencing April 1, 2020 and ending March 31, 2021 ("Second Lease Year"), and commencing April 1, 2021 and ending March 31, 2022 ("Third Lease Year"). The Tenant made full payment of the First Lease Year MAG. The Tenant's business at the Airport was severely diminished as a result of the COVID-19 pandemic causing a significant reduction in commercial air service at the Airport for the Second Lease Year and to date for the Third Lease Year and there is a balance owing for the Second Lease Year MAG from Tenant to Authority in the amount of \$47,822.60; \$34,300.00 of MAG for the Third Lease Year has accrued through September 30, 2021; Tenant has paid \$17,458.70 toward the MAG leaving a current balance through September, 2021 in the amount of \$16,841.30. The Authority is receiving grant funds from the Federal Aviation Administration pursuant to the Airport Coronavirus Relief Grant Program ("ACRGP") for concessions relief, Grant No. 3-31-0034-047-2021, in the amount of \$15,101.00 which may be prorated between Tenant and Brown Leasing Company, d/b/a Thrifty Car Rental in accordance with ACRGP requirements. The Authority is receiving grant funds pursuant to the American Rescue Plan Act ("ARPA") for concessions relief, Grant No. 3-31-0034-049-2021, in the amount of \$60,405.00 which may be prorated between Tenant and Thrifty in accordance with ARPA requirements. The Authority and Tenant desire to enter into this Memorandum Agreement providing for distribution of ACRGP and ARPA grant funds to Tenant and payment of MAG deficiencies for the Second Lease Year and Third Lease Year on the terms and conditions set forth herein. This Memorandum Agreement is conditional upon FAA approval and Authority receiving full grant funding from the FAA as provided herein. Upon roll call vote, motion was approved with 5 Yes votes: Cook, Werner, Quandt, O'Neill, Victor.

CONSIDERATION & APPROVAL OF RESOLUTION NO. 21-67: MEMORANDUM AGREEMENT WITH BROWN LEASING COMPANY, DBA THRIFTY CAR RENTAL.

Motion by Victor, second by Werner, authorizing the Executive Director to execute the Memorandum Agreement with Brown Leasing Company, DBA Thrifty Car Rental. The Authority and Tenant executed the Agreement for Operation of an On-Airport Car Rental Concession at the Central Nebraska Regional Airport (the "Airport") on January 16, 2019, (the "Agreement"); and the Agreement requires Tenant to pay Authority a Privilege Fee of ten percent (10%) of Gross Revenue, but not less than a Minimum Annual Guaranteed Payment ("MAG") in the amount of \$55,200.00 for the Lease Years commencing April 1, 2019 and ending March 31, 2020 ("First Lease Year"), commencing April 1, 2020 and ending March 31, 2021 ("Second Lease Year"), and commencing April 1, 2021 and ending March 31, 2022 ("Third Lease Year"). The Tenant made full payment of the First Lease Year MAG; Tenant's business at the Airport was severely diminished as a result of the COVID-19 pandemic causing a significant reduction in commercial air service at the Airport for the Second Lease Year and to date for the Third Lease Year; and there is a balance owing for the Second Lease Year MAG from Tenant to Authority in the amount of \$37,505.50; and \$27,600.00 of MAG for the Third Lease Year has accrued through September 30, 2021; Tenant has paid \$23,336.70 toward the MAG leaving a current balance through September, 2021 in the amount of \$4,263.30. The Authority is receiving grant funds from the Federal Aviation Administration ("FAA") pursuant to the Airport Coronavirus Relief Grant

Program ("ACRGP") for concessions relief, Grant No. 3-31-0034-047-2021, in the amount of \$15,101.00 which may be prorated between Tenant and Buck Enterprises, Inc., d/b/a Hertz Car Rental ("Hertz") in accordance with ACRGP requirements. The Authority is receiving grant funds pursuant to the American Rescue Plan Act ("ARPA") for concessions relief, Grant No. 3-31-0034-049-2021, in the amount of \$60,405.00 which may be prorated between Tenant and Hertz in accordance with ARPA requirements. The Authority and Tenant desire to enter into this Memorandum Agreement providing for distribution of ACRGP and ARPA grant funds to Tenant and payment of MAG deficiencies for the Second Lease Year and Third Lease Year on the terms and conditions set forth herein. This Memorandum Agreement is conditional upon FAA approval and Authority receiving full grant funding from the FAA as provided herein. Upon roll call vote, motion was approved with 5 Yes votes: Cook, Werner, Quandt, O'Neill, Victor.

EXECUTIVE DIRECTOR REPORT: Executive Director Olson.

Legislative: The Infrastructure Investment and Jobs Act was approved November 15th. Overall, the bill allows over five years \$25 billion in general fund expenditures for aviation. Of that \$25 billion, \$15 billion for airport infrastructure grants to be distributed by formula with local match requirement; \$5 billion for new airport terminal program that will be distributed by the Department of Transportation and airports will have to compete for those funds; and \$20 million to upgrade and build new airport owned aging Air Traffic Contract Towers. Essential Air Service funds are solid as this program is funded through the General Fund and fly over fees from foreign carriers that utilize American airspace. The Senate appropriations committee will work under a federal continuing resolution through December 3, 2021. The Transportation Security Administration, Department of Homeland Security, Federal Aviation Administration, and Department of Transportation do not have a fully allocated budget.

The Authority will be submitting an RFQ for an airport consultant for the Passenger Terminal expansion.

Reviewed the 2022 Board Meeting Schedule.

ANNOUNCEMENTS:

- a) A Board appreciation breakfast will be held at 7:30 am on December 15, 2021.
- b) Next Board meeting is December 15, 2021.
- c) An Airport Capital Improvement Planning Session will be held after December 15th Board Meeting.

EXECUTIVE SESSION:

Motion by Cook, second by O'Neill to go into Executive Session at 8:47 a.m. to discuss airline, lease, contract negotiations and personnel negotiations. Upon roll call vote, motion was approved with 5 Yes votes: Cook, Werner, Quandt, O'Neill, Victor.

Motion by Werner, second by Victor to come out of Executive Session with no decisions being made and reconvene to Regular Session at 9:50 a.m. Upon roll call vote, motion was approved with 5 Yes votes: Cook, Werner, Quandt, O'Neill, Victor.

ADJOURNMENT:

Meeting was adjourned at 9:51 a.m.

HALL COUNTY AIRPORT AUTHORITY

Debra Potratz | Office Manager

Brian Quandt | Board Chair

Ryan O'Neill | Board Secretary/Treasurer

(SIGNATURES ON FILE)