

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

**Board Meeting
September 8, 2008**

On Monday, September 8, 2008, the meeting of the Board Members of the Kerrville-Kerr County Joint Airport Board was called to order at 3:03 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
Kristine Ondrias, Director of General Services

2. Visitors/Citizens Forum:

No one spoke.

3. Approval of Minutes of the August 11 and August 18, 2008, Board Meetings

Mr. Vogt requested that the term expiration dates be added to item 3A of the August 18, 2008 meeting minutes.

Mr. Vogt moved to approve the minutes as amended. Mr. King seconded the motion. The motion passed 3-0.

4. Monthly Financials

Mr. Selleck presented the financials through July 31, 2008. The revenues for July were on track at 84.6%. Expenditures for July were at 71%. The terminal expenses for July were 118%. The overall percentage for July was on track at 71.82%. Mr. Selleck stated that the revenue and interest numbers for August had not arrived and he did not want to present incomplete financials. The August financials would be presented at the October meeting.

Mr. Vogt moved to approve the monthly financials. Mr. Bobertz seconded the motion. The motion passed 3-0.

5. Discussion and Possible Action

5B. Status of Airport Manager employment agreement.

Mr. Bobertz called item 5B of the agenda first. Mr. Bobertz stated that the employment agreement was coming together well, but still had some details that needed to be worked out.

5C. Status of Airport Board member selections.

Mr. Bobertz called item 5C of the agenda. Mr. King stated that the board had received approximately ten applications so far and would be receiving applications until September 12, 2008. He explained that he would like to have nominations to

present to the County Commissioners and the City Council at their first meetings in October (October 13th and October 14th respectively), if possible. Mr. King stated that the selection of nominees would require a special meeting.

5A. Continuation of city services past October 1, 2008 (Letter of Understanding)

Mr. Hofmann presented the board with a letter of understanding for interim management services. He stated that the letter was consistent with prior discussions with the board and allowed for interim services through September 30, 2009 to assist with the transition of services. Mr. Hofmann explained that the details of the letter were presented to the city council on August 26, 2008 and that they had granted him the authority to execute the letter of understanding. He stated that the letter was largely modeled after the current agreement with relevant changes regarding the airport manager position. The letter provided for traditional airport management services for a lump sum contract amount of \$251,000. The letter provided for one of three options for employment services for a lump sum contract amount of \$102,000. Mr. Hofmann explained that option 1 provided for the board to pay the airport manager and any administrative personnel, but did not provide for any benefits. Option 2 provided for the airport manager and any administrative personnel to be paid through a third party administrator. Option 1 and 2 would not include the use of the city vehicle by the airport manager and the airport manager would be subject to the city's purchasing and financial policies. Option 3 provided that the airport manager and any administrative personnel would be paid through the city payroll system and would allow for employment benefits and the use of the city vehicle. Under option 3, the airport manager would be subject to the city's personnel policies in addition to the city's purchasing and financial policies.

There were discussions between the board, Mr. Hofmann and Mr. Selleck regarding the possibility of leasing or purchasing a vehicle within the current FY 2008 budget that could replace the current city vehicle if the board chose options 1 or 2. Mr. Hofmann stated that he would come to the next meeting with a plan for acquiring a vehicle if the board chose options 1 or 2. The board discussed the possibility of raising the current airport manager salary. Mr. Hofmann stated that was possible as long as it was within the constraints of the \$102,000 compensation budget. Any increase above the \$102,000 would need to be presented to council for approval.

Mr. Vogt moved to approve the letter of understanding with the city and selected option 2 regarding employment services. Mr. King seconded the motion. The motion passed 3-0. Mr. Bobertz signed the letter of understanding choosing option 2 for employment services.

5D. Discuss possibility of Airport Board meeting prior to October 1, 2008.

Mr. Bobertz stated that action on this item would occur after the board met in executive session. When the board returned from executive session, Mr. Bobertz moved to schedule a special meeting of the board on Wednesday, September 24, 2008 at 1:00 p.m. to consider applications for two airport board members. Mr. Vogt seconded the motion. The motion passed 3-0.

6. Announcements and General Updates

6A. Aviation activity at the airport due to hurricane Gustav.

Mr. McKenzie stated that several pilots/owners from the coast used facilities at the airport to store and protect their aircraft during hurricane Gustav.

7. 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.

At 4:27 p.m., the board recessed to executive session under section 551.074. At 5:44 p.m., the executive session ended and the board returned to open session at 5:44 p.m.

8. Action on items discussed in executive session.

Mr. King moved that the board authorize Mr. Bobertz to enter into a local agreement with Kerr County regarding benefit plans for the airport manager and support personnel. Mr. Vogt seconded the motion. The motion passed 3-0.

Mr. King moved that the board, after reviewing all the applications, offer the position of permanent airport manager to Bruce McKenzie, the current interim airport manager. Mr. Vogt seconded the motion. The motion passed 3-0.

Mr. King moved that the board authorize Mr. Bobertz to enter into negotiations with Bruce McKenzie regarding the position of permanent airport manager. Upon Mr. McKenzie's acceptance of said position, Mr. King moved that the board also authorize Mr. Bobertz to enter into an employment agreement with Mr. McKenzie. Mr. Vogt seconded the motion. The motion passed 3-0.

9. Adjournment

Mr. Bobertz adjourned the meeting at 5:49 p.m.

APPROVED: _____

Roger Bobertz, President

Heather M. Spivey, Deputy City Secretary