MINUTES
Regular Board Meeting
May 20, 2025 – 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, Doug Brown, Brian Quandt

AIRPORT AUTHORITY BOARD MEMBER(S) ABSENT
None

AIRPORT AUTHORITY STAFF PRESENT
Executive Director Mike Olson, Accounting Manager Debbie Hand, Office Manager Maggie McDermott, Office Assistant Nichole Czaplewski

LEGAL COUNSEL
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 May 20, 2025. Notice of Meeting was given in the *Grand Island Independent* on May 13, 2025. Board Chair O'Neill called the meeting to order at 8:00 a.m. and announced the location of the Nebraska Open Meetings Act for public viewing.

REVIEW OF AGENDA

PUBLIC COMMENT

PLEDGE OF ALLEGIANCE
Recited in unison

RECOGNITION
None

REVIEW AND APPROVAL OF CONSENT AGENDA
a. Minutes from the Regular Meeting held April 16, 2025
b. Resolution No. 25-21: Claims 4192 through 4204

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

DISCUSSION AND ACTION AGENDA

FINANCIAL REPORT
Presented by Accounting Manager Hand

Budget Narrative Ending April, 2025 1st Month of 3rd Qtr : 58.33%	Current Amount April	YTD Amount Oct 24 - Sep 25	Yearly Budget Amount	YTD %	Remaining Budget Amount
Operating Income	$239,437.60	$1,395,390.47	$2,286,004.00	61.04%	$890,613.53
Operating Expenses	$248,428.53	$2,157,565.73	$3,122,935.00	69.09%	$965,369.27
Total Operating Income/(Loss)	**($8,990.93)**	**($762,175.26)**	**($836,931.00)**	**91.07%**	**($74,755.74)**
Tax Levy - Bond	$84,596.12	$441,171.39	$1,519,000.00	29.04%	$1,077,828.61
Tax Levy - General	$15,059.96	$110,966.64	$344,515.00	32.21%	$233,548.36
Tax Levy - General Fund Designated for Air Service Development	$20,944.71	$77,742.13	$300,000.00	25.91%	$222,257.87
Net Income/(Loss)	**$79,155.26**	**($1,636,512.23)**	**($958,924.00)**	**170.66%**	**$677,588.23**

ACTIVITY REPORTS/GENERAL DISCUSSION

Air Traffic Activity Report
Presented by Executive Director Olson

	Itinerant Operations					Local Operations			
GRI	Air Carrier	Air Taxi	Civil Aviation	Military	TOTAL OPS	Civil	Military	TOTAL LCL	Overall Total TRF
Apr 2025	110	139	381	72	**702**	123	22	**145**	**847**
Apr 2024	89	124	374	41	**628**	134	0	**134**	**762**
%Change	24%	12%	2%	76%	**12%**	-8%	-	**8%**	**11%**

Enplanement/Deplanement Reports
Presented by Executive Director Olson

	Allegiant	No. of Flights LAS	No. of Flights IWA	Total No. Flights	No. of Canceled Flights	G4 LF	American Airlines	No. of Flights DFW	No. of Canceled Flights	AA LF	Charters	Total No. of Flights	No. of Canceled Flights	Total Monthly Enplanements	YTD
Apr-25	2,758	8	14	22	0	71%	2,871	58	6	80%	0	0	0	**5,629**	**25,090**
Apr-24	2,300	8	8	16	0	84%	2,499	60	2	66%	165	1	0	**4,964**	**21,890**
+/- %	20%	0%	75%	38%	0%	3%	15%	-3%	0%	9%	-100%	-100%	0%	13%	15%

Operations & Facility Report
Presented by Operations Manager Harris

Facilities:
- Weekly and monthly PM's on buildings and systems completed
- Mowing operations of facilities and training new seasonal worker Gavin Aken
- Spraying grounds for weeds and fertilizing grass
- Replaced sprinkler controller on administration building and fixed zoning valve for the lawn sprinklers
- Met with Dick Baasch to measure up base for terminal sculpture

Operations:

