HALL COUNTY AIRPORT AUTHORITY │ MINUTES
Regular Meeting │October 21, 2020

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 October 21, 2020. Notice of Meeting was given in the *Grand Island Independent* on October 14, 2020. 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: 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 Michelle Setlik, Joe Cook, Ryan O'Neill.

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.

Board Chair Quandt praised everyone for the great turnout at the ARFF Facility/Vehicle the Ribbon Cutting Ceremony. Executive Director Olson received numerous calls and emails on how this was the best event they have seen in years. The program included Governor Pete Ricketts, Mayor Roger Steele, Hall County Commissioner Chair Pam Lancaster, Representative for U.S. Senator Deb Fisher Josh Jelden, HCAA Board Chair Brian Quandt and HCAA Executive Director Mike Olson. Chamber of Commerce Executive Director Cindy Johnson was the master of ceremonies. Executive Director Olson stated all this would not have been possible without the ongoing support of the board, staff and the public who use our services.

**REVIEW AND APPROVAL OF ADMINISTRATIVE CONSENT AGENDA:**

- Minutes from the Budget Hearing and Regular Meeting both held on September 16, 2020.
- RESOLUTION 20-48: Claims 3551 and 3553-3563.

Attorney Depue noted correction in Regular meeting minutes on line 167 that next meeting date should state October 21, 2020 instead of September 16, 2020. *Motion by Werner, second by Setlik to approve the Consent Agenda as corrected. Upon roll call vote, motion was approved with 5 Yes Votes: Setlik, Werner, Quandt, Cook, O'Neill.*

**DISCUSSION AND ACTION AGENDA:**

FINANCIAL REPORT
Executive Director Olson reported since March 2020 the Authority has lost $355,000 in revenues due to the Coronavirus Pandemic. Accounting Manager Hand presented the financial report and noted the funds from the CARES Act are included in the September net income line item. Board Member Setlik stated even though we are ending the year 10% down in revenue, the airport is in a good position and thanked staff for

keeping the expenses down to offset the lost revenues. Board Vice-Chair Werner inquired about insurance reimbursement from the cybercrime event. Executive Director Olson reported claims have not been finalized. Board Member O'Neill inquired if security steps have been finalized on computers/internet. Executive Director Olson reported the majority of the steps have been implemented by Computer Concepts.

| Budget Narrative Ending September 2020<br>3rd Month of 4th Qtr.: 100.00% | Current Amount<br>September | YTD Amount<br>Oct 19 - Sep 20 | Yearly Budget<br>Amount | YTD % | Remaining<br>Budget Amount |
|---|---|---|---|---|---|
| Operating Income | $96,331.62 | $1,523,659.29 | $1,689,619.00 | 90.18% | $165,959.71 |
| Operating Expenses | $259,771.47 | $2,208,564.60 | $2,296,820.00 | 96.16% | $88,255.40 |
| Total Operating Income/(Loss) | ($163,439.85) | ($684,905.31) | ($607,201.00) | 112.80% | $77,704.31 |
| Tax Levy - Bond | $331,257.35 | $1,212,988.66 | $1,176,471.00 | 103.10% | ($36,517.66) |
| Tax Levy - General | $72,462.06 | $199,346.24 | $217,322.00 | 91.73% | $17,975.76 |
| Tax Levy - General Fund Designated for Air Service Development | $73,193.97 | $334,102.16 | $300,000.00 | 111.37% | ($34,102.16) |
| Net Income/(Loss) | $652,599.47 | $289,288.42 | ($3,691,668.00) | -7.84% | ($3,980,955.42) |

ACTIVITY REPORTS:

GRI Air Traffic Operations Report by Executive Director Olson. Due to the coronavirus pandemic and staffing needs, Tower Manager Dave Hansen will not be attending board meetings unless requested.

