



HALL COUNTY AIRPORT AUTHORITY | MINUTES
Regular Meeting | June 17, 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 June 17, 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, HR/Accounting Manager Annette Schimmer, 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, and Zach Thompson from Trego/Dugan Aviation of Grand Island.

REVIEW AND APPROVAL OF ADMINISTRATIVE CONSENT AGENDA:

- Minutes from the Regular Meeting held May 13, 2015.
- RESOLUTION 15-39: CLAIMS 3078-3084.

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

RECOGNITION OF SHARON VAN DYKE: Executive Director recognized retired Supervisory Transportation Security Officer (STSO) Sharon Van Dyke with a certificate for her outstanding service and dedication to the Transportation Security Administration for ensuring the safety of the traveling public at the Central Nebraska Regional Airport from 2001-2015.

FINANCIAL REPORTS | MAY 2015

Financial Reports by HR/Accounting Manager Annette Schimmer reported the 2003, 2007, 2010 Bonds were refinanced June 5th with a savings of \$330,000. The Board will pre-approve the 2015-16 Budget at the July 8th meeting and this budget will be presented to the Hall County Board of Supervisors on July 22nd at 1:15 p.m. Board members are welcome to attend.

- Operating Income and Operating Expenses.
 - Operating Income is at 80.61% | \$97,077.97 | YTD \$889,611.59
 - Operating Expenses is at 60.19% | \$116,283.62 | YTD \$898,495.74
 - Total Operating Income/Loss is at (2.28%) | (\$19,205.65) | YTD (\$8,884.15)
 - Total Net Income/Loss is at (234.76%) | \$92,725.95 | YTD \$6,541.989.08
- Past Dues Report: (Aging over 30 days) \$115.00 as of today.
- Fuel Flowage Report: Trego/Dugan Aviation of Grand Island
 - Jet A & 100LL ▪ 117,217 gallons delivered | YTD 946,307

55 Fuel Flowage ▪ \$6,446.94 fuel flowage received | YTD \$52,046.89
 56 Diesel ▪ 0.00 gallons delivered | YTD 3,104.00
 57 Unleaded ▪ 0.00 gallons delivered | YTD 2,011.70
 58 Fuel Flowage ▪ \$0.00 fuel flowage received | YTD \$281.36
 59

60 ACTIVITY REPORTS | MAY 2015

61 Air Traffic Activity Report: Midwest Air Traffic Control Tower Manager Gary Frisch held a Runway Safety
 62 Action Team (RSAT) meeting June 10th in the Authority Administration conference room with 12 in
 63 attendance.

Central Nebraska Regional Airport

Itinerant Operations	May 2014	May 2015	% Change
Air Carrier	36	38	6
Air Taxi	289	262	(9)
Civil Aviation	727	556	(24)
Military	154	141	(8)
Total OPS	1206	997	(17)
Local Operations			
Civil	426	286	(33)
Military	60	72	20
Total LCL	486	358	(26)
TOTAL TRF	1692	1355	(20)

64 Enplanement Report: Executive Director Mike Olson reported May was a record breaking month for monthly
 65 and American Airlines enplanements. Mr. Olson visited with American Airlines regarding overbooking
 66 flights and suggested launching a third flight or using a 66 seat regional jet to help alleviate the problem.
 67
 68

	2015	2015	2014	
	May	Load Factor %	May	+/- %
Allegiant	2681	93%	2,708	-1%
American	2,448	86%	2093	17%
Charters	86	-	0	100%
Mo. Emp	5,215	-	4,801	9%
Yr to Date	26,079	-	24,727	5%