- Held triennial MCI (mass casualty incident) for part 139 compliance on 5/13
- Training for annual ARFF certificates with University of Missouri simulator on 5/13
- Removed paint marking buildup on numerous lead in lines and runway hold shorts to prep for new paint
- Watts Electric continued trouble shooting issue between control panel and tower
- Monthly ARFF training completed
- Weekly and monthly PM's completed
- Completed and closed out numerous work orders
- Scheduled Global ARFF for June to complete annual inspection for truck compliance checks for part 139
- Started training of new maintenance employee David Darter

Project Report

Federally Funded (-052/-053/-054/-055) – Snow Removal Equipment (SRE) Facility

- FAA Still Processing Grant Offers.
  - Potentially Will Get CDS (Congressionally Directed Spending) Grant This Week.
  - Then IIJA (formerly BIL) Grant Next Week.
  - Then AIP Grant By Mid-June
- Benesch Has Partially Execute Contracts/Bonds From Chief. HCAA Will Fully Execute Contracts/Bonds Once Some Federal Grants Are In Place.
- Exact Start Date (NTP) Will Be Determined Once A Contract Is In Place With Chief Construction
- Chief Construction Working on Shop Drawings (for Materials) Submittals To Benesch/Davis Design For Review.
- Conduct a Pre-construction Meeting Potentially Early June (Pending Signed Contracts).

Locally Funded – Storage Units

- {Refer to Update from Davis Design}

Tenant Update

Blaise Sharkey with Trego-Dugan Aviation gave a report. Numbers are doing very well. April of this year we did 112,000 gallons while last year was 86,000. We're 26,000 over. General aviation is up 6,700 gallons over the last year. Most of the airline is attributed to Allegiant, which are actual flights, but GA is what we're focusing on. We've hired another flight instructor and we're hopefully going to start building that business up. We have a marketing department in North Platte and they're going to be helping us with that. Allegiant has changed their flights, so we don't have dual operations anymore, which is a big bonus for us. We had to have double the people on these flights just for 1-2 hours a day. During the dual OPS, we had zero delays charged to us, so everything went very well. We haven't had a delay charged on us in about 3 months. Hopefully back to 100% on all staffing by the end of the week. We are doing 100% push backs on American now. As for Allegiant, having a bit of an issue trying to get a guy out to get qualified. We have to send somebody off to another location. He needs to get trained by Allegiant in order to come back to Grand Island and train other employees. We're hoping to get him to out to Vegas in May.

CONSIDERATION & APPROVAL OF RESOLUTION NO. 25-22: AUTHORIZING THE ISSUANCE OF GENERAL OBLIGATION NOTES, IN THE PRINCIPAL AMOUNT OF NOT TO EXCEED $2,900,000, ISSUED IN ONE OR MORE SERIES, FOR THE PURPOSE OF PAYING THE COSTS OF ADDITIONS AND IMPROVEMENTS TO THE AIRPORT FACILITIES OWNED AND OPERATED BY THE AUTHORITY, AND RELATED MATTERS.

Discussion: Paul Grieger from D.A. Davison gave a report. Highlights here, assuming the board approves this resolution today, we'll set the parameters for the sale of the notes like we've done previously. The maximum principal amount will be set at $2.9 million. Interest rates are up a little bit since we've gone to market, so we have a not to exceed, all in true interest cost of 6% permitted under the resolution. I expect that all in rate to be closer to 480. I also expect the par amount of notes issued to be closer to $2.7 million. This will give us a little flexibility to refine our sizing before we go to market and have some flexibility should rates remain volatile. We looked at using Moody's again for short term investment grade rating on the notes and we're set to have a call with them later this week, but I analyzed the difference in cost and because we're dealing with such a short term instrument and the couponing and the cost of the rating doesn't really pencil out, it's actually a detriment of about 50 basis points when usually we use the rating to enhance our borrowing costs. My expectation is when we go to permanent financing to take out the existing notes, but it will show the three outstanding issues, assuming we do $2.7 million, comes in right about $5.2 million. The 2023 matures on December 15th of this year and then the 2024's and 2025's could be taken out at the same time. We have some flexibility that if we're not ready to go to permanent financing with the notes issued here in June that we can leave those out. If everything goes well, we were hoping we could just button up all three issues and go to permanent financing and have those close on December 15. So should that plan stay in place, which we we're optimistic it will, we'd be back in front of you probably at the October meeting or no later than the November meeting to do a resolution to authorize the permanent financing. And then at that time, I believe we would want to consider using Moody's, as I mentioned earlier, so that we'll have a couple more weeks built into that schedule when we get there. Tentatively, we're thinking 20 years, but we we're not committed yet.

