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4 KERRVILLE-KERR COUNTY JOINT AIRPORT BOARD
5 Regular Meeting
6 Monday, November 21, 2011
7 8:30 a.m.
8 Airport Terminal Conference Room
9 1877 Airport Loop Road
10 Kerrville, Texas
11

12 MEMBERS PRESENT: MEMBERS ABSENT:
Stephen King, President
13 Tom Moser, Vice-President
Mark Cowden
14 Corey Walters
Ed Livermore
15

16 AIRPORT BOARD STAFF PRESENT:
Bruce McKenzie, Airport Manager
17 Laurie DeJohn-Ermey, Executive Assistant

18
19 COUNTY STAFF PRESENT:
Guy Overby, Commissioner Pct. 2
Jonathan Letz, Commissioner Pct. 3
20 Jeannie Hargis, Auditor

21
22 CITY STAFF PRESENT:
Mike Erwin, Finance Director

23
24 VISITORS:
Joey Kennedy, Kerrville Aviation

25

2

1 I N D E X

2 PAGE

3 CALLED TO ORDER

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6 2B Plans for 2013 Administrative Contract RFQ/RFP 15
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8 of hangars 20
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1 On Monday, November 21, 2011, at 8:30 a.m., a regular
2 meeting of the Kerrville-Kerr County Joint Airport Board was
3 held in the Airport Terminal Conference Room, Louis Schreiner
4 Field, Kerrville, Texas, and the following proceedings were
5 had in open session:

6 P R O C E E D I N G S

7 MR. KING: I'll call the meeting to order of the
8 Kerrville/Kerr County Airport Board, November 21st meeting --
9 regular meeting. Call to order. Visitors' forum. At this
10 time, any person with business not scheduled on the agenda
11 may speak with the Airport Board. No deliberation or action
12 may be taken on these items because the Open Meetings Act
13 requires items be posted on the agenda for 72 hours before
14 the meeting. Visitors are asked to limit their presentations
15 to three minutes. Anyone stepping forward? Mike?

16 MR. ERWIN: Just real quick --

17 MR. KING: Mike Erwin.

18 MR. ERWIN: If we could just start getting a little
19 bit of an update on the Mooney T.C.E.Q. issue, we'd
20 appreciate it. We had our auditors asking that question, and
21 if we could, at these meetings, begin to get an update on
22 where we are and who's taking what's actions, we'd appreciate
23 it.

24 MR. KING: Okay, sure. That's a good point. We

25 will do that.

1 MR. LIVERMORE: We'd even like to know a little
2 more, wouldn't we?

3 MR. KING: Item 2, discussion and possible action.
4 Monthly financials. Jeannie?

5 MS. HARGIS: This is the first month after the
6 books are closed, so there's not as much on your books as
7 there would normally, so you won't see as much. The total
8 amount of funds on Page 1, 268,885.40. That's your balance
9 sheet, cash basis. And then on -- on Page 2, your monthly
10 revenue was 17 thousand, one --

11 MR. MOSER: Hey, Jeannie, question before you get
12 started. Is this relative -- this current budget, is this
13 relative to the budget that the board passed the other day?

14 MS. HARGIS: Mm-hmm.

15 MR. MOSER: That's what I thought. Okay. So, this
16 is the budget we have submitted to the City -- will submit to
17 the City and County, or have submitted to the City and
18 County?

19 MS. HARGIS: Yes.

20 MR. MOSER: That's not been approved by them.

21 MS. HARGIS: Because these are your books.

22 MR. MOSER: These are ours, okay. I just needed to
23 know.

24 MS. HARGIS: Yeah, we changed those. Total
25 revenue, 17,189.90. Page 3, your salaries, 11,560.52. You

1 had a credit, because we had some -- and I'll explain that on
2 Page 4. And then you ended up with monthly expenditures
3 there of a credit of 1405 --

4 MR. MOSER: Are you on Page 4?

5 MS. HARGIS: I'm on Page 5 now.

6 MR. MOSER: Well, question on Page 4.

7 MS. HARGIS: I've got that one; hang on just a
8 second. I have the detail.

9 MR. LIVERMORE: Talking about which page number?

10 MR. MOSER: The page at the bottom, I think.
11 MS. HARGIS: No, it's right in the middle.
12 MR. MOSER: No, wait.
13 MR. LIVERMORE: You've got two page numbers.
14 MR. MOSER: Let me find which page I'm speaking of.
15 MS. HARGIS: The one at the bottom, the ones that
16 are typed.
17 MR. MOSER: No, there was -- stand by. Oh, it is
18 on Page 4 at the bottom. Okay.
19 MS. HARGIS: Yes.
20 MR. MOSER: 3 at the top.
21 MS. HARGIS: Mm-hmm.
22 MR. MOSER: Maintenance, on Item 202.
23 MS. HARGIS: Yes, building and structures.
24 MR. MOSER: Percentage of budget remaining, 110
25 percent? We're making money, so why don't we just quit,

6

1 okay? And we'll go out -- how can you make money?
2 MS. HARGIS: Because we got a refund on that one --
3 hang on just a second. I had it in my hand, and then when
4 you said what page number, I put it down.
5 MR. MOSER: How do you like that? When you -- you
6 just sit and let the time -- time marches on. Budget --
7 revenues go up.
8 MS. HARGIS: No, it's basically -- we had --
9 MR. MOSER: I just need a simple answer. I don't
10 need the --
11 MS. HARGIS: We got our insurance refund of \$1,500
12 from TAC, and so we put it against the expense.
13 MR. MOSER: Okay.
14 MS. HARGIS: That's the reason you have a negative
15 in that one, because there weren't any expenses in that.
16 MR. MOSER: That's the reason we show we're ahead
17 of budget.
18 MS. HARGIS: Right.
19 MR. MOSER: Yeah, okay. You answered my question.
20 MS. HARGIS: Okay.
21 MR. MOSER: Thank you. We probably won't see that

22 any more this year.

23 MS. HARGIS: Probably not.

24 MR. MOSER: Shouldn't count on it.

25 MS. HARGIS: I hope not. We don't want any more

1 claims, so that was a claim. All right. Again, that's why
2 you're showing up with a negative of 14 -- 1,405.72. Then
3 the last page, the total amount of revenue over expenses,
4 7,035.10.

5 MR. MOSER: Tell us which page you're on, Jeannie.

6 MS. HARGIS: 6 at the bottom.

7 MR. MOSER: 6 at the bottom, okay. Okay.

8 MS. HARGIS: Okay. Then we gave you detail pages.

9 MR. MOSER: Another question. Why all these

10 details?

11 MS. HARGIS: Because we wanted -- because it was
12 the end of the year, and we had that refund, and we talked
13 about detail. I added those. If you don't want them, I'll
14 take them out.

