

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

**Board Meeting  
February 9, 2009**

On Monday, February 9, 2009, the meeting of the Board Members of the Kerrville-Kerr County Joint Airport Board was called to order at 3:30 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  
Tom Moser (Arrived 3:39 p.m.)  
Fred Vogt

**Members Absent:**

Mark Cowden

**Airport Board Staff Present:**

Bruce McKenzie, Airport Manager

**City Staff Present:**

Josh Selleck, Director of Finance  
Kristine Ondrias, Director of General Services  
Charlie Hastings, Director of Public Works  
Dorothy Miller, Secretary to Director of General Services

**1. Visitors/Citizens Forum:**

No one spoke.

**2. Consideration and Possible Action:**

**2A. Approve the minutes of the December 8, 2008, December 11, 2008 and the January 12, 2009 meetings.**

Mr. Vogt requested that "1500 gallons per minute per hour" be changed to "1500 gallons per minute for two hours" under item 3A of the December 8, 2008 meeting minutes.

Mr. Vogt moved to approve the minutes as amended. Mr. Moser seconded the motion. The motion passed 4-0.

**2B. Review the December 2008 financials.**

Mr. Selleck presented the December 2008 financials. Mr. Selleck stated though the financials show the County as being one month behind, they are not delinquent. This is an issue with bookkeeping and how the City is receiving funds. Mr. Selleck stated they are still working to resolve this issue. Mr. Bobertz stated he noticed leases had not been paid. Mr. Selleck explained those get paid annually and usually in January. Regarding expenditures, Mr. Selleck brought the Board's attention to 47-800-206, Instruments and Apparatus, that is budgeted for \$16,600 and the airport has already spent \$7,166. Mr. Selleck stated those expenditures were primarily expenses related to X's (closed runway markers). Mr. Selleck also reported under airport terminal expenses, line item 47-801-304, Water and Sewer expenses, those expenditures were primarily due to a major water leak. Mr. Selleck stated the water and sewer collections department has a policy that says if you have a major leak, you pay for all of the water, but if you can prove you had a leak, they will change the scale and bring it down to the normal level of billing. Mr. Selleck stated this will significantly affect the airport's billing. It will never show up in the financial report until the airport actually spends down the credit. The City has already calculated it and it's between \$800 and \$1,000 so the airport will be over budget in this line item. Mr. Bobertz moved to approve the financials. Mr. Vogt seconded the motion. The motion passed 4-0.

**2C. Airport financial management policies.**

Mr. Selleck stated, due to the interlocal agreement not fully determining how things are done financially, a financial policy needs to be developed. Mr. Selleck stated in managing the airport's financials, the City is current following their own internal policies to make sure everything is legal. Mr. Selleck stated a list of financial management policy categories has been developed as an outline for the creation of an airport financial management policy statement. Mr. Selleck stated the list has

been reviewed by Jeannie Hargis, County Auditor, and they agree that it is a good general representation of the areas that should be considered when creating this document. If the board concurs that this list is appropriate, City staff recommends the appointment of a sub-committee which would be tasked with the completion of the policy statement. Mr. Selleck stated there are certain things the Board would want to consider such as who has the authority and what process is used to move funds between line items, who has purchasing authority, etc. Mr. Selleck stated that currently the City is the airport's contractor through the end of this fiscal year and suggested they bid out their financials. Mr. Bobertz stated that Mr. Selleck is very knowledgeable regarding stimulus funds and the airport should continue using him. Commissioner Letz stated Mr. Selleck does a great job and agrees with Mr. Bobertz. Mr. Selleck suggested the Board decide whether to adopt the City's or County's financial policy and then add and/or delete what applies to the airport. Mr. Selleck suggested the sub-committee be made up of himself, Mrs. Ondrias, Mr. McKenzie, and a County Commissioner and look at both City and County financial management. Mr. Bobertz stated he had been in communication with Mr. Cowden via email regarding being on and heading up the sub-committee. Mr. Cowden agreed via email response. Mr. Bobertz moved to appoint Mr. Cowden as the initial representative for the sub-committee along with Mr. McKenzie to work with Mr. Selleck and others. Mr. Moser seconded the motion. Mr. Bobertz amended the motion to add that the first progress report is due at the April Airport Advisory Board meeting. The motion passed 4-0.

