



HALL COUNTY AIRPORT AUTHORITY | MINUTES  
Regular Meeting | March 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 March 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, and Joe Cook.

AIRPORT AUTHORITY BOARD MEMBER(S) ABSENT: Secretary/Treasurer Ken Caldwell 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 and Marcus Kuhn from Mead & Hunt, Paul Greiger from D.A. Davidson, Vince Dugan and Joseph Shrider from Trego/Dugan Aviation of Grand Island.

**PUBLIC HEARING AND PUBLIC MEETING ON ISSUANCE OF BOND ANTICIPATION NOTE FOR 2015-16 CONSTRUCTION PROJECTS.** At 8:03 a.m. Board Chair Werner opened the hearing pursuant proper legal notice, and to Section 147(f) of the Internal Revenue Code related to the proposed financing of certain airport improvements.

The hearing informed the public of the issuance by the Airport Authority of its Issuance of Bond Anticipation Note, to exceed \$8,000,000 for the following 2015-2016 Construction Projects: Airline Passenger Terminal – Construction Administration/Construction; General Aviation (GA) Terminal Building – Construction Administration/Construction; and Phase II – Terminal Parking Lot – Design, Construction Administration/Construction.

The public was invited to comment on the Bond Projects. With no public participation, the Hearing was closed at 8:05 a.m.

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

- **Minutes from the Regular Meeting held February 11, 2015.**
- **RESOLUTION 15-17: CLAIMS 3058-3064.**
- **RESOLUTION NO. 15-18: REIMBURSEMENT FOR EXPENDITURES RELATED TO AIRPORT PASSENGER TERMINAL – PHASE 2 CONSTRUCTION.**
- **RESOLUTION NO. 15-19: REIMBURSEMENT FOR EXPENDITURES RELATED TO AIRPORT PARKING LOT EXPANSION – PHASE 2.**

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

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FINANCIAL REPORTS | FEBRUARY 2015

Financial Reports by Human Resource/Accounting Manager Annette Schimmer:

- Operating Income and Operating Expenses.
  - Operating Income is at 51.18% | \$219,994.15 | YTD \$564,867.02
  - Operating Expenses is at 38.56% | \$146,173.79 | YTD \$575,575.57
  - Total Operating Income/Loss is at 2.75% | \$73,820.36 | YTD (\$10,708.55)
  - Total Net Income/Loss is at 30.31% | \$41,391.60 | YTD (\$844,589.93)
- Past Dues Report: (Aging over 30 days) \$4,253.71 as of today.
- Fuel Flowage Report: Trego/Dugan Aviation of Grand Island
  - Jet A & 100LL     ▪ 103,905.00 gallons delivered | YTD 577,016.00
  - Fuel Flowage       ▪ \$5,714.78 fuel flowage received | YTD \$31,735.88
  - Diesel             ▪ 722.00 gallons delivered | YTD 2,320.00
  - Unleaded           ▪ 500.00 gallons delivered | YTD 1,500.00
  - Fuel Flowage       ▪ \$67.21 fuel flowage received | YTD \$210.10

ACTIVITY REPORTS | FEBRUARY 2015

Air Traffic Activity Report: Executive Director Mike Olson reported five American Airline flights were cancelled due to weather in Dallas, TX.

Central Nebraska Regional Airport

Itinerant Operations	Feb 2014	Feb 2015	% Change
Air Carrier	40	38	(5)
Air Taxi	280	211	(25)
Civil Aviation	455	400	(12)
Military	114	92	(19)
Total OPS	889	741	(17)
Local Operations			
Civil	220	287	30
Military	54	28	(48)
Total LCL	274	315	15
TOTAL TRF	1163	1056	(9)

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Enplanement Report: Executive Director Mike Olson reported we have exceeded 10,000 boardings and Airport is eligible to receive \$1 million dollars of entitlement funds.

	2015	2015	2014	
	Feb	Load Factor %	Feb	+/- %
Allegiant	2,620	94%	2,646	-1%
American	1,946	81%	1,896	3%
Charters	164	-	264	-38%
Mo. Emp	4,730	-	4,806	-2%
<b>Yr to Date</b>	<b>10,125</b>	<b>-</b>	<b>9,817</b>	<b>3%</b>

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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, provided ARFF for American Airline daily flights, extra Allegiant flights and one charter.
- Conducted monthly ARFF drills and weekly training held on Part 139 Training, Safety, and Transportation Security Administration procedures.
- Performed preventative maintenance on equipment.
- Installed the first set of No Trespassing – Government Property signs on fence around airport perimeter.