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

- 70 • Provided Aircraft Rescue and Fire Fighting (ARFF)/Direct Ramp Observation (DRO) for Allegiant
 71 flights, provided ARFF for American Airline daily flights, extra Allegiant Phoenix flights and one
 72 charter.
 73
- 74 • Conducted monthly ARFF drills and weekly training held on Part 139 Training, Safety, and
 75 Transportation Security Administration procedures.
- 76 • Performed monthly preventative maintenance on equipment.
- 77 • Continuous mowing and spraying weeds on airport property.
- 78 • A "Shooter in the Terminal" drill will be held Tuesday, July 28 from 7:30 a.m. to 11 a.m. Board is
 79 welcome to attend and observe.
- 80 • Installed new fence around ammunition bunkers, Dirt Worx and golf course.
- 81 • Annual fire extinguisher training was held May 27th at 2:30 p.m. for Fixed Base Operator (FBO),
 82 Transportation Security Administration (TSA) and maintenance staff.
- 83 • Qualified Airport personnel attended the annual ARFF Burn training in Kearney on May 21st and
 84 22nd.
- 85 • Stucco repairs and followed by painting on Building 2 (Trego-Dugan Hangar).
- 86 • Fixing hold short lines on all taxiway runway intersections.

- 87 • Started painting runways and taxiways.
- 88 • A fire broke out in the air conditioning unit on top of terminal restaurant. Fire alarms sounded in
- 89 terminal and smoke filled restaurant area. ARFF personnel extinguished fire prior to the Grand
- 90 Island Fire Departments arrival.
- 91 • Provided construction support as needed.
- 92 • Numerous other daily projects and repairs completed and scheduled.

93
94 Construction & Planning Report. Mead & Hunt representative Paul Strege reported in the Board Packet is
95 Change Order No. 2 in the amount of \$102,566 for structural steel for the Passenger Terminal. Mead &
96 Hunt negotiated with Hausmann Construction on this amount and submitted request to the Federal Aviation
97 Administration (FAA). FAA ruled and issued a determination of eligibility for funding. The funds for Change
98 Order No. 2 will come from the Authority's 2016 Entitlement funds.

99
100 Board Member Quandt questioned why this wasn't included in the original bid. Strege responded that at
101 the 90% design level they took a different look at the structural overall. They didn't started over, but
102 identified areas to reduce a number of interior columns to the structure. By doing this late in the game, they
103 essentially set themselves up for missing some of the details. They reduced the overall steel by right around
104 \$300,000.00 (Note: May 13, 2015 meeting this figure was \$200,000.00) from their 90% estimate. The
105 mistake was discovered in the shop drawing phase in February and is just now being presented as a change
106 order. Change Order No. 2 was not brought up before because Mead & Hunt didn't know the extent or
107 ultimate cost of the changes until recently.

108
109 Airport Attorney Ron Depue asked if this change order was caused by Mead & Hunts mistake and Strege
110 answered "yes". Depue also asked if Mead & Hunt would be contributing any funds towards the resolution
111 of this matter, and Strege answered "no". Mead & Hunt will not receive any compensation from this change
112 order. Depue asked Mead & Hunt if they were aware of any future change orders with either terminal
113 project. Kapsner responded there will be a change order for \$3,100 for the General Aviation Terminal to
114 revise the valley vestibules in order to access the cabinet unit heater. There will also be a credit of \$2,100-
115 \$2,200 for paper towel and toilet paper dispensers as local vendors will be providing these units.

116
117 Strege reported when Mead & Hunt receives change order requests they head them off and never report
118 to the Board, but could start reporting potential change orders on an individual basis or bundle in package
119 request. Depue commented it's up to the Board how they want to be notified of change order requests, but
120 noted this steel has been an issue for 90-120 days and at some point the Board should have been made
121 aware of the structural steel issue and associated costs. Quandt stated it's not about the number of change
122 orders, but rather being informed on the dollar amount as the Board has to be very consciences of what is
123 being spent and how it will affect us financially, and Setlik was concerned how it may affect future projects.

124
125 Strege reported Mead & Hunt will be submitting an amendment to their construction administration services
126 due to additional administration costs due to the temporary and permanent FAA cable relocation design
127 costs and for the 28 day construction extension requested by Hausmann Construction.

