



HALL COUNTY AIRPORT AUTHORITY | MINUTES  
Regular Meeting | October 8, 2014

The Regular Meeting of the Hall County Airport Authority (HCAA) Board was held at Home Federal Bank located at 3311 Stolley Park Road, Grand Island, Nebraska 68803 on October 8, 2014. Pursuant to proper legal notice, Board Chair Werner called the meeting to order at 8:20 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, Operations Manager/Security Coordinator Doug Brown, Human Resource/Accounting Manager Annette Schimmer, and Administrative Assistant Debra Potratz,

LEGAL COUNSEL PRESENT: Airport Authority Attorney Ron Depue.

OTHERS PRESENT: Zach Thompson from Trego/Dugan Aviation of Grand Island, Gary Frisch from Midwest Air Traffic Control.

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

- **Minutes from the Budget Public Hearing and Regular Meeting held September 10, 2014, and Special Meeting held September 17, 2014.**
- **RESOLUTION 14-82: CLAIMS 3024-3031.**
- **RESOLUTION NO. 14-82: REIMBURSEMENT FOR EXPENDITURES RELATED TO AIRPORT PARKING LOT EXPANSION – PHASE 2.**

*Motion by Mr. Quandt second by Mr. Cook to approve the Consent Agenda. Upon roll call, motion was approved with a 4-0 vote.*

**FINANCIAL REPORTS | SEPTEMBER 2014**

Financial Reports were distributed following the meeting.

Financial Reports by Human Resource/Accounting Manager Annette Schimmer:

- Operating Income and Operating Expenses should be at 100.00%
  - Operating Income is at 104.38% | \$78,244.09 | YTD \$1,142,938.66
  - Operating Expenses is at 97.56% | \$250,943.49 | YTD \$1,429,871.91
  - Total Operating Income/Loss is at 77.41% | (\$172,699.40) | YTD (\$286,933.25)
  - Total Net Income/Loss is at 21.93% | \$229,742.15 | YTD (\$855,896.86)
- Past Dues Report: (Aging over 30 days) \$11,819.34 as of today.
- Covered Parking Report: 55 transactions with a net revenue of \$1,167.57 | YTD \$20,294.79
- Fuel Flowage Report: Trego/Dugan Aviation of Grand Island
  - Jet A & 100LL ▪ 116,011.00 gallons delivered | YTD 1,478,342.00
  - Fuel Flowage ▪ \$6,380.61 fuel flowage received | YTD \$81,308.81
  - Diesel ▪ 0.00 gallons delivered | YTD 3,999.00

54 Unleaded • 515.30 gallons delivered | YTD 3,657.10  
 55 Fuel Flowage • \$28.34 fuel flowage received | YTD \$421.07  
 56

57 ACTIVITY REPORTS | SEPTEMBER 2014  
 58 Air Traffic Activity Report: Tower Manager Gary Frisch.  
 59

Central Nebraska Regional Airport

Itinerant Operations	Sept 2013	Sept 2014	% Change
Air Carrier	36	35	(3)
Air Taxi	268	270	1
Civil Aviation	815	758	(7)
Military	111	60	(46)
Total OPS	1230	1123	(9)
Local Operations			
Civil	384	380	(1)
Military	22	36	64
Total LCL	406	416	2
TOTAL TRF	1636	1539	(6)

60  
 61 Enplanement Report: Executive Director Mike Olson. Mr. Olson reported there were several cancelled  
 62 flights which affected enplanement numbers.

	2014	2014	2013	
	Sept	Load Factor %	Sept	+/- %
Allegiant	2,365	89%	2,496	-5%
American	1,922	74%	1,965	-2%
Charters	0		0	0%
Mo. Emp	4,287		4,461	-4%
Yr to Date	43,649		41,641	5%

63  
 64 Mr. Olson reported on the legislative issues conveyed from the Rural Air Service Alliance (RASA). Last  
 65 week the Department of Transportation (DOT) finalized the Enforcement Policy regarding the \$200 per  
 66 passenger subsidy cap. All communities within 210 miles of the nearest large or medium hub airport  
 67 receiving subsidized air service under the Essential Air Service (EAS) program have until September 30,  
 68 2015, based on data from October 1, 2014, through September 30, 2015, to ensure compliance with the  
 69 \$200 subsidy cap or face termination of subsidy eligibility. This Enforcement policy was put in place in  
 70 1990, and was made permanent in 2000. Even though the policy has rarely been enforced, the DOT is  
 71 going to start enforcing policy. It will be interesting how this policy will affect Kearney and Scottsbluff  
 72 airports.  
 73

