



HALL COUNTY AIRPORT AUTHORITY | MINUTES
Regular Meeting | January 16, 2014

The Regular Meeting of the Hall County Airport Authority (HCAA) Board was held at the Airport Authority Conference Room, 3743 Sky Park Road, Grand Island, Nebraska 68801 on January 16, 2014. Pursuant to proper legal notice, Board Chair Werner called the meeting to order at 8:02 a.m., and announced location of the Nebraska Open Meeting Act for public viewing.

The Pledge of Allegiance was said in unison.

AIRPORT AUTHORITY BOARD MEMBER(S) PRESENT: Chair Lynne Werner, Vice-Chair Larry Hobbs, Secretary/Treasurer Brian Quandt, Ken Caldwell and Joe Cook.

AIRPORT AUTHORITY STAFF PRESENT: Executive Director Mike Olson, Human Resource/Accounting Manager Annette Schimmer, Operations Manager/Security Coordinator Doug Brown, and Administrative Assistant Debra Potratz.

LEGAL COUNSEL PRESENT: Airport Authority Attorney Ron Depue.

OTHERS PRESENT: Dave Byer from Quadrex Aviation LLC and student Zane Smith, Matt Dubbe, Paul Strege, and Tom Sarbaugh from Mead & Hunt, Zach Thompson from Trego/Dugan Aviation of Grand Island and Bob Beran and Lindsey Kluver from Dana F. Cole & Company LLP.

PUBLIC REQUEST TO SPEAK ON AGENDA: None.

ELECTION OF OFFICERS: *Motion by Lynne Werner, seconded by Ken Caldwell to keep the current slate of officers: President – Lynne Werner, Vice-President- Larry Hobbs, and Secretary/Treasurer – Brian Quandt. Upon roll call, motion was approved with a 5-0 vote.*

REVIEW AND APPROVAL OF ADMINISTRATIVE CONSENT AGENDA:

- **Minutes from Regular Meeting held on December 11, 2013.**
- **RESOLUTION NO. 14-01: CLAIMS NO. 2965-2973.**
- **RESOLUTION NO. 14-02: REIMBURSEMENT RESOLUTION FOR EXPENDITURES RELATED TO REHABILITATION OF BUILDING 113A FOR (LIFETEAM) PROJECT.**
- **RESOLUTION NO. 14-03: REIMBURSEMENT RESOLUTION FOR EXPENDITURES RELATED TO REMOTE PARKING LOT + EAST TERMINAL LOT, RECONSTRUCT BUILDING 113 APRON, AND GATE 8 ENTRANCE ROAD WIDENING FOR TREGO/DUGAN AVIATION OF GRAND ISLAND FBO TERMINAL PROJECT.**
- **RESOLUTION NO. 14-04: REIMBURSEMENT RESOLUTION FOR EXPENDITURES RELATED TO 5-UNIT AIRCRAFT HANGER PROJECT.**
- **RESOLUTION NO.14-05: REIMBURSEMENT RESOLUTION FOR EXPENDITURES RELATED TO IMPROVE TERMINAL BUILDING – PHASE I ENGINEERING SERVICES (AIP 3-31-0034-37).**

Motion by Mr. Quandt, second by Mr. Hobbs to approve the Consent Agenda. Upon roll call, motion was approved with a 5-0 vote.

