



HALL COUNTY AIRPORT AUTHORITY | MINUTES  
Regular Meeting | August 12, 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 August 12, 2015. Pursuant to proper legal notice, Board Chair Werner called the meeting to order at 8:03 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.

*Motion by Quandt, second by Setlik to pull Item Number 14 – Resolution 15-63: Agreement with Cannon Moss Brygger Architects to Provide Basic Architectural Services for the Remodel of the Existing Building Space in Building 116B located at 3855 Sky Park Road for the Administrative Offices for the Hall County Airport Authority, from Agenda. Upon roll call, motion was approved with a 4-0 vote.*

PUBLIC REQUEST TO SPEAK ON AGENDA: None.

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

AIRPORT AUTHORITY BOARD MEMBER(S) ABSENT: Secretary/Treasurer Ken Caldwell.

AIRPORT AUTHORITY STAFF PRESENT: Executive Director Mike Olson, HR/Accounting Manager Annette Schimmer, Administrative Assistant Debra Potratz, and Maintenance Technician Wes Harris.

LEGAL COUNSEL PRESENT: Airport Authority Attorney Ron Depue.

OTHERS PRESENT: Matt Dubbe, Paul Strege and Brett Berry from Mead & Hunt, Zach Thompson and Kevin Romero from Trego/Dugan Aviation of Grand Island, Gary Frisch from Midwest Air Traffic Control Service, Paul Ross and Earl Blasdel from the Transportation Security Administration.

REVIEW AND APPROVAL OF ADMINISTRATIVE CONSENT AGENDA:

- Minutes from the Regular Meeting held July 8, 2015.
- RESOLUTION 15-57: CLAIMS 3092-3098.

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

FINANCIAL REPORTS | JULY 2015

Financial Reports by HR/Accounting Manager Annette Schimmer.

- Operating Income and Operating Expenses.
  - Operating Income is at 95.92% | \$86,077.67 | YTD \$1,058,598.22
  - Operating Expenses is at 75.16% | \$125,737.73 | YTD \$1,121,983.20
  - Total Operating Income/Loss is at 16.29% | (\$39,660.06) | YTD (\$63,384.98)
  - Total Net Income/Loss is at (219.35%) | (\$504,472.25) | YTD \$6,052,550.62
- Past Dues Report: (Aging over 30 days) \$241.00 as of today.
- Fuel Flowage Report: Trego/Dugan Aviation of Grand Island
  - Jet A & 100LL     ▪ 114,203 gallons delivered | YTD 1,168,101
  - Fuel Flowage     ▪ \$6,281.17 fuel flowage received | YTD \$64,245.56
  - Diesel            ▪ 897.00 gallons delivered | YTD 4,001.00
  - Unleaded         ▪ 517.20 gallons delivered | YTD 2,528.90

55 Fuel Flowage ▪ \$77.78 fuel flowage received | YTD \$359.14

56  
57 ACTIVITY REPORTS | JULY 2015

58 Air Traffic Activity Report: Midwest Air Traffic Control Tower report by Manager Gary Frisch. Frisch reported  
59 one controller is leaving but replacement will start at the end of the month.

Central Nebraska Regional Airport

Itinerant Operations	July 2014	July 2015	% Change
Air Carrier	42	50	19
Air Taxi	282	296	5
Civil Aviation	1101	1035	(6)
Military	79	30	(62)
<b>Total OPS</b>	<b>1504</b>	<b>1411</b>	<b>(6)</b>
Local Operations			
Civil	504	419	(17)
Military	16	28	75
<b>Total LCL</b>	<b>520</b>	<b>447</b>	<b>(14)</b>
<b>TOTAL TRF</b>	<b>2024</b>	<b>1858</b>	<b>(8)</b>

60  
61 Enplanement Report: Executive Director Mike Olson reported July was a record breaking month for  
62 enplanements. The Allegiant Orlando-Sanford flight begins November 7<sup>th</sup> as well does the American Airline  
63 second Saturday flight to Dallas/Fort Worth.

