

MINUTES
Nebraska Aeronautics Commission
August 5, 2022

The Nebraska Aeronautics Commission held their regular meeting at the hangar, 2785 State Highway 133, Suite H, on the Blair Executive Airport, Blair, Nebraska. The legal ad was published in the July 25, 2022 editions of the Lincoln Journal Star and the Washington County Enterprise newspapers and is posted on the website <https://dot.nebraska.gov/aeronautics>. The Commission Book and Public Meetings Act were also posted on the website. Chairperson Scott Tarry called the meeting to order at 1:02 p.m. CDT. Commissioners Tom Trumble, Diana Smith and Dick Trail attended. Also present were Director Ann B. Richart, Deputy Director/Legal Counsel Andre Aman, and Engineering Division Manager Anna Lannin. Commissioner Michael Cook was absent.

Public Comment

Approval of Minutes

Motion by Commissioner Trail to approve the minutes of the May 6, 2022 meeting. Second by Commissioner Smith. Roll call vote. All voted aye. Motion carried.

Aeronautics Director's Report

Nebraska Aeronautics Commission Meeting
August 5, 2022

- Richart continues to work with NDOT leadership on fully integrating the Aeronautics Division into the new Department. Legal counsel believes that statutory language separating Highway Fund and Aeronautics Fund is what keeps NDOT from spending Highway funds on Aeronautics programs. NDOT Legislative Coordinator is drafting bill language that would allow Highway Fund to be used for Aeronautics administrative expenses, such as payroll and benefits. This would amount to approximately \$1.25 million per year.
- This week we held several stakeholder meetings in support of our ongoing State Aviation System Plan project. Through those meetings we were able to secure the support of the agriculture industry and the tourism industry for maintaining a solid aviation system including corporate aircraft access to airports across the state and sound commercial air services throughout the state. This support should help us in successfully advocating for directing the revenues raised from the aircraft sales tax to the Aeronautics Fund. This is estimated to be approximately \$1.2 million per year.
- Also through the course of this week's System Plan meetings, we learned that the Civil Air Patrol is eager to work with us on providing statewide aviation education. In addition, they stated emphatically that they have an abundance of funding and don't need to tap into additional

funds from the Aeronautics Fund. This will free up approximately \$40,000 per year in our budget.

- If we are able to implement all three of these efforts, the Aeronautics Commission will have a total of nearly \$2.5 million in additional funds annually to support our system. This will be enough to provide ½ of the local match for most AIP grants, to fund our Pavement Preservation and Crack and Joint Seal program, and, perhaps, to fund some State Grants as well. We still have quite a bit of work to do, but this is reason to be optimistic!
- Introduce current UNO intern – Michael Sharp and new employee/recent UNO grad – Jacob Jurgens. Our partnership with UNO has given us some valuable assistance on special projects, has benefitted UNO's Aviation Institute programs, and is turning out well-qualified Nebraska students to enter the aviation workforce.
- System Plan Report at October meeting.
- Move to NDOT 7/1/23

Aeronautics Commission Report on Status of Nebraska Aviation System

Here is Tom Trumble's report to the Commission on the "Status of Aviation System Subcommittee":

My report to the Commission on Friday August 2, 2022.

A Nebraska Aviation Status Listening Session was held at the University of Nebraska Omaha Campus on Tuesday August 2.

The Aeronautics Subcommittee consisting of Scott Tarry and Tom Trumble facilitated the meeting.

The following 23 people participated in the meeting either in person or by Zoom.