Executive Director Olson: The issue is we have to be careful when we go to bond tax asking and weighing not only the short term but the long-term tax asking and we're very cautious with that. We'll have some more discussions on that over the next couple of months.

Mr. Grieger: The yield curve is pretty flat right now. The interest rate on longer term debt versus shorter term debt isn't much different. The longer the debt remains outstanding, the more interest we pay, but there's not a penalty for going up further on the curve and we'll have flexibility to refinance or pay the bonds off early on or after the 5th anniversary of the issuance. I think we're in pretty good shape to maintain flexibility and control. There's some other early redemption opportunities should we go that route.

Board Chair O'Neill: April has been a pretty rough month for municipal bonds, and you're seeing that kind of calm down a little bit now.

Mr. Grieger: We saw rates kind of take off during the volatility of April. We've seen some of that stability come back, but we're not back to where we were in March or April yet. We're hearing that there should be another cut this year and we're hearing maybe 3 to 4 cuts next year. That doesn't always translate directly to your borrowing costs. If we're saying that's 1%, I can't say with any confidence that your cost to capital would go from 5% to 4% next year. We just have to see what's going on in the other markets. We're hearing there's good demand for bonds issued at the local level because they're tax exempt and they're somewhat insulated from our treasuries, and then there's also different motivations to buy bonds issued at the local government level as opposed to the Treasury. I don't see anything out there that has me concerned that we need to push permanent financing or push any action any sooner than what we've currently planned. I think we're in pretty good shape.

Motion by Brown, second by Werner, Authorizing the issuance of General Obligation Notes, in the principal amount of not to exceed $2,900,000, issued in one or more series, for the purpose of paying the costs of additions and improvements to the airport facilities owned and operated by the Authority, and related matters. Upon roll call vote, the motion was adopted with 5 Aye votes: Brown, Werner, O'Neill, Victor, Quandt.

CONSIDERATION & APPROVAL OF RESOLUTION NO. 25-23: CONSULTING SERVICES AGREEMENT WITH ALFRED BENESCH & COMPANY FOR HCAA STORAGE FACILITY BASE BID & TWO ALTERNATES.

Motion by Brown, second by Quandt, authorizing the Executive Director to execute the Consulting Services Agreement with Alfred Benesch & Company for HCAA Storage Facility Base Bid & Two Alternates. The total estimated fee for services $86,572.00. Scope of Services: General Construction Project Management, Setting and Establishing Survey Control, Inspection, Material Testing, and Closeout Services. Schedule: Duration of Seven (7) Months. Upon roll call vote, the motion was adopted with 5 Aye votes: Brown, Werner, O'Neill, Victor, Quandt.

CONSIDERATION & APPROVAL OF RESOLUTION NO. 25-24: PROPOSAL AND AGREEMENT FOR AIR SERVICE CONSULTING SERVICES WITH AVIATION ANALYTICS.

Motion by Quandt, second by Victor, authorizing the Executive Director to execute the Proposal and Agreement for Air Service Consulting Services with Aviation Analytics dated May 2, 2025. The Scope of Service includes analysis, preparation, presentation and consulting services associated with the following:

1.Leakage Study - Aviation Analytics will perform a leakage study and accompanying report that will cover: overall retention for client airport, retention by airport for top domestic & international markets, and airline usage from the catchment area passengers. Leakage Study Report Fee: $11,000.

2.Single Destination Analysis - Aviation Analytics will perform a destination analysis for a single market (Orlando) that will help quantify demand from the client airport's catchment area over a two-year period. One Market Destination Analysis Fee: $4,500

3.Route Forecast Analysis - Aviation Analytics will perform a route forecast for service from client airport to Orlando on Allegiant Air. Route Forecast Analysis Fee: $4,000

4.Ad Hoc Services - Any ad hoc services not identified in the above projects can be completed by Aviation Analytics and will be completed on a per hour basis. Ad Hoc Fee: $150 per hour. Any related expenses (i.e. transportation, hotels, meals) will be billed at cost.

