



HALL COUNTY AIRPORT AUTHORITY | MINUTES
Regular Meeting | September 10, 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 September 10, 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.

Executive Director Mike Olson requested Resolution 14-77 be pulled from Agenda.

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, Administrative Assistant Debra Potratz, Operations Manager/Security Coordinator Doug Brown, Operations Secretary Carole Harmon, Maintenance Technicians Chris Evans John Hovie, and Wes Harris, and Seasonal workers Wayne Vian and Dean Dannehl.

LEGAL COUNSEL PRESENT: Airport Authority Attorney Ron Depue.

OTHERS PRESENT: Paul Strege, Rich Lundeen and Robert Kapsner from Mead & Hunt, Jeff Hinrichs from Wilkins Hinrichs Stober Architects, Zach Thompson from Trego/Dugan Aviation of Grand Island, Gary Frisch from Air Traffic Control Tower, and Mark Moravec from Chief Industries.

REVIEW AND APPROVAL OF ADMINISTRATIVE CONSENT AGENDA:

- **Minutes from the Regular Meeting held August 13, 2014.**
- **RESOLUTION 14-69: CLAIMS 3018-3023.**
- **RESOLUTION NO. 14-70: REIMBURSEMENT FOR EXPENDITURES RELATED TO AIRPORT PARKING LOT EXPANSION – PHASE 2.**

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

AWARD OF MEDAL OF EXCELLENCE: Executive Director Mike Olson presented Operations Manager Doug Brown the 2014 Medal of Excellence received during the Federal Aviation Administration Part 139 Inspection August 20-21, 2014. Mr. Olson stated this is the 10th year in a row the Central Nebraska Regional Airport has received this award and thanked Mr. Brown for his leadership and commended staff on this achievement.

FINANCIAL REPORTS | AUGUST 2014

Financial Reports by Human Resource/Accounting Manager Annette Schimmer:

- Operating Income and Operating Expenses should be at 83.33%
 - Operating Income is at 97.23% | \$82,291.05 | YTD \$1,064,694.57
 - Operating Expenses is at 80.44% | \$122,656.56 | YTD \$1,178,928.42
 - Total Operating Income/Loss is at 19.93% | (\$27,562.93) | YTD (\$73,868.34)
 - Total Net Income/Loss is at 30.82% | (\$40,365.51) | YTD (\$114,233.85)
- Past Dues Report: (Aging over 30 days) \$6,818.22 as of today.
- Covered Parking Report: 109 transactions with a net revenue of \$2,348.12 | YTD \$19,127.22

- 54 • Fuel Flowage Report: Trego/Dugan Aviation of Grand Island
- 55 Jet A & 100LL ▪ 129,037.00 gallons delivered | YTD 1,362,331.00
- 56 Fuel Flowage ▪ \$7,097.04 fuel flowage received | YTD \$74,928.21
- 57 Diesel ▪ 0.00 gallons delivered | YTD 3,999.00
- 58 Unleaded ▪ 0.00 gallons delivered | YTD 3,141.80
- 59 Fuel Flowage ▪ \$0.00 fuel flowage received | YTD \$392.72

60
61 **ACTIVITY REPORTS | AUGUST 2014**

62 Air Traffic Activity Report: Tower Manager Gary Frisch announced the Runway Safety Action Team
63 (RSAT) meetings will be held in August in conjunction with other area meetings instead of January. New
64 controller Roland Partin checked out August 20th and tower is now fully staffed.
65

Central Nebraska Regional Airport

Itinerant Operations	Aug 2013	Aug 2014	% Change
Air Carrier	44	40	(9)
Air Taxi	296	276	(7)
Civil Aviation	1063	933	(12)
Military	112	77	(31)
Total OPS	1515	1326	(12)
Local Operations			
Civil	482	286	(41)
Military	84	20	(76)
Total LCL	566	306	(46)
TOTAL TRF	2081	1632	(22)

66
67 **Enplanement Report: Executive Director Mike Olson:**

	2014	2014	2013	
	Aug	Load Factor %	Aug	+/- %
Allegiant	2,714	91%	2,610	4%
American	1,794	68%	1,863	-4%
Charters	0		240	-100%
Mo. Emp	4,508		4,713	-4%
Yr to Date	39,362		37,180	6%

68
69 The Korean War Hero Flight to Washington, DC will be chartered on Sun Country and scheduled to depart
70 from the Central Nebraska Regional Airport on Monday, September 29, 2014 at 8:00 a.m. Approximately
71 166 veterans will be flying out.