	2015	2015	2014	65
	July	Load Factor %	July	+/- %
Allegiant	3,359	94%	3,030	11%
American	2,047	71%	2,068	-1%
Charters	241		99	143%
Mo. Emp	5,647		5,197	9%
<b>Yr to Date</b>	<b>36,861</b>		<b>35,019</b>	<b>5%</b>

66  
67 Operations Report by Maintenance Technician Wes Harris:

- 68 • Provided Aircraft Rescue and Fire Fighting (ARFF)/Direct Ramp Observation (DRO) for Allegiant  
69 flights, provided ARFF for American Airline daily flights, extra Allegiant Phoenix flights and provided  
70 ARFF for charter flights.
- 71 • Conducted monthly ARFF drills and weekly training held on Part 139 Training, Safety, and  
72 Transportation Security Administration procedures.
- 73 • A "Shooter in the Terminal" security drill was held Tuesday, July 28<sup>th</sup> with approximately 70  
74 participants from federal, state and local agencies. The Central Nebraska Regional Airport was the  
75 first airport to hold this drill in Nebraska and will be conducted every three years per Transportation  
76 Security Administration requirement.
- 77 • Planning has begun on the Mass Causality drill scheduled for May 2016 as required by FAA Part  
78 139.
- 79 • Continuous mowing and spraying weeds on airport property.
- 80 • Performed preventative maintenance on equipment.
- 81 • Repaired hangar door on Building 86 (T-Hangar G – Rich Schnase).
- 82 • Performed quarterly FBO fuel tank inspection in preparation for the FAA Part 139 inspection August  
83 19-21, 2015.
- 84 • Car show will be held Wednesday, August 19<sup>th</sup> from 5-8 p.m.
- 85 • Stucco repairs followed by painting on Building 2A (Trego-Dugan Hangar).
- 86 • Constructing office in Building 2B (GI Clean Community Systems).
- 87 • Finished painting runways and taxiways.

- Provided construction support as needed.
- Numerous other daily projects and repairs completed and scheduled.

Earl Blasdel, Federal Air Marshall Service with TSA and Assistant Federal Security Director for Law Enforcement in the State of Nebraska, commended our airport for conducting the first full-scale exercise in the state. Blasdel stated you can't exercise this drill enough to find ways to mitigate a shooter and is looking forward to working with local law enforcement and SWAT team to provide active shooter training at our airport. Board Member Setlik appreciated everyone's efforts in putting this drill together and thanked those who participated.

Construction & Planning Report. Paul Strege reported that FAA signed off on plans for the cable relocation and Mead & Hunt is working with Hausmann Construction on change order pricing. The reason for the change order is FAA wasn't able to enter into a reimbursable agreement before the terminal passenger bid was released, but Mead & Hunt went ahead and added the cable relocation design and costs into bid document anticipating FAA approval. The cable relocation project is scheduled to start mid to late August and should take 2-3 weeks to complete. The cables have to be relocated before the parking lot expansion project phase II can begin which is slated for the first week in September. Mead & Hunt staff looked over the entire Terminal building and construction is going well but noted there is a delay with glass delivery. The Passenger terminal should be enclosed within 30 days. They also met and visited with the new supervisor for Hausmann Construction. Executive Director Olson wants a hard opening with the punch list completed before occupancy. Once the substantial completion date is defined, the one-year warranty on products begins.

TSA Federal Security Director of Nebraska Paul Ross addressed the Board with two issues of concern. The first concern is the Central Nebraska Regional Airport is the only airport in Nebraska (besides North Platte) that does not have Law Enforcement Officers (LEOs) on-site during flights. Ross stated the security landscape has changed since 9/11 and he strongly urged the Authority to obtain an LEO program for security purposes as it may be mandated in the near future. A federal program pays a stipend amount of \$20/hr which goes towards the cost to obtain LEOs but falls short of the actual costs. The Transportation Security Administration Officers are not law enforcement officers. Executive Director Olson stated he has made contact with the Grand Island City Mayor, Administrator and Police Chief to discuss options. The County Sherriff's office will be contacted to join in on the meeting as well.

The second concern is real estate for the TSA office. Ross would like space in the new terminal to accommodate the TSA officers with the minimum space of 1,680 sq. ft. Grand Island is the only airport where TSA offices are not located inside the terminal. Currently TSA is housed in Building A and battling odor and mold issues. The current site was proposed to them as a temporary site and renting office space in town is not an option. TSA has a three-year lease agreement with the Authority through September of 2017. Executive Director Olson stated it takes money to build a building, plus the General Services Administration (GSA), the leasing authority for Transportation Security Administration, is very difficult to work with. Board Member Quandt stated the airport is going through some growing pains and felt this issue will get rectified with time, but currently there are no additional buildings or space available for TSA offices. Quandt stated with the major projects that are currently going on and the added expenses in change orders, the finances are very tight and the Board must be financially responsible and look for solutions for future administration and TSA sites.

Of the two issues, Ross stated the law enforcement is his top priority.

