

AGENDA
KERRVILLE-KERR COUNTY JOINT AIRPORT BOARD
Monday, April 14, 2008, 3 pm
AIRPORT TERMINAL CONFERENCE ROOM
1877 AIRPORT LOOP ROAD, KERRVILLE, TEXAS

1. Call to Order.
2. Visitors/Citizens Forum: At this time, any person with business not scheduled on this agenda, may speak to the board. No formal action can be taken on these items. Visitors are asked to limit presentations to three minutes.
3. Approve the Minutes of February 11 and March 25, 2008, Board Meetings
 - P. 1 3A. Minutes of the February 11, 2008, Board Meeting
 - P. 5 3B. Minutes of the March 25, 2008, Board Meeting
- P. 7 4. Approve Monthly Financials. (Josh Selleck)
5. President's Remarks
- P.11 6. Discussion and Possible Action.
 - 6A. Roger Bobertz letter concerning non-standard leases. (Roger Bobertz)
7. Announcements and General Updates:
 - New office leases at terminal.
 - Update on Air Evac, Kendall Burleson and Granger MacDonald leases.
 - Fuel Surcharge concerning airport mowing contract.
 - Taxiway relocation project.
 - Airlife (medical helicopter service).
8. Executive Session

The Kerrville-Kerr County Joint Airport Board reserves the right to discuss any of the above items in executive closed session if they meet the qualifications in Sections 551.071 (consultation with attorney), 551.072 (deliberation regarding real property), 551.073 (deliberation regarding gifts), 551.074 (personnel matters), 551.075, 551.076 (deliberation regarding security devices) or 551.087 (deliberation regarding economic development negotiations) of Chapter 551 of the Government Code of the State of Texas.
9. Adjournment

Note: The meeting facility is wheelchair accessible and accessible parking spaces are available. Requests for accommodations or interpretive services must be made 48 hours prior to this meeting. Please contact the city clerk at 830-257-8000 for further information.

DRAFT

CITY OF KERRVILLE, TEXAS
KERRVILLE-KERR COUNTY JOINT AIRPORT BOARD

Board Meeting
February 11, 2008

On Monday, February 11, 2008, the meeting of the Board Members of the Kerrville-Kerr County Joint Airport Board was called to order at 3:00 p.m. by Roger Bobertz, President, at the Airport Terminal, Louis Schreiner Field, Kerrville, Texas.

Members Present:

Roger Bobertz, President
Fred Vogt

Members Absent:

Stephen W. King, Vice-President

Staff Present:

Bruce McKenzie, Interim Airport Manager
Huma Ahmed, Assistant to the City Manager
Josh Selleck, Finance Director
Mindy Wendele, Director of Business Programs

2. Visitors/Citizens Forum No one spoke.

3. Approve the Minutes of January 14, 2008 Board Meeting.

Mr. Vogt moved to approve the minutes of the January 14, 2008, Board Meeting, as amended, President Bobertz seconded the motion; and the motion passed 2-0.

4. Approve Monthly Financials

Mr. Selleck presented the financial statement to the Board. President Bobertz moved to approve the financial statement as presented. Mr. Vogt seconded the motion; and the motion passed 2-0.

5. President's Remarks

President Bobertz provided an update to the Board. President Bobertz commented on the overall findings of the Kerr County Economic Development Strategic Plan which was managed by KEDF. The consultants stated that the airport is one of the area's key economic assets and that Mooney Airplane is an important contributor to the area. He also mentioned that he and KEDF Director, Guy Overby discussed a need for a better relationship between KEDF and the airport. Mr. Overby asked that an Airport Board member join the Board of KEDF. President Bobertz volunteered to be a temporary board member of KEDF until a more permanent arrangement could be made.

Mr. McKenzie and President Bobertz discussed the creation of a prepared PowerPoint presentation on the history, layout, and economics of the Kerrville Airport. President Bobertz also referred to a study titled the Economic Impact of General Aviation in Texas published by TxDOT. According to the study, Kerrville is ranked in the top 4% for economic impact of general aviation airports in Texas. Mr. Vogt offered to present this information to the Rotary Club at an upcoming meeting.

6. Discussion and Possible Action

President Bobertz first called up item 6D.

6D. Definition of aviation or aeronautical use –Possible code changes (Fred Vogt)
Mr. Vogt presented his draft for changes to the Airport Code to reflect the definition of aviation and aeronautical related activities. The Board discussed the difference between aviation related and aeronautical activities.