72
73 Executive Director Mike Olson read information from the Government Accountability Office regarding the
74 issue of small community air service continues to attract attention by aviation stakeholder's across the
75 country. Due to a number of factors including the overall recession, fuel costs, airline bankruptcies and
76 consolidations, and new rule on pilot training and the rest, air service to many of our nation's small
77 airports is in jeopardy according to recent report released by the Government Accountability Office. From
78 2007-2013 small hub airports have seen a 20.1% decrease in flights and non-hub airports have seen an
79 18.1% decrease. That all compares to only a 9.1% decrease for large hub airports during the same time
80 period. Small airports are not benefiting from airline mergers and the new Airport Transport Pilot (ATP)
81 government rules.
82

83 **Operations Report by Operations Manager/Security Coordinator Doug Brown:**

- 84 • Provided Aircraft Rescue and Fire Fighting (ARFF)/Direct Ramp Observation (DRO) for Allegiant
85 flights and ARFF for American Eagle daily flights. American flight times have changed to depart

- 86 from GRI at 6:40 a.m., 2:45 p.m. and from DFW at 9:45 p.m. Saturday flights depart GRI at 6:40
87 a.m. and arrive from DFW at 5:50 p.m.
- 88 • Conducted monthly ARFF drills and weekly training held on Part 139 Training, Safety, and
89 Transportation Security Administration procedures.
 - 90 • Continuous mowing.
 - 91 • Completed remodeling in Building A (new TSA office). Replaced HVAC system, installed new
92 carpet throughout and tiles in entry way, installed new hot water heater, painted walls, installed
93 new ceiling tiles, and constructed room for IT server. TSA moved into Building A on September
94 8th.
 - 95 • Repaired pavement on Runway 17-35.
 - 96 • Repaired roof on Building 2B (GI Clean Community Systems).
 - 97 • Repaired door on Hanger B.
 - 98 • Repaired installation in ceiling in Building 109 (Rogue Mfg).
 - 99 • Installed new water line to north door near Building 112 (Rogue Mfg).
 - 100 • Repairs were made to water main in the middle of Arrasmith Park and near Building 847 (GroRite).
 - 101 • Electrical repairs were made to Fuel Tank #2 Jet A FBO (1863) 29,610 Gal.
 - 102 • Painted outside of Building 90 (Vault).
 - 103 • Numerous other daily projects completed and scheduled.

104
105 Construction & Planning Report. Mead & Hunt representative Paul Strege reported asbestos abatement in
106 the Administration & Radar buildings needs to be completed, and the Federal Aviation Administration cables
107 relocated before the notice to proceed can be issued for the construction of the passenger terminal.
108 Demolition of Administration building is slated for mid-October. Pre-Construction meetings for the
109 Passenger Terminal and the General Aviation Terminal are scheduled this afternoon in the Administration
110 conference room.

111
112 Wilkins Hinrichs Stober Architects representative Jeff Hinrichs reviewed Master Plan they prepared on site
113 considerations and proposed locations for the Administration Building, Covered Parking, Snow Removal
114 Equipment (SRE) Building, and a Rental Car Wash Building.

