

**KERRVILLE-KERR COUNTY JOINT AIRPORT BOARD MINUTES
OF A REGULAR MEETING**

**KERRVILLE, TEXAS
MAY 10, 2010**

On Monday, May 10, 2010, a regular meeting of the Board Members of the Kerrville-Kerr County Joint Airport Board was called to order at 3:30 p.m. by Stephen King, President, at the Airport Terminal, Louis Schreiner Field, Kerrville, Texas.

Members Present:

Stephen King, President
Fred Vogt, Vice President
Mark Cowden
Tom Moser
Corey Walters

Airport Board Staff Present:

Bruce McKenzie, Airport Manager

City Staff Present:

Kim Meisner, Director of General Operations
Mike Wellborn, Director of Engineering
Mike Erwin, Finance Director
Cheri Halford, CIP Manager
Dorothy Miller, Executive Secretary

County Staff Present:

Bill Williams, Commissioner Precinct 2
Jonathan Letz, Commissioner Precinct 3
Jeannie Hargis, Kerr County Auditor

Visitors:

Scott Wetzal, Project Manager, BWR
Randy Kirk, Sales & Marketing Manager, Erect-A-Tube
Dite Steinruck, Kendal Kasper Construction, Inc.
Billy Snow, Airport Neighbor

CALL TO ORDER

1. VISITORS FORUM:

None.

2. DISCUSSION AND POSSIBLE ACTION

**2A. Approve the minutes of the April 12, 2010 Airport Board meeting.
Mr. Moser moved to accept the minutes of April 12, 2010 as presented; motion was seconded by Mr. Vogt and passed 5-0.**

2B. Monthly Financials (Mike Erwin)

Mr. Erwin presented the monthly financials as follows:

- o Revenues: \$54,238
- o Expenditures: \$44,260
- o Revenues over expenditures: \$9,978
- o Ending Cash Balance as of April 30, 2010: \$261,723
- o Three Reserve Fund Balances: \$49,625
- o Available Cash Balance as of April 30, 2010: \$212,098

Mr. Erwin stated he also included an Airport Capital Improvement Projects – Fund 74 spreadsheet as previously requested by the Board. The unallocated cash balance for these projects is \$154,419. Mr. Cowden requested an additional column to this spreadsheet showing the total project cost. Mr. Vogt moved to accept the financials as presented; motion was seconded by Mr. Cowden and passed 5-0.

2C. Declare Old Chain Link Fencing as Surplus Material (Bruce McKenzie)

Mr. McKenzie recommended the Board declare approximately 3,200 linear feet of chain link fencing, which is to be removed and stored on the Airport's property, as surplus

material. Mr. King moved to declare 3,200 linear feet of chain link fencing as surplus material; motion was seconded by Mr. Vogt and passed 5-0.

2D. Dispensing of Surplus Fencing Material (Bruce McKenzie)

Mr. McKenzie stated five years ago when the Airport built 6.5 miles of 10 foot chain link fence, part of the chain link fence was taken down adjacent to Mr. Snow's property without his knowledge. It was replaced with the 10 foot fence put in place by the Airport, however, there was an agreement made between the previous city manager Ron Patterson and Mr. Snow that he would get part of this fencing as restitution for removing his fence. In that process, the contractor who was building the fence took the entire fence with him. Mr. Snow has waited patiently for five years to resolve this issue and now the opportunity has presented itself for the Airport to make restitution to him for some length of that fence, whether it is part or all of it, since the fence that has been removed has now been declared surplus material. Mr. Snow is requesting a minimum of 1,500 linear feet and explained in detail the issue and the need for replacing the fence. Mr. Snow also requested an unspecified additional amount of fence as reimbursement for legal expenses incurred. Mr. King moved to resolve the long standing issue of five years by trading Mr. Snow 2,000 linear feet of chain link fence in return for a waiver or release of liability and to give the remainder of the fence to Kerr County; motion was seconded by Mr. Moser and passed 5-0.

