

MINUTES
(Amended)
Nebraska Aeronautics Commission
October 23, 2020

The Nebraska Aeronautics Commission held their regular meeting. The legal ad was published in the October 13, 2020, edition of the Lincoln Journal Star and is on the website <https://dot.nebraska.gov/aeronautics>. Chairperson Diana Smith called the meeting to order at 1:00 p.m. CDT. Commissioners Scott Tarry, Tom Trumble, and Dick Trail were in attendance. Also present were Engineering Division Manager Anna Lannin, Deputy Director/Legal Counsel Andre Aman and Director Ann B. Richart. Commissioner Michael Cook was absent.

Public Comment

None

Approval of Minutes

Motion by Commissioner Tarry to approve the minutes of the August 7, 2020, meeting. Second by Commissioner Trail. Roll call vote. All voted aye. Motion carried.

Aeronautics Director's Report

- Aeronautics staff continues to work hard and with good attitudes during the challenging circumstances associated with the COVID-19 pandemic. Some are still working remotely and others work remotely from time to time as circumstances require. We are beginning to understand that this situation will likely last for many months, yet, so we're developing sustainable workarounds that will keep us productive in this environment. This includes things like holding weekly staff meetings in a video-conferencing environment and ensuring that everyone has the appropriate tools to work remotely and to access video conferences.
- Richart described three extra (unplanned) work efforts that the Aeronautics team has undertaken. These three projects are using the Lean Six Sigma process to develop improvements in some of our functions to provide better and more efficient services.
 - NDOT Integration Project is providing a structure for other NDOT divisions to learn what Aeronautics does and vice versa so that we can uncover opportunities to share services. Early on we had identified that one barrier to shared services was the fact that Highway Trust Fund funds cannot be used on non-Highway functions the same way that Aviation Trust Fund funds can't be used on non-Aeronautics functions. For this project we have set the funding issues aside. Once this project is completed we will look at the value of the NDOT services that Aeronautics can use and determine the appropriate way to pay for those.
 - NDOT/NSP Flight Operations Project is evaluating opportunities for reducing costs of both agency's flight departments by sharing resources. This has been a difficult project due to the very different missions of each agency as well as the very different cultures.

The Lean Six Sigma tools are helpful in this case because they provide a structure that bridges that cultural and mission differences.

- Grant Payment Process Time is a new project which is examining the process Aeronautics staff uses to process airport sponsor drawdown requests against their federal grants. This process should help document our process so that we can identify opportunities for efficiency. It will also provide a guide to this process which will be helpful in the event of turnover in the positions that impact this process. It will also provide us with detail about the steps involved that will be helpful as we begin the development of a grant management tool that will be a part of our new Statewide Aviation System Plan.

All of these projects present a challenge to staff because they are time consuming and they were not projects that we had planned. However the benefits will be real and these projects are, without question, worthwhile. All three of these projects should be completed this year. It is my intent to spend 2021 working on stabilizing our routines as we move into the second year of the pandemic experience and to implement what we've learned from these projects.

- Kyle Schneweis announced that he will be leaving NDOT for another position on November 13. He apologized that he was not able to join the Commission to say good bye at this meeting, but will try to join us for our December meeting.
- Economic Impact Study
 - Richart gave a presentation on Nebraska Aviation Counts! Economic Impact Study
 - The study shows that aviation in the state creates 90,282 jobs, totaling \$3.5 billion in annual payroll for an overall annual statewide economic impact of \$8.6 billion.
 - Full study including tools for airports to use in communicating their own economic impact will be available soon at www.nebraskaviationcounts.com
- State Aviation System Plan
 - Jon Large had a presentation on the State Aviation System Plan
 - Project is funded through two AIP grants totaling \$895,179.
 - McFarland Johnson from Binghamton, NY will complete the plan with Olsson and Garver
 - The purpose of the plan is to:
 - Assist Aeronautics in developing policies and programs
 - Predictably direct decision-making
 - Identify aviation projects, opportunities, and priorities
 - Estimate funding needs, and be
 - Forward-looking and aspirational
 - The plan will include
 - Visioning
 - Stakeholder engagement
 - Data collection
 - Development of airport roles, system classification, and performance measures
 - Forecast of system demand
 - System improvements including cost estimates, prioritization and alternatives
 - Implementation plan and
 - Development of a web-based planning tool
 - Project is scheduled for completion in November 2022

Report of State Funds Available

Deputy Director Andre Aman presented a written report of state funds available.