74 Operations Report by Operations Manager/Security Coordinator Doug Brown:

- 75 • Provided Aircraft Rescue and Fire Fighting (ARFF)/Direct Ramp Observation (DRO) for Allegiant
- 76 flights, Korean Hero Flight departing on September 29<sup>th</sup> and returning on October 1<sup>st</sup>, a Charter
- 77 flight on October 17<sup>th</sup>, and provided ARFF for American Eagle daily flights.
- 78 • Conducted monthly ARFF drills and weekly training held on Part 139 Training, Safety, and
- 79 Transportation Security Administration procedures.
- 80 • Continuous mowing.
- 81 • Painted administration offices and installed cabinets in Building 116B (HCAA Administration).
- 82 • Installed directional sign on Sky Park Road to Hall County Airport Authority Administration Offices
- 83 in Building 116B.

- 84 • Poured concrete to relocate tenant mail box clusters. Mail boxes will be located on the north end
- 85 of the parking lot near Building A (TSA office).
- 86 • Repaired leaking roof in Building 850 (CMG Enterprise LLC).
- 87 • Repaired overhead door on Building 129 (Maintenance) and Building 853 (Gro-Rite).
- 88 • Repaired outlets and lights in Building 710 (FedEx).
- 89 • Painted Building 90 (Electrical Vault).
- 90 • Cleared items out of Building 106 (Fire Station) to make way for tenant Civil Air Patrol to move in.
- 91 • Continue with repairs/requirements to Building A (TSA office).
- 92 • Replaced gutter on Building 700A (Lamar).
- 93 • Relocated HCAA staff parking signs to Building 116B (HCAA Administration).
- 94 • Updating Airport Security Plan, Airport Certification Manual, and Airport Emergency Plan.
- 95 • Numerous other daily projects completed and scheduled.

96  
97 Construction & Planning Report. Executive Director reported asbestos abatement in the Administration &  
98 Radar buildings needs to be completed, and the Federal Aviation Administration cables relocated before  
99 the notice to proceed can be issued for the construction of the passenger terminal. The detention cells east  
100 of the west parking lot are holding water so vertical French drains will be installed in both cells to alleviate  
101 the problem. The water line and fire hydrant by the 5-Unit hanger have been installed and chlorinated. The  
102 first two water tests failed and the city in the process of re-chlorinating and retesting water.

103  
104 Chief Construction will begin construction of the General Aviation Terminal in March 2015. Chief will install  
105 fence and temporary gate around construction site.

106  
107 **CONSIDERATION AND APPROVAL OF RESOLUTION NO. 14-84: EXTENSION AGREEMENT WITH**  
108 **ALOHA INVESTMENTS, LLC.**

109  
110 *Motion by Mr. Quandt, second by Mr. Hobbs authorizing the Board Chair to execute Extension Agreement*  
111 *between Hall County Airport Authority and Aloha Investments, LLC, for Restaurant/Lounge Management.*  
112 *The term shall be extended from August 31, 2015 until December 31, 2015 upon the same terms and*  
113 *conditions as set forth in the Agreement. Upon roll call, motion was approved with a 4-0 vote.*

114  
115 **CONSIDERATION AND APPROVAL OF RESOLUTION NO. 14-85: LEASE EXTENSION AGREEMENT**  
116 **WITH CMG ENTERPRISE, LLC FOR BUILDING 850 LOCATED AT 1982 CITATION WAY, GRAND**  
117 **ISLAND, NE.**

118  
119 *Motion by Mr. Cook, second by Mr. Quandt authorizing the Executive Director to execute Lease Extension*  
120 *Agreement with CMG Enterprise, LLC for Building 850 located at 1982 Citation Way, Grand Island, NE.*  
121 *Lease term is extended for one (1) year effective November 1, 2014 and terminating October 31, 2015.*  
122 *Rent shall be increased to \$1,326.13/month plus \$132.67/month for insurance. Upon roll call, motion was*  
123 *approved with a 4-0 vote.*