**CONSIDERATION AND APPROVAL OF RESOLUTION NO. 15-58: ENGAGEMENT LETTER WITH DANA F. COLE & COMPANY, LLP FOR FISCAL YEAR 2014-15 AUDITS.**

*Motion by Setlik, seconded by Cook authorizing the Board Chair to execute the Engagement Letter between the Hall County Airport Authority and Dana F. Cole & Company, LLP for the Fiscal Year 2014-15 Audit. Charges for Audits are: \$9,740 for the Financial Audit, \$1,840 for the Passenger Facility Charge (PFC) Audit, and \$3,760 for the Single Audit. Upon roll call, motion was approved with a 4-0 vote.*

144 **CONSIDERATION AND APPROVAL OF RESOLUTION NO. 15-59: THIRD LEASE EXTENSION**  
145 **AGREEMENT WITH HULCHER SERVICES, LLC.**

146  
147 *Motion by Setlik, seconded by Quandt, authorizing the Executive Director to execute the Third Lease*  
148 *Extension Agreement with Hulcher Services, Inc. for Building 720 located at 3930 Sky Park Road, Grand*  
149 *Island. Term of Lease commences October 1, 2015 and terminates September 30, 2020. Rent shall be*  
150 *\$3,390.50/month from October 1, 2015 through September 30, 2018 and will increase to \$3,492.22/month*  
151 *from October 1, 2018 through September 30, 2020. Upon roll call, motion was approved with a 4-0 vote.*

152  
153 **CONSIDERATION AND APPROVAL OF RESOLUTION NO. 15-60: CAR RENTAL CONCESSION**  
154 **EXTENSION AGREEMENT WITH BUCK ENTERPRISES, INC, DBA THRIFTY CAR RENTAL.**

155  
156 *Motion by Cook, seconded by Quandt, authorizing the Executive Director to execute the Car Rental*  
157 *Concession Extension Agreement with Buck Enterprises, Inc., DBA Thrifty Car Rental for office/counter*  
158 *space in Building 101D located at 3773 Sky Park Road, 20-parking spaces, and two car wash bays in Building*  
159 *108 A&B. Term of Agreement shall be extended from September 30, 2015 until January 31, 2016.*  
160 *Rent for office/counter/parking space shall remain at \$500/month, and \$200/month for 2 (two) car wash bays.*  
161 *Tenant shall pay a Privilege Fee in the amount of ten percent (10%) of Gross Revenues payable in arrears*  
162 *monthly throughout the extended term. Upon roll call, motion was approved with a 4-0 vote.*

163  
164 **CONSIDERATION AND APPROVAL OF RESOLUTION NO. 15-61: RESTAURANT/LOUNGE**  
165 **MANAGEMENT AGREEMENT WITH ALOHA INVESTMENTS, LLC.**

166  
167 *Motion by Quandt, seconded by Cook authorizing Board Chair to approve the Restaurant/Lounge*  
168 *Management Agreement with Aloha Investments, LLC, DBA Afternooners to operate a Restaurant and*  
169 *Lounge in the New Passenger Terminal located in Building 100 located at 3773 Sky Park Road. Term of*  
170 *Agreement shall commence upon notification of substantial completion of the New Passenger Terminal which*  
171 *is anticipated to be on or about January 1, 2016 and for a period of three (3) years thereafter. Term may be*  
172 *extended by one (1) year increments for a total of six (6) additional years. The Authority agrees to pay Aloha*  
173 *Investments, LLC a Management Fee of \$1,850/month and shall be reviewed at the end of the first lease*  
174 *year. Upon roll call, motion was approved with a 4-0 vote.*

175  
176 **CONSIDERATION AND APPROVAL OF RESOLUTION NO. 15-62: DEFINED CONTRIBUTION PLAN**  
177 **SERVICES AGREEMENT AND INVESTMENT PERFORMANCE AND FEE INFORMATION DOCUMENT**  
178 **IN CONNECTION WITH THE SERVICES UNION BANK & TRUST COMPANY PROVIDES TO THE HALL**  
179 **COUNTY AIRPORT AUTHORITY EMPLOYEE RETIREMENT PLAN AND HALL COUNTY AIRPORT**  
180 **AUTHORITY DEFERRED COMPENSATION PLAN.**

181  
182 *Motion by Cook, seconded by Quandt authorizing Resolution authorizing the Hall County Airport Authority*  
183 *Board to adopt the following effective August 1, 2015:*