128
129 Board Member Setlik questioned if there was going to be any water leaks or snow and ice buildup issues
130 with the saw tooth roof/windows. Kapsner stated he was on the roof yesterday reviewing those details and
131 looking at the roof layout and slop to make sure water is pulled away from the building but nothing can be
132 done about the snow and ice buildup. Board Member Brian Quandt commented Setlik is voicing a concern
133 he had when he first reviewed the plans. Quandt stated he'd be very upset if within the first two or three
134 years if roof leaked as this would be unacceptable.

135
136 Kapsner reported on General Aviation Terminal. The interior metal studs are nearly complete, bulk heads
137 are in place, top rock is being added, and the electrical and plumbing is being roughed in. Roof is water
138 tight, stainless steel metal will be coming and windows will be framed within the next two weeks. Strege
139 will be working on tie down markings and electricity for FBO signage. Less than a year ago during the
140 concrete project, Diamond Engineering installed a service water line to the General Aviation Terminal.
141 Chief Construction went to hook up and didn't have any pressure so there is a leak somewhere along the

142 line. Mead & Hunt will contact Diamond Engineering and request they install a new service line because it
143 falls within the one-year warranty of the project. Progress details will be presented at the July meeting.

144
145 Progress on the Passenger Terminal has been delayed due to rain, lightning and a muddy interior. The flat
146 roof is 85% complete, metal stud framing is going up on the saw tooth wall, exterior wall framing is nearly
147 complete and air barrier is going up. Masonry will install bricks once received. Window framing has been
148 measured and windows will be installed within the next 2-3 weeks. The terminal should be enclosed within
149 1-2 months. Progress details will be reported at the July meeting.

150
151 **CONSIDERATION AND APPROVAL OF RESOLUTION NO. 15-40: AWARD FOOD SERVICE**
152 **CONTRACT TO ALOHA INVESTMENTS, LLC, DBA AFTERNOONER'S TO PROVIDE FOOD SERVICE**
153 **IN THE NEW PASSENGER TERMINAL.**

154
155 Attorney Depue noted he will be out of the office June 28 to July 5 and requested negotiation information
156 be submitted prior to those dates so agreement can be drafted prior to the July 8th meeting.

157
158 *Motion by Cook, seconded by Setlik accepting recommendation from Board Terminal/Restaurant*
159 *Committee to award the Food Service Contract to Aloha Investments, LLC, DBA Afternooners to provide*
160 *food service in the new passenger terminal subject to execution of new agreement. The legal notice for*
161 *the Request for Proposal for Food Service Provider was published in the Grand Island Independent May*
162 *15 and 22, 2015. Proposals were due on June 5, 2015 at 10:00 a.m. and were publically opened and read.*
163 *One Request for Proposal for a Food Service Provider was received by Aloha Investments, LLC, DBA*
164 *Afternooners. Agreement will be presented at the July 8th meeting for Board for consideration and approval.*
165 *Upon roll call, motion was approved with a 5-0 vote.*

166
167 **CONSIDERATION AND APPROVAL OF RESOLUTION NO. 15-41: AUTHORIZATION FOR**
168 **EXECUTIVE DIRECTOR TO ENTER INTO NEGOTIATIONS FOR PROFESSIONAL SERVICE**
169 **AGREEMENT FOR ARCHITECTURAL/ENGINEERING DESIGN AND CONSTRUCTION**
170 **ADMINISTRATION SERVICES.**

171
172 Executive Director Olson reported the decision for selection was based on qualifications. The firm will be
173 used for local, non-federally funded projects for example the administration building, car wash/service
174 building, snow removal building, phase three parking, covered parking garage, etc. Four businesses
175 submitted proposals and committee members reviewed proposals and ranked firms. The top two firms were
176 brought in for interviews.

177
178 Board Member Caldwell was part of the selection committee and was very pleased with the overall
179 response and the interviews presented by the top two firms. It was a tough decision but he is comfortable
180 with the choice the committee made.

