

AGENDA
KERRVILLE-KERR COUNTY JOINT AIRPORT BOARD
Monday, September 8, 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.
- P. 1 3. Approve the Minutes of the August 11, 2008, and August 18, 2008, board meetings.
- P. 7 4. **Monthly Financials**
5. **Discussion and Possible Action:**
 - 5A. Continuation of city services past October 1, 2008 (Letter of Understanding). (Paul A. Hofmann, City Manager)
 - 5B. Status of Airport Manager employment agreement. (Roger Bobertz)
 - 5C. Status of Airport Board member selections. (Stephen King)
 - 5D. Discuss possibility of Airport Board meeting prior to October 1, 2008. (Roger Bobertz)
6. **Announcements and General Updates:**
 - 6A. Aviation activity at the airport due to hurricane Gustav. (Bruce McKenzie)
7. **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.

Section 551.074:

 - Selection of Airport Manager
 - Airport Manager Employment Agreement
8. **Action on items discussed in executive session.**
9. **Adjournment**

The facility is wheelchair accessible and accessible parking spaces are available. Requests for accommodations or interpretive services must be made 48 hours prior to this event. Please contact the City Secretary's Office at 830-257-8000 for further information.

I do hereby certify that this notice of meeting was posted on the bulletin board at the city hall of the city of Kerrville, Texas, and said notice was posted on the following date and time: _____ at _____ and remained posted continuously for at least 72 hours preceding the scheduled time of the meeting.

City Secretary, City of Kerrville, Texas

DRAFT

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

**Board Meeting
August 11, 2008**

On Monday, August 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
Stephen W. King, Vice-President

Members Absent:

Fred Vogt

Staff Present:

Bruce McKenzie, Interim Airport Manager
Heather M. Spivey, Deputy City Secretary
Josh Selleck, Director of Finance
Mindy Wendele, Director of Business Programs

2. Visitors/Citizens Forum:

No one spoke.

3. Approval of Minutes of the July 14, 2008, Board Meeting

Mr. Bobertz moved to approve the minutes of the July 14, 2008 meeting. Mr. King seconded the motion. The motion passed 2-0.

4. President's Remarks

Mr. Bobertz stated that an interlocal agreement between the city and the county had been drafted. He stated that the board would need to work on nailing down the airport manager position, adding two additional members to the board, and possibly opening a bank account. He stated that there would need to be a special meeting to discuss the issues when the entire board was present. He stated that the process was moving forward.

5. Discussion and Possible Action

Mr. Bobertz called item 5B since Michelle Hannah had not yet arrived to present the Airport Business Plan.

5B. Air-Evac new facility

Mr. McKenzie stated that Air-Evac had expressed their need and desire to have their facility closer to the terminal. It was agreed that they would lease hangar 3 from Kerrville Aviation and build their living quarters next to it. Mr. McKenzie stated that all parties agreed to the move. He further stated that the fire marshal was on board with the new plan, utilities were already in place and that the surveying had begun. He stated that he was in discussions with the city about parking. Mr. McKenzie said that Air-Evac would eventually construct a sidewalk between the hangar and the terminal. Mr. King stated that he approved of the change as long as the lease stipulated that the road to the hangar would be maintained by the airport, but would

not be improved at the airport's expense. Any improvements to the road would be at the expense of Air-Evac. There was a consensus among the board members regarding the road and Mr. McKenzie stated that the stipulation would be added to the lease agreement.

5A. Public presentation of the Airport Business Plan.