184  
185 *Revised Agreement – Governmental Qualified Plan (Hall County Airport Authority Employee Retirement*  
186 *Plan) 1) Section 1.6 has been revised to reflect Union Bank’s services in selecting and monitoring the mutual*  
187 *funds offered under the Plan; 2) Section 2.2 addresses how operational failures will be handled under the*  
188 *IRS Employee Plans Compliance Resolution System. 3) Section 8.3 addresses the ability of Union Bank to*  
189 *educate participants about their distribution options upon termination of employment (or upon incurring any*  
190 *other distributable event), including the option of rolling over a distribution to an IRA established at Union*  
191 *Bank; 4) Section 8.9 and 8.10 address the ability of participants and the plan sponsor to provide direction to*  
192 *Union Bank through electronic means; 5) Exhibit B, Compensation and Fee Schedule, has been revised to*  
193 *reflect Union Bank’s billing practices and to provide more detail with respect to the fees Union Bank charges.*  
194 *Fees have not been increased, however Union Bank has added a “distribution fee” that will be paid by a*  
195 *participant who received a distribution from the Plan.*

196  
197 *Revised Agreement – Governmental 457(b) Plan (Hall County Airport Authority Deferred Compensation*  
198 *Plan) 1) Section 1.6 has been revised to reflect the various services Union Bank offers in connection with*  
199 *selecting and monitoring the mutual funds offered under the Plan; 2) Article VIII includes language addressing*

200 *the ability of participants and the plan sponsor to provide direction to Union Bank through electronic means;*  
201 *3) Exhibit B, Compensation and Fee Schedule, has been revised to reflect Union Bank's billing practices and*  
202 *to provide more detail with respect to the fees Union Bank charges. Fees have not been increased.*  
203

204 *In addition, in Exhibit C, Designation of Authorized Representatives, the Hall County Airport Authority Board*  
205 *designates Michael J. Olson, Executive Director and Annette R. Schimmer, HR/Accounting Manager as the*  
206 *Authorized Representatives to communicate information and direction to Union Bank with respect to the Plan*  
207 *and execute Agreements and Exhibits. Upon roll call, motion was approved with a 4-0 vote.*  
208

209 EXECUTIVE DIRECTOR'S REPORT:  
210

211 Wings of Freedom Tour was here July 13-15, 2015 with a very solid turnout and the Collings Foundations  
212 was very appreciative of our efforts. Two authors, Kenny Kemp and Jerry Whiting accompanied the tour and  
213 they said by far this airport has shown the most hospitality than any other city they have toured. The B-24  
214 Liberator had engine problems and was unable to give any rides.  
215

216 The Authority budget was presented to the Hall County Board of Supervisors on July 22<sup>nd</sup> and went very well.  
217

218 U.S. House Republican leaders opted to delay the introduction and consideration of a Federal Aviation  
219 Administration reauthorization bill until September at the earliest. The decision makes it likely that the FAA,  
220 facing a reauthorization deadline of Sept. 30, will get a stopgap funding bill—perhaps lasting for a few months  
221 or into mid-2016. Lawmakers are also likely to put off decisions about controversial issues such as the  
222 proposed privatization of the nation's air-traffic control system.  
223

224 The Board is looking into holding a Planning Session sometime in October to discuss future projects and  
225 funding. No date was set.  
226

227 ANNOUNCEMENTS:

- 228 a) Car Show August 19<sup>th</sup> from 5-8 p.m.
- 229 b) Next Board Meeting September 9, 2015.
- 230 c) A Special Board meeting will be scheduled to approve the Allegiant Orlando-Sanford and  
231 Phoenix-Mesa Lease Agreements once agreements have been received.  
232

233 EXECUTIVE SESSION:

234 *Motion by Cook, second by Quandt to go into Executive Session to discuss airline negotiations and lease*  
235 *negotiations. Upon roll call, motion was approved with a vote of 4-0 and Board went into Executive Session*  
236 *at 9:24 a.m.*  
237

238 *Motion by Quandt, second by Cook to come out of Executive Session with no decisions being made and*  
239 *reconvene to Regular Session. Upon roll call, motion was approved with a vote of 4-0 and Board came out*  
240 *of Executive Session and into Regular Session 10:55 a.m.*  
241

242 ADJOURNMENT:

243 *Motion by Quandt, second by Setlik to adjourn the meeting. Upon roll call, motion was approved with a vote*  
244 *of 4-0 and meeting was adjourned at 10:56 a.m.*  
245

246 HALL COUNTY AIRPORT AUTHORITY  
247

248 \_\_\_\_\_  
249 Debra Potratz | Administrative Assistant  
250

251 \_\_\_\_\_  
252 \_\_\_\_\_  
253 Lynne Werner | Board Chair

254 \_\_\_\_\_  
255 Ken Caldwell | Board Secretary/Treasurer

(SIGNATURES ON FILE)