| | Itinerant Operations | | | | | Local Operations | | | |
|---|---|---|---|---|---|---|---|---|---|
| GRI | Air Carrier | Air Taxi | Civil Aviation | Military | **TOTAL OPS** | Civil | Military | **TOTAL LCL** | **Overall Total TRF** |
| Sep 2020 | 20 | 271 | 574 | 117 | **982** | 464 | 84 | **548** | **1,530** |
| Sep 2019 | 48 | 284 | 647 | 89 | **1,068** | 118 | 108 | **226** | **1,294** |
| % Change | -58% | -5% | -11% | 31% | **-8%** | 293% | -22% | **142%** | **18%** |

Enplanement Report by Executive Director Olson. The national average for enplanements is down 68%, where Central Nebraska Regional Airport is only down 48%. Executive Director Olson notified American Airlines about the National Finals Rodeo being moved to Arlington, TX December 3-12, and encouraged them to keep the three flights per day in December, or utilize larger regional jets. Allegiant will be adding a third flight to Phoenix-Mesa, AZ in March and April of 2021. He is projecting to end the year with 36,000 enplanements.

| | **Allegiant** | **No. of Flights LAS\|IWA** | **Load Factor** | **American** | **No. of Flights** | **Load Factor** | **Charters** | **No. of Flights** | **Monthly Enplanements** | **Year to Date** |
|---|---|---|---|---|---|---|---|---|---|---|
| **Sep 2020** | 1,450 | 16<br>8\|8 | 54% | 1,428 | 56 | 56% | 50 | 1 | **2,928** | 25,593 |
| **Sep 2019** | 2,707 | 19<br>10\|9 | 90% | 2,657 | 73 | 82% | 270 | 2 | **5,634** | 53,587 |
| +/- % | -46% | -19% | -40% | -46% | -23% | -32% | -81% | -50% | -48% | -52% |

Operation Report – Doug Brown: Operations provided training to the Grand Island Fire Department on ARFF procedures. Staff continues to assist with the fence project.

Facility Report- Steve Magnuson: Continues to fog sanitize the terminal daily using electrostatic machine. Two of the nine PARCS machines are out of service and waiting on parts.

Project Reports: Executive Director Olson stated we currently have five active Airport Improvement Program (AIP) Grants. And while he and Benesch assist in the closeouts, Accounting Manager Hand does a great job managing them all.

Executive Director Olson commended the Chief Construction team for their project management.

Executive Director Olson presented an overview of the Benesch project report.

**<u>AIP-040 (SRE):</u>**

- Manufacturer: Wausau

- Project closeout has been completed.
- Final drawdown was submitted to FAA.

**AIP-041 (AARF Vehicle):**

- Manufacturer: Oshkosh
- Vehicle delivered on Sat., Oct. 10, 2020 (prior to the Oct. 13th deadline).
- Oshkosh representative to be onside Oct. 26th-30th to prepare vehicle and put into service. Representative will complete training with airport staff.
- Benesch will schedule the final inspection, with performance testing, for Oct. 28th or 29th.

**AIP-042 (ARFF Facility):**

- Contractor: Chief Construction
- Project substantially complete on Fri. Oct. 2nd.
- Chief used 199 out of 202 calendar days.
- Final Change Order is on today's agenda, with FAA reviewing this week.
- Ribbon Cutting ceremony on Oct. 16th went very well.

**AIP-043 (Fence):**

- Contractor:  Elkhorn Fence
- Notice to Proceed issued August 10, 2020 (180-calendar day contract).
- Out of 36,000 LF, approximately 20,000 LF of posts in ground and 14,000 LF of fabric has been installed.
- Rodent guard/skirt is scheduled to be installed next month.
- Minor Buy American waiver was coordinated the FAA and was approved.
- Currently projecting a small overall project under-run.

**AIP 044 CARES Act Grant**

**AIP-045 (Snow Removal Equipment (SRE) Acquisition:**

- Plow/liquid material spreader.
- Benesch Design/Bidding/Inspection-Closeout Agreement is on today's agenda.
- Benesch to submit 95% design documents in approximately 8 weeks.
- Target bid opening timeframe is early March 2021.