54 **CONSIDERATION AND APPROVAL OF RESOLUTION NO. 14-06: AUDIT ENDING SEPTEMBER 30,**
 55 **2013, AND 2012.**
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57 Auditor Bob Beran from Dana F. Cole & Company LLC reported they conducted their field work in
 58 November of 2013 and met with the Finance Committee on January 6, 2014. An audit was conducted on
 59 Financial Statements as of September 30, 2013 and 2012. Auditor issued an unqualified opinion that the
 60 financial statements are fairly stated in all material aspects. One finding was noted in the internal control
 61 report due to the limited number of personnel to segregate accounting duties. Auditor recommended
 62 raising the capitalization limit from \$500 to the \$2,500 - \$5,000 range.
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64 *Motion by Mr. Cook, second by Mr. Caldwell to approve the Audit Ending September 30, 2013 and 2012.*
 65 *Upon roll call, motion was approved with a 5-0 vote.*
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67 **ECONOMIC IMPACT STUDY:** Dr. Dave Byers from Quadrex Aviation LLC, gave an overview of the Central
 68 Nebraska Regional Airport Regional Value. Dr. Byers covered the Airport Regional Value Concepts,
 69 Economic Impact, Airport Asset Value, and Value Modifiers. In the Regional Airport Concept the airport
 70 should not just be viewed as a public transportation facility, but as an attractor of commerce. The Economic
 71 Impacts show the direct economic value of the airport as identified in traditional terms of employment and
 72 expenditure activity of on-airport tenants and businesses. The construction activities generate economic
 73 impacts as well. Periods where construction projects are underway will provide opportunities for
 74 employment and regional transactions for goods and services. Over the next five years, \$25 million is
 75 expected to be spent on improvements for the airport, including a new terminal building. This construction
 76 is anticipated to support almost 300 jobs with a payroll of \$13.4 million and a total production output of
 77 \$38.5 million. The Airport Asset Value is the value of the airport to the region. The asset value for
 78 replacement costs is \$50.7 million and insured value of \$27.1 million; and Value Modifiers – asses the
 79 airport’s attributes to its value to the region. These factors demonstrate important elements for ensuring
 80 that the airport retains and enhances its ability to serve the aviation needs of the region as well as a catalyst
 81 for economic growth. In summary the Central Nebraska Regional Airport is a major contributor to the
 82 Regional Economy with 854 jobs, \$30 million in income and \$145 million of output which is a result of direct,
 83 indirect and induced factors including job creation into the Central Region of Nebraska. The Central
 84 Nebraska Regional Airport in its current form is irreplaceable and is well positioned to continue service and
 85 serve as a regional resource.
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87 **FINANCIAL REPORTS | DECEMBER 2013:**

88 Financial Reports by Human Resource/Accounting Manager Annette Schimmer:

- 89 • Operating Income and Operating Expenses should be at 25%
 - 90 ▪ Operating Income is at 22% | \$80,241.47 | YTD \$240,858.26
 - 91 ▪ Operating Expenses is at 19.42% | \$107,950.46 | YTD \$284,588.75
 - 92 ▪ Total Operating Income/Loss is at 11.80% | (\$41,784.14) | YTD (\$16,021.77)
 - 93 ▪ Total Net Income/Loss is at 28.86% | (\$27,708.72) | YTD (\$43,730.49)
- 94 • Past Dues Report: (Aging over 30 days) \$5,247.86 as of today.
- 95 • Covered Parking Report: 55 transactions with a net revenue of \$1,482.74 | YTD \$3,412.00
- 96 • Fuel Flowage Report: Trego/Dugan Aviation of Grand Island
 - 97 Jet A & 100LL ▪ 148,955.00 gallons delivered | YTD 381,096.00
 - 98 Fuel Flowage ▪ \$8,192.53 fuel flowage received | YTD \$20,465.28
 - 99 Diesel ▪ 824.00 gallons delivered | YTD 1,528.00
 - 100 Unleaded ▪ 501.50 gallons delivered | YTD 1001.60
 - 101 Fuel Flowage ▪ \$72.90 fuel flowage received | YTD \$139.11

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 103 **ACTIVITY REPORTS | DECEMBER 2013:**

104 Air Traffic Activity Report by Executive Director Mike Olson:

Central Nebraska Regional Airport

Itinerant Operations	Dec 2012	Dec 2013	% Change
Air Carrier	61	66	8
Air Taxi	232	277	19

Civil Aviation	427	519	22
Military	89	99	11
Total OPS	809	961	19
Local Operations			
Civil	168	164	(2)
Military	186	130	(30)
Total LCL	354	294	(17)
TOTAL TRF	1163	1255	8

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The annual Runway Safety Action Team (RSAT) meeting is scheduled for January 21st.

Enplanement Report by Executive Director Mike Olson:

	2013	2013	2012	
	Dec	Load Factor %	Dec	+/- %
Allegiant	4,149	85%	4,140	0%
American	1,899	81%	1,776	7%
Charters	114		145	-21%
Mo. Emp	6,162		6,061	2%
Yr to Date	56,902		56,059	2%

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Executive Director reported two records were surpassed in December. The monthly and year-end enplanement numbers set all-time boarding records.

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Operations Report by Operations Manager/Security Coordinator Doug Brown:

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- Provided Aircraft Rescue and Fire Fighting (ARFF)/Direct Ramp Observation (DRO) for Allegiant flights and ARFF for American Eagle daily flights.
- Conducted monthly ARFF drills and weekly training held on Part 139 Training, Safety, and Transportation Security Administration procedures.
- Snow removal was provided several times throughout the month.
- Preventative maintenance was conducted on equipment.
- Filters were replaced on all HVAC units.
- Roads were maintained in industrial park.
- Continue with general repairs to Bldg 101A (Terminal) and airport buildings.
- Numerous other daily projects completed and scheduled.