Michelle Hannah of TxDOT Aviation arrived at 3:12 p.m. She stated that she had no formal presentation, but wanted to answer any questions and tie up any loose ends regarding the Airport Business Plan. She further stated that she could not speak for the consultants that produced the plan, but wanted to help the board make an informed decision about the plan. She said that the plan was not a recipe that had to be followed, but merely the consultant's opinions or recommendations on managing the business of the airport. Ms. Hannah stated that TxDOT had only done a few of these plans, but other airports had found them useful. She stated that the plans could be very customized and specific to each airports particular market, in order to help that airport determine the best ways to develop and market their assets. Ms. Hannah said that the plan could point out the airport's competition and whether its lease rates were in-line with those of the competing airports. Mr. Bobertz stated that he found the addition of action steps to the second draft to be helpful and that at least one recommendation regarding the airport manager reporting to the board was in the process of being executed. Mr. King stated that he found nothing particularly enlightening about the plan, but conceded that the timing of the report may have been a factor. He stated that he hoped some helpful information could be gleaned from the plan. Ms. Wendele stated that the draft of the economic development policy, including the city and the county, did speak to airport development and that it could help the board tie things together regarding development. Ms. Hannah stated that the plan was a general idea given by the consultants regarding development. She said that the board would need to be creative in the further development of the airport and did give the board several ideas on how that could be done. Mr. Gross stated that ultimately highest and best use for the airport was determined by the owner and in this case that would be the taxpayers. He further stated that the research done for the study seemed generic and that the waiting on the plan had hindered development and decision-making.

6. Announcements and General Updates

- Mr. McKenzie announced that TxDOT would be holding a pre-construction meeting for the taxiway relocation project on Tuesday, August 19, 2008, at 8:30 a.m.
- Mr. McKenzie announced that a bronze plaque listing the tenants at the airport had been placed just inside the entrance of the terminal.
- Mr. McKenzie announced that there were planes in the new duPerier hangar.

7. 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.

At 3:58 p.m., the board recessed to executive session under section 551.074. At 4:28 p.m., the executive session ended and the board returned to open session at 4:28 p.m. Mr. Bobertz announced that no action had been taken in executive session.

8. Action on items discussed in executive session.

No action was taken.

9. Adjournment

Mr. King moved to adjourn. Mr. Bobertz seconded the motion. The motion passed 2-0. The meeting adjourned at 4:30 p.m.

APPROVED: _____

Roger Bobertz, President

Heather M. Spivey, Deputy City Secretary

DRAFT

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

**Board Meeting
August 18, 2008**

On Monday, August 18, 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
Stephen W. King, Vice-President
Fred Vogt

Members Absent:

None

Staff Present:

Bruce McKenzie, Interim Airport Manager
Heather M. Spivey, Deputy City Secretary
Josh Selleck, Director of Finance
Paul A. Hofmann, City Manager
Kristine Ondrias, Director of General Services

Mr. Bobertz called agenda item 3B to accommodate Judge Pat Tinley's schedule.

3B. Arrangements for reappointed members to take oath of office.

Judge Pat Tinley administered the oath of office to Mr. Bobertz, Mr. King and Mr. Vogt.

2. Visitors/Citizens Forum:

No one spoke.

3. Discussion and Possible Action

3A. Assignment of reappointed airport board members to 3 of the 5 "places" for determining duration of their appointments.

The members drew numbers for randomly assigned places in order to determine the duration of their appointments. Mr. King drew Place 2, Mr. Vogt drew Place 4 and Mr. Bobertz drew Place 1.

3C. Election of Officers

Mr. King moved to nominate Mr. Bobertz for president of the board. Mr. Vogt seconded the motion. The motion passed 3-0. Mr. Vogt moved to nominate Mr. King for vice-president of the board. Mr. Bobertz seconded the motion. There was a consensus among the board that a secretary would be appointed at a later date.

3D. Identification of work to be done to accomplish transition from the current airport board process and responsibilities to the new airport board process and responsibilities. Assignment of transition tasks to airport board members and the airport manager.

Mr. Bobertz stated that the new agreement placed new obligations and responsibilities on the board. He said that there were four areas that needed to be addressed immediately. He listed them as:

1. Memorandum of Understanding or an extension of the existing management contract with the city until new arrangements could be made in order to make the transition with the least possible impact on the fiscal year 2009 budget and engagement of outside counsel.
2. Nomination of additional board members for approval by the city and county.
3. Arrangements for near term and long term financial services.
4. Hiring of an airport manager.