124  
125 **CONSIDERATION AND APPROVAL OF RESOLUTION NO. 14-86: LEASE EXTENSION AGREEMENT**  
126 **WITH GRO-RITE LLC, FOR BUILDING 847 LOCATED AT 1811 GULF STREAM DRIVE, BUILDING 851**  
127 **LOCATED AT 1981 GULF STREAM DRIVE, BUILDING 853 LOCATED AT 1925 GULF STREAM DRIVE,**  
128 **AND BUILDING 855 LOCATED AT 1845 GULF STREAM DRIVE, GRAND ISLAND, NE.**

129  
130 *Motion by Mr. Cook, second by Mr. Quandt authorizing the Executive Director to execute Lease Extension*  
131 *Agreement with Gro-Rite LLC, for Building 847 located at 1811 Gulf Stream Drive, Building 851 located at*  
132 *1981 Gulf Stream Drive, Building 853 located at 1925 Gulf Stream Drive, and Building 855 located at 1845*  
133 *Gulf Stream Drive, Grand Island, NE. Lease term is extended for three (3) years effective December 1,*  
134 *2014 and terminating November 30, 2017. Rent for Building 847 shall be increased to \$978.50 /month plus*  
135 *\$99.50/month for insurance. Rent for Building 851 shall be increased to \$1,003.32/month plus*  
136 *\$99.50/month for insurance. Rent for Building 853 shall be increased to \$977.06/month plus \$99.50/month*  
137 *for insurance. Rent for Building 855 shall be increased to \$866.75/month plus \$99.50/month for insurance.*  
138 *Upon roll call, motion was approved with a 4-0 vote.*

139  
140  
141  
142  
143  
144  
145  
146  
147  
148  
149  
150  
151  
152  
153  
154  
155  
156  
157  
158  
159  
160  
161  
162  
163  
164  
165  
166  
167  
168  
169  
170  
171  
172  
173  
174  
175  
176  
177  
178  
179  
180  
181  
182  
183  
184  
185  
186  
187  
188  
189  
190  
191  
192  
193  
194

**CONSIDERATION AND APPROVAL OF RESOLUTION NO. 14-87: GENERAL SERVICES ADMINISTRATION (GSA) LEASE AMENDMENT NO. 1 TO LEASE NO. GS-06P-90041 FOR BUILDING 100C LOCATED AT 3751 SKY PARK ROAD, GRAND ISLAND, NE.**

*Motion by Mr. Quandt, seconded by Mr. Hobbs authorizing to execute General Services Administration (GSA) Lease Amendment No. 1 to Lease No. GS-06P-90041 for Building 100C located at 3751 Sky Park Road, Grand Island, NE. This lease shall terminate effective September 16, 2014 due to the forced relocation to Building A located at 3565 Sky Park Road, Grand Island, NE under Lease No. GS-06P-LNE41030. No rent shall accrue after the effective date of termination. Upon roll call, motion was approved with a 4-0 vote.*

**CONSIDERATION AND APPROVAL OF RESOLUTION NO. 14-88: GENERAL SERVICES ADMINISTRATION (GSA) LEASE AMENDMENT NO. 1 TO LEASE NO. GS-06P-LNE41030 FOR BUILDING A LOCATED AT 3565 SKY PARK ROAD, GRAND ISLAND, NE.**

*Motion by Mr. Cook, second by Mr. Quandt authorizing to execute General Services Administration (GSA) Lease Amendment No. 1 to Lease No. GS-06P-LNE41030 for Building A located at 3565 Sky Park Road, Grand Island, NE. The completion of the IT purchase and installation will be provided by the Lessor at no cost to the Government in accordance with the TSA-GSA IT requirements as in Exhibit A and the TSA IT drawing in Exhibit B. Upon roll call, motion was approved with a 4-0 vote.*

**CONSIDERATION AND APPROVAL OF RESOLUTION NO. 14-89: GENERAL SERVICES ADMINISTRATION (GSA) LEASE AMENDMENT NO. 2 TO LEASE NO. GS-06P-LNE41030 FOR BUILDING A LOCATED AT 3565 SKY PARK ROAD, GRAND ISLAND, NE.**

*Motion by Mr. Quandt, second by Mr. Hobbs authorizing to execute General Services Administration (GSA) Lease Amendment No. 2 to Lease No. GS-06P-LNE41030 for Building A located at 3565 Sky Park Road, Grand Island, NE. Lease Term to have and to hold the said premises with its appurtenances for the term beginning on September 8, 2014 through September 7, 2017, subject to termination and renewal rights as may be hereinafter set forth. Annual rent of \$15,676.80 shall be payable monthly in arrears at \$1,306.40/mo. Upon roll call, motion was approved with a 4-0 vote.*