15 MR. MOSER: I don't want them.

16 MS. HARGIS: You don't want them?

17 MR. MOSER: No. That's three trees right there.

18 MS. HARGIS: Okay, we'll take three trees out.

19 MR. MOSER: I mean, we got the summary, right? I
20 mean, I don't want them. I don't know if anybody else --

21 MS. HARGIS: I'll just bring them with me when I
22 come.

23 MR. MOSER: Okay. Does anybody else want them?

24 MR. LIVERMORE: No.

25 MS. HARGIS: Skip to 20. This is your balance

1 sheet on your capital account. We show 164,486.79, and for
2 Mike's purposes, we started the end of the year --

3 MR. LIVERMORE: Which page are you on now?

4 MS. HARGIS: Page 20.

5 MR. LIVERMORE: 20.

6 MS. HARGIS: Everybody got it?

7 MR. MOSER: Mm-hmm.

8 MS. HARGIS: In our liability section, that's been
9 reduced from 50,000 to 25,000, so they've paid their -- we've
10 transferred their 25,000 over into revenue.

11 MR. COWDEN: Mike's got a question.

12 MR. KING: Steve and board members, question. We
13 previously talked about the fact that city money and county
14 money would move at the same pace, and we're seeing that the
15 city's money is moved all over, with no county money being
16 moved over.

17 MS. HARGIS: We haven't written a check for that

18 yet. We kind of have a little bit of a cash flow problem
19 because of our budget being done late, and we didn't send our
20 tax bills out, so I'm kind of waiting for my cash flow to
21 come up a little bit before we send out. And that's true;
22 I'm not letting anybody buy anything right now. So --

23 MR. KING: All right. Well, that's fine. I think
24 in the future, why don't we just -- if -- we don't need that
25 money in there right now, do we?

1 MS. HARGIS: Well, we moved it over; it's already
2 there.

3 MR. KING: We haven't spent any of it?
4 MS. HARGIS: No, we haven't spent any of it.
5 MR. KING: In the future, why don't we try and
6 coordinate that with the City and County? If you guys are
7 pushed back a month, push them back a month, and that way
8 we're all moving on the same -- we're all moving at the same
9 time. That way those guys are not debited 25 grand out of
10 their account, and they could keep that 25 grand for a month
11 or so and work with it.

12 MS. HARGIS: Well, they don't -- that money's in
13 our account, so that's the reason --

14 MR. KING: In our account?

15 MS. HARGIS: Right.

16 MR. KING: Then just -- let's just leave it there
17 until we get both of them moved at the same time.

18 MS. HARGIS: Okay.

19 MR. KING: I'd rather do that. I told the City
20 that we'd -- kind of told the City that we would kind of all
21 move together on these -- on this stuff we move out of
22 City/County accounts. So -- all right?

23 MS. HARGIS: Okay. Well, this --
24 MR. KING: Do you want us to move it back, Mike?
25 MR. ERWIN: As long as there's nothing spent --

10

1 MR. KING: No.
2 MS. HARGIS: There's been nothing spent.
3 MR. ERWIN: As long as there's nothing spent until
4 the county money gets over there. But our preference would
5 be --
6 MR. KING: I understand.
7 MR. ERWIN: -- to move it at the same time.
8 MR. KING: We're on board.
9 MR. ERWIN: Okay.
10 MR. KING: Okay?
11 MS. HARGIS: We just wanted to make it clean and
12 flip theirs over the first of the year. That's the only
13 reason, 'cause it's sitting there.

14 MR. KING: I understand.
15 MS. HARGIS: It wasn't anything --
16 MR. KING: No, I understand. It was just -- it's
17 just with everything we talked about, I think it would be --
18 let's just try to -- everybody move at the same -- same step.

19 MS. HARGIS: Okay. There really has been no --
20 nothing spent in this account, because it's -- again, this is
21 the beginning of the year.

22 MR. KING: Mm-hmm.
23 MS. HARGIS: On Page 23, you basically show no
24 expenses. Same for 24. You have a little bit of interest
25 revenue that came in, and the 25,000, for 25,607.02, and then

11

1 the detail on that. So, that's Page 24. Then if you'll
2 skip, since we have the detail, to Page 32, then these are
3 the summary of the projects that we finished as of last year.

4 That's been no -- nothing happened in the month of October,
5 so basically we show 154,406.79. And the cash, and then
6 second page, which is Page 33, is just a recap of the TexDOT
7 projects, and that's aligned with what TexDOT has on their
8 website, and which you requested. Kind of coincide. We
9 haven't put any new projects on here. I know y'all talked
10 about them, but we haven't put any new ones on.

11 MR. MOSER: Okay, very good.

12 MS. HARGIS: This is kind of the -- you know, the
13 end of the year, the beginning of the year. There's really
14 not a lot going on, because most of the expenses you pay in
15 October are for September.

16 MR. MOSER: Mm-hmm.

17 MS. HARGIS: So you got those pretty much last
18 month, so you don't really see any activity till the end of
19 November, which is really then your October. We run a month
20 behind and we catch up at the end of the year.

21 MR. LIVERMORE: Jeannie, are you available next
22 Monday morning to meet with me?

23 MS. HARGIS: Next Monday? Monday --

24 COMMISSIONER LETZ: No.

25 MS. HARGIS: Monday we have court.

12

1 MR. KING: Her boss said no.

2 MR. LIVERMORE: Okay.

3 MS. HARGIS: But we should be through in the
4 afternoon.

5 MR. LIVERMORE: Well, in the afternoon, then.

6 Would that be --

7 MS. HARGIS: Yeah.

8 MR. LIVERMORE: Bruce, are you available maybe for
9 the three of us to sit down and educate me better on this
10 budget?

11 MS. HARGIS: Okay. Probably easier in my office,
12 'cause I've got everything there.

13 MR. LIVERMORE: Okay.

14 MS. HARGIS: So, let's make it --

15 MR. LIVERMORE: Is there a table we can meet

16 around?

17 MS. HARGIS: Yeah, my -- my office is big enough,

18 we can meet.

19 MR. LIVERMORE: Okay.

20 MS. HARGIS: So, probably -- let's make it about --

21 let's say 1:00, just in case they come back. 'Cause I never

22 know any more.

23 MR. LIVERMORE: Say 1:30?

24 MS. HARGIS: Yeah, let's do 1:30.

25 MR. KING: Who gets -- how do we send this out to

13

1 people? Does the City get a copy of that?

2 MS. HARGIS: Mm-hmm, we send it out in a big e-mail

3 to everybody.

4 MR. KING: So this comes digitally?

5 MS. HARGIS: Digitally.

6 MR. KING: Or hard copy?

7 MS. HARGIS: Digitally, everything goes out.

8 MR. KING: Okay.

9 MS. HARGIS: They get everything you get.

10 MR. KING: Do we get a copy?

11 MR. MOSER: Yeah, PDF.

12 MR. KING: All right.

13 MS. HARGIS: We send this out --

14 MR. KING: Just trying to -- okay -- to cut down on

15 this paper.

16 MR. MOSER: That was -- oh, I see.

17 MR. MCKENZIE: That's just for the board.

18 MR. MOSER: We get a PDF.

19 MS. HARGIS: I gave you the detail there. Next

20 time we'll cut it out, but I wanted you to be able to see

21 what it --

22 MR. KING: I think if I could get it on my Ipad and

23 review it on my Ipad, I don't really need a hard copy of this

24 any more. I throw this away about 30 minutes after this is

25 over. Seems like a waste of paper.

