

MINUTES
Nebraska Aeronautics Commission
August 9, 2013

The Nebraska Aeronautics Commission held their regular meeting at the department's offices, Lincoln, Nebraska. Commissioner Michael Cook called the meeting to order at 1:00 p.m. CDT. Commissioners Doug Vap, Terri Wachter and Dorothy Anderson were in attendance. Commissioner Diana Smith was absent. Also present were Project Management Division Manager Russ Gasper, Deputy Director Andre Aman, Planning/Programming Division Manager Anna Lannin, and Director Ronnie Mitchell.

Approval of Minutes

Motion by Commissioner Anderson to approve the minutes of the May 3, 2013 as published. Second by Commissioner Vap. All voted aye. Motion carried.

State Funds Available

A written report of state funds available was presented by Andre Aman.

Nebraska Aeronautics Commission
August 9, 2013

PROJECT GRANT FUND

Funds available April 30, 2013		\$7,394.76
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Commission Actions (5/3/13 meeting)		
None		
Subtotal		\$0.00
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Other Actions		
Closed Project - North Platte 24/25	\$11,527.55	
Closed Project - Loup City 03/04	\$4,730.48	
Subtotal		\$16,258.03
Funds available July 31, 2013		<hr/> \$23,652.79

Funds available August 2012: \$31,652.66

STATE OWNED AIRFIELDS (SOA) DIVERSION GRANT FUND

Funds available April 30, 2013 \$0.00

Commission Actions (5/3/13 meeting)

None

Funds available July 31, 2013 \$0.00

Funds available August 2012: \$0

SEAL COAT GRANT FUND (Pavement Preservation Program)

Funds available April 30, 2013 \$129,843.18

Commission Actions (5/3/13 meeting)

None

Subtotal \$0.00

Other Actions

None

Subtotal \$0.00

Funds available July 31, 2013 \$129,843.18

Funds available August 2012: \$29,843.18

HANGAR REVOLVING LOAN FUND

Funds available April 30, 2013 \$574,801.25

Commission Actions (5/3/13 meeting)

None

Subtotal \$0.00

Other Actions

Expired Allocation - Broken Bow; 2-place T \$208,635.00

Expired Allocation - Broken Bow; hangar door \$43,750.00

Expired Allocation - Valentine; 6-place T	\$255,160.00	
Subtotal		\$507,545.00

Receipts

May 2013	\$29,652.00	
June 2013	\$27,188.00	
July 2013	\$30,116.00	

Subtotal		\$86,956.00
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Funds available July 31, 2013		\$1,169,302.25
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Funds available August 2012: \$1,298,627.25

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

FUEL STORAGE LOAN FUND

Funds available April 30, 2013		\$141,862.67
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Commission Actions (5/3/13 meeting)

None		
Subtotal		\$0.00

Other Actions

None		
Subtotal		

Receipts

May 2013	\$2,193.33	
June 2013	\$2,193.33	
July 2013	\$2,193.33	

Subtotal		\$6,579.99
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Funds available July 31, 2013		\$148,442.66
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Funds available May 2012: \$119,929.37

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

NON-PRIMARY ENTITLEMENT TRANSFER PROGRAM

Funds available April 30, 2013		\$2,298.75
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<u>Funds Disbursed</u>		
Village of Pender	-75	
Minden	-\$100.00	
Subtotal		-\$175.00
Funds available July 31, 2013		<u>\$2,123.75</u>

Federal Projects

Anna Lannin presented the following projects. The airport sponsors are requesting Commission approval for the CIP data sheets to be forwarded to the FAA, as required by state statutes. The FAA considers the requests for future federal funding as funds become available. No state funds are requested at this time.

Kimball B03

Scope: Hangar

Total Estimated Cost: \$600,000

The existing west side hangar is over 60 years old and the building needs to be replaced with a new side hangar to provide safer storage of aviation aircraft.

Minden A01

Scope: Taxiway and Apron Rehabilitation

Total Estimated Cost: \$400,000

The existing pavements in the apron and hangar areas have deteriorated and are in need of replacement.

North Platte M03

Scope: Wildlife Hazard Assessment

Total Estimated Cost: \$100,000

A Wildlife Hazard Assessment is required for the airport's Part 139 certification. The last Assessment was completed in 1999 and needs to be updated. The Platte River borders the airport on the south and west, resulting in added wildlife activity, and a new study may provide additional insight.