Commissioner Letz asked how the Board determined compatible use and whether the compatible use extended to the area under the zoning authority of the Airport Board.

Mr. Vogt believed that compatible land use needed to be determined on a case by case basis.

The Board agreed to share a definition of compatible land use with the newly appointed Economic Development Incentives Committee including Guy Overby of KEDF, the City Council, and the Commissioners' Court.

Ms. Wendele commented that the Airport Commerce Park is a zoned district and is in compliance with all the restrictions and regulations related to the airport.

President Bobertz moved to approve the proposed changes to the Airport Code; Mr. Vogt seconded the motion; and the motion passed 2-0.

Item 6E was discussed next.

6E. Civil Air Patrol—Antenna access (Fred Vogt)
Mr. Vogt explained that the Civil Air Patrol requested that they be allowed to place an antenna and a radio facility over the terminal building. Mr. Joe Kennedy agreed to allow the antenna to be placed over his facility. The Board agreed to this use. No action was taken.

6B. Airport office space lease rates. (Stephen King)
Mr. Vogt introduced this issue regarding Mr. Burleson's proposed lease. Because the space would be used as an office, the City applied the office lease rate to the space. Mr. Burleson argued that this higher rate is unreasonable. Mr. Vogt argued that Mr. Burleson should not be charged the same price as the terminal office space. President Bobertz argued that the rent concession offered to Mr. Burleson at the last meeting was being used to renovate the space to office space use. Once the rent concession is used for that purpose and the office is created then the lease should be charged at an office space rate.

Mr. Vogt believed that the rent concession was given to bring the building up to ADA standards. Mr. Vogt believed that this burden would have fallen on the City regardless of whether or not a rent concession was offered.

Mr. Vogt asked if the Board can set the fees for the airport.

Ms. Wendele commented that the fee schedule is approved and set by the Board. The new rate being offered to Mr. Burleson is based on the fee schedule listing for office space.

There was some confusion as to whether the ADA issues apply to the use of the space as a warehouse.

Mr. Burleson commented that the upgrades were to bring the building up to ADA compliance and to make the office space suitable for his customer base.

Mr. Vogt made a motion to amend the original lease for 1994 Airport Loop Rd. to allow the lease to be restructured to reflect the cost of \$1000 per month for 12 months and then to extend the lease for an additional four years at the rate of \$3.14; President Bobertz seconded the motion. The motion passed 2-0.

6C. Highway 27 Relocation (Stephen King)

The Board has discussed over the course of several years the possibility of relocating Highway 27.

President Bobertz made a motion that the Airport Board will not pursue, unless there is a major change in circumstance, relocation of Highway 27 or the acquisition of an ILS system for this airport on any runway; Mr. Fred Vogt seconded the motion; the motion passed 2-0.

6F. Nelson Happy leases (Bruce McKenzie)

Mr. McKenzie explained that by March 31, 2008, the occupants of one of Mr. Nelson's three office leases would vacate that space. The second office space, subleased to Ladd Gardner Aviation. Mr. Gardner has petitioned to stay at the Airport. He is running an aeronautical entity. Mr. McKenzie asked the Board to approve a lease for Mr. Gardner. The Board authorized Mr. McKenzie to draw a lease for approval. No action was taken.

6G. Distribution of Airport Board Members e-mail addresses to the public (Bruce McKenzie)

President Bobertz asked the Board if he could distribute the Board's e-mail addresses to KEDF. The Board agreed.

Mr. Vogt asked if he could place an item on the next agenda to request airport management training for Mr. McKenzie in airport management.

6H. Terminal welcome sign and City/County seals (Bruce McKenzie)

Mr. McKenzie requested that a "Welcome to Kerrville" sign be placed above the terminal door (airside). On the white pillars, Mr. McKenzie added the Kerr County SEAL on one pillar and the City of Kerrville seal on the second pillar.

President Bobertz moved to place this sign on the terminal building at the cost of \$750; Mr. Vogt seconded the motion and the motion passed 2-0.

6A. Determination that tenants are in compliance with aeronautical activities requirements. (Stephen King)

7. Announcements and General Updates:

- Flight instructors' insurance- Mr. McKenzie commented that some flight instructors have flight insurance and some do not. Mr. McKenzie is investigating this issue and will report back to the Board at the next meeting.

