



HALL COUNTY AIRPORT AUTHORITY | MINUTES
Regular Meeting | May 13, 2015

The Regular Meeting of the Hall County Airport Authority (HCAA) Board was held at the Airport Authority Administration Conference Room located at 3855 Sky Park Road, Grand Island, Nebraska 68801 on May 13, 2015. Pursuant to proper legal notice, Board Chair Werner called the meeting to order at 8:00 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 BOARD MEMBER(S) ABSENT: None.

AIRPORT AUTHORITY STAFF PRESENT: Executive Director Mike Olson, Operations Manager/Security Coordinator Doug Brown, and Administrative Assistant Debra Potratz.

LEGAL COUNSEL PRESENT: Airport Authority Attorney Ron Depue.

OTHERS PRESENT: Gary Frisch from Midwest Air Traffic Control Service, Robert Kapsner and Paul Strege from Mead & Hunt, Zach Thompson from Trego/Dugan Aviation of Grand Island, and Jim Roe from Budget Car Rental.

REVIEW AND APPROVAL OF ADMINISTRATIVE CONSENT AGENDA:

- Minutes from the Regular Meeting held April 8, 2015.
- RESOLUTION 15-32: CLAIMS 3071-3077.

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

FINANCIAL REPORTS | APRIL 2015

Financial Reports by Executive Director Mike Olson: The closing on the Bond refinancing is June 5th.

- Operating Income and Operating Expenses.
 - Operating Income is at 71.66% | \$89,276.98 | YTD \$790,883.10
 - Operating Expenses is at 52.40% | \$106,457.20 | YTD \$782,212.12
 - Total Operating Income/Loss is at (2.23%) | (\$17,180.22) | YTD \$8,670.89
 - Total Net Income/Loss is at (231.37%) | \$7,199,523.67 | YTD \$6,447,612.61
- Past Dues Report: (Aging over 30 days) \$828.76 as of today.
- Fuel Flowage Report: Trego/Dugan Aviation of Grand Island
 - Jet A & 100LL ▪ 116,729.00 gallons delivered | YTD 829,090.00
 - Fuel Flowage ▪ \$6,420.10 fuel flowage received | YTD \$45,599.95
 - Diesel ▪ 00.00 gallons delivered | YTD 3,104.00
 - Unleaded ▪ 511.70 gallons delivered | YTD 2,011.70
 - Fuel Flowage ▪ \$28.14 fuel flowage received | YTD \$281.36

ACTIVITY REPORTS | APRIL 2015

53 Air Traffic Activity Report: Midwest Air Traffic Control Tower Manager Gary Frisch. A Runway Safety Action
 54 Team (RSAT) meeting will be held June 10th from 9-11 a.m. in the Authority Administration conference
 55 room.

Central Nebraska Regional Airport

Itinerant Operations	Apr 2014	Apr 2015	% Change
Air Carrier	28	36	29
Air Taxi	233	235	1
Civil Aviation	588	699	19
Military	76	81	7
Total OPS	925	1051	14
Local Operations			
Civil	308	202	(34)
Military	40	50	25
Total LCL	348	252	(28)
TOTAL TRF	1273	1303	2

56
 57 Enplanement Report: Executive Director Mike Olson.

	2015	2015	2014	
	Apr	Load Factor %	Apr	+/- %
Allegiant	2,371	86%	2,353	1%
American	2,149	79%	1,797	20%
Charters	163		96	70%
Mo. Emp	4,683		4,246	10%
Yr to Date	20,864		19,926	5%

58
 59 Mr. Olson distributed a Central Region Airports report from Mead & Hunt for year ending December, 31,
 60 2014. This report represents airports in Nebraska, Iowa, Missouri and Kansas. Out of 35 airports, the
 61 Central Nebraska Regional Airport (GRI) ranked 9th for number of total number of enplanements in 2014,
 62 revenues increased 7%, average fare increased 16%, and the average yield increased 8%.

