



HALL COUNTY AIRPORT AUTHORITY | MINUTES
Regular Meeting | February 11, 2015

The Regular Meeting of the Hall County Airport Authority (HCAA) Board was held at the Airport Authority Conference Room located at 3855 Sky Park Road, Grand Island, Nebraska 68801 on February 11, 2015 Pursuant to proper legal notice, Board Chair Werner called the meeting to order at 8:01 a.m., and announced location of the Nebraska Open Meeting Act for public viewing.

The Pledge of Allegiance was said in unison.

REVIEW OF AGENDA

PUBLIC REQUEST TO SPEAK ON AGENDA: None.

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

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: Paul Strege, Marcus Kuhn, and Matt Dubbe from Mead & Hunt, Gary Frisch from Midwest Air Traffic Control Tower, Paul Greiger from D.A. Davidson, and Brad Mellema from the Grand Island Hall County Convention and Visitors Bureau.

REVIEW AND APPROVAL OF ADMINISTRATIVE CONSENT AGENDA:

- **Minutes from the Regular Meeting held January 14, 2015.**
- **RESOLUTION 15-12: CLAIMS 3052-3057.**
- **RESOLUTION NO. 15-13: REIMBURSEMENT FOR EXPENDITURES RELATED TO AIRPORT PARKING LOT EXPANSION – PHASE 2.**
- **RESOLUTION NO. 15-14: REIMBURSEMENT FOR EXPENDITURES RELATED TO AIRPORT PASSENGER TERMINAL – PHASE 2 CONSTRUCTION.**
- **RESOLUTION NO. 15-16: REIMBURSEMENT RESOLUTION FOR EXPENDITURES RELATED TO GENERAL AVIATION TERMINAL BUILDING – CONSTRUCTION.**

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

FINANCIAL REPORTS | JANUARY 2015

Financial Reports by Human Resource/Accounting Manager Annette Schimmer:

- Operating Income and Operating Expenses.
 - Operating Income is at 31.25% | \$87,810.87 | YTD \$344,872.87
 - Operating Expenses is at 28.77% | \$93,252.84 | YTD \$429,401.78
 - Total Operating Income/Loss is at 21.72% | (\$5,441.97) | YTD (\$84,528.91)
 - Total Net Income/Loss is at 31.79% | \$35,247.22 | YTD (\$885,981.53)
- Past Dues Report: (Aging over 30 days) \$2,810.23 as of today.
- Fuel Flowage Report: Trego/Dugan Aviation of Grand Island
 - Jet A & 100LL ▪ 117,049.00 gallons delivered | YTD 476,111.00
 - Fuel Flowage ▪ \$6,437.70 fuel flowage received | YTD \$26,021.11
 - Diesel ▪ 00.00 gallons delivered | YTD 1,598.00

54 Unleaded ▪ 500.00 gallons delivered | YTD 1,000.00
 55 Fuel Flowage ▪ \$27.50 fuel flowage received | YTD \$142.89
 56

57 ACTIVITY REPORTS | JANUARY 2015
 58 Air Traffic Activity Report: Tower Manager Gary Frisch.
 59

Central Nebraska Regional Airport

Itinerant Operations	Jan 2014	Jan 2015	% Change
Air Carrier	42	50	19
Air Taxi	297	242	(19)
Civil Aviation	495	499	1
Military	189	155	(18)
Total OPS	1023	946	(8)
Local Operations			
Civil	178	260	46
Military	158	135	(15)
Total LCL	336	395	18
TOTAL TRF	1359	1341	(1)

60
 61 Enplanement Report: Executive Director Mike Olson reported January was a record month for boardings.

	2015	2015	2014	
	Jan	Load Factor %	Jan	+/- %
Allegiant	2,847	93%	2,950	-3%
American	2,271	78%	1,966	16%
Charters	277		95	192%
Mo. Emp	5,395		5,011	8%
Yr to Date	5,395		5,011	8%

62
 63 Mr. Olson distributed the quarterly Central Region Airports report from Mead & Hunt for year ending
 64 September 30, 2014. This report represents airports in Nebraska, Iowa, Missouri and Kansas. Out of 35
 65 airports, the Central Nebraska Regional Airport (GRI) reported a 5% increase over last year for number of
 66 enplanements and ranked 11th; had a 13% increase in revenue; had an 8% increase in Average Fare and
 67 ranked 6th lowest for one way air fare with average cost of \$144; and had a 9% increase in Average Yield
 68 but ranked the lowest. Airlines look at the total Passengers, Revenue, Average Fare and Average Yield
 69 and tend to value a higher Average Yield. We like to see the low airfares so more passengers board our
 70 planes, but the airlines don't like to offer low airfares because it is less money for them. Our Average Fare
 71 ranking numbers are low due to Allegiant's prices.
 72