Attending in person:

Scott Tarry – Chairman
Tom Trumble – Commissioner
Tom Chandler – AOPA
Ronnie Mitchell – Past NDA Director
Andy Biel – ACEC & Alfred Benesch & Co.
Roger Knobloch – ACEC & Garver
Ann Richart – NDOT – NDA
Tiffany Thompson – NDOT – NDA
Jacob Jurgens – NDOT – NDA
Michael Sharp – NDOT – NDA
Mike Olson – NE Aviation Council – Kirkham Michael
Diane Hofer – NE Aviation Council - Olsson

Collin Caneva – Nebraska Pilots Association

Attending by Zoom:

Nathan Masten – NAAO (NE Association of Airport Officials)
 Carol Ebson, Professor of Public Finance & Budget UN Omaha
 Alex Gertsen – NBAA (National Business Aircraft Association)
 Mike White NeBAA (NE Business Aircraft Association)
 Steve Kuddes – CAP (Civil Air Patrol)
 Donna Tope – CAP
 Dean Dike – CAP
 Ian Calderon – CAP
 Mike Minchow – Duncan Aviation
 John Geary – Silverhawk Aviation

There were approximately 54 comments recorded from the participants that are supportive of continuing the process of developing legislative action to provide long term funding for the Division of Aeronautics and the programs they provide.

In addition to returning some of the discontinued maintenance and grant programs.

Conclusions reached.

1. There is support from the Aviation community to bolster revenue for the Nebraska Division of Aeronautics to provide airport development, maintenance and education programs that maintain the Statewide Airport/Aviation System.
2. The parties attending this meeting are supportive of continuing a process of developing actions to provide adequate funding for the Nebraska Airport System
3. The Nebraska Association of Airport Officials intends to reintroduce a bill to capture the Sales tax on Aircraft to fund State Airport development grants.
4. To be successful we need to appeal to a broader audience.

Submitted by

Tom Trumble

Report of State Funds Available

Andre Aman presented a written report of state funds available.

Nebraska Aeronautics Commission
 August 5, 2022

PROJECT GRANT FUND

Funds available April 30, 2022 \$18,358.94

Commission Actions (5/6/2022 meeting)

None

Subtotal \$0.00

Other Actions

None

Subtotal \$0.00

Funds available July 31, 2022

\$18,358.94

Funds available at August 2021 meeting: \$30,758.94

STATE OWNED AIRFIELDS (SOA) DIVERSION GRANT FUND

Funds available April 30, 2022 \$0.00

Commission Actions (5/6/2022 meeting)

None

Funds available July 31, 2022

\$0.00

Funds available at August 2021 meeting: \$0

SEAL COAT GRANT FUND (Pavement Preservation Program)

Funds available April 30, 2022 \$405,792.18

Commission Actions (5/6/2022 meeting)

None

Subtotal	\$0.00
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Other Actions

None

Subtotal	\$0.00
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Funds available July 31, 2022	\$405,792.18
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*Funds available at August 2021 meeting: \$405,792.18***HANGAR REVOLVING LOAN FUND**

Funds available April 30, 2022	\$2,015,728.17
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Commission Actions (5/6/2022 meeting)

None

Subtotal	\$0.00
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Other Actions

Expired : Burwell 3-bay hangar const. allocation	\$276,634.00	
Subtotal		\$276,634.00

Receipts

May	\$20,608.00	
June	\$17,896.00	
July		
Subtotal		\$38,504.00

Funds available July 31, 2022	5 \$2,330,866.17
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*Funds available at August 2021 meeting: \$2,111,366.66**Total amount in Hangar Loan fund: \$3,768,360***FUEL STORAGE LOAN FUND**

Funds available April 30, 2022	\$315,238.58
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Commission Actions (5/6/2022 meeting)

None

4,232
Nebraska Aeronautics Commission
August 5, 2022

Subtotal

Other Actions

None

Subtotal \$0.00

Receipts

May \$200.00

June \$958.33

July

Subtotal \$1,158.33

Funds available July 31, 2022 \$316,396.91

Funds available at August 2021 meeting: \$315,238.58

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

NON-PRIMARY ENTITLEMENT TRANSFER PROGRAM

Funds available April 30, 2022 \$836.75

Commission Actions (5/6/2022 meeting)

None

Funds Disbursed

None

Subtotal \$0.00

Funds available July 31, 2022 \$836.75

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

Federal Aid Project Requests

The following projects were provided to the Commission for their review and approval prior to forwarding them 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.