- 87 • Received approved updates back from FAA on the Airport Security Program (ASP) Manual.
- 88 • Updated the Airport Certification Manual (ACM).
- 89 • Painting and installing flooring in Bldg 129 (Maintenance) office.
- 90 • Routine touch up painting on walls in Bldg 101A (Terminal).
- 91 • Provided snow removal on ramps, taxiways and runways and no flights were delayed.
- 92 • Planning a “Shooter in the Terminal” drill to be held in July. Currently writing procedures for Airport,
- 93 Airlines and Tower.
- 94 • Repaired light on Grand Island sign on secure side and flag light on non-secure side.
- 95 • Provided construction support as needed.
- 96 • Numerous other daily projects and repairs completed and scheduled.

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98 Construction & Planning Report. Mead & Hunt representative Paul Strege reported mason work has begun  
99 on the passenger terminal and once that is completed steel work will resume. The underground work for  
100 slab, plumbing, and electrical has been completed. Construction on the General Aviation Terminal will begin  
101 March 16<sup>th</sup>. Marcus Kuhn reported one bid was received for the Parking Lot Phase II project and  
102 construction will begin in August and completed by November. A designated entrance/exit route will be  
103 maintained for the passengers during construction.

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105 **CONSIDERATION AND APPROVAL OF RESOLUTION NO. 15-20: ISSUANCE OF BOND**  
106 **ANTICIPATIONS NOTES FOR 2015-2016 CONSTRUCTION PROJECTS.**

107  
108 Paul Greiger from D.A. Davidson reviewed the General Obligation Bond Anticipation Notes Sources and  
109 Uses of Funds as is designates BANs issuances. For bonds we are anticipating \$5.5 million for Alternate  
110 Minimum Tax (AMT) bonds at a 1.25% interest rate, and approximately \$2.5 million for Tax Exempt bonds  
111 at an interest rate of .6%. Annette Schimmer stated the plan is to issue BANs now and once we get closer  
112 to the end of the projects we will issue bonds.

113  
114 *Motion by Quandt, seconded by Cook authorizing issuance of one or more Series of Bond Anticipation*  
115 *Notes (BANs), not to exceed \$8,000,000 for the following 2015-2016 Construction Projects: Airline*  
116 *Passenger Terminal – Construction Administration/Construction; General Aviation (GA) Terminal Building*  
117 *– Construction Administration/Construction; Phase II – Terminal Parking Lot – Design, Construction*  
118 *Administration/Construction. Upon roll call, motion was approved with a 3-0 vote.*

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120 **CONSIDERATION AND APPROVAL OF RESOLUTION NO. 15-21: CALLING REFUNDED BONDS.**

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122 Mr. Greiger explained this would be a refund on all five issues that are separated into three different tax  
123 purposes – Tax Exempt, AMT, and Taxable. The 2010 bond is not callable until August 2015 and the  
124 anticipated savings on all bonds is about \$300,000. A market update will be presented at the April meeting.

125  
126 *Motion by Cook, seconded by Quandt to call for redemption of the Series 2003B, 2003C, 2007A, 2007C,*  
127 *and 2010 Bonds in connection with a refunding, and authorizing the Board Chair or Secretary to determine*  
128 *call date for such refunded bonds. Upon roll call, motion was approved with a 3-0 vote.*

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130 **CONSIDERATION AND APPROVAL OF RESOLUTION NO. 15-22: ISSUANCE OF REFUNDING**  
131 **BONDS.**

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133 *Motion by Quandt, seconded by Cook to authorize issuance of one or more Series of Refunding Bonds to*  
134 *refund all or a portion of the Series 2003B, 2003C, 2007A, 2007C or 2010 Bonds as follows:*  
135 *Approves/authorizes execution of related bond documents; Approves pricing parameters; Chair or*  
136 *Secretary is authorized to determine final terms; Approves bond terms and related covenants. Upon roll*  
137 *call, motion was approved with a 3-0 vote.*

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139 **CONSIDERATION AND APPROVAL OF RESOLUTION NO. 15-23: ADOPTION OF BOND**  
140 **COMPLIANCE.**