181
182 *Motion by Quandt, seconded by Setlik, accepting recommendation from selection committee to authorize*
183 *the Executive Director to enter into negotiations for a professional service agreement with Cannon Moss*
184 *Brygger Architects from Grand Island, NE for Architectural/Engineering Design and Construction*
185 *Administration Services. If no amicable financial arrangements can be made, permission to negotiate with*
186 *Davis Design from Lincoln, NE. The legal notice for the Request for Qualifications was published in the*
187 *Grand Island Independent on March 28, 2015 and April 4, 2015, and was posted on the American Institute*
188 *of Architects / Nebraska website. Proposals were due on April 30, 2015 at 1:30 p.m. and were publicly*
189 *opened and read. Four (4) Request for Qualifications for an Architectural/Engineering Firm for Design and*
190 *Construction Administration Services were received: Davis Design from Lincoln, NE, Peters & Associates*
191 *Architects PC from Omaha, NE, Wilkins Hinrichs Stober Architects LLC from Kearney, and Cannon Moss*
192 *Brygger Architects from Grand Island, NE. Selection Committee and Executive Director reviewed proposals*
193 *and interviewed the two top ranking firms on June 4, 2015. Agreement will be presented at the July 8th*
194 *meeting for Board for consideration and approval. Upon roll call, motion was approved with a 5-0 vote.*

195
196 **CONSIDERATION AND APPROVAL OF RESOLUTION NO. 15-42: HANGAR LEASE AGREEMENT**
197 **WITH DOUGLAS OELTJEN FOR BUILDING 86-F T-HANGAR F.**

198
199 *Motion by Caldwell, seconded by Cook authorizing the Executive Director to execute hangar lease*
200 *agreement with Douglas Oeltjen for Building 86 F, T-Hangar F located at the Central Nebraska Regional*
201 *Airport. Term commences June 1, 2015 and is on a month-to-month basis. Rent is \$106/month plus*
202 *\$10/month for utilities. Upon roll call, motion was approved with a 5-0 vote.*
203

204 **CONSIDERATION AND APPROVAL OF RESOLUTION NO. 15-43: LEASE EXTENSION AGREEMENT**
205 **WITH CMG ENTERPRISES LLC, FOR BUNKERS 306 & 308 LOCATED AT 2563 AMMUNITION WAY.**
206

207 *Motion by Quandt, seconded by Caldwell authorizing the Executive Director to execute Lease Extension*
208 *Agreement with CMG Enterprises LLC, for Bunkers 306 & 308, located at 2563 Ammunition Way, Grand*
209 *Island, Nebraska. Lease extension is for one (1) year commencing July 1, 2015 and terminating June 30,*
210 *2016. Rent is \$100/month. Upon roll call, motion was approved with a 5-0 vote.*
211

212 **CONSIDERATION AND APPROVAL OF RESOLUTION NO. 15-44: LEASE EXTENSION AGREEMENT**
213 **WITH SHIRLEY LAMB DBA J&S SALES FOR BUILDING 854 LOCATED AT 1850 CITATION WAY.**
214

215 *Motion by Quandt, seconded by Cook authorizing the Executive Director to Extension of Lease Agreement*
216 *with Shirley Lamb DBA J&S Sales, for Building 854, located at 1850 Citation Way, Grand Island, Nebraska.*
217 *Lease extension is for one (1) year commencing July 1, 2015 and terminating June 30, 2016. Rent is*
218 *\$393.38/month, plus \$44.14/month for insurance. Upon roll call, motion was approved with a 5-0 vote.*
219

220 **CONSIDERATION AND APPROVAL OF RESOLUTION NO. 15-45: HANGAR LEASE AGREEMENT**
221 **WITH RICHARD SCHNASE / GS AVIATION LLC FOR BUILDING 86 G T-HANGAR G.**
222

223 *Motion by Setlik seconded by Quandt authorizing the Executive Director to execute hangar lease*
224 *agreement with Richard Schnase / GS Aviation LLC for Building 86 G, T-Hangar G located at the Central*
225 *Nebraska Regional Airport. Term commences July 1, 2015 and is on a month-to-month basis. Rent is*
226 *\$106/month plus \$10/month for utilities. Upon roll call, motion was approved with a 5-0 vote.*
227