**EXECUTIVE DIRECTOR'S REPORT:**

- a) Attended the 2014 Russell Hoyt National Airport Conference in Portland, OR, September 28-30, 2014.
- b) The Korean War Hero Flight to Washington, DC departed from the Central Nebraska Regional Airport on Monday, September 29, 2014 and returned Wednesday, October 1, 2014. Upon return, veterans were welcomed by the Grand Island Senior High Air Force Junior ROTC and soldiers from the Army Aviation Support Facility, while the Northwest High School Band played a medley of U.S. Armed Service branch songs. A large American flag was hoisted high on the ladder from the Grand Island Fire truck and served as a backdrop for the water cannon salute staged by the Authority's fire trucks. Mr. Olson commended staff for all their efforts in making this a huge success.
- c) Mr. Olson will give a PowerPoint presentation to the Nebraska Department of Aeronautics on October 17, 2014.
- d) A Ground Breaking Ceremony for the new passenger terminal is scheduled for October 29, 2014 at 11 am.
- e) Grand Island Clean Community Systems will have an open house on November 7, 2014 from 9 am -1:30 pm, with ribbon cutting at 10 am.
- f) Airport Attorney will be attending the 30<sup>th</sup> Annual Basics of Airport Law in Atlanta, GA on October 19-21, 2014.

**ANNOUNCEMENTS:**

- a) Next Board Meeting is November 12, 2014 – 8:00 a.m. at Hall County Airport Authority Administration office conference room.

195 EXECUTIVE SESSION:  
196 *Motion by Mr. Quandt, second by Mr. Cook to go into Executive Session to discuss threat of litigation and*  
197 *airline lease negotiations. Upon roll call, motion was approved with a vote of 4-0 and Board went into*  
198 *Executive Session at 8:58 a.m.*

199  
200 *Motion by Mr. Hobbs, second by Mr. Quandt to come out of Executive Session with no decisions being*  
201 *made and reconvene to Regular Session. Upon roll call, motion was approved with a vote of 4-0 and Board*  
202 *came out of Executive Session and into Regular Session at 9:50 a.m.*

203  
204 **CONSIDERATION AND APPROVAL OF RESOLUTION NO. 14-90: AUTHORIZATION OF THE HALL**  
205 **COUNTY AIRPORT AUTHORITY’S PARTICIPATION IN THE SECURITIES AND EXCHANGE**  
206 **COMMISSION’S MUNICIPALITIES CONTINUING DISCLOSURE COOPERATION INITIATIVE AND**  
207 **RELATED MATTERS.**  
208

209 *Motion by Mr. Hobbs, second by Mr. Cook, Authority action taken: WHEREAS, the Municipalities*  
210 *Continuing Disclosure Cooperation Initiative (the “Initiative”) of the Securities and Exchange Commission*  
211 *(“Commission”) has been introduced for municipal issuers and underwriters; and WHEREAS, the Hall*  
212 *County Airport Authority (the “Authority”) has evaluated the benefits and risks of participation in the Initiative*  
213 *and has determined that participation in the Initiative is appropriate for the Authority to reduce future risk*  
214 *and uncertainty; NOW THEREFORE, BE IT RESOLVED, that the Board of the Authority hereby authorizes*  
215 *the Authority to participate in the Initiative under the terms of the Initiative, and further authorizes the*  
216 *Chairperson or any other member of the Board of the Authority to approve, finalize, execute and deliver for*  
217 *and on behalf of the Authority any and all documents, certificates and questionnaires necessary or*  
218 *appropriate for the Authority to participate in the Initiative including, without limitation, an agreement with*  
219 *the Commission under the terms set forth in the Initiative. Upon roll call, motion was approved with a 4-0*  
220 *vote.*

221  
222 ADJOURNMENT:  
223 *Motion by Mr. Cook second by Mr. Hobbs to adjourn the meeting. Upon roll call, motion was approved with*  
224 *a vote of 4-0 and meeting was adjourned at 10:00 a.m.*

225  
226 HALL COUNTY AIRPORT AUTHORITY  
227

228  
229  
230 \_\_\_\_\_  
231 Debra Potratz | Administrative Assistant

232  
233  
234 \_\_\_\_\_  
235 Lynne Werner | Board Chair

236  
237 \_\_\_\_\_  
(SIGNATURES ON FILE) Brian Quandt | Board Secretary/Treasurer