Commissioner Letz made a comment regarding the payment of the airport sign. Mr. Happy had originally offered to pay for this sign, but now believed that the sign was not consistent with what he had agreed to originally. Mr. Happy would not be paying for the sign. The Board accepted that Mr. Happy will not be paid for this sign.

7. Adjournment.

President Bobertz moved to adjourn; Mr. Vogt seconded the motion. The meeting adjourned at 4:27 p.m.

APPROVED: _____

Roger Bobertz, President

Huma Ahmed,
Assistant to the City Manager

DRAFT

**CITY OF KERRVILLE, TEXAS
KERRVILLE-KERR COUNTY JOINT AIRPORT BOARD**

**Board Meeting
March 25, 2008**

On Tuesday, March 25, 2008, the meeting of the Board Members of the Kerrville-Kerr County Joint Airport Board was called to order at 10:00 a.m. by Roger Bobertz, President, at the Airport Terminal, Louis Schreiner Field, Kerrville, Texas.

Members Present:

Roger Bobertz, President
Stephen W. King, Vice-President
Fred Vogt

Members Absent:

None

Staff Present:

Bruce McKenzie, Interim Airport Manager
Heather M. Spivey, Deputy City Clerk

1. Visitors/Citizens Forum: No one spoke.

2. Discussion and Possible Action

2A. Lease of the property and structure at 1700 Airport Loop Road to Air Evac Lifeteam, West Plains, MO. (Bruce McKenzie, interim airport manager)

Air Evac Lifeteam facilities were based at Sid Peterson Memorial Hospital, however the new hospital building did not include facilities for them. A lease was negotiated between Air Evac and the airport for the property and structure located at 1700 Airport Loop Road. The lease would be for five years with two five-year renewal options. Air Evac would pay \$750.00 per month for the first five years and would make approximately \$150,000.00 in improvements to the building. Standard lease rates would apply after the first five years of the lease. It was noted that this lease was similar to the lease with Kendall Burleson. Mr. McKenzie considered the lease with Air Evac to be an asset to the airport and the community. Roger Bobertz moved to approve the lease as discussed between Kerrville-Kerr County Airport and Air Evac Lifeteam of West Plains, MO. The motion was seconded by Fred Vogt. The motion passed 3-0.

2B. Grant authority to airport manager to modify minimum operating standards with respect to establishing living quarters on the airport property. (Bruce McKenzie, interim airport manager)

According to Section 3A.35 of the Kerrville/Kerr County Airport Board "No person may make any temporary or permanent living quarters on Airport property." Bruce McKenzie requested that the Board grant him the authority to waive Section 3A.35 so that he could allow Air Evac Lifeteam to establish living quarters for their crew at their airport facility based on Section 2A.05, which states "The Airport Board may grant to the Airport Manager the authority to waive or modify any portion of these Minimum Operating Standards for any Person when in his opinion such waiver or modification is in the best interest of the Airport and will not result in unjust discrimination among Commercial Operators at the Airport." Roger Bobertz moved

to grant authority to the airport manager to modify minimum operating standards with respect to establish living quarters on the airport property. Stephen King seconded the motion. The motion passed 3-0.

3. Adjournment.

Stephen King moved to adjourn; Mr. Vogt seconded the motion. The meeting adjourned at 10:13 a.m.