**2D. Request for Qualifications for fire flow requirement solutions engineering.**

Mr. Hastings addressed the Board and briefly went over what was discussed at the last meeting. Mr. Hastings stated that at the request of the Airport Board, an engineering analysis was performed by Public Works to identify viable options to increase the fire flow to a minimum of 1500 gallons per minute. The results of the study were shared at the last board meeting and included a recommendation to install a twelve inch water main under runway 12/30 to loop the system to a twelve inch main located under State Highway 27, as well as upgrading the existing six inch mains around the main hangars to twelve inch. Mr. Hastings stated his recommendation is for the airport to reject the RFQ for an engineering analysis and create a new RFQ for the design of a twelve inch water main as presented. Mr. Moser stated he thought other items needed to be included in the RFQ. Mr. Moser stated he believes other options should be considered. Mr. Hastings stated he recommends the Board reject the RFQ and go straight to hiring an engineer. Mr. King stated the Board should ask TXDot Aviation, if they can show immediate need for this project, if it can be completely funded through the stimulus package. Mr. Moser objected stating just because there's stimulus money doesn't mean the Board has to request it. Mr. Hastings stated the recommendation previously made meets the approval of the City Engineer, Utility Manager, and Public Works Director who are responsible for the operation, maintenance, and reliability of the water system. Mr. Moser asked what was necessary to get the process in the stimulus package. Mr. Selleck answered the Board would need to have construction ready documents within 120 days of the bill passing or the actual appropriations. They would then need to commit that money by contract within six to nine months. Mr. Hastings stated bidding plans were also needed. Commissioner Letz addressed the Board, stating since the City will maintain the water system then it needs to be completed according to their recommendation. Mr. Bobertz designated Mr. Moser as airport board representative to work with Mr. Hastings on this project. Mr. Hastings said the Board needs to identify funds before submitting another RFQ. Mr. Bobertz asked what Mr. Hastings needed to go forward. Mr. Hastings replied he wants to change the RFQ to what was discussed today and that it will be ready by this Board's next meeting. Mr. Selleck stated if the Board was comfortable with Mr. Hastings and Mr. Moser putting together a modified RFQ, there's a chance the appropriations process could take less time.

**2E. Authorize the airport board president to request "Supplemental Appropriation of Airport Fund Cash" for the purpose of funding engineering for airport water line upgrades.**

Mr. Selleck stated the Board should be able to complete upgrading the water mains for under \$75,000. Mr. Vogt asked where the funding is coming from. Mr. Selleck explained the difference between budget and fund account and told the Board there is currently a \$230,000 cash balance, which is enough to fund the cost of hiring an engineer as recommended by Mr. Hastings. Mr. Selleck believes the City and County can pass a simple resolution approving appropriating \$75,000 for an engineer. Mr. Moser asked if the Board has the authority to spend the fund balance from last year's budget. Mr. Selleck replied that it was not in the budget and the money has to be appropriated. Mr.

Selleck added that the City and County had to approve spending more than what's already been approved. Mr. Bobertz asked if it was the Board's desire to authorize the airport board president to request supplemental appropriation of airport fund cash. Mr. Vogt moved to authorize the airport board president to request supplemental appropriation of airport fund cash for the purpose of funding engineering for airport water line upgrades. Mr. Moser seconded the motion. The motion passed 4-0. Mr. Bobertz amended the motion asking that the funding request not exceed \$75,000. Mr. Moser seconded the amended motion. The amended motion passed 4-0.

**2F. Airport management contract itemized breakdown.**

At the last Board meeting, the Board requested a breakdown of what is currently being charged for airport maintenance and service contracts. Mrs. Ondrias addressed the Board and stated she wanted to point out two things in the contract which are building maintenance and vehicle maintenance on the new truck, which are not being charged back to the management contract. A handout and memo from Mr. Selleck were distributed to the Board. Mr. Selleck stated the chronology listed in the memo explains how the current budget for the management contract has been developed over time, using the FY 2007 analysis as a foundation. For the FY 2007 budget, the airport had a three-part budget that was all awarded to the City: \$223,134 for the City's portion of the contract; \$95,151 of services and equipment was to be bid out; and \$5,454 was included in the contract as a contingency. The FY 2008 contract price was developed by adding 3% to the FY 2007 budget plus \$10,000 for a part-time assistant to the Airport Manager. The FY 2009 contract price added 3% to the FY 2008 budget. The total was split between two components that pay for the services provided by the City, as well as the personnel services provided through the County. Mr. Bobertz asked when the City needed to know if the airport was going to continue with their services. Mr. Selleck answered by the end of June to get the budget together. Mr. Bobertz stated he will work with Mr. McKenzie to see which services need to be bid out and which should be left with the City. Mr. King requested individual Board members be allowed to submit recommendations to Mr. McKenzie.

