

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

**Board Meeting
June 16, 2008**

On Monday, June 16, 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
Mindy Wendele, Director of Business Programs
Charlie Hastings, Director of Public Works
Perry Elliott, Fire Marshal
Robert Ojeda, Fire Chief
Mike Hayes, City Attorney

2. Visitors/Citizens Forum: No one spoke.

3. Approval of Minutes of the May 12, 2008, Board Meeting

Mr. Bobertz requested that the wording under "Taxiway for Mooney" be changed from "In order to prevent any accidents, operational procedures may need to be pursued in lieu of constructing the taxiway at this time" to "In order to prevent any accidents the board directed Mr. McKenzie to develop and implement operational procedures in lieu of constructing the taxiway at this time." The board concurred with the change.

Mr. Vogt moved to approve the minutes of the May 12, 2008 board meeting. Mr. King seconded the motion. The motion passed 3-0.

4. President's Remarks

Mr. Bobertz took the opportunity to tell Mr. McKenzie as he completes his first year of service, "Job well done."

5. Discussion and Possible Action

5A. Airport fire flow improvements.

Ms. Wendele presented the board with the fact that the water supply to the airport was inadequate regarding fire flow requirements. She further stated that the issue could impede future growth at the airport and that improvements to the system would be necessary for future development. She explained that the potential project

was not currently in the CIP and that there was no funding for such a project at the time. She also expressed that the issue could be considered a catalyst for developing a land use plan for the airport. She stated that Charlie Hastings, the director of public works for the city had developed a map of the possible project. She explained that she brought the issue and possible resolution to the board for open discussion on whether the project should be pursued. Mr. Bobertz asked if having an inadequate water supply for firefighting made the land at the airport un-leasable. Ms. Wendele stated that the basic answer to that question was yes. The current flow requirement for water out of a fire hydrant is 1500 gallons per minute. Due to the size of the current water lines and the distance the water currently travels the flow to the hydrants is approximately 500 gallons per minute. The cost of the project presented would be approximately \$420,000 and the goal would be to find a healthy balance and improve the flow to 1250 gallons per minute. Mr. Vogt asked if the current code required sprinkler systems in every building. Perry Elliott answered that the requirement of a sprinkler system was based on occupancy, size and use of the facility. Mr. Bobertz asked if the presented project would bring the fire flow up to code. Mr. Elliott said technically no. The requirement is 1500 gallons per minute, but that companies could put in their own pumps or injected foam systems to supplement the flow out of the hydrants. Mr. Hofmann stated that the city was not able to quantify the issue until building permits for the two new hangars were issued. The water flow was not a problem for those leases, but would be an issue for future leases. He explained that the proposed project was still in the initial stages and that it was not the complete answer to the problem, but the issue needed to be brought to the board's attention. He stated that the acreage needed to be made reasonably developable fairly soon. He suggested that a land use plan would be a good way to begin further investigation of the issue. Mr. King stated that the issue should be addressed and that the airport should have a land use plan. He said that future development was not only impeded by this issue, but also by the lack of infrastructure. He asked where they would get the funding for such a project. Mr. Hofmann said that the project was not final and therefore there was no funding at this time, but that 4B funds would be appropriate. Mr. Vogt stated that the FAA and/or TxDOT Aviation could also be possible sources of funding and suggested that Mr. McKenzie call those agencies for feedback. Mr. Bobertz stated that the board supported continued research regarding fire flow issues and the development of a land use plan. The board directed Mr. McKenzie to begin the process and report the progress at the next meeting.

5B. Air-Evac temporary living quarters at 1700 Airport Loop Rd.

Air-Evac cannot use the hangar they are leasing as sleeping quarters without significant fire code improvements and the current water flow to the airport is not sufficient to support such upgrades. Mr. McKenzie, Perry Elliott and Air-Evac have agreed that building a separate structure to house their sleeping quarters is the solution to the problem. While the structure is under construction, it would be necessary for Air-Evac to bring in a temporary modular building for 6 months while the new structure is built. Air-Evac is aware that the temporary structure could not be on the property more than 6 months and is comfortable that they can have a

permanent structure constructed in that time. A question was raised whether the issue had been brought to the attention of Kevin Coleman or Gordon Browning for zoning reasons. Mr. Hofmann explained that it was not a planning and zoning issue since the airport has separate zoning. Mr. Bobertz moved that Air-Evac be authorized to use a modular building on-site for no longer than six months while permanent living quarters are built. Mr. Vogt seconded the motion. The motion passed 3-0.

5C. Fiscal Year 2009 Budget, CIP and monthly financials.

Mr. Selleck presented the financials for the month of May. Mr. Bobertz asked why the maintenance budget was only at 19.2%. Mr. McKenzie explained that the maintenance budget included the mowing cycles and that those cycles were just beginning due to the small amount of rain received. Mr. Selleck stated that the budget was within target. There was a consensus among the members of the board to accept the May financial report.