Thedford C01

Scope: Seal Coat and Mark Airfield Pavement

Total Estimated Cost: \$400,000

The asphalt paving was placed in 1998 and thus the pavement is 15 years old. The last seal coat was completed in 2007, or 6 years ago. Cracks have been patched with local funds, but are in need of additional repairs. To extend the pavement life, crack repairs and a seal coat are needed.

Omaha

Scope: Storm Sewer System Evaluation/Upgrade ó Phase 1

Total Estimated Cost: \$600,000

The last storm sewer system analysis was previously completed in 1984. Since that time numerous projects have been completed impacting the overall drainage system. Prior to design/construction of future AIP projects, the study needs to be updated to evaluate whether the existing system meets current FAA capacity standards.

Motion by Commissioner Vap to approve the CIP data sheets and forward them to the FAA. Second by Commissioner Wachter. All voted aye. Motion carried.

Hangar Loan Program Requests

Russ Gasper presented the **August 3, 2012** allocations (see table below), which have been withdrawn.

These loans were withdrawn because the airport sponsorø were unable to get the projects under contract within eleven months of the allocation. The withdrawal of the funds is in accordance with the hangar loan program (See attached).

2012 Hangar Loan Withdraws

Outstanding Loan	AIRPORT	SCOPE	Project Total 2012	Total State Allocation 2012	Sponsor Share 201
\$0	Broken Bow	Request funding for construction of 2-place nested T-hangar	\$298,050	\$208,635	\$89,415 (30%)
\$0	Broken Bow	Hangar Door Replacement	\$87,500	\$43,750	\$43,750
\$44,840	Valentine	Request funding for construction of a 6-place nested T-hangar	\$880,000	\$255,160	\$580,000
		TOTAL		\$507,545	,

- Broken Bow requested that the 2012 allocation for the 2-place nested T-hangar be withdrawn (See Attached Letter) and the hangar door replacement project was not under contract within eleven (11) months of the allocation, therefore, per the program the funds are withdrawn.
- Valentine requested that the 2012 allocation be withdrawn, as Valentine was unable to get the project under contract.

With the 2012 allocations being withdrawn (\$507,545), the Hangar Revolving Loan Fund has \$1,169,302.25 available for allocations (see Financial Information).

August 9, 2013 Hangar Loan Requests

Broken Bow H-06

Russ Gasper, NDA, presented the following hangar loan request request for the Broken Bow Airport Authority.

Outstanding Loan	AIRPORT	SCOPE	STATE	SPONSOR	TOTAL
\$0	Broken Bow	Hangar Door Replacement	\$43,750	\$43,750	\$87,500

Valentine H-04

Andrew Beil, consultant for the City of Valentine, presented the following hangar loan request.

Outstanding Loan	AIRPORT	SCOPE	STATE	SPONSOR	TOTAL
\$35,720	Valentine	Request funding for either a 6 place T-Hangar			
		6-Place T-Hangar - Request	\$690,000	\$600,000	\$1,290,000

Valentine's request (\$690,000) as presented is the amount that is not anticipated to be covered by a federal grant in FY14. In addition, it is anticipated that Valentine will receive an additional federal grant in FY15 in the amount of \$150,000.

York H-08

Andrew Beil, consultant for the City of York, presented the following hangar loan request.

Outstanding Loan	AIRPORT	SCOPE	STATE	SPONSOR	TOTAL
\$0	York	Request funding for a 2-place hangar unit, 75'x 150' with 75 doors	\$399,812	\$598,305	\$998,117

York's request (\$399,812) as presented is the amount that is not anticipated to be covered by a federal grant in FY13. However, after the request was submitted for the commission meeting agenda, York received a federal grant in the amount of \$750,000; therefore, the request was corrected to reflect the federal grant and was presented as follows.

Outstanding Loan	AIRPORT	SCOPE	STATE	SPONSOR	TOTAL
\$0	York	Request funding for a 2-place hangar unit, 75'x 150' with 75 doors	\$248,117	\$750,000	\$998,117

In addition, it is anticipated that York will receive additional federal grants in the amounts of \$150,000 for FY14 and \$98,117 for FY15.