**2G. Federal stimulus package information.**

This item was discussed under item 2D.

**2H. Vision/mission statement progress update.**

Mr. Vogt stated there are two meetings scheduled, one on February 18<sup>th</sup> at 1:00 p.m. in the airport conference room and the second on February 25<sup>th</sup> at 9:00 a.m. at Security State Bank. On the 25<sup>th</sup> the stakeholders will be present. The meetings will also include two County Commissioners, two City Councilmembers, and Joey Kennedy. At the February 18<sup>th</sup> meeting, they will decide whether to meet on the 25<sup>th</sup> or develop strategy on airport issues and how to address them. Mr. Vogt asked if the Board wants to look at concerns and strategies or develop a vision/mission statement.

**2I. Granger MacDonald new lease agreement.**

Mr. McKenzie reported that back in January the Board approved extending Mr. MacDonald's lease for 90 days. Mr. McKenzie asked the Board if a first right of refusal should be given to Mr. MacDonald and stated he would like to let Mr. MacDonald's current lease expire and rewrite it with the exception that Mr. McKenzie can show the property and give Mr. MacDonald first right of refusal. Mr. McKenzie also stated there needs to be a time frame for this as to how many times Mr. MacDonald can use the first right of refusal. Mr. Selleck suggested amending the current lease since Mr. MacDonald's grandfathering expires March 31<sup>st</sup> unless the current lease is extended. Mr. King stated Mr. MacDonald should be asked if he wants to build or not and added he could attend next month's board meeting to state his case. Mr. Bobertz said the Board is not comfortable giving right of refusal without payment.

**2J. Procedure for annual performance review of the airport manager and staff.**

Mr. Bobertz stated the Board needs to come up with a budget by the end of June and needs to look at the airport manager's performance review and decide on salary. This needs to be completed by April 30<sup>th</sup>. Mr. Bobertz stated the County Commissioners, City Council, mayor, key City staff and County staff should also have a chance to comment. Mr. Moser asked if there was a position

description and said airport tenants and businesses should have a chance to comment as well. Mr. Moser stated the Board may also want to invite contacts at TXDot and FAA and suggested sending an email to all these people. Mr. Moser also suggested creating a handout that gives people something to evaluate on with a rating scale of 1 to 10 and then have it returned to Mr. Bobertz. Mr. Moser stated it would just be source information to see how others view the airport manager. Mr. Moser asked if the entire Board evaluates the airport manager or just the president and added that Mr. McKenzie should do a self evaluation as well.

### **3. Information and Discussion:**

#### **3A. Drainage/Taxiway project update.**

Mr. McKenzie reported the Al Mooney Road was complete Wednesday, 03/21 and 12/30 runways completion date was pushed back from May to the end of summer and added they have until the end of August to complete the project.

#### **3B. Air-Evac Lifeteam building update.**

Mr. McKenzie reported slab, walls, installation and structure are complete. Work is moving along rapidly. Building should be ready to move into within 60 days.

#### **3C. Presentation to the Kerrville Economic Improvement Corporation on February 17, 2009.**

Mr. McKenzie reported the Board is giving a presentation to the EIC on February 17<sup>th</sup> at 4:00 p.m. at City Hall. Mr. Vogt and Mr. King will make the presentation. The same presentation will be given the first Monday of March for the pilot's club.

#### **3D. Vision/mission statement workshops.**

This item was discussed under item 2H.

### **4. Adjournment**

Mr. Moser moved to adjourn the meeting. Mr. Vogt seconded the motion. The motion passed 4-0. The meeting adjourned at 5:54 p.m.

APPROVED: 02/09/09

  
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Roger Bobertz, President

  
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Dorothy Miller, Recording Secretary