APPROVED: _____

Roger Bobertz, President

Heather M. Spivey,
Deputy City Clerk

CITY OF KERRVILLE
FINANCIAL STATEMENT
AS OF: MARCH 31ST, 2008

47 -AIRPORT FUND
REVENUES

	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACT & EN C	% OF BUDGET	BUDGET BALANCE
<u>INTERGOVERNMENTAL REVENUE</u>					
47-6306 TXDOT-REIMBURSEMENT	0.00	0.00	0.00	0.00	0.00
47-6322 KERR COUNTY - PROJECT MATCH	33,334.00	2,777.84	16,667.04	50.00	16,666.96
47-6347 KERR COUNTY - MGT CONTRACT	155,000.00	12,916.66	77,499.96	50.00	77,500.04
47-6361 CITY - PROJECT MATCH	33,334.00	2,777.83	16,666.99	50.00	16,667.01
47-6362 CITY - MANAGEMENT CONTRACT	<u>155,000.00</u>	<u>12,916.67</u>	<u>77,500.02</u>	<u>50.00</u>	<u>77,499.98</u>
TOTAL INTERGOVERNMENTAL R	376,668.00	31,389.00	188,334.01	50.00	188,333.99
<u>INTEREST AND MISCELLANEOU</u>					
47-6901 LEASES	113,000.00	13,812.74	53,287.65	47.16	59,712.35
47-6902 FUEL FLOW FEES	30,000.00	2,751.30	18,958.32	63.19	11,041.68
47-6903 TERMINAL LEASE	13,145.00	1,190.70	7,401.87	56.31	5,743.13
47-6904 T-HANGER LEASE	44,000.00	2,025.00	36,073.04	81.98	7,926.96
47-6905 VEHICLE RENT-SURCHARGE	3,500.00	152.61	1,775.81	50.74	1,724.19
47-6906 STORAGE RENTAL	1,300.00	0.00	0.00	0.00	1,300.00
47-6908 DAILY RENT T- HANGER	0.00	0.00	0.00	0.00	0.00
47-6911 INTEREST REVENUE	7,000.00	424.21	3,610.95	51.59	3,389.05
47-6989 MISCELLANEOUS REVENUE	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
TOTAL INTEREST AND MISCEL	211,945.00	20,356.56	121,107.64	57.14	90,837.36
<u>TRANSFERS IN</u>					
47-7001 TRANSFER - GENERAL	0.00	0.00	0.00	0.00	0.00
47-7040 TRANSFER IN	0.00	0.00	0.00	0.00	0.00
47-7070 TRANSFER IN	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>	<u>0.00</u>
TOTAL TRANSFERS IN	0.00	0.00	0.00	0.00	0.00
*** TOTAL REVENUES ***	588,613.00	51,745.56	309,441.65	52.57	279,171.35

CITY OF KERRVILLE
FINANCIAL STATEMENT
AS OF: MARCH 31ST, 2008

47 -AIRPORT FUND
00-NON-DEPARTMENTAL
DEPARTMENT EXPENSES

	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACT & EN C	% OF BUDGET	BUDGET BALANCE
<u>PERSONNEL</u>					
47-800-001	SALARIES AND WAGES	0.00	0.00	0.00	0.00
47-800-002	OVERTIME	0.00	0.00	0.00	0.00
47-800-003	TEMPORARY EMPLOYEE	0.00	0.00	0.00	0.00
47-800-004	LONGIVITY	0.00	0.00	0.00	0.00
47-800-005	SOCIAL SECURITY	0.00	0.00	0.00	0.00
47-800-006	RETIREMENT	0.00	0.00	0.00	0.00
47-800-007	GROUP INSURANCE	0.00	0.00	0.00	0.00
47-800-008	WORKER'S COMPENSATION	0.00	0.00	0.00	0.00
47-800-010	PROFESSIONAL DEVELOPMENT	0.00	0.00	667.50	(667.50)
47-800-011	LOCAL MEETING EXPENSE	0.00	0.00	0.00	0.00
	TOTAL PERSONNEL	0.00	0.00	667.50	(667.50)
<u>SUPPLIES</u>					
47-800-101	OFFICE SUPPLIES	1,500.00	230.88	1,130.16	369.84
47-800-102	SMALL TOOLS AND EQUIPMENT	700.00	0.00	304.20	395.80
47-800-103	CHEMICAL AND MEDICAL SUPP	7,200.00	0.00	0.00	7,200.00
47-800-105	FOOD SUPPLIES	400.00	0.00	0.00	400.00
47-800-106	JANITORIAL SUPPLIES	0.00	73.20	463.60	(463.60)
47-800-110	POSTAGE/UPS/FED-EX	720.00	0.00	139.20	580.80
47-800-111	COMPUTER UPGRADE	2,500.00	0.00	0.00	2,500.00
47-800-112	COMPUTER SOFTWARE PURCHAS	2,500.00	0.00	0.00	2,500.00
47-800-132	SOD, SEED, PLANTING	0.00	0.00	349.30	(349.30)
	TOTAL SUPPLIES	15,520.00	304.08	2,386.46	13,133.54
<u>MAINTENANCE</u>					
47-800-201	LAND	45,500.00	0.00	5,427.00	40,073.00
47-800-202	BUILDINGS AND STRUCTURES	32,500.00	0.00	4,221.39	28,278.61
47-800-205	OFFICE EQUIPMENT	0.00	138.95	616.27	(616.27)
47-800-206	INSTRUMENTS AND APPARATUS	14,000.00	494.27	494.27	13,505.73
47-800-207	STREETS	0.00	0.00	0.00	0.00
47-800-208	TRAFFIC CONTROL DEVICES	0.00	0.00	40.90	(40.90)
47-800-209	TAXIWAYS/RUNWAYS	5,500.00	0.00	0.00	5,500.00
47-800-212	REPAIRS-NOT CITY GARAGE	0.00	0.00	0.00	0.00
47-800-214	RAMP GRANT MATCH	0.00	0.00	0.00	0.00
	TOTAL MAINTENANCE	97,500.00	633.22	10,799.83	86,700.17
<u>SERVICES</u>					
47-800-301	PHONE SERVICE	1,050.00	0.00	78.46	971.54
47-800-302	LIGHT AND POWER	9,250.00	825.82	3,316.06	5,933.94
47-800-303	NATURAL GAS	0.00	0.00	0.00	0.00
47-800-304	WATER & SEWER	750.00	28.63	103.18	646.82
47-800-305	LEGAL SERVICE	0.00	0.00	0.00	0.00
47-800-306	SPECIAL SERVICES	35,500.00	0.00	14,371.51	21,128.49
47-800-307	INSURANCE	11,000.00	0.00	10,745.43	254.57
47-800-311	NETWORK SERVICES	1,250.00	0.00	0.00	1,250.00
47-800-313	HIRE OF EQUIPMENT	3,100.00	0.00	0.00	3,100.00
47-800-316	ADVERTISING	1,000.00	0.00	0.00	1,000.00

