



HALL COUNTY AIRPORT AUTHORITY | MINUTES  
Regular Meeting | August 13, 2014

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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 August 13, 2014. Pursuant to proper legal notice, Board Chair Werner called the meeting to order at 8:06 a.m., and announced location of the Nebraska Open Meeting Act for public viewing.

The Pledge of Allegiance was said in unison.

PUBLIC REQUEST TO SPEAK ON AGENDA: None.

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

AIRPORT AUTHORITY BOARD MEMBER(S) ABSENT: Ken Caldwell.

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: Zach Thompson and Tina Wiczorek from Trego/Dugan Aviation of Grand Island.

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

- **Minutes from the Regular Meeting held July 9, 2014.**
- **RESOLUTION 14-60: CLAIMS 3013-3017.**
- **RESOLUTION NO. 14-61: REIMBURSEMENT FOR EXPENDITURES RELATED TO AIRPORT PARKING LOT EXPANSION – PHASE 2.**

*Motion by Mr. Hobbs second by Mr. Cook to approve the Consent Agenda. Upon roll call, motion was approved with a 3-0 vote.*

Board Member Quandt arrived at 8:08 a.m.

**ACTIVITY REPORTS | JULY 2014**

Air Traffic Activity Report:

June and July Air Traffic Reports were given by Executive Director Mike Olson. Roland Partin from Tennessee was hired on as a new air traffic controller.

Enplanement Report: Executive Director Mike Olson:

	2014	2014	2013	
	July	Load Factor %	July	+/- %
Allegiant	3,030	92%	2,638	15%
American	2,068	75%	1,806	15%
Charters	99		0	-100%
Mo. Emp	5,197		4,444	17%
Yr to Date	34,854		32,467	7%

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Operations Report by Operations Manager/Security Coordinator Doug Brown:

- Provided Aircraft Rescue and Fire Fighting (ARFF)/Direct Ramp Observation (DRO) for Allegiant flights and ARFF for American Eagle daily flights and one charter.
- Conducted monthly ARFF drills and weekly training held on Part 139 Training, Safety, and Transportation Security Administration procedures.
- Continuous mowing, spraying weeds, and landscaping of airport property.
- Filled ruts and holes in all areas.
- Developed a new in-pavement lighting program for monthly inspection.
- Repaired pavement on runway 17-35.
- Completed painting runways and taxiways.
- Installing taxiway warning signs in preparation of the Part 139 Inspection scheduled for August 20-22, 2014.
- Constructed a secure server room for Building A (future TSA offices).
- Assisting with insurance inspections August 13<sup>th</sup> & 14<sup>th</sup>.
- Numerous other daily projects completed and scheduled.

Construction & Planning Report. Executive Director Mike Olson reported asbestos abatement in the Administration & Radar buildings needs to be completed, and the FAA cables relocated before the notice to proceed can be issued for the construction of the passenger terminal. The fire hydrant still needs to be installed near the 5-Unit hangers and standing water in the west parking lot still needs to be addressed. There has been no official word on the funding for the passenger terminal.

#### FINANCIAL REPORTS | JULY 2014

Financial Reports by Human Resource/Accounting Manager Annette Schimmer:

- Operating Income and Operating Expenses should be at 83.33%
  - Operating Income is at 89.72% | \$88,932.40 | YTD \$982,403.52
  - Operating Expenses is at 72.07% | \$116,495.33 | YTD \$1,056,271.86
  - Total Operating Income/Loss is at 19.93% | (\$27,562.93) | YTD (\$73,868.34)
  - Total Net Income/Loss is at 21.92% | (\$4,789.03) | YTD (\$855,310.50)
- Past Dues Report: (Aging over 30 days) \$7,792.67 as of today.
- Covered Parking Report: 107 transactions with a net revenue of \$2,638.71 | YTD \$16,779.10
- Fuel Flowage Report: Trego/Dugan Aviation of Grand Island
  - Jet A & 100LL
    - 107,003.00 gallons delivered | YTD 1,233,294.00
  - Fuel Flowage
    - \$5,885.17 fuel flowage received | YTD \$67,831.17
  - Diesel
    - 0.00 gallons delivered | YTD 3,999.00
  - Unleaded
    - 445.00 gallons delivered | YTD 3,141.80
  - Fuel Flowage
    - \$24.47 fuel flowage received | YTD \$392.72