115
116 **CONSIDERATION AND APPROVAL OF RESOLUTION NO. 14-71: FINAL APPROVAL OF BUDGET**
117 **FOR FISCAL YEAR 2014-2015.**

118
119 *Motion by Mr. Cook second by Mr. Hobbs approving the budget for fiscal year 2014/2015, subject to*
120 *formal adoption of the 2014/2015 budget in accordance with state auditor requirements. Upon roll call,*
121 *motion was approved with a 5-0 vote.*

122
123 **CONSIDERATION AND APPROVAL OF RESOLUTION NO. 14-72: LEASE AGREEMENT WITH**
124 **GENERAL SERVICES ADMINISTRATION / TRANSPORTATION SECURITY ADMINISTRATION (NO.**
125 **GS-06P-LNE41030) FOR BUILDING A LOCATED AT 3565 SKY PARK ROAD, GRAND ISLAND, NE.**

126
127 *Motion by Mr. Quandt second by Mr. Caldwell authorizing the Executive Director to execute Lease*
128 *Agreement with General Services Administration / Transportation Security Administration (No. GS-06P-*
129 *LNE41030) for Building A located at 3565 Sky Park Road, Grand Island, NE. Lease Term is for three (3)*
130 *Years. The commencement date of this Lease, along with any applicable termination and renewal rights,*
131 *shall be more specifically set forth in a Lease Amendment upon substantial completion and acceptance of*
132 *the Space by the Government. Following commencement date rent will be \$15,676.80/year, payable*
133 *monthly in arrears in the amount of \$1,306.40/month. Upon roll call, motion was approved with a 5-0 vote.*

134
135 **CONSIDERATION AND APPROVAL OF RESOLUTION NO. 14-73: EXTENSION AGREEMENT FOR**
136 **CAR RENTAL CONCESSION WITH EASY CAR RENTAL CO. INC., DBA BUDGET CAR & TRUCK**
137 **RENTAL FOR BUILDING 108 C AND BUILDING 101 B LOCATED AT 3773 SKY PARK ROAD, GRAND**
138 **ISLAND, NE, AT THE CENTRAL NEBRASKA REGIONAL AIRPORT.**

139

140 *Motion by Mr. Cook, seconded by Mr. Quandt authorizing the Executive Director to execute Extension*
141 *Agreement for Car Rental Concession with Easy Car Rental Co. Inc., DBA Budget Car & Truck Rental for*
142 *Building 108 C and Building 101 B located at 3773 Sky Park Road, Grand Island, NE, at the Central*
143 *Nebraska Regional Airport. Term of the agreement is for a period of one (1) year commencing October 1,*
144 *2014 and terminating September 30, 2015. Rent is \$500/month for counter/office space, parking spaces,*
145 *and \$100/month for one car wash bay. Privilege Fees are ten percent (10%) of Gross Revenue during*
146 *extended term. Upon roll call, motion was approved with a 5-0 vote.*

147
148 **CONSIDERATION AND APPROVAL OF RESOLUTION NO. 14-74: EXTENSION AGREEMENT FOR**
149 **CAR RENTAL CONCESSION WITH BUCK ENTERPRISES, INC., DBA THRIFTY CAR RENTAL FOR**
150 **BUILDING 108 A&B AND BUILDING 101 D LOCATED AT 3773 SKY PARK ROAD, GRAND ISLAND,**
151 **NE, AT THE CENTRAL NEBRASKA REGIONAL AIRPORT.**

152
153 *Motion by Mr. Caldwell second by Mr. Cook authorizing the Resolution authorizing the Executive Director*
154 *to execute Extension Agreement for Car Rental Concession with Buck Enterprises, Inc., DBA Thrifty Car*
155 *Rental for Building 108 A&B and Building 101 D located at 3773 Sky Park Road, Grand Island, NE, at the*
156 *Central Nebraska Regional Airport. Term of the agreement is for a period of one (1) year commencing*
157 *October 1, 2014 and terminating September 30, 2015. Rent is \$500/month for counter/office space, parking*
158 *spaces, and \$200/month for two car wash bays. Privilege Fees are ten percent (10%) of Gross Revenue*
159 *during extended term. Upon roll call, motion was approved with a 5-0 vote.*