63
 64 Operations Report by Operations Manager/Security Coordinator Doug Brown:

- 65 • Provided Aircraft Rescue and Fire Fighting (ARFF)/Direct Ramp Observation (DRO) for Allegiant
 66 flights, provided ARFF for American Airline daily flights, extra Allegiant flights and one charter.
- 67 • Conducted monthly ARFF drills and weekly training held on Part 139 Training, Safety, and
 68 Transportation Security Administration procedures.
- 69 • Performed monthly preventative maintenance on equipment.
- 70 • Continuous mowing of airport property.
- 71 • Conducted a walk-through for the "Shooter in the Terminal" drill to be held Tuesday, July 21 from
 72 7-11 a.m.
- 73 • Removed remaining trees along ammunition bunker fence line.
- 74 • Developed a severe weather policy for airport operations.
- 75 • Conducted the Annual Airport Emergency table top on May 5th at the Nebraska Law Enforcement
 76 Training Center. Over 45 people from 20 different organizations were in attendance. Planning will
 77 begin for the Mass Casualty drill to be held next year.
- 78 • Installed new fence around ammunition bunkers and will begin installing the new fence around the
 79 Dirt Worx acre.
- 80 • Changed out 8 sign faces on runways and taxiways.
- 81 • Car show will be held May 20th inside Gate 4 west of fire station.
- 82 • Ageless Aviation will be at the General Aviation ramp at 9 a.m. on May 23rd to give rides on
 83 Stearman's to World War II and Korean War veterans. (Later changed to May 21st.)

- 84 • Annual fire extinguisher training will be held May 27th at 2:30 p.m. for Fixed Base Operator (FBO)
85 and Transportation Security Administration (TSA) staff.
- 86 • Maintenance staff is scheduled to attend the annual ARFF Burn training in Kearney on May 21st
87 and 22nd.
- 88 • Provided construction support as needed.
- 89 • Numerous other daily projects and repairs completed and scheduled.

90
91 Construction & Planning Report. Mead & Hunt representative Paul Strege stated there will be a change
92 order for the passenger terminal from Hausmann Construction in the amount of \$100,000 and will presented
93 at the June meeting for consideration. The change order is related to structural steel on the project. This
94 was brought to their attention during shop drawing review. Mead & Hunt doesn't necessarily agree with
95 Hausmann Construction with what they are requesting in the change order. Mead & Hunt will verify the
96 quantity and pricing of the steel in question. Mead & Hunt will present this change order to the Federal
97 Aviation Administration (FAA) about including this change order in the contract by stating the steel was
98 necessary for the completion of the project and for the structural integrity of building. Since Mead & Hunt
99 missed this they agreed to pay the premium difference of the steel cost. The change in design came about
100 later on in project towards the final design where Mead & Hunt took a different approach and minimized the
101 steel elements overall and did a complete redesign late in the game and thought they had it covered.
102 Having made revisions right before bidding, Mead & Hunt estimated the redesign generated a cost savings
103 of \$200,000 which would provide a better bid result. The contractor, Hausmann took the risk and ordered
104 and installed the necessary structural steel to avoid any project delay. We are 7 months into the passenger
105 terminal project and about 40% complete. Mr. Strege stated with his experience as they get farther into the
106 project and addressing the finer details you may see an increased number of change orders but costs
107 should be minimal.

108
109 Board Member Quandt asked what happens if FAA does not approve this \$100,000 change order and Mr.
110 Strege stated he has never come across a situation where FAA did not approve and this would be easily
111 quantifiable because it is eligible for reimbursement. The maximum budget for change orders is 15% or
112 \$2.8 million. This change order would take us up to just over 2%.

113
114 The Phase II Parking is part of the Passenger Terminal project and the cable relocation and asbestos
115 abatement in Radar building needs to be completed before project can begin. Start date for this project is
116 August 1st with a three month completion timeframe.

117
118 Robert Kapsner reported the metal frame and metal deck is completed on the General Aviation terminal.
119 The concrete slab has been poured and needs to cure for 7 days with steel framing and roofing to follow.
120 Chief will provide an updated schedule later today during their meeting.

121
122 **CONSIDERATION AND APPROVAL OF RESOLUTION NO. 15-33: EXTENSION OF LEASE**
123 **AGREEMENT WITH ROGUE MANUFACTURING, INCORPORATED FOR BUILDING 112 LOCATED AT**
124 **3841 SKY PARK ROAD.**

125
126 *Motion by Quandt, seconded by Caldwell authorizing the Executive Director to execute* Extension of Lease
127 Agreement with Rogue Manufacturing Incorporated, for Building 112, located at 3841 Sky Park Road,
128 Grand Island, Nebraska. Lease term is extended for five (5) years until July 31, 2020. Commencing August
129 1, 2015 through July 31, 2018, rent shall be \$3,347.50/month plus insurance. Commencing August 1, 2018
130 and for balance of extended lease term, rent shall be \$3,447.93/month plus insurance. *Upon roll call, motion*
131 *was approved with a 5-0 vote.*