14

1 MS. HARGIS: You get it -- we try and send it out

2 either Wednesday or Thursday before the meeting.

3 MR. KING: Okay.

4 COMMISSIONER LETZ: Jeannie, can you make a note to

5 get the City -- Mike said they'd like the detail on their

6 copy.

7 MS. HARGIS: They should have got the detail.

8 COMMISSIONER LETZ: They did, but in the future,

9 they don't want it; they do. So they can get it, 'cause they

10 want more detail.

11 MR. KING: That's fine.

12 COMMISSIONER LETZ: I don't want the detail.

13 MR. MOSER: Okay. Yeah, what I was -- what I was

14 really saying, Jeannie, is just hard copy details, we don't

15 need those. Electronic, you know, it doesn't matter. You'd

16 be welcome to send those.

17 MS. HARGIS: If you want me to send the electronic

18 detail, then you at least know why something --

19 MR. KING: Yeah.

20 MR. MOSER: I think electronic detail is good.

21 MR. KING: Just don't print it all off.

22 MS. HARGIS: You don't need me to print it.

23 MR. MOSER: Right. Right.

24 MR. KING: Right.

25 MS. HARGIS: So there would only be, like, five

1 pages that you would need.

2 MR. MOSER: Correct.

3 MR. KING: Trying to become green -- more green.

4 COMMISSIONER OVERBY: That's good.

5 MR. KING: School board's going green, so I'm

6 trying to move us that direction.

7 MR. COWDEN: I saw that in the paper.

8 MR. MOSER: CO2's good.

9 MR. KING: Nobody gets an Ipad, okay? We've

10 already got one, most of us.

11 MR. MOSER: I don't have one.

12 MR. KING: All right. Any more on that? You want

13 to make a motion to accept it?

14 MR. MOSER: I so move that we -- make a motion we

15 accept the monthly financials as presented.

16 MR. COWDEN: Second.

17 MR. KING: Second by Mr. Cowden. Discussion? None

18 being heard, all in favor?

19 (The motion carried by unanimous vote, 5-0.)

20 MR. KING: 5-0. Item 2B, plans for the 2013

21 administrative contract RFQ.

22 MR. MOSER: I asked that this be put on the agenda

23 so that we establish a plan for completing this. We got

24 caught in a pass with letting -- waiting too late, so what

25 I'd like to do is -- and I think it's going to be a big

16

1 effort, okay? We have to delineate exactly what we want in

2 each one of the items and how we're going to acquire those

3 services or -- or what. But, Bruce, I'll let you talk to

4 this, if you will. I think we just need to lay out a plan

5 and schedule to get this done.

6 MR. MCKENZIE: We've already begun the process of

7 delineating each and every thing that we do in order that we

8 can go out in this process. We've already begun that, so --

9 MR. MOSER: So, what's the schedule?

10 MR. MCKENZIE: I would say by the December meeting,

11 we'll have -- I'll have the list completed.

12 MR. MOSER: Okay. So next month we'll have a --

13 MR. MCKENZIE: We'll show you exactly what we've --

14 MR. MOSER: Perfect. Perfect.

15 MR. KING: How is this going to figure with what

16 you guys --

17 MR. LIVERMORE: I thought we were going to kind of

18 go without this.

19 COMMISSIONER LETZ: The airport -- what do we call

20 it?

21 MR. KING: Planning.

22 COMMISSIONER LETZ: Planning committee, that group

23 is going to meet in January, and they were going to -- 'cause

24 that's when the City and County will really discuss it, and

25 we were going to, at that meeting, present two options for

17

1 the City to look at. One is really just trimming out almost
2 the total administrative contract; just do a bare minimum of
3 H.R., audit, things like that, and then also compare that to
4 the current agreement. And in our mind, from the County's --
5 the City's option of which way they'd like it to go, you
6 know, our preference is to go with the -- reduce the
7 management contract as much as possible, and then that will
8 determine what -- you know, you'd have --

9 MR. MOSER: That's what you propose to do, but what
10 I'm saying is, what does this board want to do?

11 MR. KING: Right.

12 MR. MOSER: How do we want to proceed? Do we want
13 to go out with the detailed -- get bids on everything, or do
14 we want to go with something like that? And think about --
15 we just need to see what the options are and how best to
16 proceed, even before we hear, you know, "Why don't you
17 consider this and this," whatever, okay? And that's what
18 you're proposing, I think.

19 COMMISSIONER LETZ: Well, I think -- but we're
20 looking at it -- there's certain things that need to be --
21 that make sense from a governmental standpoint to kind of
22 concentrate. And, I mean, we're kind of doing the same
23 thing, basically. We're trimming out everything that we
24 think that can be bid, and then anything that's the
25 management contract can still be bid. It's just that that's

18

1 kind of a lump sum --
2 MR. KING: More of a service contract.
3 COMMISSIONER LETZ: Service contract, right.
4 MR. KING: What's the status -- what have you
5 talked about with the City on this?
6 COMMISSIONER LETZ: We just talked at the planning
7 committee meeting.
8 MR. KING: Just the planning meeting? 'Cause I
9 know the mayor knows about it. We talked to him about it.

10 COMMISSIONER LETZ: They're all aware of it, and
11 they think they like it, from what I've been told. But, you
12 know, it's just a matter of we have to go through it, and we
13 were really rushed for the last month because of a grant we
14 were filing for the sewer and wastewater.

15 MR. MOSER: See, that's where we got in trouble
16 before, though, Jonathan. We were rushed to do other things.
17 We didn't get this on the table, and it created a big issue.

18 MR. KING: I think --
19 MR. MOSER: So all I'm saying is if the Airport
20 Board needs -- and, Bruce, you need to decide the options and
21 the plans to get to the -- to the end game, period. Okay?

22 MR. KING: I think, Bruce, if you want to go ahead
23 and delineate that, but I think that -- that the ideas that
24 you've talked about -- and, you know, you're kind of familiar
25 with it a little bit, Mike. Or not.

19

1 MR. ERWIN: It's going to be the policy --
2 MR. KING: You talk to Todd?
3 MR. ERWIN: Going to be the policymakers.
4 MR. KING: You talked to Todd about it a little
5 bit?
6 MR. ERWIN: For the City, it needs to come from the
7 policymakers.

8 MR. KING: Yeah, okay.
9 MR. MOSER: Okay.
10 MR. KING: Well, we --
11 MR. MOSER: Bruce, have we set the planning date?
12 MR. KING: I hope before the January meeting --
13 before the January planning meeting, I'm hoping that you guys
14 can come up with your idea -- like, if you say two options,
15 and if you do, I'd like to see Todd -- you guys meet with
16 Todd and have a -- have a sense of what that plan is and how
17 they're -- you know, let them have some input into it, so
18 when we come to the planning meeting, it's not going to be --

19 COMMISSIONER LETZ: All new.
20 MR. KING: -- all brand-new. We got a bunch of
21 questions that could have been answered easily, and in

22 another meeting. In another meeting, so that Todd -- so Todd
23 and them are briefed on it and they know. You know, they
24 have their questions to ask so that we don't end up, you
25 know, slogging through this twice.