#### **CONSIDERATION AND APPROVAL OF RESOLUTION NO. 14-62: ENGAGEMENT LETTER WITH DANA F. COLE & COMPANY, LLP FOR FISCAL YEAR 2013-14 AUDITS.**

*Motion by Mr. Quandt second by Mr. Hobbs authorizing the Board Chair to execute the Engagement Letter between the Hall County Airport Authority and Dana F. Cole & Company, LLP for the Fiscal Year 2013-14 Audit. Charges for Audits are \$9,455 for Financial Audit, \$1,810 for Passenger Facility Charge (PFC) Audit, and \$3,560 for a Single Audit. Upon roll call, motion was approved with a 4-0 vote.*

#### **CONSIDERATION AND APPROVAL OF RESOLUTION NO. 14-63: ENGAGEMENT LETTER WITH DANA F. COLE & COMPANY, LLP FOR FISCAL YEAR 2014-15 BUDGET MEETINGS AND BUDGET DOCUMENTS.**

*Motion by Mr. Quandt second by Mr. Hobbs authorizing the Board Chair to execute the Engagement Letter between the Hall County Airport Authority and Dana F. Cole & Company, LLP for the Fiscal Year*

100 2014-15 Budget Meetings and Budget Documents. Charges to the Airport Authority will be based on the  
101 work as required at regular standard rates plus any other direct expenses, but will not exceed \$1,025.  
102 Additional charges and reimbursement for travel expenses will be rendered if requested to attend any  
103 board meetings. Upon roll call, motion was approved with a 4-0 vote.  
104

105 **CONSIDERATION AND APPROVAL OF RESOLUTION NO. 14-64: COMMISSION AGREEMENT**  
106 **BETWEEN MOHR PARTNERS INCORPORATED, (AGENT) AND HALL COUNTY AIRPORT**  
107 **AUTHORITY (LANDLORD) FOR LEASE AGREEMENT WITH LAMAR ADVERSITING COMPANY**  
108 **(TENANT) FOR SPACE LOCATED AT 3870 SKY PARK ROAD, GRAND ISLAND, NE.**  
109

110 *Motion by Mr. Cook, seconded by Mr. Quandt authorizing the Executive Director to execute Commission*  
111 *Agreement effective May 13, 2014 between Mohr Partners, Incorporated (Agent), and Hall County Airport*  
112 *Authority (Landlord) for a lease with Lamar Advertising Company (Tenant) for space located at 3870 Sky*  
113 *Park Road, Grand Island, NE. Agent has been involved in the negotiations between Landlord and Tenant.*  
114 *In connection with the Lease and the Renewal, Landlord shall pay the Agent a brokerage commission equal*  
115 *to 3.5% of the base rentals and 100% of the commission or \$4,159.02 shall be paid within fifteen (15) days*  
116 *of executed lease. Upon roll call, motion was approved with a 4-0 vote.*  
117

118 **CONSIDERATION AND APPROVAL OF RESOLUTION NO. 14-65: LEASE AGREEMENT WITH TLC**  
119 **PROPERTIES, INCORPORATED FOR BUILDING 700A LOCATED AT 3870 SKY PARK ROAD, GRAND**  
120 **ISLAND, NE.**  
121

