

MINUTES

Regular Board Meeting
July 12, 2024 - 8:00 a.m.

Hall County Airport Authority
3579 Sky Park Road
Grand Island, NE 68801

AIRPORT AUTHORITY BOARD MEMBER(S) PRESENT

Chair Ryan O'Neill, Vice-Chair Lynne Werner, Secretary/Treasurer Tim Victor, Brian Quandt, Joe Cook

AIRPORT AUTHORITY BOARD MEMBER(S) ABSENT

None

AIRPORT AUTHORITY STAFF PRESENT

Executive Director Mike Olson, Accounting Manager Debbie Hand, Office Manager Maggie McDermott, Operations Manager Wes Harris, Accounting Assistant Katrina Timmerman, Office Assistant Nichole Czapslewski

LEGAL COUNSEL PRESENT

Attorney Ron DePue

CALL TO ORDER

Pursuant to due call and notice thereof, the Regular Meeting of the Hall County Airport Authority Board was held at the Airport Authority Board Room located at 3579 Sky Park Road, Grand Island, Nebraska 68801 on July 12, 2024. Notice of Meeting was given in the *Grand Island Independent* on July 5, 2024. Board Chair O'Neill 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

None

PLEDGE OF ALLEGIANCE

Recited in unison

REVIEW AND APPROVAL OF CONSENT AGENDA

- a. Minutes from Regular Meeting on June 18, 2024
- b. Resolution 24-33: Payment of Claims 4075-4086

Motion by Quandt, second by Victor to approve the Regular Board Meeting minutes and the Consent Agenda. Upon roll call vote, the motion was adopted with 5 Aye votes: Cook, Werner, O'Neill, Victor, Quandt.

DISCUSSION AND ACTION AGENDA

FINANCIAL REPORT

Presented by Accounting Manager Hand

Budget Narrative Ending June, 2024 3rd Month of 3rd Qtr : 75.00%	Current Amount June	YTD Amount Oct 23 - Sep 24	Yearly Budget Amount	YTD %	Remaining Budget Amount
Operating Income	\$181,604.42	\$1,686,494.35	\$2,219,440.00	75.99%	\$532,945.65
Operating Expenses	\$229,954.16	\$2,228,319.27	\$2,957,420.00	75.35%	\$729,100.73
Total Operating Income/(Loss)	(\$48,349.74)	(\$541,824.92)	(\$737,980.00)	73.42%	(\$196,155.08)
Tax Levy - Bond	\$99,409.08	\$1,042,884.66	\$1,470,000.00	70.94%	\$427,115.34
Tax Levy - General	\$14,730.55	\$207,570.87	\$344,515.00	60.25%	\$136,944.13
Tax Levy - General Fund Designated for Air Service Development	\$28,854.52	\$243,895.11	\$300,000.00	81.30%	\$56,104.89
Net Income/(Loss)	(\$739,762.53)	(\$258,480.87)	(\$592,390.00)	43.63%	(\$333,909.13)

ACTIVITY REPORTS/GENERAL DISCUSSION

Reports printed as received

Air Traffic Activity Report

Presented by Executive Director Olson

GRI	Itinerant Operations					Local Operations			Overall Total TRF
	Air Carrier	Air Taxi	Civil Aviation	Military	TOTAL OPS	Civil	Military	TOTAL LCL	
Jun 2024	108	116	354	34	612	377	4	381	993
Jun 2023	109	139	585	74	907	244	33	277	1,184
%Change	-1%	-17%	-39%	-54%	-33%	55%	-88%	38%	-16%

Enplanement/Deplanement Reports

Presented by Executive Director Olson

	Allegiant	No. of Flights LAS	No. of Flights IWA	No. of Total Flights	No. of Canceled Flights	Load Factor	American	No. of Flights	No. of Canceled Flights	Load Factor	Charters	No. of Flights	No. of Canceled Flights	Total Monthly Enplanements	Yr to Date
June 2024	2,526	9	8	17	1	88%	3,189	60	0	80%	59	1	0	5,774	33,743
June 2023	2,826	9	9	18	0	89%	2,558	58	2	70%	67	1	0	5,451	32,521
+/- %	-11%	0%	-11%	-6%	0	-1%	25%	3%	0	14%	0%	0%	0	6%	4%

Operations & Facility Report

Presented by Operations Manager Harris

Facilities:

- Repaired roof leaks on building 700B Adventure Bus
- Repaired broken roof vent on building 113C CAP. Also repaired water damage from leak in bathroom.