Mr. Bobertz said that it would be best if the tasks were divided among each of the members. Mr. Bobertz stated that he had already begun working on a draft employment contract for the airport manager position, so he would take on task #4. After some discussion, it was decided that Mr. Hofmann would speak to council about some sort of interim agreement to help with the transition that would include services currently provided with the exception of the airport manager position. Mr. Hofmann stated that he would bring a proposal for transition services back to the board on September 8th if agreed to by the council. Mr. Vogt said that he would research financial firms and outside counsel, thus taking on task #3. Mr. King stated that he would handle task #2. He said that would review the applications on file and create a nomination process for appointing board members.

3E. Discuss need for further special meetings.

There was a consensus among the board that the next meeting would be on the regular meeting date of Monday, September 8, 2008.

4. 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.

At 4:09 p.m., the board recessed to executive session under section 551.074. At 5:03 p.m., the executive session ended and the board returned to open session at 5:03 p.m. Mr. Bobertz announced that no action had been taken in executive session.

5. Action on items discussed in executive session.

No action was taken.

6. Adjournment

Mr. King moved to adjourn. Mr. Vogt seconded the motion. The motion passed 3-0. The meeting adjourned at 5:05 p.m.

APPROVED: _____

Roger Bobertz, President

Heather M. Spivey, Deputy City Secretary

CITY OF KERRVILLE
FINANCIAL STATEMENT
AS OF: JULY 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	27,778.39	83.33	5,555.61
47-6347 KERR COUNTY - MGT CONTRACT	155,000.00	12,916.66	129,166.61	83.33	25,833.39
47-6361 CITY - PROJECT MATCH	33,334.00	2,777.83	27,778.31	83.33	5,555.69
47-6362 CITY - MANAGEMENT CONTRACT	155,000.00	12,916.67	129,166.70	83.33	25,833.30
TOTAL INTERGOVERNMENTAL R	376,668.00	31,389.00	313,890.01	83.33	62,777.99
<u>INTEREST AND MISCELLANEOU</u>					
47-6901 LEASES	113,000.00	8,115.70	81,738.81	72.34	31,261.19
47-6902 FUEL FLOW FEES	30,000.00	3,953.88	32,601.87	108.67 (2,601.87)
47-6903 TERMINAL LEASE	13,145.00	1,190.70	11,084.10	84.32	2,060.90
47-6904 T-HANGER LEASE	44,000.00	5,150.00	48,123.04	109.37 (4,123.04)
47-6905 VEHICLE RENT-SURCHARGE	3,500.00	424.99	3,058.47	87.38	441.53
47-6906 STORAGE RENTAL	1,300.00	0.00	1,980.00	152.31 (680.00)
47-6908 DAILY RENT T- HANGER	0.00	0.00	0.00	0.00	0.00
47-6911 INTEREST REVENUE	7,000.00	408.36	5,515.05	78.79	1,484.95
47-6989 MISCELLANEOUS REVENUE	0.00	0.00	0.00	0.00	0.00
TOTAL INTEREST AND MISCEL	211,945.00	19,243.63	184,101.34	86.86	27,843.66
<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	0.00	0.00	0.00	0.00	0.00
TOTAL TRANSFERS IN	0.00	0.00	0.00	0.00	0.00
*** TOTAL REVENUES ***	588,613.00	50,632.63	497,991.35	84.60	90,621.65

