

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

**Board Meeting
November 10, 2008**

On Monday, November 10, 2008, the meeting of the Board Members of the Kerrville-Kerr County Joint Airport Board was called to order at 1:02 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

Members Absent:

Fred Vogt

Airport Board Staff Present:

Bruce McKenzie, Airport Manager

City Staff Present:

Heather M. Spivey, Deputy City Secretary
Josh Selleck, Director of Finance
Kristine Ondrias, Director of General Services

1. Swearing in of new board members Mark Cowden and Tom Moser by Kerr County Judge Pat Tinley.

Kerr County Judge Pat Tinley swore in new board members Tom Moser and Mark Cowden.

2. Welcome new members.

Mr. Bobertz welcomed the new members.

3. Visitors/Citizens Forum:

No one spoke.

4. Approve the minutes of the October 6, 2008 meeting.

Mr. King moved to approve the minutes as presented. Mr. Bobertz seconded the motion. The motion passed 2-0-2 with Mr. Moser and Mr. Cowden abstained since they were not members at the time the minutes were taken.

5. Consideration and Possible Action:

5A. Review September financials.

Mr. Selleck welcomed presented the unaudited fiscal year 2008 ending financials. Mr. Selleck stated that revenues exceeded the budget by approximately \$12,000. Expenditures, excluding the terminal building, were under budget. Expenditures for the terminal building were over budget. He noted that overall the board was \$7,800 under budget for fiscal year 2008. Mr. Selleck stated that since the financials presented were unaudited, some accruals and adjustments may come in later that could change the overall numbers.

Mr. Cowden moved to accept the financials as presented. Mr. Moser seconded the motion. The motion passed 4-0.

5B. Procedure for the airport board to request clarification of or an adjustment to the interlocal agreement.

Mr. Selleck stated the he spoke with Mike Hayes regarding the audit deadline for the fiscal year 2008 financials. Mr. Selleck explained that Mr. Hayes recommended a letter be written to the governing bodies giving notice that the deadline could not be met and that an extension of the deadline be granted. Mr. Bobertz stated that he would write such a notification letter on behalf of the board.

5C. Proposed airport board annual calendar.

Mr. Bobertz drafted a proposed calendar of deadlines based on the interlocal agreement. He explained that the calendar was a work in progress. He asked the board to consider the dates and any changes would be discussed at the next meeting.

5D. Schedule date for a tutorial regarding the airport financial systems.

The first phase of the airport financial systems tutorial with Mr. Selleck was scheduled for the December 8, 2008 meeting. Mr. Selleck explained that the first phase of the tutorial would cover basic processes and procedures. Additional tutorials could be scheduled at that time if necessary.

5E. Potential airport board priorities.

1. Airport vision statement.

Mr. Bobertz suggested that the board discuss and come to an agreement regarding a vision statement. He stated that Mr. Vogt was in the process of locating a facilitator to assist in the process.

2. Fiscal 2009 budget forecast.

Mr. Bobertz stated that a new budget forecast for fiscal year 2009 may be needed. He noted that Mr. McKenzie, Ms. Ondrias and Mr. Selleck were working on the forecast.

3. Taxiway relocation phase two funding.

Mr. Bobertz stated that it would be necessary for the governing bodies to provide \$800,000 to meet the TxDOT 90/10 match requirement for phase two of the taxiway relocation project. He explained that he had informally approached the Economic Improvement Corporation (EIC) regarding funding, but they were not receptive. Mr. Overby of the Kerr Economic Development Foundation addressed the board and encouraged them to file an EIC application for the funding.

Mr. King noted that the project name poorly described the breadth of the project. He stated that the main scope of the project was to improve the drainage for the entire airport and that the consequence of the drainage improvements was the relocation of the taxiway. He expressed that city and county officials as well as the community in general should be educated regarding the expanse and importance of the project. The problems with the drainage system currently in

place ruined the taxiway and would ruin the main runway if not corrected. He noted that the cost of the current project would be miniscule in comparison to the cost of replacing a badly damaged runway. He stated that to protect the viability of the airport the project must be funded and completed.