228 **CONSIDERATION AND APPROVAL OF RESOLUTION NO. 15-46: DISADVANTAGED BUSINESS**
229 **ENTERPRISE (DBE) PROGRAM.**
230

231 Executive Director Olson reported this is an FAA requirement since the Authority receives over \$250,000
232 in grant money.
233

234 *Motion by Cook, seconded by Caldwell authorizing the Executive Director to adopt the Disadvantaged*
235 *Business Enterprise (DBE) Program Dated May 2015 and Policy Statement. Upon roll call, motion was*
236 *approved with a 5-0 vote.*
237

238 **CONSIDERATION AND APPROVAL OF RESOLUTION NO. 15-47: CHANGE ORDER NO. 02 FOR AIP**
239 **NO. 3-31-0034-37/38 PASSENGER TERMINAL PROJECT FROM MEAD & HUNT FOR HAUSMANN**
240 **CONSTRUCTION.**
241

242 Executive Director Olson received an Email from the Federal Aviation Administration approving the eligibility
243 on Change Order No. 2.
244

245 Airport Attorney Depue stated legally there is no evidence the change order resulted in any additional costs
246 to the Authority now as opposed if it had been included in the bid specs. Depue reluctantly recommend
247 approval.
248

249 *Motion by Caldwell, seconded by Quandt authorizing the Executive Director to execute Change Order No.*
250 *02 (dated June 8, 2015) for AIP No. 3-31-0034-37/38 Passenger Terminal Project from Mead & Hunt, Inc.,*
251 *for Contractor Hausmann Construction in the amount of \$102,556.00. The Original Contract sum was*
252 *\$13,956,000.00, Change Order No. 01 increased contract sum in the amount of \$152,299.00 to*

253 \$14,108,299.00. Change Order No. 02 will increase contract sum in the amount of \$102,566.00 to
254 \$14,210,855.00. Justification is outlined in Change Order No. 2 and briefly described below:
255 Item 1: Request for Cost Proposal (RFCP 01) – Clarifications and additions to scope of work for structural
256 steel and glue laminated construction in the amount of \$41,342.00. Reason: Review and coordination of
257 contractor shop drawings for structural steel and glue laminated timber revealed that additional clarification
258 and detailing was needed to express the design intent. To help offset the cost of additional scope of work,
259 value engineering was employed to reduce overall steel weight and cost.
260 Item 2: Request for Cost Proposal (RFCP 04) - Clarifications and additions to scope of work for structural
261 steel framing in the amount of \$49,214.00. Reason: Review of contractor shop drawings and ready for
262 issues (RFI's) revealed that additional clarifications and detailing of structural steel lateral bracing was
263 required.
264 Item 3: Cold Formed Steel (CFS) Framing – Clarifications and additions to scope of work for cold formed
265 steel stud framing in the amount of \$12,000.00. Reason: Review of contractor shop drawings and ready
266 for issues (RFI's) revealed that additional clarification for wind bracing and support of strip windows was
267 necessary. Upon roll call, motion was approved with a 5-0 vote.

268
269 **CONSIDERATION AND APPROVAL OF RESOLUTION NO. 15-48: TASK ORDER NO. 10 TO**
270 **PROFESSIONAL SERVICES AGREEMENT WITH MEAD & HUNT, INCORPORATED FOR AIRPORT**
271 **PARKING LOT EXPANSION – PHASE 2.**

272
273 The Board requested a preliminary drawing of project to be presented at July meeting. The total cost of
274 project is approximately \$1.8 million.

275
276 Board Member Setlik questioned Mead & Hunt's overhead fee of 185% of the labor cost. Strege stated
277 that this figure is audited by the Department of Labor and Executive Director Olson stated this percentage
278 is average compared to other firms.