Nebraska Aeronautics Commission
October 23, 2020

PROJECT GRANT FUND

Funds available July 31, 2020		\$13,042.30
<u>Commission Actions (8/07/20 meeting)</u>		
Closed Project - Loup City SA-07	\$763.49	
Closed Project - North Omaha SA-08	\$5,534.90	
Subtotal		\$6,298.39
<u>Other Actions</u>		
None		
Subtotal		\$0.00
<u>Money transferred from Aeronautics' operating</u>		\$250,000.00
Funds available September 30, 2020		\$269,340.69

Funds available at October 2019 meeting: \$743,371.24

STATE OWNED AIRFIELDS (SOA) DIVERSION GRANT FUND

Funds available July 31, 2020		\$0.00
<u>Commission Actions (8/07/20 meeting)</u>		
None		
Funds available September 30, 2020		\$0.00

Funds available at October 2019 meeting: \$0

SEAL COAT GRANT FUND (Pavement Preservation Program)

Funds available July 31, 2020 \$405,792.18

Commission Actions (8/07/20 meeting)

None

Subtotal \$0.00

Other Actions

None

Subtotal \$0.00

Funds available September 30, 2020 \$405,792.18

Funds available at October 2019 meeting: \$155,792.18

HANGAR REVOLVING LOAN FUND

Funds available July 31, 2020 \$1,798,175.90

Commission Actions (8/07/20 meeting)

Allocation: Fremont hangar construction -\$750,000.00

Allocation: Hebron Door Rehabilitation -\$70,000.00

Allocation: Loup City 4-place T-Hangar -\$436,333.00

Subtotal -\$1,256,333.00

Other Actions

None

Subtotal \$0.00

Receipts

August 2020 \$23,855.33

September 2020 \$22,023.00

Subtotal \$45,878.33

Funds available September 30, 2020 \$587,721.23

Funds available at October 2019 meeting: \$607,361.90

Total amount in Hangar Loan fund: \$3,768,360

FUEL STORAGE LOAN FUND

Funds available July 31, 2020 \$294,355.32

Commission Actions (8/07/20 meeting)

None

Subtotal

Other Actions

None

Subtotal

\$0.00

Receipts

August 2020

\$1,716.66

September 2020

\$958.33

Subtotal

\$2,674.99

Funds available September 30, 2020

\$297,030.31

Funds available at October 2019 meeting: \$286,012.85

Total amount in Fuel Storage fund: \$336,500

NON-PRIMARY ENTITLEMENT TRANSFER PROGRAM

Funds available July 31, 2020

\$1,036.75

Commission Actions (8/07/20 meeting)

None

Funds Disbursed

Subtotal

\$0.00

Funds available September 30, 2020

\$1,036.75

Motion by Commissioner Tarry to accept the report of State Funds. Second by Commissioner Trail. Roll call vote. All voted aye. Motion carried.

Deputy Director Andre Aman discussed Aeronautics' budget and financial outlook for the next biennium; providing the following outline:

Aeronautics Division Budget

I STRUCTURE

Three Programs (major budgetary divisions), and seven Subprograms:

026 Administration
 110 Administration
 115 Engineering
 120 Nav Aids
 125 State Owned Airfields
 130 Pavement Maintenance (Crack & Joint)
301 Capital Projects
596 State Aircraft
 510 Aircraft Operations
 515 Aircraft Reserves

II MAJOR SOURCES OF REVENUE (FY 19/20 percentage of total, excluding SOA and Capital Projects)

Aviation Fuel Tax **62.04%**

- Excise tax: 3¢/gallon Jet A; 5¢/gallon 100LL
- Q1 2020 revenue down 42.3% over Q1 2019
- Estimating a 40% reduction in Q2 through Q4 revenue (-\$492,326)
- Expecting reduced revenue over the next several years

Engineering Section Receipts **18.92%**

- 65.95% of this revenue was FAA AIP reimbursements for the Economic Impact Study and for 3 PCI grants
- 34.05% was income from managing Nebraska airport grants and from the contract with GCR to perform airport 5010 inspections.