Ainsworth R-04

Scope: Crack Seal and Marking on Runway 13/31

Total Estimated Cost: \$340,000

Crack sealing the asphalt will extend the life of the pavement and create years of maintenance free use to the airport.

North Platte B-05

Scope: Construct Hangar

Total Estimated Cost: \$2,988,800

Construction of a 12,000 SF aircraft storage hangar including a Pre-Engineered Metal Building (PEMB), hangar door, restroom, mechanical, electrical, and plumbing (MEP), and site improvements. Site improvements include 50-feet of airside paving in front of the hangar, water, sewer, gas, electrical, and telecom utilities as needed to operate building systems.

Oshkosh X-02

Scope: Partial Connecting Taxiway Reconstruction

(From 300' NE of Parallel Taxiway to the GA Apron)

Total Estimated Cost: \$550,000

The existing connector taxiway pavement from 300 ft. NE of the parallel taxiway to the GA apron has a PCI of 47 and needs to be reconstructed. The Airport Authority proposes to remove this existing connector taxiway pavement and install new 6-inch PCC pavement in order to ensure safe access from the GA Apron to the parallel taxiway runway.

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

Revolving Hangar Loan Program

The Hangar Loan Program is a valued resource for the Nebraska airport sponsors. However, the financial and economic situation of the airports has changed since the 2012 revisions to the program which had made the program obsolete.

With the assistance of Commissioner Tom Trumble, the hangar loan program has been reviewed and modified with the intend to make it an efficient and effective tool for NE airport sponsors.

The Commissioners discussed the draft program and the demand for hangar space at Nebraska airport. Director Richart added that current hangar rates are too low and the program should include requirements for airport sponsors to cash flow hangar financed through the program.

Further discussion and action was tabled for a future meeting.

Hangar Loan Requests

Burwell B-04

Scope: Construct 3 Bay Corporate Hangar
Total Estimated Cost: \$764,761

The airport currently has a citizen of Burwell that would like to store his aircraft at Cram Field, however, the current hangars on the airfield are not large enough to store this aircraft. All additional hangars located at the airport are currently being rented. The airport would like to construct the 3-Bay Storage Hangar for the following reasons: 1) Provide aircraft storage for the individual on the wait list; 2) Provide storage for future aircraft wanting to store their aircraft at Cram Field; 3) Provide aircraft storage needs of itinerant aircraft. Constructing the new hangar will allow for safe aircraft storage.

Hebron

Scope: Construct an Addition to an Existing Hangar
Total Estimated Cost: \$480,000

Addition to the Authority's existing open bay hangar will allow room for more transient aircraft while accommodating existing hangar tenants.

Wayne

Scope: Construct 2 Bay Corporate Hangar
Total Estimated Cost: \$505,170

The airport currently has a waiting list of potential tenants that would like to store aircraft at the airfield. All additional hangars located at airfield are currently being rented. The airport would like to construct the 2-Bay Storage Hangar for the following reasons: 1) Provide the opportunity for the aircraft storage for individuals on the waiting list; 2) Provide storage for future aircraft wanting to store their aircraft at Stan Morris Field; 3) Provide aircraft storage needs of itinerant aircraft. Constructing the new hangar will allow for safe aircraft storage; 4) Provide opportunity for current aircraft at the airfield to move into larger hangar.

Motion by Commissioner Trumble to approve loans with 20 year payoff and maximum loan amount of \$1 million dollars. Second by Commissioner Trail. Roll call vote. All voted aye. Motion carried.

AUGUST 2022 HANGAR LOAN ALLOCATIONS

	AIRPORT	SCOPE	COST ESTIMATE	LOAN
1	Burwell	Construct 3 bay Corporate Hangar	\$1,620,000	\$764,761
2	Hebron	Construct an Additional to an Existing Hangar	\$600,000	\$480,000
3	Wayne	Construct a 2 Bay Corporate Hangar	\$1,399,463	\$505,170
		TOTAL		\$1,749,931

REVOLVING HANGAR LOAN PROGRAM

Nebraska DOT Division of Aeronautics
Approved by the Aeronautics Commission on _____

- I. Program Intent.** The Nebraska DOT / Division of Aeronautics (NDOT or “Aeronautics”) and the Nebraska Aeronautics Commission have developed this program to assist municipalities who wish to increase or improve the available hangar space at their public-use airports. Assistance is provided through a no interest loan.