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

- 74 • Provided Aircraft Rescue and Fire Fighting (ARFF)/Direct Ramp Observation (DRO) for Allegiant
- 75 flights, provided ARFF for American Eagle daily flights, extra Allegiant flights and one charter.
- 76 • Conducted monthly ARFF drills and weekly training held on Part 139 Training, Safety, and
- 77 Transportation Security Administration procedures.
- 78 • Performed preventative maintenance on equipment.
- 79 • Updated the Airport Certification Manual (ACM).
- 80 • Painting and installing flooring in Bldg 129 (Maintenance) office.
- 81 • Routine touch up painting of walls in Bldg 101A (Terminal).
- 82 • Repaired three heater units on Bldg 101A (Terminal).
- 83 • Repaired American Eagle airside overhead doors.
- 84 • Repaired outside lights on Bldg 116A&B (Trego/Dugan Aviation).
- 85 • Working on repairs needed for door on Bldg 113 (Trego/Dugan Aviation).

- 86 • Repaired roofs on Bldg 101A (Terminal), Bldg 850 (CMG Enterprise), and Bldg 847 (GroRite).
- 87 • Replaced caster wheels on AIR 9 (1999 Kodiak Broom Truck).
- 88 • Provided snow removal on ramps, taxiways and runways.
- 89 • Provided construction support as needed.
- 90 • Numerous other daily projects and repairs completed and scheduled.

91
92 Construction & Planning Report. Mead & Hunt representative Matt Dubbe gave an update on the passenger
93 terminal progress. The weather has been good and 95% of the concrete has been poured.
94 All of the steel bearing points have been set and 40% of steel package has been received. All the masonry
95 blocks were delivered yesterday so once steel work is completed, the masonry work will begin.

96
97 Paul Strege has been working with Federal Aviation Administration (FAA) on Change Order No. 1 for AIP
98 No. 3-31-0034-37/38 Passenger Terminal Project in the amount of \$152,299.00. \$58,497.00 is for the
99 temporary Federal Aviation Administration (FAA) and National Weather Service (NWS) cable and
100 equipment relocation, and \$93,802.00 is for the 28 day construction schedule extension & cold weather
101 conditions. The FAA will issue a determination of eligibility on percentage they will pay. This Change Order
102 will be presented at the March meeting for consideration and approval. Mead & Hunt is also working with
103 FAA on a schedule for the permanent fix for the FAA & NWS cables.

104
105 A pre-bid meeting for the Phase II Parking Lot will be held today in the Authority conference room. Bids
106 will be opened on February 25th at 1:30 p.m. Construction is slated to begin in August and completed by
107 October.

108
109 Grand Island Hall County Convention & Visitor's Bureau Director Brad Mellema would like to partner with
110 the Authority to develop, install and manage a touch screen kiosk in the new passenger terminal. A touch
111 screen kiosk would provide an interactive interface for users to tap into to community information. The
112 Nebraska Tourism Commission developed a similar kiosk located at the Crane Trust Nature Center.

113
114 The Board would like more information as to customization of software and development costs, annual
115 fees, kiosk model, stats on number of hits area kiosks receive, and other sites that have committed. Mead
116 & Hunt will work with the Grand Island Hall County Convention & Visitor's Bureau staff to see if the software
117 can be integrated into the kiosks that have been purchased for the new terminal.

118
119 Mr. Mellema distributed copies of the *Grand Island Vibe* tourism magazine. The Central Nebraska Regional
120 Airport is featured in the Winter-Spring 2015 Issue. The magazine is published twice yearly and provides
121 basic information about the community and what it has to offer as well as stories about Islanders and events
122 in the community. To view go to www.visitgrandisland.com.

123
124 Project Financing. Paul Greiger from D.A. Davidson spoke on Bond Anticipation Notes, Series 2015,
125 General Obligation Refunding Bonds and a possible timeline on bond plans. Executive Director,
126 HR/Accounting Manager, and Mr. Greiger met with the Finance Committee last week and reviewed the
127 general parameters for bond anticipation notes and refinancing callable bonds.