122 *Motion by Mr. Quandt second by Mr. Cook authorizing the Executive Director to execute Lease*  
123 *Agreement with TLC Properties, Incorporated for Building 700A located at 3870 Sky Park Road, Grand*  
124 *Island, NE for manufacturing and production use. Lease term shall be for five (5) years commencing*  
125 *November 1, 2014 and terminating October 31, 2019. Rent is \$1,957.00/month and Reimbursement for*  
126 *Commission payable by Authority to Mohr Partners, Inc., pursuant to separate Commission Agreement is*  
127 *\$68.50/month thru October 31, 2017. Commencing November 1, 2017 rent is \$2,015.71/month and*  
128 *Reimbursement for Commission is \$70.55/month. Rent for any holdover period commencing November*  
129 *1, 2019 shall be \$2,220.00/month. Cost of Fire and Extended Coverage Insurance is \$114.92/month*  
130 *which shall be adjusted periodically as necessary. Upon roll call, motion was approved with a 4-0 vote.*  
131

132 **CONSIDERATION AND APPROVAL OF RESOLUTION NO. 14-66: FIRST AMENDMENT TO HANGER**  
133 **LEASE AGREEMENT FOR BUILDING 116B WITH TREGO-DUGAN AVIATION OF GRAND ISLAND.**  
134

135 *Motion by Mr. Cook second by Mr. Hobbs authorizing the Executive Director to execute First Amendment*  
136 *to Hanger Lease Agreement for Building 116B with Trego/Dugan Aviation of Grand Island. The area located*  
137 *in the northwest portion of Building 116B as set forth on attached Exhibit "A" shall be deleted from the*  
138 *leased premises. This Amendment shall commence upon a date determined by Authority. Authority shall*  
139 *deliver written notice to Tenant at least thirty (30) days prior to the effective date of commencement;*  
140 *PROVIDED, this Amendment shall lapse if it not commenced prior to January 1, 2016. The term of this*  
141 *Amendment is for a period of one (1) year from date of commencement. This Amendment may be extended*  
142 *by Authority for an additional one (1) year period upon written notice to Tenant. Effective on the date of*  
143 *commencement, Tenant's rent for the premises shall be reduced in the amount of One Thousand Dollars*  
144 *(\$1,000.00) per month. Tenant's insurance reimbursement as provided in Subsection 8.03 of the Lease*  
145 *shall be amended as applicable. Upon roll call, motion was approved with a 4-0 vote.*  
146

147 **CONSIDERATION AND APPROVAL OF RESOLUTION NO. 14-67: AIRLINE OPERATING**  
148 **AGREEMENT AND TERMINAL LEASE EXTENSION WOTH ALLEGIANT AIR, LLC (LAS VEGAS).**  
149

150 *Motion by Mr. Quandt second by Mr. Hobbs authorizing the Board Chair to approve the Airline Operating*  
151 *Agreement and Terminal Lease Extension with Allegiant Air LLC, (Las Vegas). Airline agrees to provide*  
152 *twice weekly nonstop roundtrip jet service from the Central Nebraska Regional Airport (GRI) to McCarran*  
153 *International Airport at Las Vegas, Nevada (LAS). The term of this agreement is extended for a period of*  
154 *two (2) years commencing September 1, 2014 and terminating August 31, 2016. Rent is \$500/month for*  
155 *the nonexclusive use of 179 sq. ft. of ticket counter space and 525 sq. ft. of office/garage space. Airline*

156 shall pay Authority Landing Fees based upon Federal Aviation Administration maximum certified gross  
157 landing weight for each aircraft. Rates are as follows: Seventy Two Cents (\$.72) per one thousand  
158 pounds through September 30, 2014, and Ninety Cents (\$.90) per one thousand pounds commencing  
159 October 1, 2014. Per the Air Service Incentive Program, the Authority will provide a credit of \$60,000 per  
160 fiscal year, for Allegiant Air, LLC, to use for local cost centers of fuel flowage fees, ground handling fees,  
161 into plane fueling fees and landing fees and terminal rents; and provide a marketing fund of \$30,000 per  
162 fiscal year to promote the Eligible Air Service. Upon roll call, motion was approved with a 4-0 vote.