Interest on Aeronautics Cash Fund **7.49%**

Aircraft usage reimbursements from other state entities
3.11%

Pavement Maintenance Program reimbursements from airports
1.27%

- Due to a much-reduced program in FY 19/20, receipts from this program were less than 21 % of FY18/19 receipts.

III MAJOR EXPENDITURES

Wages **51.28%**

Operating **41.97%**

Aid to CAP **2.46%**

- Current legislative appropriation is \$40,200 per fiscal year

Travel **2.26%**

- 46.35% Nav Aids; 34.24% Admin (includes Commission); 15.33% Engineering

Capital Outlay **2.01%**

- All in Nav Aids section

IV NOTABLE FY21/23 EXPENDITURES

Fill two employee vacancies: Electronics Technician/ Navigational Aids and Highway Maintenance Worker/Sr. Aeronautics currently has only one Nav Aids tech and no one dedicated to the Pavement Maintenance program. Minimal pavement sealing and marking is being done by the two airfield managers.

Replace two aging AWOS. Cost is \$148,550 each; including installation by DBT. (Costs current as of July 2020.)

Nebraska Airport System Plan Study (FAA AIP grants): Aeronautics' cost is approximately \$100,000.

Federal Aid Project Requests

Manager Anna Lannin presented the following projects for Commission approval to forward to the FAA with requests for funding, as required by state statutes. The FAA considers the request for future federal funding as funds become available. No state funds are requested at this time.

Grant D-01

Scope: Pave Access Road

Total Estimated Cost: \$840,000

The existing access road to the Grant Airport is a gravel surface. This surface causes dust and debris to blow during dry portions of the year. The airport is installing a new AWOS III system as part of a FAA AIP project in FY2021. The new AWOS will be approximately 150 ft. from the existing access road. The airport needs to pave the access road to eliminate the dust and debris from the gravel surface in order to not interfere with the AWOS instrument readings. The airport proposes to install new 6 inch PCC pavement on crushed aggregate base course for the new access road pavement.

Fremont X-01

Scope: Taxiway 'A' Extension

Total Estimated Cost: \$3,830,800

The parallel taxiway to Runway 14/32 is Taxiway A. Taxiway A is currently configured as a partial parallel taxiway. This project will extend Taxiway A approximately 2,250' to create a full parallel taxiway to Runway 14/32. The project is aimed to improve safety and efficiency of taxiing operations at the airport as well as introduce current FAA intersection geometry where applicable. The project also includes drainage improvements, taxiway edge lighting and taxiway guidance signs.

North Platte E-09

Scope: Snow Removal Equipment: Front End Loader with Bucket and Snow Pusher Attachments

Total Estimated Cost: \$426,400

The North Platte Regional Airport needs justification and eligibility standards to acquire addition snow removal equipment for the airport. There is currently space to store the new equipment in the maintenance building.

Superior D-01

Scope: Pave Access Road and Parking Lot

Total Estimated Cost: \$400,000

The existing access road and parking lot are gravel. Paving the access road and parking lot with concrete will provide the airport with years of maintenance free use.

Tecumseh G-04

Scope: Remove & Replace Runway & Taxiway Lights (Fixtures Only), Reflectors, Signs

Total Estimated Cost: \$240,000

The existing airfield lighting is almost 15 years old and in need of replacement. New airfield lighting will provide years of maintenance free operation for the airport and pilots alike.

Motion by Commissioner Trail to approve the CIP data sheets and forward them to the FAA. Second by Commissioner Trumble. Roll call vote. All voted aye. Motion carried.

State Grant Extension Request – Wahoo

The Wahoo Airport Authority received a state grant on October 25, 2019 for obstruction removal as follows:

<u>Scope</u>	<u>State Grant</u>	<u>Local</u>	<u>Project Cost</u>
Obstruction Removal	\$14,400	\$1,600	\$16,000

During the 2019 airport licensing inspections, trees were identified that violate the licensing surfaces. The trees are in the transition zone to runway 13 and are not on airport property. The Authority has been negotiating with the landowner to remove the trees and believe they are close to reaching a settlement. The state grant allocated in October 2019 is scheduled to expire.

The Wahoo Airport Authority is requesting a one-year extension of their state grant for obstruction removal. We have been coordinating with the Authority throughout the past year, consider this request reasonable, and recommend Commission approval.

Motion by Commissioner Trail to approve the State Grant Extension Request for Wahoo. Second by Commissioner Trumble. Roll call vote. All voted aye. Motion carried.