20

1 COMMISSIONER LETZ: And we'll be working -- we'll
2 do this in early December, I think, and we'll meet with Bruce
3 at the same time, 'cause he knows really what --

4 MR. KING: I like the concept of it. From what
5 you've told me, I like the concept of it, because it would
6 make it where the City and the County can -- I mean, if the
7 City wants to bid on part of it, or this or that, you know,
8 we -- and think it'll save money. The main thing, I think it
9 will save a lot of money.

10 MR. MOSER: But with all the discussion, you know,
11 you can see why it has to be -- to be put on the agenda.

12 (Multiple speakers.)

13 THE REPORTER: One at a time, please.

14 MR. KING: So, Bruce, you go ahead and get together
15 what we need for an RF -- delineate what our services are and
16 what our service requirements are, and I'm sure that will
17 help Jonathan.

18 MR. MOSER: And then close the loop with the City
19 and the County of what they're thinking about and say, "Hey,
20 here's some options," so that at least we get some framework
21 for how to proceed in a --

22 MR. KING: Okay.

23 MR. MOSER: -- a plan and a schedule. Okay, good
24 enough. Thanks. That's enough for this item.

25 MR. KING: All right. Number 2C, plans for

21

1 preliminary engineering and development of hangars.
2 MR. MOSER: I put this on the agenda also. We have
3 -- we will have our master plan meeting this month. We show
4 a potential of 500,000 square feet of hangars in the
5 preferred -- preferred that we have. But we don't have -- we
6 haven't talked about, how do we take the next step? The

7 other facts -- well, let me say fact one is we're going to
8 have our master plan completed by then. Fact two is we have
9 a list of people that want hangar space. Fact three is we
10 need revenue, but we don't -- we're not proceeding -- we
11 don't have a plan to proceed to increase revenue by
12 implementation of whatever hangars we want to do. So, my --
13 the reason I put this here is to put a fire under it; say,
14 "Let's move out. Why do we have to -- why do we need to wait
15 any longer? Why don't we move out on pursuing the T-hangars
16 for which we have people waiting?" Okay? Otherwise, we're
17 going to sit here and say, "Oh, that's a good idea; let's
18 look at this concept and that concept," but we're still not
19 doing it. We've been talking about this for about a year
20 over on the west side, and nothing's happened, and I think
21 appropriately so. You know, that was what the master plan
22 was supposed to --
23 MR. LIVERMORE: My preference --
24 MR. MOSER: Wait a second.
25 MR. LIVERMORE: I thought your voice was dropping:

22

1 excuse me.
2 MR. MOSER: We said let's wait till the master plan
3 is completed. So that's -- you know, we're going to get as
4 much out of the master plan on T-hangars on the west side as
5 we're going to. So, one of the things we put in the budget
6 was let's have the funds to do the preliminary engineering so
7 we can then decide how to proceed, rather than lease the
8 land, rather than do a condominium project, rather than build
9 the things. You know, the City and the County, there's a lot
10 of work to be done to do that. We do not have that in our
11 budget for that preliminary engineering right now. We said
12 we would take it out of reserves. We'd go back to the City
13 and County and ask for that money to be taken out of
14 reserves. With that said, what I'd like for us to do is
15 to -- to aggressively move forward on increasing the revenue
16 with hangars. Right now we have a blank piece of paper.
17 MR. KING: Yeah. Well -- go ahead, Ed.
18 MR. LIVERMORE: Do we have any idea -- my

19 preference, without more discussion, and I -- you know, you
20 know how new I am, and I can certainly be educated, but my
21 preference would be to offer those for sale.

22 MR. MOSER: Well, that's one of the detail options.

23 MR. LIVERMORE: One of the --

24 MR. MOSER: And we don't know that detail, Ed.

25 MR. LIVERMORE: Let me finish.

23

1 MR. MOSER: Okay.

2 MR. LIVERMORE: A primary question that will need
3 to be answered, because -- and I say this because it came up
4 10, 11 years ago when this was being done, is will those --
5 if someone buys a hangar, will that be on the tax rolls or
6 will it not be on the tax rolls? That's -- that was an issue
7 that really defeated the thing before.

8 MR. McKENZIE: I think the cost of the --

9 MR. MOSER: But my point -- let me step back.

10 That's option -- let's say there's three options on how to
11 proceed. You're talking about the details of one of the
12 options.

13 MR. LIVERMORE: Well, I understand that, but I'm --
14 I guess what I'm kind of wanting to know is, how serious are
15 the people on our list? And we might cut out a whole lot
16 of -- of engineering, preliminary engineering and talk and
17 everything else if we could somehow verify that list by
18 simply going to them and saying, "We think there's a hangar."

19 If you want to buy one, they're going to cost 'X.' Are you
20 interested?"

21 MR. MOSER: Well, see --

22 MR. LIVERMORE: Then we really --

23 MR. MOSER: You say it's going to cost "X," so if
24 you know it's going to cost "X," you got to do the
25 preliminary engineering.

24

1 MR. LIVERMORE: Yeah.

2 MR. MOSER: Okay? And so it's -- we're going to go
3 to them and say, "You're on the list. Are you serious?" And

4 they say yes. Okay. Okay, here's your choices. Okay, you
5 can either build a hangar yourself, or you can rent one from
6 us, or on and on and on. So, it's those -- it's those
7 options we need to define, and he does this all the time.

8 Okay.

9 MR. WALTERS: That's the first thing somebody's
10 going to ask you, is what's it going to cost? We have no
11 idea.

12 MR. MOSER: We don't have the slightest idea.

13 MR. WALTERS: We don't have any engineering done;
14 we don't have any plans. You know, I think -- I mean, it
15 gets right back to -- and it talks about going before the
16 City and County on it, so you got to have some idea on a
17 pro forma.

18 MR. MOSER: Absolutely.

19 MR. WALTERS: Or projection.

20 MR. MOSER: Absolutely, right.

21 MR. KING: Well, first you got to have a location.

22 We -- I mean, we have in our master plan bunches of different
23 ideas. We have to pick a quantity, a location, and a type.
24 Obviously, a T-hangar of some sort, T-hangars. Whenever I
25 talked to that guy building the hangar for Stieren over

25

1 here, --

2 MR. MOSER: Uh-huh.

3 MR. KING: -- he said that all the engineering, the
4 actual engineering of the -- of the layout and the structure
5 and everything like that we can get for free from the
6 T-hangar people. He said they provided no outside
7 engineering on that project over there.

8 MR. MOSER: Right.

9 MR. KING: He said they -- the company -- you know,
10 that company out of -- Joey, it was another -- it wasn't
11 Metco; it was another company.

12 MR. KENNEDY: Erect-a-Tube will do the same thing.

13 They'll come in --

14 MR. KING: As far as building the --

15 (Multiple speakers.)

