

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

**KERRVILLE, TEXAS
MAY 4, 2009**

On Monday, May 4, 2009, a regular meeting of the Board Members of the Kerrville-Kerr County Joint Airport Board was called to order at 3:31p.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:

Airport Board Staff Present:

Bruce McKenzie, Airport Manager

City Staff Present:

Todd Parton, City Manager
Josh Selleck, Finance Director
Mike Hayes, City Attorney
Kristine Ondrias, Director of General Services
Dorothy Miller, Secretary, General Services

Visitors Present:

Commissioner Jonathan Letz
Commissioner Bill Williams

CALL TO ORDER

1. VISITORS FORUM:

No visitors spoke.

2. CONSIDERATION AND POSSIBLE ACTION:

2A. Approve the minutes of the April 13, 2009 meeting.

Mr. Cowden moved to approve the minutes; Mr. Moser seconded the motion. Motion was approved 4-0 as corrected.

2B. Financial Discussion (Josh Selleck)

Mr. Selleck introduced newly appointed City Manager Todd Parton.

Mr. Selleck stated in the course of another project it was realized some money that was appropriated for Phase I likely wasn't needed. Mr. Selleck stated there is no "found" money that Finance was not aware of, stating there was the \$75,000 to be spent on engineering towards the Airport water line and \$255,364 that's been in the Phase I capital project. These are in separate and independent Airport board funds, which the Board gets statements on every month. There's no found money, no impropriety, and no mis-accounting. Mr. Selleck referred to statements made by Mr. King in September 2008 where Mr. King noted there were revenues over expenditures and asked what happens to those funds. Mr. Selleck had replied that those funds go into the Airport's independent fund balance that Finance accounts for, but is in no way connected to the general fund. The money is contributed 50/50 by City and County. Mr. Selleck distributed Airport Balance Sheet as of April 30, 2009 and Airport Capital Improvement Projects – Fund 74.

Mr. Selleck stated the second handout is a reduced list of what is currently open and has actual cash behind it. Commissioner Letz asked where the Airport fund money comes from. Mr. Selleck stated the Airport fund money is any money that is contributed jointly by the City and County. Commissioner Williams asked if the list was just CIP and not operations; Mr. Selleck stated it was solely CIP. Mr. Bobertz asked if the Board needed to take any action to appropriate the \$255,364 to the local match. Mr. Selleck stated the money is already appropriated. If the Board so chooses, the Board could begin a Phase II project that is a project independent from the Phase I project; if the Board chooses not to do this, this project will work just fine. Mr. Moser asked if the difference of \$146,405 shown on the Airport CIP list is available. Mr. Selleck stated it is, but has not been appropriated. Mr. Moser asked if a total of approximately \$400,000 is available, why can't it be used to fund the project. Mr. Selleck explained that the total fund balance of \$168,670 plus the project difference of \$146,405 is \$315,075 and the Airport's maximum target reserve is above \$300,000. Currently the fund balance is below that amount, therefore based on the financial management policy the Board recently approved, they would not use either amount for this project. However, it is at the Board's discretion whether or not to use these funds. Commissioner Letz suggested the Board look at long term projects and not use all funds available right now. Mr. King stated the Airport should use the \$255,364 project cash balance towards this project. Mr. Bobertz clarified that one of the decisions the Board needs to make is whether or not to use the entire \$255,364 project cash balance toward the project match. Mr. Selleck stated the City and County already voted and the Board agreed to use this money towards the taxiway relocation project. The money that the Board can take action on is the unappropriated funds of \$146,405. Mr. Bobertz asked Mr. Cowden's opinion on appropriations. Mr. Cowden stated the Airport should not appropriate the available funds and ask the City and County to fund \$75,000 each. Mr. Bobertz asked if the Board should resolve to allocate the \$146,405 into the operating fund. Mr. Selleck stated it is not posted on the agenda; therefore the Board cannot take action on it.

2C. EIC Application for Phase II Funding (Roger Bobertz)