CITY OF KERRVILLE
 FINANCIAL STATEMENT
 AS OF: MARCH 31ST, 2008

47 -AIRPORT FUND
 00-NON-DEPARTMENTAL
 DEPARTMENT EXPENSES

	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACT & EN C	% OF BUDGET	BUDGET BALANCE	
47-800-347	MANAGEMENT CONTRACT	343,545.00	28,628.75	171,772.50	50.00	171,772.50
47-800-348	OUTSOURCED SERVICES	0.00	0.00	0.00	0.00	0.00
47-800-350	CONTINGENCY-OUTSOURCED SE	0.00	0.00	0.00	0.00	0.00
	TOTAL SERVICES	406,445.00	29,483.20	200,387.14	49.30	206,057.86
<u>OTHER EXPENSES</u>						
47-800-401	CERITFICATES, AWARDS, ETC	0.00	0.00	0.00	0.00	0.00
47-800-402	DUES AND SUBSCRIPTIONS	0.00	0.00	0.00	0.00	0.00
47-800-405	OTHER CHARGES	4,800.00	0.00	2,540.00	52.92	2,260.00
47-800-410	CONTINGENCY	15,000.00	0.00	10,500.00	70.00	4,500.00
47-800-430	DEPRECIATION EXPENSE	0.00	0.00	0.00	0.00	0.00
47-800-435	OTHER EXPENSE	0.00	0.00	0.00	0.00	0.00
	TOTAL OTHER EXPENSES	19,800.00	0.00	13,040.00	65.86	6,760.00
<u>CAPITAL OUTLAY</u>						
47-800-501	LAND	0.00	0.00	0.00	0.00	0.00
47-800-502	BUILDINGS AND STRUCTURES	0.00	0.00	0.00	0.00	0.00
47-800-505	OFFICE EQUIPMENT	0.00	0.00	0.00	0.00	0.00
47-800-506	INSTRUMENTS AND APPARATUS	0.00	0.00	0.00	0.00	0.00
47-800-508	TRAFFIC CONTROL DEVICES	0.00	0.00	0.00	0.00	0.00
47-800-510	WATER SYSTEM IMPROVEMENTS	0.00	0.00	0.00	0.00	0.00
47-800-513	GRANT MATCH	0.00	0.00	0.00	0.00	0.00
47-800-514	DRAINAGE IMPROVEMENTS	0.00	0.00	0.00	0.00	0.00
47-800-515	GRANT MATCH T-HANGER 2001	0.00	0.00	0.00	0.00	0.00
47-800-516	TXDOT REIMBURSE 2000-2001	0.00	0.00	0.00	0.00	0.00
47-800-517	CITY T-HANGER 2001	0.00	0.00	0.00	0.00	0.00
47-800-518	KERR COUNTY T-HANGER 2001	0.00	0.00	0.00	0.00	0.00
47-800-519	GRANT MATCH LIGHTING IMPR	0.00	0.00	0.00	0.00	0.00
47-800-520	TXDOT REIMBURSEMENT LIGHT	0.00	0.00	0.00	0.00	0.00
	TOTAL CAPITAL OUTLAY	0.00	0.00	0.00	0.00	0.00
<u>TRANSFERS OUT</u>						
47-800-901	TRANSFER - GENERAL	0.00	0.00	0.00	0.00	0.00
47-800-902	TRANSFER OUT	0.00	0.00	0.00	0.00	0.00
47-800-928	TRANSFER OUT	0.00	0.00	0.00	0.00	0.00
47-800-940	TRANSFER OUT	0.00	0.00	0.00	0.00	0.00
47-800-942	TRANSFER OUT	0.00	0.00	0.00	0.00	0.00
47-800-970	TRANSFER OUT	0.00	0.00	0.00	0.00	0.00
47-800-974	TRANSFER OUT - AIRPORT CA	66,667.00	5,555.58	33,333.49	50.00	33,333.51
47-800-975	TRANSFER OUT	0.00	0.00	0.00	0.00	0.00
47-800-990	TRANSFER - INSURANCE	289.00	24.08	144.48	49.99	144.52
	TOTAL TRANSFERS OUT	66,956.00	5,579.66	33,477.97	50.00	33,478.03
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TOTAL 00-NON-DEPARTMENTAL	606,221.00	36,000.16	260,758.90	43.01	345,462.10	