160
161 **CONSIDERATION AND APPROVAL OF RESOLUTION NO. 14-75: REJECTION OF TERRORISM**
162 **INSURANCE COVERAGE WITH ACE PROPERTY AND CASUALTY INSURANCE COMPANY.**

163
164 *Motion by Mr. Quandt second by Mr. Hobbs authorizing the Board Chair to reject the terrorism insurance*
165 *coverage with Ace Property and Casualty Insurance Company for the policy period of September 13, 2014*
166 *through September 13, 2015. Upon roll call, motion was approved with a 5-0 vote.*

167
168 **CONSIDERATION AND APPROVAL OF RESOLUTION NO. 14-76: LICENSE AGREEMENT WITH**
169 **CIVIL AIR PATROL FOR BUILDING 106 LOCATED AT 3817 SKY PARK ROAD, GRAND ISLAND, NE.**

170
171 *Motion by Mr. Caldwell second by Mr. Cook authorizing the Executive Director to execute the License*
172 *Agreement with Civil Air Patrol to occupy the back southwest room of the Fire Station Building 106 located*
173 *at 3817 Sky Park Road, Grand Island, NE for the purpose of holding meetings on a periodic basis.*
174 *Agreement is effective September 1, 2014 and replaces Agreement dated June 14, 2007 for Building 100B*
175 *located 3745 Sky Park Road, Grand Island, NE which is to be vacated by September 1, 2014. Upon roll*
176 *call, motion was approved with a 5-0 vote.*

177
178 **CONSIDERATION AND APPROVAL OF RESOLUTION NO. 14-77: FEDERAL AVIATION**
179 **ADMINISTRATION GRANT AGREEMENT 3-31-0034-038-2014 TO IMPROVE TERMINAL BUILDING**
180 **PHASE 2 – CONSTRUCTION ALL AS MORE PARTICULARLY DESCRIBED IN THE PROJECT**
181 **APPLICATION FOR CONSTRUCTION.**

182
183 Resolution 14-77 was pulled from the Agenda due to Federal Aviation Administration funding notification
184 has not been received.

185
186 **CONSIDERATION AND APPROVAL OF RESOLUTION NO. 14-78: GENERAL AVIATION TERMINAL**
187 **LEASE AGREEMENT WITH TREGO/DUGAN AVIATION OF GRAND ISLAND, INCORPORATED**

188
189 *Motion by Mr. Cook second by Mr. Quandt authorizing the Executive Director to execute the General*
190 *Aviation Terminal Lease Agreement with Trego/Dugan Aviation of Grand Island, Incorporated. Upon*
191 *execution of this Lease, Authority shall contract with a duly qualified general contractor for the construction*
192 *of the General Aviation Terminal in accordance with the construction bid contract documents dated May*
193 *28, 2014. The General Aviation Terminal will be constructed at the Central Nebraska Regional Airport,*
194 *Building No. 114 located at 3853 North Sky Park Road, Grand Island, NE 68801. The term shall be for*
195 *twenty (20) years. Upon completion of the General Aviation Terminal the parties shall execute a Statement*

196 of Commencement of the Lease Term setting forth the date of commencement and date of expiration of
197 the lease term. Rent will be \$4,700.00/month for the first year of the lease term. Monthly rent shall increase
198 one (1) percent each lease year over the prior year's monthly rent for the entire lease term. Upon roll call,
199 motion was approved with a 5-0 vote.

200
201 **CONSIDERATION AND APPROVAL OF RESOLUTION NO. 14-79: MASTER LEASE AMENDMENT**
202 **WITH TREGO/DUGAN AVIATION OF GRAND ISLAND, INCORPORATED.**

203
204 *Motion by Mr. Quandt second by Mr. Hobbs authorizing the Executive Director to execute the Master Lease*
205 *Amendment with Trego/Dugan Aviation of Grand Island, Incorporated.*

