

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

**Board Meeting  
March 9, 2009**

On Monday, March 9, 2009, the meeting of the Board Members of the Kerrville-Kerr County Joint Airport Board was called to order at 3:31 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  
Mark Cowden  
Tom Moser  
Fred Vogt

**Members Absent:**

None

**Airport Board Staff Present:**

Bruce McKenzie, Airport Manager

**City Staff Present:**

Josh Selleck, Director of Finance  
Kristine Ondrias, Director of General Services  
Dorothy Miller, Secretary to Director of General Services

**1. VISITORS FORUM:**

No one spoke.

**2. CONSIDERATION AND POSSIBLE ACTION:**

**2A. Approve the minutes of the February 9, 2009, meeting**

Mr. Moser moved to approve the minutes of the February 9, 2009, meeting as amended. Mr. Vogt seconded the motion. Motion passed 5-0.

Mr. Moser moved to approve the minutes of the February 25, 2009, meeting. Mr. Vogt seconded the motion. Motion passed 5-0.

**2B. Review the February 2009 financials (Josh Selleck)**

Mr. Selleck reported Kerr County is now one month ahead instead of one month behind. Mr. Selleck stated terminal revenues from tenants are paid at the end of the year so would not show up until that time.

Mr. Selleck reported that currently 36% of the budget has been spent. That amount should be at 41%.

Mr. Selleck stated approximately \$800.00 has been credited to the water and sewer line item due to a water leak and the Board should not see a charge until the credit has been spent down.

Mr. Cowden moved to accept the financials. Mr. Moser seconded the motion. Motion passed 5-0.

**2C. Granger MacDonald Lease Agreement (Granger MacDonald)**

Mr. McKenzie stated that in December 2008 Mr. MacDonald had asked for a lease extension of 90 days. Mr. McKenzie stated he had passed on information to Mr. MacDonald expressed by the Board at their last meeting and that Mr. MacDonald requested to speak before the Board. Mr. MacDonald stated he would not pursue an extension of his current lease, especially if the Board can find a useful purpose for the property. Mr. Bobertz moved to let the lease expire at the end of March 2009. Motion was seconded by Mr. King. Motion passed 5-0.

**2D. Steve Drane Lease Agreement (Bruce McKenzie)**

Mr. McKenzie reported that in December 1999 Mr. Drane leased property and built a hangar with a 20-year lease that expires in 2019 without the option to renegotiate. Mr. McKenzie stated Mr. Drane is requesting the right in 2019 or just prior to that to renegotiate his ground lease for another 10 years. Mr. Bobertz moved to allow Mr. McKenzie to amend the original contract to give Mr. Drane the option to renegotiate at the end of his current lease. Mr. Vogt seconded the motion. Motion passed 5-0.

**2E. Dugosh Lease Agreement (Bruce McKenzie)**

Mr. McKenzie distributed an aerial photograph of Dugosh Aviation's current ground lease and proposed ground lease. Mr. McKenzie stated Dugosh proposes leasing a smaller square footage than he currently has. Mr. McKenzie stated the current lease expires August 2009. Mr. McKenzie also stated Dugosh is requesting a 20-year lease with two 5-year options. Mr. McKenzie recommends allowing Dugosh's request and said Dugosh will hire a surveyor so that Mr. McKenzie can bring exact square footage of the new lease to the next meeting. Mr. King moved to approve the new lease as negotiated by Mr. McKenzie subject to final survey. Mr. Cowden seconded the motion. Motion passed 5-0.

**2F. Motion to approve \$75,000.00 budget amendment previously approved by the Kerr County Commissioners and Kerrville City Council (Roger Bobertz)**

Mr. Bobertz moved to amend the Airport's budget to provide for the addition to transfer out of operations \$75,000 and to increase the Airport water line capital project budget to \$495,000. Mr. Moser seconded the motion. Motion passed 5-0.

**2G. Engineering RFQ's for Fire Flow Water (Tom Moser)**

Mr. Moser stated he met with Charlie Hastings and made a few changes to the RFQ. Mr. Moser suggested another change to the third paragraph after the last sentence they are going to insert, "*Consideration should be given to providing fire water flow for future development at the airport (map to be provided).*" Mr. Hastings stated he would like to start advertising March 13, 2009 with the changes discussed which would mean a deadline for submission from engineers by April 30, 2009, an RFQ selection by May 8, 2009 and presented to the Board on May 11, 2009. He also stated he would like Mr. Moser and Mr. McKenzie along with himself and the CIP Manager to be involved in the selection. Mr. Vogt moved to approve the RFQ as written and amended. Motion was seconded by Mr. Cowden. Motion passed 5-0.

**2H. Vision/Mission Statement Update (Fred Vogt)**

Mr. Vogt distributed modified copies of "Discussion of Draft Plans," but stated he will need to modify it again. Mr. Vogt discussed the modifications and suggested holding separate workshops to discuss strategies, etc. Mr. Vogt moved to hold a workshop on April 21, 2009, at the Airport terminal at 1:30 p.m. for the purposes of discussing strategies. Mr. Moser seconded the motion. Motion passed 5-0.

Mr. Vogt requested this item be put back on the agenda to discuss strategies and initiatives.