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Construction & Planning Report. Mead & Hunt representative Matt Dubbe gave a brief overview of the passenger terminal design, discussed the sustainability component, a geothermal field, solar panels, and what a Leadership in Energy & Environmental Design (LEED) certification entails. All systems could be maintained by current maintenance staff.

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President Werner contacted three local photographers for large murals throughout the terminal.

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Board Member Hobbs left meeting at 9:40 a.m.

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CONSIDERATION AND APPROVAL OF RESOLUTION NO. 14-07: REVISED AIRPORT CAPITAL IMPROVEMENT PLAN 2014-2030.

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The ACIP will be sent to the Nebraska Department of Aeronautics (NDA) and the Federal Aviation Administration (FAA) for approval.

140 *Motion by Mr. Quandt, second by Mr. Caldwell to approve the Revised Airport Capital Improvement Plan*
141 *2014-2030. Upon roll call, motion was approved with a 4-0 vote.*

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143 **CONSIDERATION AND APPROVAL OF RESOLUTION NO. 14-08: EQUIPMENT LEASE AGREEMENT**
144 **WITH TREGO/DUGAN AVIATION OF GRAND ISLAND, INC.**

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146 The Authority hereby leases the Equipment to Trego/Dugan Aviation of Grand Island Inc., for use solely
147 at the Airport. The Equipment is listed on attached Exhibit "A" and may be amended from time to time by
148 signature of the Authority Executive Director and on behalf of Trego/Dugan Aviation of Grand Island, Inc.,
149 with adjustment in rent to be determined. Trego/Dugan Aviation of Grand Island, Inc., shall pay to the
150 Authority as rent for the equipment the sum of \$100/month payable in advance on the first day of each
151 month during the term of this lease commencing January 10, 2014. Trego/Dugan Aviation of Grand
152 Island, Inc., shall maintain such liability insurance as required in the FBO Agreement and Authority's
153 Minimum Standards concerning the operation of the equipment, and accepts the Equipment in "AS-IS"
154 condition and shall be responsible for all repairs, fuel, maintenance, parts and service for the equipment
155 and shall hold Authority harmless from the same.

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157 *Motion by Mr. Caldwell second by Mr. Cook to approve the Equipment Lease Agreement with Trego/Dugan*
158 *Aviation of Grand Island, Inc. Upon roll call, motion was approved with a 4-0 vote.*

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160 **CONSIDERATION AND APPROVAL OF RESOLUTION NO. 14-09: HANGER LEASE AGREEMENT**
161 **WITH KENT ORR FOR BUILDING 126, USAF HANGER 6 WEST HALF.**

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163 Lease term is on a month-to-month basis commencing February 1, 2014. Rent is \$106/month plus
164 \$10/month for utilities.

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166 *Motion by Mr. Quandt, second by Mr. Caldwell to approve Hanger Lease Agreement with Kent Orr for*
167 *Building 126, USAF Hanger 6 West half. Upon roll call, motion was approved with a 4-0 vote.*

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169 EXECUTIVE DIRECTOR'S REPORT: Over 300 came out for the annual appreciation Soup Supper on
170 January 14th. The Study Session held at the City Library on January 15th was well attended. Mead & Hunt
171 did a great job presenting and the public had the opportunity to view renderings of the passenger terminal.

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173 ANNOUNCEMENTS:
174 a) Next Board Meeting February 12, 2014.

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176 EXECUTIVE SESSION:
177 *Motion by Mr. Quandt, second by Mr. Caldwell to go into Executive Session to discuss airline and personnel*
178 *negotiations. Upon roll call, motion was approved with a vote of 4-0 and Board went into Executive Session*
179 *at 10:20 a.m.*

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181 *Motion by Mr. Caldwell, second by Mr. Cook to come out of Executive Session with no decisions being*
182 *made and reconvene to Regular Session. Upon roll call, motion was approved with a vote of 4-0 and Board*
183 *came out of Executive Session and into Regular Session at 11:25 a.m.*

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185 ADJOURNMENT:
186 *Motion by Mr. Cook second by Mr. Quandt to adjourn the meeting. Upon roll call, motion was approved with*
187 *a vote of 4-0 and meeting was adjourned at 11:25 a.m.*

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189 HALL COUNTY AIRPORT AUTHORITY

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193 _____
194 Debra Potratz | Administrative Assistant
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197 Lynne Werner | Board Chair
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200 (SIGNATURES ON FILE)

Brian Quandt | Board Secretary/Treasurer