206
207 *The Authority and Trego/Dugan Aviation of Grand Island, Inc., are entering into a General Aviation Terminal*
208 *Lease Agreement and both entities desire to extend the lease term of each of the below mentioned*
209 *agreements to coincide with the General Aviation Terminal Lease: a. Hangar Lease Agreement for*
210 *Buildings 92, 94, 95 and land; b. Hangar Lease Agreement for Building 116A; c. Hangar Lease Agreement*
211 *for Building 116B; d. Hangar Lease Agreement for Building 2A; e. Fuel Farm Lease Agreement; f. Fixed-*
212 *Base Operator's Agreement;*

213
214 *This Master Lease Amendment is incorporated as part of the terms and conditions of each of the*
215 *Agreements. Except as set forth herein, the terms and conditions of each of the Agreements shall remain*
216 *in full force and effect. The effective date of this Master Lease Amendment is the identical date of the*
217 *Commencement of the General Aviation Terminal Lease Agreement and the lease term for each of the*
218 *Agreements shall expire without further notice twenty (20) years thereafter. Base Rent for each of the*
219 *Agreements shall continue until as provided in each Agreement until the Commencement of the General*
220 *Aviation Terminal Lease Agreement. Thereafter, monthly rent shall be payable in accordance with the*
221 *Schedule of Rents for each of the respective Agreements as outlined in Exhibit "A". Notwithstanding the*
222 *foregoing, the Agreement for Buildings 92, 94, 95 and land shall terminate upon Commencement of the*
223 *General Aviation Terminal Lease Agreement. Upon roll call, motion was approved with a 5-0 vote.*

224
225 **CONSIDERATION AND APPROVAL OF RESOLUTION NO. 14-80: AWARD BID FOR GENERAL**
226 **AVIATION TERMINAL PROJECT TO CHIEF INDUSTRIES.**

227
228 *Motion by Mr. Quandt second by Mr. Hobbs authorizing the Executive Director to accept the Bid from Chief*
229 *Industries from Grand Island, NE in the amount of \$1,078,000.00 for the construction of a new General*
230 *Aviation Terminal Building. On June 26, 2014, two Bids were received for the General Aviation Terminal*
231 *Project from Howard Immel, Incorporated, and Chief Industries. Mead & Hunt analyzed documents received*
232 *and bidders were considered responsive. In consideration of available local funding, Mead & Hunt, Inc.,*
233 *recommends awarding the General Aviation Terminal Construction Project to lowest responsive bidder*
234 *Chief Industries in the amount of \$1,078,000.00. Upon roll call, motion was approved with a 5-0 vote.*

235
236 EXECUTIVE DIRECTOR'S REPORT: CNRA commercial from NTV was viewed.

237
238 ANNOUNCEMENTS:

- 239 a) A special Board meeting will be held Wednesday, September 17, 2014 – 5:00 p.m. at the Hall
240 County Airport Authority Administration conference room.
241 b) Next Board Meeting is October 8, 2014 – 8:15 p.m. at Home Federal Bank (lower level) located at
242 3311 Stolley Park Road, Grand Island, NE.

243
244 EXECUTIVE SESSION:

245 *Motion by Mr. Quandt, second by Mr. Hobbs to go into Executive Session to discuss airline, lease and*
246 *personnel negotiations. Upon roll call, motion was approved with a vote of 5-0 and Board went into*
247 *Executive Session at 9:33 a.m.*

248
249 *Motion by Mr. Hobbs, second by Mr. Quandt to come out of Executive Session with no decisions being*
250 *made and reconvene to Regular Session. Upon roll call, motion was approved with a vote of 5-0 and Board*
251 *came out of Executive Session and into Regular Session at 10:24 a.m.*

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ADJOURNMENT:

Motion by Mr. Cook second by Mr. Caldwell to adjourn the meeting. Upon roll call, motion was approved with a vote of 5-0 and meeting was adjourned at 10:25 a.m.

HALL COUNTY AIRPORT AUTHORITY

Debra Potratz | Administrative Assistant

Lynne Werner | Board Chair

Brian Quandt | Board Secretary/Treasurer

(SIGNATURES ON FILE)