CITY OF KERRVILLE
 FINANCIAL STATEMENT
 AS OF: MARCH 31ST, 2008

47 -AIRPORT FUND
 01-TERMINAL
 DEPARTMENT EXPENSES

	ANNUAL BUDGET	CURRENT PERIOD	Y-T-D ACT & EN C	% OF BUDGET	BUDGET BALANCE
<u>SUPPLIES</u>					
47-801-118 SIGN MATERIALS AND SUPPLI	0.00	0.00	0.00	0.00	0.00
TOTAL SUPPLIES	0.00	0.00	0.00	0.00	0.00
<u>SERVICES</u>					
47-801-301 PHONE SERVICE	1,450.00	216.62	684.46	47.20	765.54
47-801-302 LIGHT & POWER	8,200.00	596.65	4,319.88	52.68	3,880.12
47-801-303 PROPANE GAS	2,200.00	735.00	3,870.84	175.95	(1,670.84)
47-801-304 WATER & SEWER	550.00	261.30	1,085.00	197.27	(535.00)
TOTAL SERVICES	12,400.00	1,809.57	9,960.18	80.32	2,439.82
TOTAL 01-TERMINAL	12,400.00	1,809.57	9,960.18	80.32	2,439.82
*** TOTAL EXPENSES ***	618,621.00	37,809.73	270,719.08	43.76	347,901.92

DRAFT

MEMORANDUM

TO: FILE

FROM: Roger Bobertz, Airport Board President

DATE: March 26, 2008

SUBJECT: **Non-Standard Lease Rates**

COPY: Airport Manager, Airport Board Members

During its meeting of February 11, 2008 the Kerrville/Kerr County Airport Board approved a lease to Mr. Kendall Burleson, and during its meeting of March 25, 2008 the Board approved a lease to Air Evac Lifeteam, both of which leases were at non-standard rates. The purpose of this memorandum is to document the reasons for approving the non-standard rates should future questions arise.

First, it should be noted that the Airport maintains a published list of standard lease rates that are to be used for all leases, and the Airport Board has delegated to the Airport Manager the authority to execute such standard rate leases. The Airport Board however recognizes that, in a few cases, the Airport Manager may judge that extraordinary circumstances exist, and in such cases the Airport Board expects the Airport Manager to negotiate non-standard lease rates and propose them for Airport Board approval.

Following are the circumstances, judged to be extraordinary, pertaining to both of the approved non-standard lease rates:

- Both leases are for Airport-owned buildings and land
- Both buildings had been vacant for several months
- Both buildings were in need of repair
- Both lessees proposed, at their own expense, repairs and major renovations to the buildings
- The non-standard rates for both leases are for periods of time, and at rates that will approximately enable the lessees to recover the cost of their investment in the Airport-owned buildings.

The Airport Board agreed that these were extraordinary circumstances, and approved the proposed leases.