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164 **CONSIDERATION AND APPROVAL OF RESOLUTION NO. 14-68: HANGER LEASE AGREEMENT**  
165 **WITH ADVENTURE BOUND LLC FOR BUILDING 87A, HANGER A.**  
166

167 *Motion by Mr. Cook second by Mr. Hobbs authorizing the Executive Director to execute Hanger Lease*  
168 *Agreement with Adventure Bound LLC for Building 87A, Hanger A located at the Central Nebraska*  
169 *Regional Airport as outlined in Exhibits A&B. Lease term is on a month-to-month basis commencing August*  
170 *15, 2014. Rent is \$106/month plus \$10/month for utilities. Upon roll call, motion was approved with a 3-0*  
171 *vote with Mr. Quandt abstaining.*

172  
173 **EXECUTIVE DIRECTOR'S REPORT:**

174 Mr. Olson met with Senators Deb Fischer and Mike Johanns, and Congressman Adrian Smith on July 15  
175 &16, 2014 in Washington, DC regarding the importance of receiving the full discretionary and entitlement  
176 funding for the passenger terminal, an in-line baggage system, and the Federal Aviation Administration  
177 1,500 hour pilot rule.

178  
179 On June 17<sup>th</sup>, Mr. Olson went to North Platte and met with airport directors from the western part of the  
180 state. While there they composed a joint statement outlining their concerns about the FAA pilot ruling.  
181 Congressional representatives were present and listened to concerns. Congress directed the FAA to  
182 develop stricter rules for pilots. Beginning last August, every pilot and co-pilot flying a passenger plane has  
183 to have an Airline Transport Pilot certificate, or ATP. Co-pilots are also required to have at least 1500 hours  
184 of specialized flying in certain conditions, instead of the previous 250. Senator Adrian Smith introduced  
185 legislation which would ensure these small airports are not penalized twice by the unintended  
186 consequences of these new rules. The Small Airport Regulatory Relief Act would require the Federal  
187 Aviation Authority to use enplanement numbers from 2012 – before the regulations took effect - when  
188 calculating appropriate annual funds for airports through the Airport Improvement Program for the next two  
189 years.

190  
191 Authority staff presented to the Hall County Board of Supervisors regarding the 2014-15 Budget on July 23,  
192 2014. Authority should know by the end of August if budget was approved.

193  
194 Attended the American Association of Airport Executives (AAAE) Great Lakes Chapter Annual Conference  
195 in Bellaire, MI August 7-10, 2014. Some of the topics covered were Security Management Systems (SMS)  
196 and Airport Irregular Operations (IROPS). At this conference Mr. Olson was nominated and approved to  
197 be an AAAE National Board member and will take on this role effective June 2015.

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199 **ANNOUNCEMENTS:**

- 200 a) Car Show August 20<sup>th</sup> 5-8 p.m.  
201 b) Next Board Meeting is September 10, 2014.  
202

203 **EXECUTIVE SESSION:**

204 *Motion by Mr. Cook, second by Mr. Hobbs to go into Executive Session to discuss airline and lease*  
205 *negotiations. Upon roll call, motion was approved with a vote of 4-0 and Board went into Executive Session*  
206 *at 8:57 a.m.*

207  
208 *Motion by Mr. Cook, second by Mr. Hobbs to come out of Executive Session with no decisions being made*  
209 *and reconvene to Regular Session. Upon roll call, motion was approved with a vote of 4-0 and Board came*  
210 *out of Executive Session and into Regular Session at 9:20 a.m.*  
211

212 ADJOURNMENT:  
213 *Motion by Mr. Hobbs second by Mr. Quandt to adjourn the meeting. Upon roll call, motion was approved*  
214 *with a vote of 4-0 and meeting was adjourned at 9:22 a.m.*

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216 HALL COUNTY AIRPORT AUTHORITY

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220 Debra Potratz | Administrative Assistant

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224 Lynne Werner | Board Chair

\_\_\_\_\_ Brian Quandt | Board Secretary/Treasurer

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226 (SIGNATURES ON FILE)  
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