

Kearney, Nebraska
February 19, 2020
5:30 p.m.

A special meeting of the City Council of Kearney, Nebraska, was convened in open and public session at 5:30 p.m. on February 19, 2020 in the Council Chambers at City Hall. Present were: Stanley A. Clouse, President of the Council; Lauren Brandt, City Clerk; Council Members Randy Buschkoetter, Bruce Lear, and Tami James Moore. Absent: Jonathan Nikkila. Michael Morgan, City Manager; Michael Tye, City Attorney; Wendell Wessels, Director of Finance; Eric Hellriegel, Assistant City Manager; Jim Lynaugh, Airport Manager; and Steve Cole, Aviation Support Coordinator were also present. Members of the media present included: Mike Konz with the Kearney Hub and Christopher Stum with NTV News.

Notice of the meeting was given in advance thereof by publication in the Kearney Hub, the designated method for giving notice, a copy of the proof of publication being attached to these minutes. Advance notice of the meeting was also given to the City Council and a copy of their acknowledgment or receipt of such notice is attached to these minutes. Availability of the Agenda was communicated in the advance notice and in the notice to the Mayor and City Council. All proceedings hereafter shown were taken while the meeting was open to the attendance of the public.

I. ROUTINE BUSINESS

ANNOUNCEMENT

Mayor Clouse announced that in accordance with Section 84-1412 of the Nebraska Revised Statutes, a current copy of the Open Meetings Act is available for review and is posted on the wall of the Council Chambers.

DISCUSSION AND RECOMMENDATION ON ESSENTIAL AIR SERVICE CARRIER TO SERVICE KEARNEY

Agenda items 3 and 4 were discussed together but voted on separately.

City Manager Michael Morgan stated the Department of Transportation received one proposal to provide essential air service (EAS) to Kearney from SkyWest Airlines, Inc. Prior to this proposal process, the City of Kearney held discussions with SkyWest to include a request for a dual hub service for round trip tickets to both Chicago and Denver; SkyWest included this request in their proposal which will bring the Chicago flight under the EAS program. Additionally, the City requested a three-year proposal versus the normal two-year proposal. Mr. Morgan further explained that currently the City is under a minimum revenue guarantee (MRG) with SkyWest for the Chicago air service; the City's current maximum exposure for the flight to Chicago under the MRG is \$1,341,000 for 12 months. The dual hub flights will be funded with two SkyWest flights that SkyWest will provide at their cost along with funding from the MRG and DOT program. This will shrink the City's maximum exposure for the next three years to an average of \$600,000, down from the current \$1,341,000.

The current MRG agreement for flights to Chicago goes through December; however, SkyWest has agreed to allow the agreement to end September 1 which will lower the City's current MRG agreement (\$1,341,000) with SkyWest by \$268,000. These changes will allow the public to receive the same level of service for the next three years. The Compute North development should cover the maximum exposure of the City; therefore, no tax increase is necessary to provide the ongoing level of service. Going forward the City will look into a new terminal and more parking. Mr. Morgan stated Council deserves credit for all they have done to get air service to where it is today. The City is very pleased with the partnership with SkyWest and United.

Moved by Moore seconded by Lear to recommend SkyWest Airlines, Inc as the essential air service carrier for Kearney. Roll call resulted as follows: Aye: Clouse, Moore, Buschkoetter, Lear. Nay: None. Nikkila absent. Motion carried.

TRANSPORTATION SERVICES AGREEMENT WITH SKYWEST AIRLINES, INC TO PROVIDE AIR SERVICE TO DENVER

Agenda items 3 and 4 were discussed together but voted on separately.

Moved by Lear seconded by Buschkoetter to adopt Resolution No. 2020-23 authorizing the City Manager to enter into and execute a Transportation Services Agreement with SkyWest Airlines, Inc. to provide air service to Denver. Roll call resulted as follows: Aye: Clouse, Lear, Moore, Buschkoetter. Nay: None. Nikkila absent. Motion carried.

AVIATION FUEL SUPPLY AGREEMENT WITH AVFUEL CORPORATION AT THE KEARNEY REGIONAL AIRPORT

Moved by Buschkoetter seconded by Clouse to adopt Resolution No. 2020-24 authorizing the City Manager to enter into and execute an Aviation Fuel Supply Agreement with AvFuel Corporation to provide fueling equipment and services at the Kearney Regional Airport. Roll call resulted as follows: Aye: Clouse, Moore, Buschkoetter, Lear. Nay: None. Nikkila absent. Motion carried.

Mayor Stanley Clouse thanked Mr. Morgan, Jim Lynaugh and Steve Cole for all of their hard work.

VIII. ADJOURN

Moved by Clouse seconded by Moore that Council adjourn at 5:41 p.m. Roll call resulted as follows: Aye: Clouse, Moore, Buschkoetter, Lear. Nay: None. Nikkila absent. Motion carried.

ATTEST:

**STANLEY A. CLOUSE
PRESIDENT OF THE COUNCIL
AND EX-OFFICIO MAYOR**

**LAUREN BRANDT
CITY CLERK**