Mr. Selleck presented the proposed 2009 fiscal year operating budget. He explained that the budget was higher in revenue and expenditures, but that there was no increase or decrease in current service levels. He stated that city and county contributions would be down by \$1,000. Assumptions on fuel flow were based on increased usages. The budget for the maintenance of the airport terminal building increased significantly based on the actuals from the first full year of operation. However, even with these increases there were no major differences in the expenditure budget and that the proposed budget should be adequate. Mr. Letz requested a breakdown of the management contract. Mr. Hofmann stated that the contract provides the detail. He further stated that there had been adjustments since 2004, but that the contract had not substantially changed in four years. Mr. Bobertz stated the budget was the best for the current information regarding airport governance and the budget would most likely change once the governance issues were settled. Mr. Bobertz moved to recommend budget for approval by the governing bodies. Mr. Vogt seconded the motion. The motion passed 3-0.

Mr. Selleck presented the 2009 fiscal year CIP budget. He explained that funding for the Airport Master Plan/Master Drainage Plan had been moved out for fiscal year 2009 and into fiscal year 2010. He also addressed the board regarding the taxiway for Mooney, explaining that the project would not be funded through CIP but through funds in the operational budget. A time line had not been addressed, but Mr. Hofmann stated that he would like the taxiway to be constructed while the city equipment was on-site repairing Airport Loop Road. Mr. Bobertz moved that the CIP budget be recommended for approval by the governing bodies. Mr. King seconded the motion. The motion passed 3-0.

5D. Airport governance issues.

Mr. Hamilton explained that the draft of the airport governance agreement was work in process, but that he would like input from the members of the board. Mr. Letz stated that the agreement had been written by the city attorney Mike Hayes after

consulting with the county attorney, county commissioners and city council. He further stated that he would not be offended by comments from the board.

Mr. Bobertz stated that the draft agreement was not clear regarding capital improvement project funding and that more detail was needed in that area. He asked if the county was agreeable on the concept of an independent board. Mr. Letz stated that they were agreeable, but the board could contract with whatever source the board deemed appropriate. Mr. Vogt expressed concerns in making the board a new entity independent from the city and county. He stated that the city and county were taking apart something that many other communities in the state would like to put together. Mr. Bobertz stated that the problem to solve was not an airport problem, but a city-county relations problem and that the changes proposed may cost the taxpayers more money. Mr. Letz stated that he did not see how the way the airport is run should change because of the airport management issue, but that he believed that the airport manager should not be an employee of the airport contractor. He further stated that the city and county did not have a relations issue, but that the city's hands are tied by the employee relationship of the airport manager. Mr. Hofmann stated that the airport manager did not have to be a city employee, but the 2004 contract stated that the airport manager would be an employee of the contractor. The city happens to be the contractor. As a contractor, Mr. Hofmann stated that the city was responsible to protect the airport manager from politics, but that did not mean the city was not willing to listen or consider suggestions from the board or the county. Mr. King stated that he felt the board was discussing issues that were above their pay grade. He further stated that elected officials would develop an agreement and if a board member did not want to serve after that new agreement was signed that they would not have to. He expressed that the issue was not with the board, but between the city and the county. He stated that the board should have some input in tweaking the agreement, but should not be responsible to produce the agreement. Mr. Gross stated that the agreement was not final and had not been signed by the city or county. He also stated that they might be trying to solve a problem that does not exist. Mr. King stated that membership of the board should be expanded upon and that direction of the airport manager by the board should be limited to the president and vice-president. Concerning appointment of board members Mr. King stated that the statement in Section 3d of the draft agreement read "The board would recommend persons to the County and City for consideration of appointment" instead of "The board may recommend persons to the County and City for consideration of appointment." The board members expressed concerns regarding human resources issues, legal representation, administrative services and employee benefits being responsibilities of the airport board. Mr. Bobertz stated that the issue should be discussed in another venue and moved to the next item on the agenda.

6. Announcements and General Updates

- **Taxiway relocation project.**

- The low bid on the project was C. Watts and Sons. Construction should begin in August and will take one year to complete.

- **dePerier hangar.**
 - The roof has been completed and the office is under construction.
- **MacDonald hangar.**
 - The lathe stakes are up. The environmental application was submitted the week of June 9, 2008. MacDonald should be able to begin moving dirt in 4-6 weeks. Payment of the lease begins 6 months after construction begins.
- **Airport Business Plan.**
 - Michelle Hanna of TxDOT is going to set up a meeting in Kerrville between TxDOT and the consultant that developed the business plan. A date for the meeting has not yet been set. Mr. Bobertz stated that he may attend the meeting. Discussion at the meeting will help make the decision on whether to continue with process.
- TxDOT has installed signs indicating the location of the airport at all major intersections.
- The first 5010 inspection will be conducted June 17, 2008 and will be a non-graded inspection. The inspection is a FAA requirement. tomorrow morning.
- Mr. King voiced concerns regarding security at the airport, especially with the current cost of gas. Mr. McKenzie said that he has received the plans for security cameras for the terminal and the ramp. He stated that security is a priority, but that he is also trying to keep the airport user friendly during the day. He also stated that the main gates to the terminal were in the process of being repaired.

7. Adjournment

Mr. Bobertz moved to adjourn. Mr. King seconded the motion. The motion passed 3-0 and the meeting adjourned at 5:25 p.m.

APPROVED: _____

Roger Bobertz, President

Heather M. Spivey, Deputy City Secretary