- Completed annual roof inspections on Terminal and Admi buildings
- Trimming bushes and weed removal public areas (ongoing)
- Overhead Door repaired garage door on building
- Installing bird netting and bird spikes around terminal entrances
- Carried out numerous small workorders

Operations:

- Filling holes and repairing erosion in safety areas
- In process of repairing two Kubota Mowers
- Annual weed treatment on paved areas
- Submitted administrative records to FAA for inspection
- Prepping for inspection on July 16-17
- Escorting Watts as needed on light project
- Completed majority of Runway Taxiway painting
- Monthly ARFF and FAA training completed
- Weekly and monthly Inspections completed
- Monthly and quarterly maintenance performed on all equipment
- Numerous other daily projects and repairs completed and scheduled

Project Report

Benesch Report Presented by Executive Director Olson

Federally Funded - AIP-050/BIL-051 - Airfield Lighting & NAVAID Upgrades

- Watts Electric Has Completed All Work In The Airfield. All New Lighting Circuits And Fixtures Are Active And Operational.
- Upon The Delivery Of The New Runway 17/35 Guard Light Regulator In September, Crews Will Spend 2 Days Completing The Regulator Equipment Replacements In The Electrical Vault.
- The Control Cable And New L-821 Airfield Lighting Control panels Will Be Installed In September At The Same Time That The Regulator Work Can Be Completed.
- The Existing Beacon Structure Will Be Deactivated And Removed, And The New LED Beacon Will Be Brought Into Service.
- Fourth Payment For The Project Is Currently Being Processed For Roughly \$500K Worth Of Completed Construction Work Completed In June.
- Benesch Construction Phase Services Anticipated To Be Completed Below Contract Total.
- Alex Reached Out To Flight Program Support On PAPI And Runway Light Reports From The Flight Inspection. He Also Inquired If A Refund Would Be Provided For Unused Flight Inspection Expenses.

Federally Funded (BIL-052, Engineering Only) - Snow Removal Equipment (SRE) Facility

- Design Currently On-going. Target Bid Opening In Late January/Early February of 2025. Benesch/Davis Design Team Is On Schedule With The Design.
- Building "Interior" Layout and Building Overall Size Locked Down.
- Design Development Review Meeting, Scheduled July 17 - Review Draft Final Design Development documents.

- Submitted BIL Grant Application for Engineering Only Grant. Official Grant Offer from FAA Currently Pending.

Locally Funded - Miscellaneous Landside Concrete Paving Upgrades
(Building 700 Concrete Replacement, Building 116 Pavement Replacement, Building 114 GA Terminal Added Parking, And Metro Lane Concrete Replacement).

- Constructors Is Working On Phase 1 (New Parking Lot West Of Building 114) Subgrade Preparation This Week. Completing Phase 1 Subgrade Preparation Is Contingent Upon Northwestern Energy relocating a private gas service.
- Constructors Has Been Working On Phase 3 (East Of Building 112) Subgrade Preparation And Plans To Complete The First Pour Late This Week.
- Curb Inlets And Storm Sewer Is Being Installed In Various Phases Of The Project.
- Phase 3 Is Currently Slightly Behind Schedule Due To Weather And Unsuitable Soil Conditions That Are Being Addressed.

Tenant Update

Trego-Dugan Manager, Blaise Sharkey, provided an update. Although fuel operations are down from last year, looking back at 2022, Trego is a little ahead for numbers. Last year there was a large freight operation going on that skewed a lot of numbers. TSA auditor was here and was very pleased with the operation. Trego "caught" him trying to get onto the ramp. Any questions from the auditor were all taken care of at the counter. It is audit season for Trego. American Airlines fuel audit will happen at the end of the month which Trego is all set for. CFI flight instructor was at the Airport Authority with the girl scouts who were doing a tour. She did a question-and-answer session with them. The boy scouts will be a Trego on the 27th to do a tour for their aviation badge. Executive Director Olson commented on another Key Lime diversion from Denver that couldn't land in Kearney so it came to Grand Island to the north ramp. That plane ended up staying overnight and left the next day. Manager Sharkey said he was at the airport until after midnight ensuring passengers picked up.

CONSIDERATION & APPROVAL OF RESOLUTION NO. 24-34: BUDGET FOR FISCAL YEAR 2024-2025.

Motion by Victor second by O'Neill, approving the budget for fiscal year 2024-2025, subject to formal adoption of the 2024-2025 budget in accordance with state auditor requirements. Upon roll call vote, the motion was adopted with 5 Aye votes: Cook, Werner, O'Neill, Victor, Quandt.

CONSIDERATION & APPROVAL OF RESOLUTION NO. 24-35: PRELIMINARY LEVY ALLOCATION FROM HALL COUNTY BOARD OF COMMISSIONERS.

Motion by Cook second by Quandt, 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 2024-2025:

<u>FUND</u>	<u>TAX REQUEST</u>
General Fund - Operations	<u>\$357,668</u>
General Fund Designated for Air Service Development	<u>\$300,000</u>
TOTAL	<u>\$657,668</u>

BE IT FURTHER RESOLVED that said Board has Bonds for \$12,980,000 and is not included in the above tax request as allowed by law. Upon roll call vote, the motion was adopted with 5 Aye votes: Cook, Werner, O'Neill, Victor, Quandt.