2E. Airport Services Management Contract (Steve King)

Commissioner Williams stated at the special Airport meeting held March 24, 2010, he indicated that the County would prepare a formal proposal for the delivery of Airport Management Services and distributed sealed envelopes to board members and Mr. McKenzie containing a letter of proposal to provide Airport Management Services for \$158,524, including two full time personnel and \$5,000 for yearly independent auditing services. Commissioner Williams discussed the proposal with the Board. The Board discussed how to best compare the County and City proposals. Mrs. Meisner recapped the discussion the Board had during their special meeting of March 24, 2010 where the Board decided to request a proposal from the City for FY11 and prepare an RFP for FY12, enabling the County to submit a bid at that time. The decision was made due to the Board not feeling confident they could prepare an adequate RFP in the time allotted. Mrs. Meisner stated the City was requested to submit a proposal within 30 days. The item went to City Council requesting staff to move forward with a proposal, which afterwards gave staff one week to prepare a bid. The County has now submitted an unsolicited bid they've had six weeks to prepare. Mrs. Meisner also stated in speaking with City Attorney Mike Hayes, if the Board wants to consider the County's proposal, based upon the Board's minutes the Board would need to reject the City's proposal and then allow another time for both entities to bid on it. Mr. Moser moved to have Mr. McKenzie, within the next two weeks, establish for each one of the line items in the Airport's Management Services contract an estimate based on the last three years of data of what is needed and in comparison of the two proposals. The second part of the motion is to have a special meeting of the Board to review that information and to make a decision; motion was seconded by Mr. Vogt and passed 5-0. The Board agreed to receive new proposals from the City and the County prior to the date of the special meeting. The Board agreed to hold a special meeting on Tuesday, June 1, 2010 at 2:00 p.m. to be held at the Airport Terminal to compare the City and County proposals submitted for Airport Management Services.

2F. Award Runway 12/30 Rehabilitation Project (Bruce McKenzie)

Mr. McKenzie reported bids received for the Runway 12/30 Rehabilitation Project were opened May 5, 2010. Mr. McKenzie recommended the Board award the contract to Hi-Lite Markings who offered the lowest bid at \$96,352.00. Mr. King moved to award the

contract to Hi-Lite Markings for \$96,352.00; motion was seconded by Mr. Cowden and passed 5-0.

- 2G. Master Plan Project (Fred Vogt)
Mr. Vogt requested Mr. McKenzie to ask TxDOT for approval of the Airport's Master Plan as described. Mr. Vogt moved to approve the scope of work identified by Garver USA; motion was seconded by Mr. Cowden and passed 5-0.

3. INFORMATION AND DISCUSSION:

- 3A. Erect-A-Tube Hangar Systems Presentation (Randy Kirk)
Mr. Kirk presented and discussed a slide show entitled, "Hangar Development".
- 3B. Cost Information for Fire Water Flow Enhancement Project (Bruce McKenzie)
Mr. Moser discussed how best to use the CIP funds allotted for the Fire Water Flow Enhancement Project, whether to proceed with this project or abandon it and proceed with t-hangar construction, which would yield immediate revenue. Mrs. Hargis discussed the legal use of the County's \$350,000 contribution since it came from bond issue money.
- 3C. 2010 CIP Options (Tom Moser)
This item was discussed under item 3B.
- 3D. Phase II Construction Update (Bruce McKenzie)
Mr. McKenzie reported construction is still ahead of schedule. There will be a pre-pave meeting at the end of this month or the first week of June.
- 3E. TxDOT Regional Planning Meeting Update (Bruce McKenzie)
Mr. McKenzie reported he, Mr. King, Mr. Cowden and Mr. Walters attended the TxDOT Regional Planning Meeting held in Fredericksburg. Mr. McKenzie stated he gave an update on the Airport as did various other airport representatives.

4. EXECUTIVE SESSION:

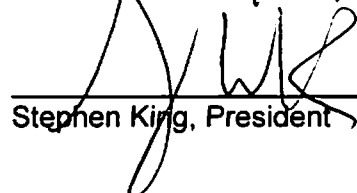
- 4A. Section 551.074
- Discuss Employee Evaluations (Steve King)
 - Bruce McKenzie, Airport Manager
 - Laurie DeJohn-Ermey, Executive Assistant

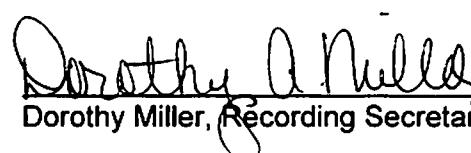
Executive session began at 6:45 p.m. and ended at 6:56 p.m. Mr. Vogt moved to increase Ms. DeJohn's salary for the upcoming FY11 budget year to level 17.5, step 3 as recommended by Mr. McKenzie; motion was seconded by Mr. Walters and passed 5-0. Mr. Vogt moved to increase Mr. McKenzie's salary for the upcoming FY11 budget year to \$80,000 per year; motion was seconded by Mr. Walters and passed 5-0.

5. ADJOURNMENT

Mr. Walters moved to adjourn; motion was seconded by Mr. Vogt and passed 5-0. Meeting adjourned at 6:59 p.m.

APPROVED: 6/14/10


Stephen King, President


Dorothy Miller, Recording Secretary