Executive Director Olson noted because we are running on a continuing resolution, this will affect our federal funding.  FAA will not issue a grant unless we have at least six months of funding.

Tenant Update:
Vince Dugan, President of Trego-Dugan Aviation (TDA) of Grand Island, Inc., stated the Open House/Ribbon Cutting of the new ARFF Fire Station/Fire Truck on October 16th was fantastic with wonderful support from our governmental leaders.  Mr. Dugan congratulated everyone on a beautiful facility. During the event, TDA showcased their refurbishing equipment.  Having the refurbishing business here in Grand Island gives TDA an advantage over the competition in providing ground handling services and is well situated for future growth as all cities have 3rd party ground handlers.  TDA provides ground handling services in 24 cities for Allegiant.  Mr. Dugan will meet with Executive Director Olson on possible expansion and properties available here at the airport.

Board Chair Werner enjoyed seeing all the equipment and commended Mr. Dugan for the diversity here in GRI as the ground handling and refurbishing business has served TDA well and it's a great business plan. Mr. Dugan stated the refurbishing business has been mostly for their own use but has sold equipment to other airports.

Board Member Setlik stated she is working on the new transportation grant for Central Community College for transportation grants provided to middle school students. Trego-Dugan Aviation of Grand Island, Inc., and the airport have been a very big part of that project and hopes to find future recruits for the airline transportation industry.

Doug Brown stated Afternooner's restaurant is about 45% down from last year, but it is gradually picking up, considering they were operating at 5% several months ago. They are limited on employees so he and Terry work every flight.

**CONSIDERATION AND APPROVAL OF RESOLUTION NO. 20-49: CONSULTANT AGREEMENT WITH ALFRED BENESCH AND COMPANY FOR AIP PROJECT NO. 3-31-0034-045 SNOW REMOVAL EQUIPMENT (SRE) ACQUISITION.**

Executive Director Olson stated we have received concurrence from the Federal Aviation Administration.

*Motion by Cook, second by O'Neill authorizing the Executive Director to execute the Consultant Agreement with Alfred Benesch and Company for AIP Project No. 3-31-0034-045 Snow Removal Equipment (SRE) Acquisition for Design, Bidding, and Equipment Delivery/Inspection for a Carrier Vehicle with Snow Plow Attachment & Liquid De-Ice Material Spreader. Engineering Fees and Charges are $19,257.00 for the Design Phase, $8,043.00 for the Bidding Phase, and $14,801.00 for the Equipment Delivery/Inspection for a total of $42,101.00. Agreement is subject to Federal Aviation Administration (FAA) concurrence. Upon roll call vote, motion was approved with 5 Yes Votes: Setlik, Werner, Quandt, Cook, O'Neill.*

**CONSIDERATION AND APPROVAL OF RESOLUTION NO. 20-50: CHANGE ORDER NO. 05 FOR AIP PROJECT NO. 3-31-0034-042 ARFF FACILITY FROM CHIEF CONSTRUCTION.**

Executive Director Olson stated we are still waiting on concurrence from the Federal Aviation Administration.

Board Member Setlik noted even though this is an add, she thanked Chief for helping reduce costs of the fire station by nearly $500,000.

*Motion by Setlik, second by Werner authorizing the Executive Director to execute Change Order No. 05 for AIP Project No. 3-31-0034-042 ARFF Facility from Chief Construction for $2,081.82 to Add Communication Cable & Equipment (from Adm to ARFF), Generator Pad Architectural Fence, Vinyl Base for Apparatus Bay & Storage Area, and Additional ADA Requirements. Original Contract Amount was $3,527,428.00, with Change Order No. 5, the Revised Contract Amount is $3,054,057.30. Change Order is contingent upon Federal Aviation Administration approval. Upon roll call vote, motion was approved with 5 Yes Votes: Setlik, Werner, Quandt, Cook, O'Neill.*