16 THE REPORTER: One at a time, please.
17 MR. KING: If you want to get some ballpark idea
18 about what it is, two, maybe three years ago, when the County
19 and the City were still speaking, we were talking about
20 putting money together and actually building some. Mike Lowe
21 and I think another contractor or two in town put together a
22 bid for those T-hangars. It was basically right around a
23 million dollars, which is why the private sector has not done
24 it.
25 MR. MOSER: I agree with all that. Stieren, nice

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1 piece of land, all the infrastructure. There was -- that's a
2 piece of cake. You go to the guy that's doing the building;
3 he doesn't have to engineer anything. He's got to pass some
4 city codes. You look over on the west side; we got a lot of
5 filling to do. How much filling do we have to do? What do
6 we have to do to get our utilities there? What does all of
7 that cost? That's what we're talking about. Let me get this
8 thing off -- let me propose that a couple of us, okay, sit
9 down with Bruce and lay out a plan to take the next step
10 using the master plan that we have, and -- and with the
11 objective of trying to capture the business of some of the
12 people that we have on the list that's indicated -- and Ed's
13 exactly right; maybe they're not serious any more. Okay.
14 But let's at least say that's -- this looks to be a hot
15 market; let's go for it. And what's it going to cost for us
16 to do the preliminary engineering? And we can get that
17 estimate, and here's the plan to do it. And then take --
18 take the step that you and Joey are both talking about.

19 MR. LIVERMORE: May I work with you on that?
20 MR. MOSER: Sure, yeah. I --
21 MR. COWDEN: I'd like to --
22 MR. LIVERMORE: Oh, I'm sorry. I was assuming you
23 were one of the two.
24 MR. MOSER: I think a couple of us ought to do it.
25 I'd be happy to do it.

27

1 MR. COWDEN: I'd just like to get a little feedback
2 from the City and County on their thoughts about using some
3 of this money to do that. That may not be an answer you can
4 give me today, but --

5 COMMISSIONER LETZ: From the County's standpoint, I
6 think a number has to -- a plan has to be developed.

7 MR. KING: Right.

8 COMMISSIONER LETZ: And this is the first step.

9 MR. MOSER: Right.

10 COMMISSIONER LETZ: And I think -- I mean, I -- I
11 would recommend to the Court, and --

12 COMMISSIONER OVERBY: Yeah.

13 COMMISSIONER LETZ: -- and Guy that, yes, this is a
14 worth -- this money needs to be spent at some point, and it's
15 coming out of your budget. So, I mean --

16 MR. MOSER: Right.

17 COMMISSIONER LETZ: You know, that's kind of where
18 it is. I don't want to spend \$100,000 on it. I think we're
19 talking about a kind of preliminary --

20 COMMISSIONER OVERBY: Layout.

21 COMMISSIONER LETZ: -- layout for engineering that
22 Tom was talking about needs to be looked at, and then also
23 the kind of pro forma and the actual number of T-hangars,
24 and --

25 MR. MOSER: Right.

1 COMMISSIONER LETZ: So you can make a business
2 decision on it. And I think then at that point, once you get
3 the plan, I think you're looking at whatever options, whether
4 it's, you know, public/private combination or --

5 MR. KING: Right.

6 COMMISSIONER LETZ: -- City/County do it, or --

7 MR. MOSER: And pro forma to go with each of those.

8 MR. KING: Why don't we do that. We need to come
9 up with an option; we need to come up with a quantity.

10 MR. MOSER: Right.

11 MR. KING: Some -- some sort of preliminary
12 quantity of T-hangars, whether it's --

13 MR. MOSER: 30 or 16.
14 MR. KING: -- 16, 32. Whatever it is, come up with
15 a -- and then we need to come up with a -- actually go with a
16 master plan and -- and come up with some sort of agreement as
17 to --
18 MR. MOSER: Right.
19 MR. KING: -- what the most advantageous placement
20 is so that we can expand, and they have a deal and it's not
21 -- it's going to be the best use for the land, and then go
22 ahead, and if we come up with 24, let's say, or 36, then come
23 up with a -- some preliminary cost estimates on the hangar,
24 the slab, and how we're going to get to the taxiway. I know
25 that's one of the problems. And then once we have a

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1 preliminary -- some sort of a preliminary overall number,
2 then go back to TexDOT, find out if there's anything in that
3 number that they're going to help us with, if there's any
4 part. You know, we break it into the apron, slab, so on,
5 this and that. What part of that they can help us with. If
6 they say no, there's none of this they can help us with, then
7 we go back and figure out, you know, with that number, what
8 sort of -- what the sort of cost is going to be. We can look
9 at what the rent's going to be -- what the rentals are going
10 to be, 'cause we know that pretty much, and then decide what
11 sort of a financing plan we can come up with, whether it's a
12 condo, whether it's selling them, whether it's doing this or
13 whether it's -- whatever it is. But, I mean, I think you got
14 to have -- we're going to have to have some sort of a set
15 project that we can figure out a set price on.

16 MR. MOSER: Absolutely, yeah.
17 MR. KING: With -- with the utilities and
18 everything in there, and then look for -- and then after
19 that, look for the sources of funding.
20 MR. LIVERMORE: This is an interesting project for
21 -- to me. You know, I got into this several years ago, and
22 -- go ahead, Corey.
23 MR. WALTERS: One of the things -- didn't we ask
24 Michelle this question before on that? And at that time, she

25 said we can use some funds that we -- we thought were

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1 available, but what we'd already used.

2 MR. MCKENZIE: We'd used our funds on our big
3 project. Yeah, we already used that money. Every year, we
4 still get \$50,000, but we will continue that. And the
5 appropriations -- Tom and I have talked about this before --
6 in Washington with F.A.A., that's a 30-day-at-a-time
7 situation.

8 MR. MOSER: We looked at that. Michelle said,
9 quote, they could cover everything horizontal, nothing
10 vertical. That means all the foundations, all the taxiways,
11 everything else. But when we also went to the conference, it
12 looks like we're 2013 at the earliest before we could get
13 any funds. So, until we get our plan in place, knowing that
14 potential, we have to go back to the City and the County and
15 say this is -- is the approach, to go back to TexDOT. So,
16 what I want to do is just take everything everybody said and
17 put it on a -- put it on a plan, okay? Where we go through
18 each one of the things. As Steve said, this is all -- here's
19 all the potentials, which we get from here, there, and show
20 an overall schedule, you know, and -- and say here's what the
21 potential revenue is for each one of these approaches. Right
22 now, if we said let's take the 500,000 square feet and let's
23 just don't do anything, just lease the land, and we -- and we
24 leased all of that land, that's \$100,000 a year. Well, that
25 doesn't get us across the goal line, so that's not a --

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1 that's not an approach to become revenue neutral. So, to
2 become revenue neutral, we need to generate more revenue from
3 the land we have out here.

4 MR. KING: Right.

5 MR. MOSER: Rather than just leasing -- leasing the
6 land itself, like we've done with Stieren.
7 MR. KING: And that's the -- like I've already
8 said, the worst use of our property out here is leasing to
9 someone to build a hangar on.