This program is intended to aid and foster aviation interests and activities throughout the state. Hangars at public use airports should be considered public assets. These hangars provide unique capabilities for the community to aid and foster aviation activity. For the benefit of the community, hangars built through this program should remain the property of the public body that owns and operates the airport. While various lease agreements, even long term, are made with private individuals or firms, the ownership of these facilities must remain in the hands of the public, to manage as a public asset for the community.

II. Eligibility.

- A. Who is eligible? Any municipality that operates a public use airport or persons owning privately owned public use airports. A municipality can be an airport authority, city, county, or village.
- B. What is eligible?
1. T-hangars.
 2. Box hangars.
 3. Ramps - from the hangar door to the edge of the taxiway.
 4. Moving an existing hangar, that violates state or federal safety or design standards, to another location on the same airport.
 5. Existing hangar rehabilitation which may include re-sheeting building and door replacement. Rehabilitation is eligible if the supporting structure has been determined to be structurally sound and serviceable by a licensed structural engineer for 20 years after the rehabilitation.

6. Other - finished end units, floors, electrical systems, stubbed-in utilities, insulation, other necessary items within 27.5' of the building, and engineering fees.
 7. Acquiring private hangars is eligible for state funds if no state funds were previously expended for the hangar and the structure has been determined to be structurally sound and serviceable by a licensed structural engineer for at least 20 years.
 8. **Not Eligible** - Full utilities such as water & heat (except for electricity), framing, and other miscellaneous interior work.
- C. Other conditions that must be met.
1. The hangar location must be consistent with what is shown on the currently approved Airport Layout Plan.
 2. The hangar building must meet the department's minimum standards (Aeronautics Specification H-40).
 3. The sponsor must ensure the hangar, at replacement value, for the life of the loan agreement.
 4. The airport must meet the department's licensing standards, Title 17, Chapter 1 of the Nebraska Administrative Code.

III. Funding and Payments.

- A. NDOT Share. Aeronautics may loan up to 80% of the eligible costs, up to the amount approved by the Commission.
- B. Maximum. \$1,000,000 per project.
- C. Repayment Period. The hangar loan repayment period is 20 years.
- D. Payments. Monthly payments will be paid via EFT (Electronic Funds Transfer). The payment amount will be the amount of the new loan agreement divided by the repayment period divided by 12 months per year. No interest or carrying charges will be charged.
- E. Funding from Other Sources. If federal funds or other funding sources pay for a portion of the project, the loan can include the local share.

- F. Transfer of Ownership Penalty. Should the airport sponsor transfer ownership of the hangar within 20 years of the loan allocation date, the airport sponsor shall pay the balance of the loan and a penalty to the hangar loan fund for the accrued interest over the entire time of the loan at a rate of 5% or as set at the time of the loan.

IV. Application. Items A-E should be provided on the department's application form. The application must include:

- A. Description of the project.
- B. Inventory of existing hangars, number of hangar spaces on the airport, number of based aircraft, and number of existing hangar spaces not used by aircraft.
- C. Specific information on the demand for more or improved hangar space. Include the hangar waiting list, if applicable. The list should contain the aircraft make/model, "N" numbers, the address of the current owner, and whether these are single or multi-engine.
- D. Estimated cost.
- E. Funding assurance. A statement from the sponsor, their lender or financial agent indicating the sponsor has the funds in addition to the loan amount to complete the project.
- F. Sketch of the proposed or existing hangar's location.