State Aid Requests

Beatrice SA

Scope: Replace Beacon

Total Estimated Cost: \$75,000

State Grant Request: \$66,960

The existing beacon is nearing the end of its useful life and difficult to maintain and get parts. A new rotating airport beacon on a tilt-down tower for ease in maintenance is proposed.

Bloomfield SA

Airport Representative: Steve Barney

Scope: Runway Rehabilitation

Total Estimated Cost: \$500,000

State Grant Request: \$450,000

The existing asphalt runway pavement is over 20 years old and has exceeded its useful life. The airport has 19,360 square yards that need a 2" asphalt overlay for runway 14/32. An estimate was received from Topkote, Inc. of Yankton, SD. They did the crack repair last year. Bloomfield Airport Authority will have 10% match money by the end of the year.

NDOT NDA

Scope: Pavement Preservation Program

Total Estimated Cost: \$100,000

Funding for the Pavement Preservation Program will provide seal coats and crack repair to general aviation airports in Nebraska.

The grant requests and available state funds were discussed by the Commission. It was decided to fully fund the beacon at Beatrice and partially fund the pavement rehabilitation project at Bloomfield. The Commission assured Bloomfield that they could return next year for additional funds but could not guarantee funds would be available.

Motion by Commissioner Trail to approve the State Grant Request from Beatrice. Second by Commissioner Tarry. Roll call vote. All voted aye. Diana Smith abstained from the vote. Motion carried.

Motion by Commissioner Trumble to approve the State Grant of \$265,000 for Bloomfield. Second by Commissioner Trail. Roll call vote. All voted aye. Motion carried.

STATE GRANT ALLOCATIONS

AIRPORT		PROJECT SCOPE	STATE GRANT	LOCAL FUNDS	PROJECT COSTS
1	Beatrice	Replace Beacon	\$66,960	\$7,440	\$74,400
2	Bloomfield	Runway Rehabilitation	\$265,000	\$231,000	\$500,000
3		Pavement Preservation Program	\$0	\$0	\$100,000
GRAND TOTALS			\$331,960	\$238,440	\$674,400

Closed Projects

**Closed Projects
October 23, 2020**

<u>Airport</u>	<u>Original State Allocation</u>	<u>Increase in State Funds Required</u>	<u>Decrease in State Funds Required</u>
Aurora 11 (Rehab asphalt runway-engineering)	\$ 7,460.00	\$ 0.00	\$ 0.00
Aurora 12 (Rehab asphalt runway-construction)	\$ 57,177.00	\$ 0.00	\$ 423.28
Blair SA-08 (Taxilane extension)	\$ 152,190.00	\$ 0.00	\$ 9,128.51
David City SA-06 (Construct taxiway)	\$ 87,300.00	\$ 0.00	\$ 12,223.47
Hastings SA-06 (Rehab apron & taxilanes)	\$ 111,000.00	\$ 0.00	\$ 26,061.19
Kearney 30 (Mill & overlay RW 18/36-engineering)	\$ 0.00	\$ 0.00	\$ 0.00

Kearney 31

(Mill & overlay

RW 18/36-construction) \$ 0.00 \$ 0.00 \$ 0.00

Plattsmouth 11

(Relocate part parl txwy;

relocate hgrs & txlanes-eng) \$ 20,953.00 \$ 0.00 \$ 1,359.24

Plattsmouth 12

(Relocate part parl txwy;

relocate hgrs & txlanes-con) \$ 95,451.00 \$ 0.00 \$ 14,482.56

Stuart-Atkinson 08

(Partial parl taxiway)

\$ 0.00 \$ 0.00 \$ 0.00

Tecumseh 11

(Road & parking)

\$ 0.00 \$ 0.00 \$ 0.00

Totals \$ 531,531.00 \$ 0.00 \$ 63,678.25

Net Decrease - \$63,678.25

Motion by Commissioner Tarry to approve the closed projects. Second by Commissioner Trail. Roll call vote. All voted aye. Motion carried.

The next meeting is tentatively set for Friday, December 4, 2020 at 1:00 pm CST. Motion by Commissioner Trail to adjourn the meeting. Second by Commissioner Tarry. Roll call vote. All voted aye. Motion carried.

The meeting adjourned at 3:06 p.m.

Submitted by,



Ann B. Richart, AAE
Director