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142 *Motion by Cook, seconded by Quandt WHEREAS, the Hall County Airport Authority (the "Authority") is*  
143 *dedicated to compliance with its disclosure obligations under federal securities laws and its contractual*  
144 *obligations to provide continuing disclosure information; and WHEREAS, the Authority hereby finds and*  
145 *determines that a formal policy adopted by the Board of the Authority will promote compliance with such*  
146 *obligations; NOW, THEREFORE, BE IT RESOLVED, that the Disclosure Compliance Procedure in the form*  
147 *attached hereto as Exhibit A is hereby adopted, approved, and confirmed in all respects; and*  
148 *BE IT FURTHER RESOLVED, that this resolution shall be in force and take effect from and after its adoption*  
149 *as provided by law and that any resolutions of the Authority that conflict with the matters addressed herein*  
150 *are hereby repealed as and to the extent of such conflict; and BE IT FURTHER RESOLVED, that in the*  
151 *event the Secretary of the Authority is absent or unavailable, the Vice Chairperson of the Authority is hereby*  
152 *authorized to act as Secretary of the Authority for purposes of this Resolution. Upon roll call, motion was*  
153 *approved with a 3-0 vote.*

155 **CONSIDERATION AND APPROVAL OF RESOLUTION NO. 15-11: CHANGE ORDER NO. 1 FOR AIP**  
156 **NO. 3-31-0034-37/38 PASSENGER TERMINAL PROJECT FROM MEAD & HUNT, INC., FOR**  
157 **HAUSMANN CONSTRUCTION.**

159 Mr. Strege reported Steve Whitten from the Federal Aviation Administration stated these funds are  
160 eligible and gave verbal approval to execute the change order.

162 *Motion by Quandt, seconded by Cook to authorize the Executive Director to execute Change Order No. 01*  
163 *(dated February 5, 2015) for AIP No. 3-31-0034-37/38 Passenger Terminal Project from Mead & Hunt, Inc.,*  
164 *for Contractor Hausmann Construction in the amount of \$152,299.00. Description No. 1 is for Temporary*  
165 *Federal Aviation Administration (FAA) and National Weather Service (NWS) Cable and Equipment*  
166 *Relocation in the amount of \$58,497.00. Description No. 2 is for the 28 Day Construction Schedule*  
167 *Extension & Cold Weather Conditions in the amount of \$93,802.00. The Original Contract sum will be*  
168 *increased from \$13,956,000.00 to \$14,108,299.00. Upon roll call, motion was approved with a 3-0 vote.*

170 **CONSIDERATION AND APPROVAL OF RESOLUTION NO. 15-24: BID AWARD FOR PARKING LOT**  
171 **PHASE II TO DIAMOND ENGINEERING COMPANY.**

173 *Motion by Cook, seconded by Quandt to authorize the Executive Director to accept the Bid from Diamond*  
174 *Engineering Company from Grand Island, NE in the amount of \$1,746,265.95 for the Parking Lot Expansion*  
175 *Phase II Project. Legal bid notifications were published in the Grand Island Independent on January 29,*  
176 *2015 and February 4, 2015. On February 25, 2015, one (1) Bid was received. Mead & Hunt analyzed*  
177 *document received and bidder was considered responsive and recommends awarding the Parking Lot*  
178 *Expansion Phase II Project to Diamond Engineering Company in the amount of \$1,746,265.95. Description*  
179 *of work includes excavation and grading, pavement removal, concrete curb, sidewalk and pavement, culvert*  
180 *and storm sewer, landscaping, and electrical. Upon roll call, motion was approved with a 3-0 vote.*

182 **CONSIDERATION AND APPROVAL OF RESOLUTION NO. 15-25: ESSENTIAL AIR SERVICE (EAS)**  
183 **BIDS.**

185 Mr. Olson stated this bid from American Airlines is \$566,000 less than the one received from them in 2013.  
186 Mr. Olson gave credit to Dennis DeVany from the U.S. Department of Transportation for awarding Grand  
187 Island the American Airline bid back in 2013 as it was not the lowest. Mr. Depue commended Mr. Olson  
188 for working very hard and diligently with DOT and Dennis DeVany to justify why Grand Island deserved the  
189 award with American Airlines.

191 Mr. Olson will go before the council on March 24<sup>th</sup> to get concurrence from the Mayor and City Council and  
192 send documents back to DOT on March 25<sup>th</sup>.