V. How the Program Works.

- A. Commission Approval. The airport sponsor or their representative may present the application to the Aeronautics Commission at the August Commission Meeting. It should be noted that, for consideration at the August Commission Meeting, applications must be received at the Aeronautics Lincoln office on or before July 15. The Commission can take one of the following actions:
1. Approve the project and allocate (reserve) funds.
 2. Disapprove the project.

The Commission may only award loans in the total amount not to exceed the hangar loan balance at the allocation meeting.

Allocated funds will be withdrawn, without prejudice, if the airport sponsor has not signed a construction contract within eleven (11) months of the Commission's loan award. The eleven-month requirement may be extended by the Division of Aeronautics and/or the Aeronautics Commission for circumstances beyond the airport sponsor's control such as the award of an FAA grant.

- B. Priorities. The Commission will use the following priorities as a guide in selecting projects to be approved.

Priority No. 1: Build new buildings

Priority No. 2: Rehabilitate existing buildings

Priority No. 3: Acquire existing buildings.

Tiebreaker: When two or more requests have the same priority, additional consideration will be given to:

1. Airports that have the longest waiting list or most pressing need; or
2. An airport can reduce their requested amount by asking for less than 80%.

- C. Plans & Specifications. T-Hangars, Box Hangars and rehabilitate existing hangar and/or door replacement. The sponsor must hire a qualified consulting firm, acceptable to Aeronautics, to prepare the plans and specifications, bid the project, and provide on-site inspection at critical construction events. Consultants will use the Sample Consultant Agreement provided by Aeronautics. Aeronautics must approve the plans and specifications before advertisement. Engineering costs are eligible under this program.

- D. Plan Review. Aeronautics must receive one copy of the project plans and specifications stamped by a Nebraska registered professional engineer. The sponsor must obtain all applicable permits and code reviews.

- E. Bidding. The sponsor opens the bids and then awards the contract subject to Aeronautics' concurrence.

- F. Hangar Program Agreement. After the sponsor sends in the bid package, Aeronautics will prepare the loan agreement. The bid package will include the recommendation of award, performance bonds, proof of liability, workers' compensation, and builder's risk. The agreement states the maximum amount of money that may be advanced and the repayment schedule.

- G. Construction and Funding. The sponsor pays the contractor as construction progresses and sends a copy of the paid invoices to Aeronautics. Aeronautics will reimburse the sponsor for 80% of eligible incurred costs. Aeronautics will retain 10% from each reimbursement until the sponsor has completed the "Project Close Out" list described below.
- H. Project Close Out. The following steps are required.
1. The construction is completed and final bills have been submitted.
 2. A set of as-built plans have been submitted to Aeronautics.
 3. The sponsor accepts the building and advises Aeronautics in writing.
 4. The sponsor insures the building against fire, hail, and windstorms including extended coverage with loss payable to Aeronautics and the sponsor as their interests may appear. A copy of the insurance certificate must be sent to Aeronautics annually.

When all four items have been done, Aeronautics will forward the final 10% due.

Closed Projects**Closed Projects
August 5, 2022**

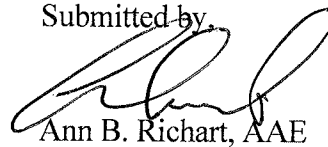
<u>Airport</u>	<u>Original State Allocation</u>	<u>Increase in State Funds Required</u>	<u>Decrease in State Funds Required</u>
Burwell 08 (Install PAPI and REIL)	\$ 0.00	\$ 0.00	\$ 0.00
Kearney 34 (Parking Lot Expansion)	\$ 0.00	\$ 0.00	\$ 0.00
Pender 12 (Pavement Maintenance)	\$ 0.00	\$ 0.00	\$ 0.00
Totals	\$ 0.00	\$ 0.00	\$ 0.00

Motion by Commissioner Smith 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, October 21, 2022 at 1:00 pm CDT in Wayne,
Nebraska. Motion by Commissioner Trail to adjourn the meeting. Second by Commissioner
Smith. Roll call vote. All voted aye. Motion carried.

The meeting adjourned at 2:22 p.m.

Submitted by,



Ann B. Richart, AAE
Director