132
133 **CONSIDERATION AND APPROVAL OF RESOLUTION NO. 15-34: COMPLETE SPORTS COVERAGE**
134 **CONTRACT FOR 2015-16 WITH GRAND ISLAND FAMILY RADIO.**

135
136 Board Member Quandt stated the marketing proposals are all basically the same as last year. The
137 Marketing Committee will look at renovating the marketing plan next year with doing more with the website
138 and saving some marketing dollars for the launch of the new passenger terminal and making sure they are
139 not overextending the budget.

140
141 *Motion by Cook, seconded by Setlik authorizing the Executive Director to accept the Complete Sports*
142 *Coverage Contract for 2015-16 with Grand Island Family Radio. Commercial time will be included on*
143 *Husker Sports Coverage – Football, Basketball, Volleyball, Baseball, and Sports Nightly; Pro Sports*
144 *Coverage – Chiefs Football and Danger Football; and Local Sports Coverage – High School Sports. The*
145 *Authority will receive an additional 200 free thirty-second commercials to be used at their discretion.*
146 *Contract term is June 2015 through May 2016. Fee is \$683.00/month for a total cost of \$8,196.00.*
147 *Upon roll call, motion was approved with a 5-0 vote.*
148

149 **CONSIDERATION AND APPROVAL OF RESOLUTION NO. 15-35: MARKETING CAMPAIGN**
150 **AGREEMENT WITH NRG MEDIA LLC.**

151
152 *Motion by Setlik, seconded by Quandt authorizing the Executive Director to accept the Marketing Campaign*
153 *Agreement with NRG Media, LLC. 107.7 The Island with play forty (40) thirty-second commercials monthly*
154 *from 6 am to 7 pm; a full-page ad placed in the 2015-16 Sports Guide; the Nebraska State Fair Daily*
155 *Updates; two (2) fifteen second commercials; and High School Sports. Fee for 107.7 The Island is*
156 *\$416/month for a cost of \$4,992/year. Y102 Nebraska’s Hot Country will play thirty (30) thirty-second*
157 *commercials monthly from 6 am to 7 pm; Nebraska State Fair Daily Live Updates; Husker Harvest Day*
158 *Daily Updates; two (2) fifteen second commercials; and High School Sports. Fee for Y102 Nebraska’s Hot*
159 *Country is \$416/month for a cost of \$4,992/year. Agreement term is June 2015 through May 2016. Total*
160 *cost of both markets is \$9,984.00. Upon roll call, motion was approved with a 5-0 vote.*
161

162 **CONSIDERATION AND APPROVAL OF RESOLUTION NO. 15-36: ABC-FOX BRAND BUILDER**
163 **AGREEMENT WITH KHGI-KWNB TV.**

164
165 *Motion by Quandt, seconded by Cook authorizing the Executive Director to accept the ABC-FOX Brand*
166 *Builder Agreement with KHGI-KWNB TV. Agreement includes: KHGI-NTV will run 30 commercials per*
167 *month and KFXL-FOX will run 25 commercials per month for a total of 55 guaranteed announcements per*
168 *month; Free production of two (2) television commercials; 10,000 page views a month for CNRA web tile*
169 *ad on www.nebraska.tv; Commercial can be viewed on NTV video player on Nebraska.tv NTVFMI; and*
170 *Quarterly 3-4 minute live appearance on NTV’s Good Life. Agreement term is July 2015 through August*
171 *(note contract states June) 2016. Fee is \$1,420/month for a total cost of \$17,040. Upon roll call, motion*
172 *was approved with a 5-0 vote.*
173

174 **CONSIDERATION AND APPROVAL OF RESOLUTION NO. 15-37: AGREEMENT WITH MIDWEST AIR**
175 **TRAFFIC CONTROL (ATC) SERVICE, INCORPORATED.**

176
177 *Motion by Setlik, seconded by Caldwell authorizing the Executive Director to execute Agreement with*
178 *Midwest Air Traffic Control (ATC) Service, Inc., to provide air traffic control services at the Central Nebraska*
179 *Regional Airport (CNRA). Term of Agreement shall be from April 1, 2015 through June 30, 2015. In*
180 *accordance with Central Nebraska Regional Airport’s cost-sharing agreement with the Federal Aviation*
181 *Administration (FAA), payment to Midwest ATC Service, Inc., shall be \$6,381.00/month. Upon roll call,*
182 *motion was approved with a 5-0 vote.*
183