CITY OF KERRVILLE
FINANCIAL STATEMENT
AS OF: JULY 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	0.00	0.00
47-800-011	LOCAL MEETING EXPENSE	0.00	0.00	0.00	0.00
	TOTAL PERSONNEL	0.00	0.00	0.00	0.00
<u>SUPPLIES</u>					
47-800-101	OFFICE SUPPLIES	1,500.00	0.00	1,520.70	101.38 (20.70)
47-800-102	SMALL TOOLS AND EQUIPMENT	700.00	1,137.50	1,516.53	216.65 (816.53)
47-800-103	CHEMICAL AND MEDICAL SUPP	7,200.00	0.00	6,900.60	95.84 299.40
47-800-105	FOOD SUPPLIES	400.00	0.00	0.00	0.00 400.00
47-800-106	JANITORIAL SUPPLIES	0.00	146.40	829.60	0.00 (829.60)
47-800-110	POSTAGE/UPS/FED-EX	720.00	56.44	195.64	27.17 524.36
47-800-111	COMPUTER UPGRADE	2,500.00	0.00	0.00	0.00 2,500.00
47-800-112	COMPUTER SOFTWARE PURCHAS	2,500.00	0.00	0.00	0.00 2,500.00
47-800-132	SOD, SEED, PLANTING	0.00	0.00	349.30	0.00 (349.30)
	TOTAL SUPPLIES	15,520.00	1,340.34	11,312.37	72.89 4,207.63
<u>MAINTENANCE</u>					
47-800-201	LAND	45,500.00	8,802.23	20,076.23	44.12 25,423.77
47-800-202	BUILDINGS AND STRUCTURES	32,500.00	51.19	6,670.16	20.52 25,829.84
47-800-205	OFFICE EQUIPMENT	0.00	137.20	1,188.23	0.00 (1,188.23)
47-800-206	INSTRUMENTS AND APPARATUS	14,000.00	0.00	494.27	3.53 13,505.73
47-800-207	STREETS	0.00	0.00	0.00	0.00 0.00
47-800-208	TRAFFIC CONTROL DEVICES	0.00	0.00	141.90	0.00 (141.90)
47-800-209	TAXIWAYS/RUNWAYS	5,500.00	0.00	0.00	0.00 5,500.00
47-800-212	REPAIRS-NOT CITY GARAGE	0.00	0.00	186.00	0.00 (186.00)
47-800-214	RAMP GRANT MATCH	0.00	0.00	0.00	0.00 0.00
	TOTAL MAINTENANCE	97,500.00	8,990.62	28,756.79	29.49 68,743.21
<u>SERVICES</u>					
47-800-301	PHONE SERVICE	1,050.00	120.42	259.61	24.72 790.39
47-800-302	LIGHT AND POWER	9,250.00	841.52	6,631.16	71.69 2,618.84
47-800-303	NATURAL GAS	0.00	0.00	0.00	0.00 0.00
47-800-304	WATER & SEWER	750.00	28.35	217.97	29.06 532.03
47-800-305	LEGAL SERVICE	0.00	0.00	0.00	0.00 0.00
47-800-306	SPECIAL SERVICES	35,500.00	0.00	16,459.96	46.37 19,040.04
47-800-307	INSURANCE	11,000.00	0.00	10,745.43	97.69 254.57
47-800-311	NETWORK SERVICES	1,250.00	0.00	0.00	0.00 1,250.00
47-800-313	HIRE OF EQUIPMENT	3,100.00	0.00	72.00	2.32 3,028.00
47-800-316	ADVERTISING	1,000.00	0.00	0.00	0.00 1,000.00

CITY OF KERRVILLE
 FINANCIAL STATEMENT
 AS OF: JULY 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	286,287.50	83.33	57,257.50
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	29,619.04	320,673.63	78.90	85,771.37
OTHER EXPENSES						
47-800-401	CERTIFICATES, 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
CAPITAL OUTLAY						
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
TRANSFERS OUT						
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	55,555.81	83.33	11,111.19
47-800-975	TRANSFER OUT	0.00	0.00	0.00	0.00	0.00
47-800-990	TRANSFER - INSURANCE	289.00	24.08	240.80	83.32	48.20
	TOTAL TRANSFERS OUT	66,956.00	5,579.66	55,796.61	83.33	11,159.39
TOTAL 00-NON-DEPARTMENTAL						
		606,221.00	45,529.66	429,579.40	70.86	176,641.60

CITY OF KERRVILLE
 FINANCIAL STATEMENT
 AS OF: JULY 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	64.93	1,003.65	69.22	446.35
47-801-302 LIGHT & POWER	8,200.00	1,313.96	7,636.15	93.12	563.85
47-801-303 PROPANE GAS	2,200.00	0.00	3,870.84	175.95	(1,670.84)
47-801-304 WATER & SEWER	550.00	267.74	2,177.38	395.89	(1,627.38)
TOTAL SERVICES	12,400.00	1,646.63	14,688.02	118.45	(2,288.02)
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TOTAL 01-TERMINAL	12,400.00	1,646.63	14,688.02	118.45	(2,288.02)
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*** TOTAL EXPENSES ***	618,621.00	47,176.29	444,267.42	71.82	174,353.58