CONSIDERATION & APPROVAL OF RESOLUTION NO. 24-36: INCREASE IN RESTRICTED FUNDS BY ONE PERCENT FOR FISCAL YEAR 2024-2025.

Motion by O'Neill second by Victor, approving a One Percent increase in Restricted Funds for Fiscal Year 2024-2025 in accordance with the State Allowable Increase in Base Limitation (Statute 13-519). Action requires 75 percent majority approval of board. Upon roll call vote, the motion was adopted with 5 Aye votes: Cook, Werner, O'Neill, Victor, Quandt.

CONSIDERATION & APPROVAL OF RESOLUTION NO. 24-37: APPROVAL OF THE MANAGEMENT AGREEMENT EXTENSION WITH ALOHA INVESTMENTS, LLC.

Motion by Quandt second by Cook, authorizing the Executive Director to execute the Management Agreement Extension with Aloha Investments, LLC, to extend Management Agreement from July 1, 2024, until June 30, 2029, with the following Management Fee Schedule:

From July 1, 2024, through June 30, 2025: \$1,400.00 per month.
 From July 1, 2025, through June 30, 2026: \$1,300.00 per month.
 From July 1, 2026, through June 30, 2027: \$1,200.00 per month.
 From July 1, 2027, through June 30, 2028: \$1,100.00 per month.
 From July 1, 2028, through June 30, 2029: \$1,000.00 per month.

Upon roll call vote, the motion was adopted with 5 Aye votes: Cook, Werner, O'Neill, Victor, Quandt.

CONSIDERATION & APPROVAL OF RESOLUTION NO. 24-38: AGREEMENT FOR JANITORIAL SERVICES WITH CHRISTENSON CLEANING & RESTORATION.

Motion by O'Neill second by Cook,

Upon roll call vote, the motion was adopted with 5 Aye votes: Cook, Werner, O'Neill, Victor, Quandt.

EXECUTIVE DIRECTOR'S REPORT

Presented by Executive Director Olson

a. Legislative Update

On June 22, Senator Ricketts visited the airport, which was a great opportunity to talk about our concerns. Senator Ricketts was given a tour of the Air Traffic Control Tower. Executive Director Olson discussed his displeasure with the FAA's evaluation three years ago of the Control Tower Program. The airport is eligible for a new tower, monetarily the airport didn't qualify because it's not a financially distressed area. Executive Director Olson expressed to Senator Ricketts that this situation puts money ahead of safety. Executive Director Olson also discussed with Senator Ricketts the lack of progress on the communication line that goes to the tower and the intermittent outages. The copper line was supposed to be redone six months ago. Two weeks ago, Executive Director Olson met with Congressman Adrian Smith in Washington D.C. and relayed the same topics discussed with Senator Ricketts. U.S. Contract Tower Association Board Meeting was held that week in D.C. Executive Director Olson spoke publicly with the FAA about the airport tower and questioned putting money before safety. The House met Monday to discuss appropriations for 2025 FAA funding. Democrats voted for it and the Republicans did not. Executive Director Olson doesn't expect a budget by the Oct. 1 deadline. The reauthorization is \$4 billion compared to the standard \$3.35 billion, which barely covers inflation. Contract tower funding increased to \$256 million, a \$50.6 million increase. Entitlements increased to \$1.3 million as part of this re-authorization. If a new administration is elected, all of this could potentially go away. The legislators last session approved all sales tax on fuel and aircraft purchases in the state of Nebraska will go to the Department of Transportation Aeronautics Division. A proposal by the Aeronautics Division would give the three biggest airports tax money to use toward AIP entitlements.

ANNOUNCEMENTS

- a. Next Board Meeting is Tuesday, August 20, 2024
- b. Budget Hearing is Thursday, July 18, 2024, at 1:35 pm

EXECUTIVE SESSION

Motion by Cook, second by O'Neill, to go into Executive Session at 8:55 a.m. to discuss airline, lease, contract, and personnel negotiations. Upon roll call vote, the motion was adopted with 5 Aye votes: Cook, Werner, O'Neill, Victor, Quandt.

Motion by Quandt, second by Victor to come out of Executive Session with no decisions being made and reconvene to Regular Session at 9:34 a.m. Upon roll call vote, the motion was adopted with 5 Aye votes: Cook, Werner, O'Neill, Victor, Quandt.

ADJOURNMENT

Meeting was adjourned at 9:36 a.m.

HALL COUNTY AIRPORT AUTHORITY

Maggie McDermott, Office Manager

Ryan O'Neill, Board Chair

Tim Victor, Board Secretary/Treasurer

(SIGNATURES ON FILE)