10 MR. MOSER: Right.
11 MR. KING: Because the ground leases, we just don't
12 make enough money.

13 MR. MOSER: That is what Fredericksburg has done.
14 You know, I asked them -- asked the guy last week, and I
15 think we're going to talk about that in a minute. But,
16 anyway, to -- to close the thing off, I think a couple of us
17 ought to get with Bruce and at least lay out something to
18 show the board. Okay, here's a plan of how we proceed,
19 rather than sitting around waiting for --

20 MR. KING: Why don't we do this; why don't we let
21 Bruce be the intermediary, and then anyone that has -- has
22 any -- we can kind of use Bruce to keep from violating any
23 meeting laws or anything on this thing.

24 MR. MOSER: Well, let's just have -- let's have a
25 couple of us, 'cause we won't violate anything there. A

1 couple of us work with Bruce. A subcommittee is what I'm
2 suggesting.

3 MR. KING: Okay.
4 MR. MOSER: And I'd like to volunteer to work with
5 Bruce on that.

6 MR. KING: That's the problem; we're going to have
7 too many people. That's actually on my plan of -- strategic
8 plan, so we're going to have three people to start with.

9 MR. MOSER: Okay. Well, that won't work.
10 MR. KING: That's going to be a problem. That's
11 what I was -- why don't we do this. I got a great idea.
12 Let's divide this up into two teams.

13 MR. MOSER: Okay.
14 MR. KING: How's that? And we can -- we can let
15 your team leader talk to our team leader, and we can kind of
16 go from there.

17 MR. LIVERMORE: Well, what is the problem with just
18 saying, okay, it's a three-man committee?

19 MR. MOSER: You can't meet --
20 MR. LIVERMORE: We'll publish notice.
21 MR. MOSER: You have to announce --

22 MR. LIVERMORE: You announce it, so why not
23 consider -- just do that?
24 MR. KING: Why don't you and Ed -- you kind of want
25 to get this thing -- you and Ed get the thing --

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1 MR. LIVERMORE: We're meeting right here. No
2 different than what we're doing.
3 MR. MOSER: What I'm proposing to do is not get the
4 answer; I'm not proposing that at all. I'm just proposing a
5 plan of how to proceed. And I don't need to be on that, but
6 we need to have -- right now we have a blank piece of paper.
7 I want something more than a blank piece of paper.

8 MR. KING: Okay.
9 MR. MOSER: I want a project plan.
10 MR. KING: Okay. I do too.
11 MR. LIVERMORE: I do too. I see what you're
12 saying. I can be educated.
13 MR. MOSER: What I'm talking about is --
14 MR. KING: You and Ed. You and Ed can get the ball
15 rolling.
16 MR. MOSER: And we'll present it next -- at the
17 next meeting.
18 MR. LIVERMORE: Mm-hmm.
19 MR. MOSER: And it's going to be pretty
20 preliminary, and it's going to be SWAGs and ROMs and --
21 MR. KING: Okay.
22 MR. MOSER: -- and a concept. That's just the --
23 okay?
24 MR. KING: Can you spell all that? Okay. Is that
25 it? Okay.

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1 MR. MOSER: Okay.
2 MR. WALTERS: One question, just since you were
3 talking about it. You know, in that master plan, did we have
4 an area where we said, okay, this will be Phase I?
5 MR. MOSER: Yes.
6 MR. WALTERS: Expansion that doesn't involve the

7 Mooney paint hangar?

8 MR. MOSER: Mm-hmm.

9 MR. WALTERS: There is one, okay.

10 MR. MOSER: Yeah.

11 MR. WALTERS: Perfect.

12 MR. MOSER: Yeah.

13 MR. KING: All right. We'll go forward with that.

14 Keep in touch, please.

15 MR. MOSER: Oh, yeah. Yeah. It's not -- it's not

16 anything in concrete. It's just -- maybe we'll -- it's just

17 the next step down the blank piece of paper.

18 MR. KING: Right. Well, you're going to have to

19 give us some options.

20 MR. MOSER: Oh, definitely.

21 MR. KING: I mean, I'm talking about some options

22 for placement -- even for placement, because I have some

23 opinions on placement. I know Corey will have some opinions

24 on placement through his, you know, development skills and

25 stuff. So, let's just look at -- let's look at --

35

1 MR. MOSER: Oh, sure.

2 MR. KING: Maybe we'll take it in steps. How's

3 that? Take it in --

4 MR. MOSER: Yeah.

5 MR. KING: -- in steps, and try to -- I mean, I

6 think the main thing -- the first thing you have to figure

7 out is -- is demand equals quantity. You can't build 100

8 T-hangars if you only have 18 people that want to buy them.

9 MR. MOSER: Right.

10 MR. KING: Or even move into them. So, we need to

11 figure out the -- the quantity versus -- in relationship to

12 the demand.

13 MR. MOSER: Here's what we --

14 MR. KING: And that will determine where we build

15 them.

16 MR. MOSER: Here's what's we can do, too, is we can

17 look at -- we've got T-hangars laid out there on this side of

18 the -- let's say it's going to be T-hangars initially. We've

19 got a concept for T-hangars over here, a concept for
20 T-hangars over there. We'll lay out a project plan for both
21 of them. Let's go over there, and what's the preliminary
22 engineering going to cost, ballpark? Come over here; what's
23 it going cost? And then -- because then after that, it's
24 going to be the same, whether it's condominium or lease the
25 land or -- or whatever.

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1 MR. KING: I understand. All right.
2 MR. WALTERS: You know, the -- we're getting a
3 little deeper into this, but, you know, the -- it's very much
4 like when I do a pro forma shopping center; I know what the
5 building's going to cost. I know what the foundation's going
6 to cost. The unknown is the site work and utilities.
7 MR. MOSER: Exactly.
8 MR. WALTERS: And so -- and that's really what's --
9 I mean, there's no real finish out on these things; they're
10 basic. So that's really your unknown figure that you have to
11 come up with.
12 MR. MOSER: Yeah.
13 MR. KING: Yeah.
14 MR. MOSER: Bruce has the estimate for building
15 right now, you know.
16 MR. KING: Yeah.
17 MR. MOSER: The vertical stuff, even the
18 foundation. We've got that.
19 MR. KING: You can figure that. That's what
20 Corey's saying, is I think the -- the sticking point of that
21 whole deal is, how do you get to that taxi -- how to you get
22 to that runway?
23 MR. WALTERS: Yeah.
24 MR. KING: You have to get to that runway. You
25 have to get to that runway. It has to be built according to

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1 some standards by the F.A.A.; it's not just willy-nilly, you
2 know, throw some -- like we do when we build a parking lot or
3 something, like throw some stuff down. There's certain

4 standards, and there's a -- obviously, you can't be so far
5 from the runway, and that dictates the amount of flat space
6 you got to have to go there. You go look at Stieren's
7 hangar. I went over there. He's going to have more in flat
8 work -- I think he'll have as much in flat work as he has in
9 the hangar.

10 MR. WALTERS: Structure.

11 MR. KING: And structure. I mean, he's got -- oh,
12 I can't even imagine; 20,000 square feet of concrete,
13 probably.