Mr. Bobertz stated the Board was authorized by the County Commissioners' Court pursuant to a court order to, on their behalf, apply for their part of the match funding for the project. Mr. Bobertz stated he was told the Board cannot approach Economic Improvement Corporation for funding without approval by both governing bodies. Mr. Hayes, City Attorney, confirmed that for the Airport Board to be the advocate for EIC funding (or any grant funding) they need consent from both City and County. Mr. Bobertz stated at the City Council meeting the City opted to use current operating cash to fund their \$75,000 commitment to this project and is not applying for EIC funding. Commissioner Letz stated the entities have to be in sync on capital improvement. Mr. Bobertz stated the Board's choices are to sign the EIC application and submit it for City approval; don't sign it and get prior written City approval, which is what the interlocal agreement states they need to do; or have the County go directly to EIC, which would not require City Council approval. Mr. Bobertz stated the problem is with policy, not the Airport Board, and is between the City and County and added there needs to be one policy, not two. Mr. King asked if the City voted to pay for their half of the project cost out of their budget, is it fair to go to EIC for the County's half and added he does not believe these projects should be funded by EIC, stating the City and County are provided with capital improvement budgets 5-7 years in advance, therefore both entities should budget for those projects. Mr. King asked if the County is going to fund their share through EIC. Commissioner Williams stated the County has never said the funding would not be there; rather they are examining ways in which the funding can be acquired. Mr. McKenzie stated that when TXDot sends their invoice, the Airport will have approximately thirty days to pay it. Mr. Bobertz moved that the Airport Board authorize him to sign the application to Economic Improvement Corporation on behalf of the

County to fund their share of the 5% match for the taxiway relocation drainage project and that that be made contingent on written approval by the City before it may be forwarded to EIC and added the Board believes there is a policy dispute between the City and the County on this matter and they would appreciate it being resolved; motion was seconded by Mr. Vogt and approved 5-0.

2D. Airport Lease Agreements (Bruce McKenzie)

Mr. McKenzie stated previously Mr. King requested more information on Airport leases. Mr. McKenzie distributed Kerrville/Kerr County Airport Land/Ground lease Information, stating the only caveat is Dugosh Aviation.

2E. Aviation Taxiway/Taxi Lane Grant (Bruce McKenzie)

Mr. McKenzie stated approximately 18 months ago at the Direction of the Board he applied for a grant to put in a taxiway and a taxi lane on the west end of the Airport in front of Brinkman's hangar. Mr. McKenzie reported the situation has improved greatly and the Airport will be getting a new taxiway at no cost to the Airport. Mr. McKenzie stated what requires now is a letter of assurance from the Board or a private entity saying the Airport will build hangars if TxDOT Aviation funds the taxiway. Mr. McKenzie said the Airport can move the project back one to two years until the fire flow is fixed. Mr. Vogt moved to have Mr. McKenzie write the letter; Mr. Moser seconded. Motion was approved 5-0.

2F. Possible Construction of T-Hangars (Bruce McKenzie)

Mr. McKenzie distributed budget pricing from a local contractor to mirror the Airport's current T-hangars.

2G. Strategic Planning (Fred Vogt)

Mr. Vogt distributed a re-work of the strategic planning. Mr. Vogt discussed changes made per the workshop held on April 29, 2009. Mr. Vogt stated he delegated action items to individual board members and said they are open for discussion.

3. **INFORMATION AND DISCUSSION:**

3A. RFQ's for Fire Flow Water

Mr. McKenzie stated he, Mr. Moser, Charlie Hastings Director of Public Works, and Cheri Halford, CIP Manager, will meet tomorrow to try to select a contractor.

3B. Automated External Defibrillator (AED) for Airport Terminal Building

Mr. McKenzie stated he was prompted by the Airport Board President to purchase an AED. Mr. McKenzie reported it had been received and seven Kerrville Aviation employees including Laurie DeJohn-Ermey and himself will receive training tomorrow from 9:00 a.m. to 1:00 p.m. on CPR, First Aid, and AED.

3C. Phase I Drainage/Taxiway Update

Mr. McKenzie reported last week the contractor worked ½ day due to inclement weather. The moisture affected the base material to a degree so the contractor has been working to get it set again. Mr. McKenzie stated the contractor hopes to be able to pave next week, but the weather needs to be right and they need to get their density.

3D. Ramp Reconstruction

Mr. McKenzie stated at the last board meeting he explained to the Board about the east end of the ramp that was cracked. Mr. McKenzie stated he has since talked to Harry Lorton, an engineer at Aviation engineer, and was told the Airport can include the ramp repair into this project and not spend RAMP money.

Mr. McKenzie announced there will be a reception for the new City Manager on Friday, May 8, 2009, from 4:00 to 6:00 p.m. at Inn of the Hills and this event has already been posted in the event three or more Board members attend.

Mr. McKenzie stated Laurie DeJohn-Erney did not wish for flowers to be sent for her father who recently passed away, but suggested donating to the American Cancer Society if anyone so chose to. Mr. McKenzie informed the Board that he spoke to Mike Hayes, City Attorney, and was told the Board cannot use public funds to send as a donation. However, anyone wishing to could send an individual donation.

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.

6. **ADJOURNMENT**

Mr. Moser moved to adjourn the meeting; Mr. King seconded. Motion was approved 5-0. Meeting adjourned at 5:45 p.m.

APPROVED: 7/8/09



Stephen King, Vice President



Dorothy Miller, Recording Secretary