Total Fees: $19,500.00 plus any Ad Hoc Services.

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

CONSIDERATION & APPROVAL OF RESOLUTION NO. 25-25: AMENDMENT TO LEASE AGREEMENT WITH L3HARRIS TECHNOLOGIES, INC. FOR ADS-B WAM RADIO SITE.

Motion by Brown, second by Victor, authorizing the Executive Director to execute Amendment to Lease Agreement with L3Harris Technologies, Inc. for ADS-B WAM Radio Site. It is agreed by and between the parties to amend as follows:

WHEREAS, Lessor and Lessee desire to amend the terms of the Agreement dated 16 May 2024 to update the address.

NOW, THEREFORE, for and in consideration of the mutual promises herein contained, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by each Party hereto, the Parties mutually agree as follows:

1. *The introductory language prior to Clause No. 1 shall be revised to reflect as follows:*

Lessor hereby leases to the Lessee the premises situated at 3571 Sky Park Road, Grand Island NE, 68801, and as further described in Exhibit A, upon the following TERMS and CONDITIONS:

2. *All other terms and conditions of the Agreement remain in full force and effect.*

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

CONSIDERATION & APPROVAL OF RESOLUTION NO. 25-26: AUTHORIZE EXECUTIVE DIRECTOR TO ENTER INTO NEGOTIATIONS WITH THE HIGHEST-RANKING FIRM FOR ARCHITECTURAL & ENGINEERING CONSULTING SERVICES, AND IF NO AMICABLE FINANCIAL ARRANGEMENTS CAN BE MADE, PERMISSION TO NEGOTIATE WITH NEXT HIGHEST-RANKING FIRM.

Motion by Brown, second by Quandt, authorizing the Executive Director to Enter into negotiations with the highest-ranking firm for Architectural & Engineering Consulting Services, and if no amicable financial arrangements can be made, permission to negotiate with next highest-ranking firm. In accordance with the advertised Search of Qualifications specifications, two proposals were received and opened on April 29, 2025. The selection committee will *review and rank both proposals. An Agreement will be presented at the June 18, 2025, meeting for Board for consideration and approval. Upon roll call vote, the motion was adopted with 5 Aye votes: Brown, Werner, O'Neill, Victor, Quandt.*

EXECUTIVE DIRECTOR'S REPORT

Presented by Executive Director Olson

a. Legislative Update

There's been a lot of testimony for the Contract Tower Program. Congress is not shy this year with funding the Contract Tower Program. It's no secret there's an air traffic control shortage and the facilities are very old. The FAA has been talking about how they're the world's safest air traffic control system, but they haven't done anything to it in 30 years. How can you still be the safest? Congress is pushing the FAA administrator very hard along with the DOT to get our towers updated and get warm bodies in those towers. I am planning a trip to DC this fall to talk about tower and all the other issues that the congressional delegates could help us with. As far as state, there isn't anything to report on.

ANNOUNCEMENTS

a. Next Regular Board Meeting will be held Wednesday, June 18, 2025, at 8:00 a.m.
b. Chamber & EDC Annual Event will be held Wednesday, June 11, 2025.

EXECUTIVE SESSION

Motion by Victor, second by Brown, to go into Executive Session at 9:09 a.m. to discuss airline, lease, contract, and personnel negotiations. Upon roll call vote, the motion was adopted with 5 Aye votes: Brown, Werner, O'Neill, Victor, Quandt.

Motion by Victor, second by Brown to come out of Executive Session with no decisions being made and reconvening to Regular Session at 9:45 a.m. Upon roll call vote, the motion was adopted with 5 Aye votes: Brown, Werner, O'Neill, Victor, Quandt.

ADJOURNMENT

Meeting was adjourned at 9:47 a.m.

HALL COUNTY AIRPORT AUTHORITY

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Maggie McDermott, Office Manager

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Ryan O'Neill, Board Chair Tim Victor, Board Secretary/Treasurer

(SIGNATURES ON FILE)