279
280 *Motion by Cook, seconded by Quandt authorizing the Executive Director to execute the Task Order No. 10*
281 *to Professional Services Agreement with Mead & Hunt, Inc., (effective June 12, 2015) for Construction*
282 *Administration Services for the Airport Parking Lot Expansion – Phase 2. Project consists of the*
283 *construction of the airline passenger terminal parking lot and vehicle loop road east of Sky Park Road. This*
284 *project represents the final phase of an overall redevelopment that expands airport terminal parking and*
285 *establishes a new loop road. The full scope of services to be provided is outlined in Exhibit A. The services*
286 *shall be provided for the lump sum of \$258,710.00 as outlined in Exhibit B. Upon roll call, motion was*
287 *approved with a 5-0 vote.*

288
289 **EXECUTIVE DIRECTOR'S REPORT:**

290 A blood drive was held May 21st at the Nebraska Law Enforcement Training Center and exceeded goal of
291 22 with collecting 25 pints.

292
293 Executive Director Olson and Assistant to the City Manager, Nicki Stoltenberg gave a presentation at the
294 Grow Grand Island implementation meeting at Dinsdale Chevrolet on May 28th with approximately 20 in
295 attendance. The minutes and survey results will be emailed to committee members and Authority Board
296 next week. Board members, Cook, Caldwell, Quandt and Werner were in attendance.

297
298 Olson attended the 87th Annual AAAE Conference & Exposition in Philadelphia, PA June 5-10, 2015. The
299 AAAE is urging Congress to eliminate the federal cap on local Passenger Facility Charges (PFCs). PFCs
300 are local user fees charged to passengers using airport facilities to finance a variety of infrastructure
301 projects including new runways, taxiways, and terminals. PFCs are imposed by state and local
302 governments, not the federal government, and are collected by the airlines. Even though this is just a pass
303 through fee for airlines, the airlines are promoting against the increase of PFCs stating it will just increase
304 the cost of airfares. Currently of the \$4.50 collected, the airport receives \$4.39. While there he attended a
305 workshop on Rates and Charges which are cost centers to determine fair and reasonable rates and fees
306 for rentals, landing fees, and other service charges imposed on aeronautical users. At some point in the
307 future the Authority will need to develop a Rates and Charges Policy.

308

309 Coast Guard Vice Administration Peter Neffenger was appointed by Senate as the new TSA Administrator.
310
311 Executive Director is scheduled to attend the AAAE USCTA Tower Program Workshop in Washington, DC
312 June 22-24, 2015 and scheduled to meet with congressional delegates. A full report will be presented at
313 the July meeting.

314
315 House Transportation and Infrastructure Committee Chairman Bill Shuster (R-Pa.), is pushing to privatize
316 air traffic control. For years, the FAA has been faced with unstable, unpredictable funding where
317 interruptions in the funding stream have negatively affected all aspects of the FAA.
318

319 The Very High Frequency (VHF) Omnidirectional Range navigation system (VOR) is good to go through
320 2025.

321
322 ANNOUNCEMENTS:

- 323 a) Next Board Meeting July 8, 2015.
324 b) Wings of Freedom Tour at CNRA July 13-15, 2015 with hamburger feed for Hall County
325 Vietnam War Hero Flight July 14th from 4-7 p.m. Board Member Quandt will meet with hero
326 committee to work out details.
327

328 EXECUTIVE SESSION:

329 *Motion by Quandt, second by Setlik to go into Executive Session to discuss airline negotiations, lease*
330 *negotiations and personnel negotiations. Upon roll call, motion was approved with a vote of 5-0 and Board*
331 *went into Executive Session at 10:00 a.m.*

332
333 *Motion by Cook, second by Caldwell to come out of Executive Session with no decisions being made and*
334 *reconvene to Regular Session. Upon roll call, motion was approved with a vote of 5-0 and Board came out*
335 *of Executive Session and into Regular Session 10:30 a.m.*

336
337 ADJOURNMENT:

338 *Motion by Quandt, second by Setlik to adjourn the meeting. Upon roll call, motion was approved with a vote*
339 *of 5-0 and meeting was adjourned at 10:31 a.m.*

340
341 HALL COUNTY AIRPORT AUTHORITY

342
343
344
345 _____
Debra Potratz | Administrative Assistant

346
347
348
349 _____
Lynne Werner | Board Chair

Ken Caldwell | Board Secretary/Treasurer

350
351
352 (SIGNATURES ON FILE)