14 MR. MOSER: Yeah.

15 MR. KING: At least. I mean, it's --

16 MR. WALTERS: He probably has more than that.

17 Isn't it -- how big is his building?

18 MR. McKENZIE: 60 by 100.

19 MR. KING: 6,000. But he's got flat work all the
20 way to the taxiway. He's got flat work all the way behind
21 it. His parking lot is concrete. I mean, he's basically
22 building a -- you know, probably a 20,000 square foot
23 concrete pad out there. That's going to be way more than
24 what that building costs.

25 MR. MOSER: Yeah.

1 MR. KING: So, you know, I think Corey's right. I
2 think the -- the easy part is the building. And, I mean,
3 anyone around town can tell you what it's going to cost to
4 build an engineered slab underneath a 20,000 square foot
5 structure. But it's the utilities and the getting to that
6 thing. Getting to that thing and figuring, you know, parking
7 -- I mean, another big -- big piece of that deal, you look
8 over at his hangar; there's more concrete in front of his
9 hangar than there is under his hangar, to park his airplane.
10 You got to have the same -- you have to have the same amount
11 of flat work to park your airplane when it's sitting there
12 outside the hangar than it is when it's sitting in the
13 hangar. It's almost -- I went over and looked at it. It's
14 almost the same, so there's a huge amount of concrete that --
15 that's got to be put in just to build a 6,000 square foot

16 hangar.
17 MR. MOSER: The master plan is certainly a step in
18 that direction, because it conceptually lays out that --
19 MR. KING: Exactly. All right. Well, it's kind
20 of --
21 MR. LIVERMORE: This is kind of like -- like Corey
22 said, maybe getting too deep into it right now, but we talked
23 a little bit about the Fredericksburg area and how --
24 whatever they're doing up there, and I know practically
25 nothing.

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1 MR. MOSER: Land lease.
2 MR. LIVERMORE: Is it?
3 MR. MOSER: It's land lease.
4 MR. LIVERMORE: But up in Oklahoma City at Wiley
5 Post Airport is what a lot of people consider the best condo
6 hangar project in the country, and I have a hangar there I'm
7 about to sell, but it is -- it's just an awesome project, and
8 has been for 30 years. And we ought to try to see what they
9 did as one of our possibilities.
10 MR. MOSER: Sure.
11 MR. LIVERMORE: See what we can learn.
12 MR. MOSER: Absolutely.
13 MR. LIVERMORE: I know all the people up there, and
14 can --
15 MR. MOSER: Okay.
16 MR. LIVERMORE: But I've owned a hangar there since
17 '93.
18 MR. MOSER: Why don't you just start getting that?
19 MR. KING: All right. So, we'll move forward on
20 that, okay?
21 MR. MOSER: All right.
22 MR. KING: All right. Item 2D, possible
23 improvements to building at 1994 Airport Loop, old B.A.
24 Products building. I put this on the agenda because that
25 building over there is a -- is -- we need to lease that

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1 building. That's just sitting there. It's income just
2 sitting over there doing nothing, and it's getting worse.
3 It's just going to sit there and get worse. I went and
4 looked at the building with Bruce. I'd like for Corey to go
5 look at the building with me, 'cause he's a little more
6 building --

7 MR. MOSER: Building-oriented.
8 MR. KING: Building-oriented. It's a really -- the
9 building itself is a pretty good building. It's basically --
10 it was a 10,000 square foot building, and somebody built a
11 bunch of offices inside the building; I mean, just
12 constructed a bunch of --

13 MR. LIVERMORE: Lean-to.
14 MR. KING: -- cheap offices in the building. The
15 ceiling is the same ceiling as this, and it's coming down in
16 places, which I don't know why it comes down. Why does that
17 happen? I mean --

18 MR. MOSER: Gets wet.
19 MR. KING: It's coming down. It's got -- some of
20 the structure is falling down in places and stuff.
21 MR. WALTERS: Roof leaks.
22 MR. KING: Roof leaks, probably. And that probably
23 would be 'cause it's just -- the only roof on it is the roof
24 of the hangar, the hangar roof. And, like I say, it's -- I
25 mean, you could either keep those offices in there, or you

1 could bulldoze them down in about 45 minutes. I mean,
2 there's not a whole lot of structure in there. They -- the
3 walls are paneling. The carpet is -- is in bad shape. And
4 Bruce and I, we talked about just picking up the carpet, just
5 pulling up the carpeting. I think concrete floors are below
6 it, probably. That carpeting was cheap when they put it in
7 there. But the overall hangar, the actual -- when you get
8 out to the hangar part, is actually a pretty nice little
9 hangar. Pretty nice little -- it's in pretty good shape.
10 It's got electrical, got heating, got lights all through it.
11 It's got infrared heaters in three places, got some gas
12 heaters on the back side, propane heaters on the back side.

13 MR. LIVERMORE: Could it be converted to a hangar?
14 MR. KING: No, it couldn't be --
15 MR. LIVERMORE: Across the road?
16 MR. KING: It's got a little dock -- actually has a
17 loading dock.
18 MR. WALTERS: Like a -- like a truck well?
19 MR. KING: Like a truck well. Has a truck well
20 right up the back of it, truck well that goes right into it.
21 MR. MOSER: Does it have a sprinkler system?
22 MR. KING: No, it does not have a sprinkler system,
23 but I think it can be grandfathered. It can be grandfathered
24 if the use is not changed, from what the fire marshal told
25 us. If you don't turn it into hay storage or something like

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1 that, you know, some totally different -- it was basically
2 light -- it was storage.
3 MR. MOSER: Metal manufacturing.
4 MR. KING: Yeah, light manufacturing, probably
5 something like that. And at one time it was storage, I
6 believe.
7 MR. McKENZIE: Gibsons owned it. It was their
8 warehouse.
9 MR. KING: Storage.
10 COMMISSIONER OVERBY: One thing you guys might want
11 to look at, you know, with the possibility of Fox Tank
12 Company coming over on Peterson Farm Road, --
13 MR. KING: Right.
14 COMMISSIONER OVERBY: -- working with the Alamo
15 Greater Community College, we need a facility. We've talked
16 about using that facility before for possibly looking at
17 training for welders.
18 MR. KING: Yeah.
19 COMMISSIONER OVERBY: That's something to think
20 about, because the Fox Tank, if they do go to 90 employees,
21 what they're -- and we do not have a location in our area
22 that's for training for welding. I just throw that out there
23 to think about that, 'cause --
24 MR. KING: Are y'all going to put that thing over

25 in my neighborhood over there?

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1 COMMISSIONER OVERBY: No. It's, you know, the
2 U.S.D.A. property.