**CONSIDERATION AND APPROVAL OF RESOLUTION NO. 20-51: FOURTH LEASE EXTENSION AGREEMENT WITH HULCHER SERVICES, INC. FOR BUILDING 720.**

*Motion by O'Neill, second by Cook authorizing the Executive Director to execute the Fourth Lease Extension Agreement with Hulcher Services, Inc. for Building 720 located at 3930 Sky Park Road, Grand Island. Term of Lease commences October 1, 2020 and terminates September 30, 2025. Commencing October 1, 2020 through March 31, 2021, monthly rent shall remain the same at $3,492.22. The initial cost of insurance is $341.82/month. Commencing April 1, 2021 through September 30, 2021 monthly rent shall increase to $3,527.14. Commencing October 1, 2021 through September 30, 2022 monthly rent shall increase to $3,562.41. Commencing October 1, 2022 through September 30, 2023 monthly rent shall increase to $3,598.04. Commencing October 1, 2023 through September 30, 2024 monthly rent shall increase to $3,634.02. Commencing October 1, 2024 through September 30, 2025 monthly rent shall increase to $3,670.36. Upon roll call vote, motion was approved with 5 Yes Votes: Setlik, Werner, Quandt, Cook, O'Neill.*

**CONSIDERATION AND APPROVAL OF RESOLUTION NO. 20-52: PROPOSAL AND AGREEMENT WITH MEAD & HUNT, INC. FOR AIR SERVICE CONSULTING SERVICES.**

Executive Director Olson, along with Mead & Hunt representative Doug Blissit meets with American Airlines every year to let them know what is going on in our community.

*Motion by O'Neill, second by Setlik authorizing the Executive Director to execute Agreement with Mead & Hunt, Inc. (dated September 28, 2020) for Air Service Consulting Services to provide an analysis, preparation, presentation and consulting services associated with a virtual meeting with American Airlines. Mead & Hunt, Inc., will be compensated on a lump sum basis for the airline presentation and virtual meeting at a cost of $5,500. Upon roll call vote, motion was approved with 5 Yes Votes: Setlik, Werner, Quandt, Cook, O'Neill.*

EXECUTIVE DIRECTOR REPORT:

a. Legislative report. Executive Director Olson reported a while back the House proposed a HEROS bill and HEALS bill to offer stimulus funds to airlines and third-party concessions. The current House bill that was passed has same wording. The senate wants know how much of the stimulus dollars were spent and how much is left over. The senate is going to pass their own bill of $500 billion dollars today but offers no stimulus funds for airlines or concessions. There are various scenarios out there and Executive Director Olson is hopeful a stimulus bill will be passed.

ANNOUNCEMENTS:

a) The HCAA Administration Building will be a voting site for Precinct 18 on Nov 3rd.
b) HCAA Management retreat will be held November 4th.
c) Next Board meeting – November 18, 2020.
d) An Airport Improvement Planning Session will follow November Board Meeting.

EXECUTIVE SESSION:

*Motion by Setlik, second by Cook to go into Executive Session to discuss airline, lease, and personnel, negotiations. Board went into Executive Session at 9:06 a.m. Upon roll call vote, motion was approved with 5 Yes Votes: Setlik, Werner, Quandt, Cook, O'Neill.*

*Motion by Werner, second O'Neill to come out of Executive Session with no decisions being made and reconvene to Regular Session. Upon roll call vote, motion was approved with 5 Yes Votes: Setlik, Werner, Quandt, Cook, O'Neill. Board came out of Executive Session and into Regular Session at 9:47 a.m.*

ADJOURNMENT:

Meeting was adjourned at 9:47 a.m.

HALL COUNTY AIRPORT AUTHORITY

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Debra Potratz | Office Manager

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Brian Quandt | Board Chair Michelle Setlik | Board Secretary/Treasurer

(SIGNATURES ON FILE)