128
129 The Bond Council will draft the parameters resolution for the notes to be broad enough to authorize \$8
130 million in notes, but could be refined before going to the market, plus parameter resolutions authorizing
131 refinancing some of the outstanding bonds for a potential of a \$300,000 to \$400,000 savings. A Tax Equity
132 and Fiscal Responsibility Act (TEFRA) notice will be published 14 days prior to the March meeting.

133
134 **CONSIDERATION AND APPROVAL OF RESOLUTION NO. 15-15: AGREEMENT WITH MIDWEST AIR**
135 **TRAFFIC CONTROL (ATC) SERVICE INCORPORATED.**

136
137 Executive Director Olson stated the reason for the short agreement term is because the Federal Aviation
138 Administration requested bids for the contract tower program and the results are not known at this time.
139 Once an agency is selected an agreement will be sent.

140

141 *Motion by Quandt, seconded by Setlik to authorize the Executive Director to execute Agreement with*
142 *Midwest Air Traffic Control (ATC) Service, Inc., to provide air traffic control services at the Central Nebraska*
143 *Regional Airport (CNRA). Term of Agreement shall be from February 1, 2015 through March 31, 2015. In*
144 *accordance with Central Nebraska Regional Airport's cost-sharing agreement with the Federal Aviation*
145 *Administration (FAA), payment to Midwest ATC Service, Inc., shall be \$6,381.00/month. Upon roll call,*
146 *motion was approved with a 5-0 vote.*
147

148 EXECUTIVE DIRECTOR'S REPORT: The Federal Aviation Administration (FAA) has proposed for the
149 2016 fiscal year to raise the federal cap on local Passenger Facility Charges from \$4.50 to \$8 and cut
150 Airport Improvement Program funding by \$450 million reducing funds from \$3.35 billion to \$2.9 billion. In
151 the Contract Tower Program the budget proposes to eliminate guaranteed funding for the Contract Tower
152 Program which includes \$144.5 million in dedicated funding for the Contract Tower Program and \$9.5
153 million for the cost-share program. In the Essential Air Service (EAS) the FY2016 budget includes
154 approximately \$283 million for EAS - \$175 million from the Airport and Airway Trust Fund and approximately
155 \$108 million from overflight fees. The FAA is proposing a new municipal bond known as a Qualified Public
156 Infrastructure Bond (QPIB). The new bond would extend the benefits of municipal bonds to public private
157 partnerships, like partnerships that involve long-term leasing and management contracts, lowering the cost
158 of borrowing and attracting new capital.
159

160 Mr. Olson is a member of the United States Contract Tower Association (USCTA) Board and attended the
161 Policy Strategic Planning meeting in Tucson, AZ on January 27-30, 2015. There are 252 towers in the FAA
162 Contract Tower program. Midwest Air Traffic Control Services operates 90 of those towers including the
163 one at the Grand Island airport. Mr. Olson has been pressing FAA to conduct a benefit cost analysis which
164 calculates the benefit-to-cost ratio for the tower cost-share programs. The last benefit cost analysis was
165 conducted in 2004 and the type of aircraft now being utilized by the airport would affect the amount the
166 airport pays to participate in the program.
167

168 ANNOUNCEMENTS:

- 169 a) Next Board Meeting March 11, 2015.
 - 170 b) Grand Island Chamber of Commerce Annual Meeting March 19th.
- 171

172 EXECUTIVE SESSION:

173 *Motion by Quandt, second by Setlik to go into Executive Session to discuss airline negotiations and lease*
174 *negotiations. Upon roll call, motion was approved with a vote of 5-0 and Board went into Executive Session*
175 *at 9:26 a.m.*
176

177 *Motion by Setlik, second by Quandt to come out of Executive Session with no decisions being made and*
178 *reconvene to Regular Session. Upon roll call, motion was approved with a vote of 5-0 and Board came out*
179 *of Executive Session and into Regular Session at 10:18 a.m.*
180

181 ADJOURNMENT:

182 *Motion by Cook, second by Caldwell to adjourn the meeting. Upon roll call, motion was approved with a*
183 *vote of 5-0 and meeting was adjourned at 10:20 a.m.*
184

185 HALL COUNTY AIRPORT AUTHORITY

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187
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189 _____
190 Debra Potratz | Administrative Assistant
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192
193 _____
194 Lynne Werner | Board Chair

195 _____
196 Ken Caldwell | Board Secretary/Treasurer

(SIGNATURES ON FILE)