Russ initiated a discussion of the Valentine and York requests regarding the use of the hangar loan program to fund 100% of the non-funded federal portions of their projects. The Commission agreed that the intent of the program is not to provide funding for 100% of the non-funded federal portion of a project. Rather, the hangar program is intended to provide a cost share 70% state loan funds and 30% sponsor funds. Therefore, the Commission recommended allocating funds as presented in the following table:

OUTSTANDING STATE LOAN	AIRPORT	SCOPE	PROJECT TOTAL	FEDERAL PARTICIPATION OF INITIAL FEDERAL GRANT	NON-FUNDED FEDERAL PORTION	STATE (70% OR 50% OF FEDERAL NON-FUNDED)
\$0	Broken Bow	Hangar Door Replacement	\$87,500	\$0	\$87,500	\$43,750
\$35,720	Valentine	Request funding for either a 4 or 6 place T-Hangar				

		6-Place T-Hangar - Request	\$1,290,000	\$600,000	\$690,000	\$483,000
\$0	York	Request funding for a 2-place hangar unit, 75øx 150øwith 75 doors	\$998,117	\$750,000	\$248,117	\$173,682
MAXIMUM TOTAL REQUESTS						\$700,432

In addition, the Commission required that a clause be added to the loan agreements for Valentine and York, which states that future federal funding (lookback) be reimbursed to the Hangar Loan Program upon the airports receipt of the funds.

As indicated above the maximum total allocations are \$700,432 with \$468,870.25 remaining in the loan fund for future use.

Commissioner Anderson moved to allocate Hangar Loan Funds as presented above. Second by Commissioner Wachter. All voted aye. Motion carried.

Closed Projects

**Closed Projects
August 9, 2013**

<u>Airport</u>	<u>Original State Allocation</u>	<u>Increase in State Funds Required</u>	<u>Decrease in State Funds Required</u>
Cambridge 06 (Land)	\$ 0.00	\$ 0.00	\$ 0.00
Chadron 10 (Update Master Plan)	\$ 0.00	\$ 0.00	\$ 0.00
Cozad 06/07 (Fuel Facility)	\$ 0.00	\$ 0.00	\$ 0.00
David City 08 (SRE Building)	\$ 0.00	\$ 0.00	\$ 0.00
Kearney 19 (Master Plan/Update ALP)	\$ 0.00	\$ 0.00	\$ 0.00
McCook 12 (Wildlife Fence)	\$ 5,434.00	\$ 0.00	\$ 0.00

<u>Airport</u>	<u>Increase in Original State Allocation</u>	<u>Decrease in State Funds Required</u>	<u>State Funds Required</u>
Oshkosh 08 (T-Hangar/Engineering)	\$ 0.00	\$ 0.00	\$ 0.00
Oshkosh 09 (T-Hangar/Constr.)	\$ 0.00	\$ 0.00	\$ 0.00
Scottsbluff 34 (PAPI)	\$ 0.00	\$ 0.00	\$ 0.00
Wayne 11/12 (Rehab pavement)	\$ 50,000.00	\$ 0.00	\$ 0.00
Totals	\$ 55,434.00	\$ 0.00	\$ 0.00

Net Decrease - \$0.00

Commissioner Wachter moved to close the projects and return the unused money to the Project Grant Fund. Second by Commissioner Anderson. All voted aye. Motion carried

Department Report

The political scene has been relatively quiet as the Legislature is not in session but there are still several ongoing studies, one of which is the state income tax question. Governor Heineman would like to see it lowered or even eliminated.

The Legislature's Executive Committee has not begun the study on whether or not an aircraft should be purchased by the state and if it should, what aircraft would be the most suitable. At least no one has contacted this office to ask for any historical information on flying needs of the state. We continue to operate with our 1982 Piper Cheyenne IIXL being the primary aircraft for transportation of the Governor and other state officials.

We have begun correlating data for the Legislature's required quarterly report on the department's use of all state-owned, chartered, or rented aircraft to include: the name of the agency or other entity traveling, the name of each passenger, all purposes of the trip, the destination and intermediate stops and the miles flown.

Up until just a few weeks ago we were anxiously awaiting OST release of DOT grants for 20 projects among our public use airports. That list is now down to two airports and we're anticipating those will be released in the next two weeks. Sequestration will have more of an impact on Federal funding of AIP after October 1. Approximately \$256 million was taken from the Federal Airports monies to fund Air Traffic Controllers and contract towers, that amount

could increase after the start of the Federal fiscal year.

Fuel tax revenue for FY12-13 came in at \$1,427,878.36 which is better than FY 11-12 by about \$8,700. Our revenue stream remains flat even though pay increases and inflation continue to erode our income. We continue to be frugal in our spending to compensate for this; however, at some point we will need to increase revenue by some means as yet undetermined.

The next meeting was tentatively set for Friday, October 18, 2013, at 1:00 pm CDT in the Lincoln office.

The meeting was adjourned at 2:10 p.m.

Submitted by,

Ronnie Mitchell
Director