Mr. Bobertz moved that the board authorize Bruce McKenzie to begin the EIC application process to request funds for phase two of the drainage/taxiway relocation project. Mr. Moser seconded the motion. The motion passed 4-0.

4. Fire protection upgrade funding.

Mr. Bobertz stated the volume of water at the airport did not meet the current fire code. He noted that until the volume was upgraded, new development could not occur at the airport. He explained that the city had presented a plan that would provide the required volume for a cost \$425,000, but that the project was not funded or budgeted. In order to clarify the requirement, Mr. McKenzie stated that the fire code required a volume of 1500 gallons per minute for an hour and the current system only had a volume of 800-900 gallons per minute. Mr. Selleck noted that the issue was created when the new fire code changed the volume requirement. He stated that the volume of the current system did meet the previous fire code requirement. Several options for providing the additional volume of water were discussed. Mr. King suggested that some portion of the fund balance could be appropriated towards the project and that the board request that the city and county fund the remainder of the cost. No action was taken regarding this item.

5. Suggestions for other potential priorities.

Mr. Bobertz requested suggestions for other potential priorities, including formulating contingency plans. Mr. Moser referred to the airport business plan and suggested that some of the proposed action items be added to the list of priorities. Mr. Bobertz proposed adding an entire review of the airport code to determine what, if any, changes needed to be made.

5F. Clarification from governing bodies regarding requirements in the interlocal agreement.

1. Article 3, Paragraph (g), Item 8: All records shall be maintained at the airport.

Mr. Bobertz asked the county commissioners that were present if the board was required to maintain the financial records at the airport, since the city was currently maintaining the financials. Commissioner Williams explained that once the board evolved into an independent board and the transition period was complete all records should be maintained at the airport.

2. Article 3, Paragraph (g), Item 14: The board shall adopt policies and procedures for the purchase of goods and services and for the accounting of the airport's finances, each in accordance with state law.

Mr. Bobertz stated that currently the board was using the city's purchasing system and therefore obligated to follow city policies and procedures. Commissioner Letz stated that eventually the board would be independent and should begin writing

its own policies and procedures to be adopted after the transition. He suggested that the board provide the city and county with reports regarding their progress in this and other matters.

3. Article 3, Paragraph (j): The board shall provide quarterly written reports to each party regarding the operations of the airport and its finances.

Commissioner Letz stated that the intention of this article was to keep a dialogue between entities. Commissioner Williams stated that the board should provide the city and county with a quarterly letter containing a status report and an executive summary.

6. Announcements and General Updates:

6A. Taxiway relocation project.

Mr. McKenzie stated that the contractors had been blasting rock for the prior 2-week period and that approximately 80% of the blasting was complete. He noted that seismic meters had been put in place at various strategic points around the airport, including several at the Mooney facilities, and that the recordings showed no structural damage had occurred due to the blasting. There had been no complaints so far from any of the tenants. According to the contractor, the project was approximately 90 days ahead of schedule and should be complete by the end of May if there were no major weather delays. Mr. McKenzie stated that the main runway was still open and the airport was functional. He noted that there would be a time when the main runway would have to be closed for approximately 15 days. He stated that the closure would not necessarily affect the smaller aircraft, but that larger jets would not be able to take off during this time due to the shorter length of the remaining runway. Mr. McKenzie stated that the contractor presented a progress report every Tuesday at 9:00 a.m. in the Airport Terminal. Mr. King asked what was going to be done with the dirt that was being excavated. Mr. McKenzie said that no decision had been made regarding that issue as of yet.

6B. EAA Fly-In.

Mr. McKenzie stated that the in spite of some inclement weather, the EAA Fly-In was well attended event.

7. Adjournment

Mr. Cowden moved to adjourn the meeting. Mr. Moser seconded the motion. The motion passed 4-0. The meeting adjourned at 2:32 p.m.

APPROVED: _____

Roger Bobertz, President

Heather M. Spivey, Deputy City Secretary