184 **CONSIDERATION AND APPROVAL OF RESOLUTION NO. 15-38: GROUND LEASE AGREEMENT**
185 **WITH SCHIMMER CONSTRUCTION LLC DBA DIRT WORX.**

186
187 *Motion by Quandt, seconded by Cook authorizing the Executive Director to execute Ground Lease*
188 *Agreement with Schimmer Construction LLC DBA Dirt Worx for one (1) acre ± of land as outlined in Exhibit*
189 *A. Term of lease shall be month-to-month effective June 1, 2015 and rent is \$250/month. The Authority*
190 *will purchase and install fence posts and provide operator and electricity for electric gate at its expense.*
191 *The Tenant will purchase and install fencing materials for the construction of a barb wire fence and*
192 *electronic gate at its expense. Upon roll call, motion was approved with a 5-0 vote.*
193

194 EXECUTIVE DIRECTOR’S REPORT:

195 The committee selected to review the Request for Qualifications for Architectural/Engineering &
196 Construction Administration Services is Mike Olson, Doug Brown, Ken Caldwell, and community member
197 Keith Kurz. Four proposals were received and committee has reviewed proposals and scored consultants.
198 The top two will be scheduled for interviews first week of June and recommendation will be presented at
199 the June 17th Board meeting for consideration.

200
201 Mr. Olson attended Allegiant's Airport Conference in Las Vegas, NV on May 6-8th and met with Allegiant.
202 Allegiant reported they were pleased with the revenues as CNRA was in the top 5%, but would like to
203 improve on total expenses, as costs without the incentive is about 48 out of the 96 airports Allegiant serves.
204 A big part of why CNRA overall costs are higher is due to the higher fuel costs. But when you include the
205 incentive package, Allegiant is very happy overall.

206
207 Allegiant presented a heat map for every city they serve and this showed areas in Nebraska where GRI is
208 drawing the majority of traffic from. Map showed Omaha, Lincoln, Grand Island, Hastings, Kearney, O'Neill
209 and west of North Platte. And map showed GRI is drawing from farther distances with the Phoenix-Mesa
210 flight.

211
212 Grow Grand Island implementation meeting is May 28th 4-6 p.m. at Dinsdale's. The Airport is one of the 14
213 initiative sectors selected and Mr. Olson and Assistant to the City Manager, Nicki Stoltenberg are serving
214 on this committee to garner community feedback from business travelers on what CNRA can do better,
215 show rendering of passenger terminal, and to educate public about the Essential Air Service (EAS) program
216 and how it works.

217
218 Mr. Olson stated Board Member Quandt proposed the Airport incorporate a "Hamburger for Hero's" event
219 during the Wings of Freedom tour July 13-15, 2015. The event would take place July 14th around 4-7 p.m.
220 in Building 116B (Trego/Dugan Aviation) hangar. The hamburger feed would tie in with the tour and help
221 raise money for the Hall County Vietnam War Hero Flight.

222
223 ANNOUNCEMENTS:

- 224 a) Blood Drive May 21, 2015 at the Nebraska Law Enforcement Training Center.
- 225 b) Next Board Meeting June 17, 2015.

226
227 EXECUTIVE SESSION:

228 *Motion by Quandt, second by Setlik to go into Executive Session to discuss airline negotiations and lease*
229 *negotiations. Upon roll call, motion was approved with a vote of 5-0 and Board went into Executive Session*
230 *at 9:10 a.m.*

231
232 *Motion by Caldwell, second by Setlik to come out of Executive Session with no decisions being made and*
233 *reconvene to Regular Session. Upon roll call, motion was approved with a vote of 5-0 and Board came out*
234 *of Executive Session and into Regular Session 9:43 a.m.*

235
236 ADJOURNMENT:

237 *Motion by Cook, second by Quandt to adjourn the meeting. Upon roll call, motion was approved with a vote*
238 *of 5-0 and meeting was adjourned at 9:44 a.m.*

239
240 HALL COUNTY AIRPORT AUTHORITY

241
242
243 _____
244 Debra Potratz | Administrative Assistant

245
246
247 _____
248 Lynne Werner | Board Chair

249 _____
250 Ken Caldwell | Board Secretary/Treasurer

251 (SIGNATURES ON FILE)