**2I. Bonding of Airport Construction Projects (Roger Bobertz)**

Mr. Bobertz reported that Mr. MacDonald previously asked to be released from bonding for his construction expenses since it was private construction and not publicly funded construction, and the Board had agreed to waive the requirement. Mr. Bobertz had suggested the Board may want to amend the Airport Code instead of the lease when a contractor is well known and work to be done is private, but came across opposition. Mr. Bobertz moved that the Airport Code not be changed, but rather has the option to relieve an individual of bonding requirements if the contractor is well known and is conducting private work. Motion failed for lack of a second. The Board agreed that they retain the option to waive bonding if they so choose to under the circumstances stated and that change to Airport Code is not necessary.

**2J. Financial Policy Status Report (Mark Cowden)**

Mr. Cowden reported the draft policy will be emailed to everyone for review and requested this item be placed on next month's agenda. Mr. Cowden stated he worked with Mrs. Ondrias, Mr. Selleck, and Mr. McKenzie on the draft. Mr. Selleck stated they used a standardized government foundation for the draft.

**2K. City of Kerrville Airport Management Contract (Bruce McKenzie)**

Mr. McKenzie reported that at the last board meeting the Board discussed the Management Contract the Airport has with the City of Kerrville and said he was instructed to come back to this meeting and make a recommendation to the Board as to what the Airport would request for the next year from the City. Mr. McKenzie stated he recommends the Board accept all services being currently offered by the City with the exception of three items that were on the original contract and that were covered in a letter of understanding between Paul Hofmann, previous City Manager, and Mr. Bobertz on September 8, 2008. The contract includes everything the Airport uses now with the exception of Human Resources, which is now covered by the County for Laurie DeJohn and Mr. McKenzie. Their compensation package and insurance, etc. comes through the County, not the City. Another service was Director of Business Programs (Mindy Wendele) whom no longer supervises the Airport Manager. Director of Business Programs will only provide oversight and discuss development with Mr. McKenzie. Mr. McKenzie also said the Airport has not used the City Manager since October 2008 for any purpose at all. Mr. McKenzie stated he is recommending the Financial Department, Public Works, Engineering, Purchasing, Legal, General Administration, and IT stay on board with the contract that is currently in place now and those services will be furnished to the Airport in the next fiscal year. Mr. McKenzie stated he recommends the Board accept his recommendation then he can work this into the budget and present it to the Board at the next meeting. Mr. Bobertz moved to request the City of Kerrville to extend the current Airport Management Contract through fiscal year 2010 with the same scope of services. Mr. Moser seconded the motion. Motion passed 5-0.

**2L. Airport Code Changes (Updates) (Bruce McKenzie)**

Mr. McKenzie reported that he, Mr. Vogt, and Mr. Hayes, City Attorney, reviewed and made changes to the Airport Code. Mr. McKenzie stated he had previously been instructed by the Board to keep airport codes up to date. Mr. McKenzie stated he will bring a draft of the codes to the April meeting for Board approval.

**2M. Change Date of May Airport Board Meeting (Roger Bobertz)**

Mr. Bobertz changed the date of the May Airport Board meeting to May 4, 2009, at 3:30 p.m. due to Board members attending the TxDOT Conference being held on May 11, 2009.

**2N. Quarterly Report (Roger Bobertz)**

Mr. Bobertz stated it is a requirement of the Interlocal Agreement to report quarterly to both governing bodies. Report was distributed to Board members.

20. Airport Manager Review Process (Roger Bobertz)

Mr. Bobertz stated he had previously suggested sending out an email to get input on how the Airport Manager was doing. He recommended a second suggestion today, which is to personally contact those who know what is going on at the Airport and get feedback in person. Mr. Bobertz stated that the Board needs to hear from County Commissioners' Court, City Council, business tenants, city and county staff and hangar tenants. Mr. King stated he would speak to the Commissioners' Court; Mr. Moser stated he would speak to City Council. The rest of the Board will use contacts available as they so desire. Mr. Bobertz stated that during the April executive session, the Board will need to agree on how to tell Mr. McKenzie how he is performing as Airport Manager.

**3. INFORMATION AND DISCUSSION:**

3A. Stimulus Funding for Phase II

Mr. McKenzie reported TxDOT Aviation stated he should know within 7 to 14 days if the Airport will receive eight million dollars for Phase II of the Drainage/Taxiway Project. Mr. McKenzie also reported the plans for Phase II should arrive by March 25<sup>th</sup> and that Harry Lorton, Civil Engineer-Project Manager for TxDOT Aviation, would like to go to bid in May if stimulus money is approved. Mr. McKenzie stated Texas Transportation Commission has approved the plan and it has been sent to FAA for approval.

3B. Phase I Progress Report

Mr. McKenzie reported they are now putting base material in on the taxiways and runways. Next, they will pave those associated areas. The removal of the intersection near Brinkman's hangar will be the next phase of the project. Phase I should be complete by August at the latest.

**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.

**5. ACTION ON ITEMS DISCUSSED IN EXECUTIVE SESSION.**

**6. ADJOURNMENT**

Mr. Moser moved to adjourn the meeting. Mr. King seconded the motion. Motion passed 5-0. Meeting was adjourned at 5:32 p.m.

APPROVED: 03/09/09

  
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Roger Bobertz, President

  
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Dorothy Miller, Recording Secretary