194 *Motion by Quandt, seconded by Cook for the Hall County Airport Authority to make the following*  
195 *recommendation to the Department of Transportation (DOT) for air service at the Central Nebraska*  
196 *Regional Airport under the EAS program: Air service with American Airlines to provide 13 nonstop round*  
197 *trips per week on a (44 or 50 seat) regional jet from the Central Nebraska Regional Airport in Grand Island,*

198 *NE (GRI) to Dallas/Fort Worth International Airport (DFW) in Dallas/Fort Worth, TX. The term is a two-year*  
199 *period from July 1, 2015 through June 30, 2017 with an annual Federal subsidy of \$1,270,707.00. The Hall*  
200 *County Airport Authority agrees to waive the right to hold American Airlines upon issuance of 120 days'*  
201 *notice to terminate service. Upon roll call, motion was approved with a 3-0 vote.*

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203 **CONSIDERATION AND APPROVAL OF RESOLUTION NO. 15-26: AGREEMENT WITH KRAMERS**  
204 **WRECKING SERVICES.**

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206 *Motion by Cook, seconded by Quandt authorizing the Executive Director to execute Memorandum*  
207 *Agreement with Kramer's Wrecker Service to provide towing service at the Central Nebraska Regional*  
208 *Airport in accordance with the Vehicle Parking and Towing Policy adopted by the Airport Authority Board*  
209 *on January 14, 2015. Kramer's fees for towing and storage of vehicles shall be as follows until such time*  
210 *as modified by agreement of the parties: \$50.00 to tow vehicle from the airport to Kramer's lot; \$10.00 to*  
211 *dolly a vehicle if needed; \$10.00 to transport vehicle owner from the airport to Kramer's lot; \$10.00 per day*  
212 *for storage charges. All towing and storage charges shall be paid by the vehicle owner without cost to*  
213 *Authority. Kramer's will provide No Parking/Tow signs with towing contact information listed for vehicle*  
214 *owner to call. Kramer's shall be responsible for all property damage and personal injuries caused by its*  
215 *towing of vehicles and related services herein and shall hold Authority, its Board, officers, and employees*  
216 *harmless from any and all claims or liability of any nature. This Agreement is effective immediately and will*  
217 *expire upon written notice from either party to the other. Upon roll call, motion was approved with a 3-0*  
218 *vote.*

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220 **EXECUTIVE DIRECTOR'S REPORT:**

221 Attended the Airport Planning, Design & Construction Symposium in Denver, CO on February 18-20, 2015.  
222 Conference provided great networking opportunities but more focused on projects from larger airports.

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224 The Airport lost another family member as Darlene Harders passed away on February 22<sup>nd</sup>. Darlene had  
225 been a hangar tenant for over 15 years.

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227 A Blood Drive will be held May 21, 2015 at the Nebraska Law Enforcement Training Center.

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229 The Collins Foundation Wings of Freedom Tour will be on display at the Central Nebraska Regional Airport  
230 in Grand Island on July 13, 14 & 15, 2015. Visitors will have the once-in-a-lifetime opportunity to tour the  
231 inside and outside of a B-17 Flying Fortress, a B-24 Liberator, and a P-51 Mustang. Flights will be offered  
232 aboard the B-17 and B-24. The Wings of Freedom Tour is a tribute to the flight crews who flew them, the  
233 ground crews who maintained them, the workers who built them, the soldiers, sailors and airmen they  
234 helped protect; and the citizens and families that share the freedom that they helped preserved.

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236 The Board deliberated about hosting a Fly-In, Car Show and Train model exhibit at the Airport in August of  
237 2015. With the Airport having three major projects going on (the passenger terminal, general aviation  
238 terminal and Phase II parking), it was decided to host this event the third Saturday in May 2016 to showcase  
239 the new passenger and general aviation terminals.

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241 Mr. Olson inquired if Board wanted to take an updated picture and consensus was to take a photo before  
242 the May 13<sup>th</sup> board meeting.

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244 **ANNOUNCEMENTS:**

- 245 a) Next Board Meeting April 8, 2015.

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247 **EXECUTIVE SESSION:**

248 *Motion by Quandt, second by Cook to go into Executive Session to discuss airline negotiations and lease*  
249 *negotiations. Upon roll call, motion was approved with a vote of 3-0 and Board went into Executive Session*  
250 *at 9:11 a.m.*

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252 *Motion by Cook, second by Quandt to come out of Executive Session with no decisions being made and*  
253 *reconvene to Regular Session. Upon roll call, motion was approved with a vote of 3-0 and Board came out*  
254 *of Executive Session and into Regular Session at 9:39 a.m.*

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256 ADJOURNMENT:

257 *Motion by Quandt, second by Cook to adjourn the meeting. Upon roll call, motion was approved with a vote*  
258 *of 3-0 and meeting was adjourned at 9:40 a.m.*

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260 HALL COUNTY AIRPORT AUTHORITY

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265 Debra Potratz | Administrative Assistant

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269 Lynne Werner | Board Chair

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Ken Caldwell | Board Secretary/Treasurer

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271 (SIGNATURES ON FILE)