3 MR. KING: In my neighborhood.

4 COMMISSIONER OVERBY: Well, it would be the
5 current -- where the old U.S.D.A. property was.

6 MR. KING: Where the old -- the new -- right over
7 here --

8 COMMISSIONER OVERBY: Off Peterson Farm Road.

9 That's the property that E.I.C. bought.

10 MR. KING: Yeah.

11 COMMISSIONER OVERBY: The good thing is, they don't
12 use a lot of water.

13 MR. KING: Bad thing is, they work 24 hours a day,
14 probably, so you're going to have welders and metal moving
15 around over there from --

16 MR. MOSER: Who's that?

17 COMMISSIONER OVERBY: Fox Tank Company. So, you
18 may have a need there in the future to look at that facility,
19 because we --

20 MR. MOSER: Does somebody have a plan for a welding
21 training school?

22 COMMISSIONER OVERBY: Alamo Area Council of
23 Governments with our Workforce folks have actually talked
24 about putting one in. There's always --

25 MR. MOSER: Oh, really?

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1 COMMISSIONER OVERBY: -- always been some issues
2 with Tivy doing it because of liability issues.

3 MR. MOSER: Okay.

4 COMMISSIONER OVERBY: But we need to get one in
5 there. I just throw that out for --

6 MR. KING: Good idea. It's a nice -- the inside of
7 the building's pretty nice.

8 COMMISSIONER OVERBY: It can be -- it would be
9 ideal for them.

10 MR. MOSER: Yeah.

11 COMMISSIONER LETZ: I've never looked at the
12 building, but from your description, it would be more
13 leasable for that purpose or any purpose to gut it. Get all
14 that office stuff out.

15 MR. KING: And it may be. That's why I was going
16 to get Corey to go look at it. Looks like they put up a
17 bunch of plywood. Basically, a bunch of plywood structures
18 were just built into it, and they -- I mean, it's a roof with
19 a plywood room, and it's got an air conditioning system in
20 it. Has a pretty good air conditioning system in it that we
21 -- that was put in --

22 MR. MCKENZIE: Six, seven years ago.

23 MR. KING: -- about six or seven years ago. I
24 don't think we ever used it. And it's -- but what I was --
25 I'll get Corey to go look at it with -- with me. But the

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1 actual -- the big part of the hangar is actually in pretty
2 good shape, and it's got a fairly high ceiling on it. It's
3 not a huge high ceiling, but it has a fairly high ceiling on
4 it.

5 MR. MOSER: Probably need to quit calling it a
6 hangar. It's a building.

7 MR. COWDEN: Not a hangar.

8 MR. KING: It's a building, a 10,000 square foot
9 building. I mean, I think what I was going to tell Bruce, I
10 think we need to bring it up -- we need to see what it would
11 cost to bring it up A.D.A. standards so people can get in
12 and out of it if we do lease it. One thing, I don't think
13 anyone would lease the building if they walk into it and look
14 at it like it is right now; they'd just see money being
15 spent. They'd say, "Oh my gosh."

16 COMMISSIONER LETZ: But the -- I mean, the last
17 time I brought up something like this, I got almost run out
18 of the airport, but community service or trustees may be able
19 to demo it at no cost.

20 MR. KING: That's a good idea. They're good at
21 tearing up things, right?

22 MR. MCKENZIE: As long as they stay outside the

23 fence.

24 MR. KING: Well, I mean, I don't mind -- you know,

25 like I say, I'm open to any sort of free labor. But the

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1 building itself is --

2 COMMISSIONER OVERBY: How old is that building?

3 MR. MCKENZIE: It looks like it was built in the

4 '60's. If I were to bet, that's what I'd bet at.

5 MR. KING: Do you think so, really?

6 MR. MCKENZIE: Late '60's.

7 MR. KENNEDY: It's not quite that old.

8 MR. KING: Maybe '70's.

9 MR. KENNEDY: When all these buildings were built

10 in the mid-'80's, that was right about the same time when

11 Gibsons -- 'cause there was nothing else.

12 COMMISSIONER OVERBY: Dugosh -- it was before that.

13 I think it was late '70's or early '70's when that building

14 was built.

15 MR. KING: Yeah. I don't know how -- you can --

16 normally in a metal building, you can see the roof and see

17 holes in it and stuff, like that one down here.

18 MR. MCKENZIE: That roof was redone.

19 MR. KING: But I couldn't see any holes in it. I

20 could see a few holes in the sides of it, like it was shot

21 into it or something, but it seems fairly -- the inside of it

22 is a lot better than you would think it would ever be, and so

23 that's good. But, you know, maybe that's what we look at.

24 You know, maybe we just say, hey, if you want to move in

25 there, put some offices in there, you're probably going to

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1 build them anyway, because I don't know that those offices

2 are -- are the -- they're not really the quality that -- I

3 don't know that anyone that would move in there would really

4 need them. There is a couple of bathrooms. There's two

5 bathrooms in it, but the bathrooms are actually located

6 actually in a separate room in the back. There's a

7 conference room area that you could tear down all the offices
8 in the front and still leave the conference -- that little --
9 it looks like a workroom area, like they do work off to the
10 side. But there's a bathroom right there, part of that deal.
11 So, there's two sets of bathrooms in it.
12 But I'll get Corey to look at it; we'll drive over
13 there and take a look at it. I think we need to do something
14 to the thing, because I don't think I would lease it if I
15 walked in it. I don't care if you gave me free rent. It
16 would be like, "Oh my gosh, this is a lot of work." I mean,
17 the carpet's wrinkled and terrible. I was going to suggest
18 that we kept the offices, tear all the carpet out of it, and
19 we fix the ceiling. But, you know, if somebody rents the
20 thing, they may not even want the offices. They might say,
21 "Heck, we need the extra room." But you could tear the
22 offices out and never hurt -- never mess up the integrity of
23 the building, so I think we should move forward with that to
24 look and see, 'cause it's just such a neat building over
25 there, in such a great location, that it's a shame we haven't

1 leased that thing to someone.
2 MR. WALTERS: Any inquires on it at all?
3 MR. MCKENZIE: Just one.
4 MR. KING: Got one that wanted to store alfalfa.
5 MR. MCKENZIE: Wanted to store alfalfa in it.
6 MR. KING: Which, if we had insurance on it, it
7 would be a great idea, but I don't think it's going to work.
8 MR. MCKENZIE: No sprinklers. But to answer your
9 question, no.
10 MR. LIVERMORE: You know, San Marcos found a great
11 use for apparently an old building at their airport recently.
12 Did I circulate that around to you all? King Schools? John
13 and Martha King have King Schools, which is probably the
14 preeminent general aviation training ground, training-type
15 organization in the country, and they've made a partnership
16 with -- is it Cardinal? Anyway, it's somebody that makes
17 simulators for general aviation training. And they have put
18 in a joint facility at the San Marcos Airport. It's a

19 school.

20 MR. KING: Yeah.

21 MR. LIVERMORE: And that building would be perfect
22 to fix it up for something like that. But, anyway, it's a
23 brand-new deal, and they're talking about franchising those
24 things out.

25 MR. KING: That's a big -- I saw that deal. I

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1 think we should go forward and look at it, and maybe I'll get
2 Corey to look at it. We'll kind of -- he can kind of give me
3 his ideas of what --

4 MR. MOSER: Sounds like we got two activities on
5 potential revenue increases. We look at a plan for hangars,
6 and look at what we do with that building.

7 MR. KING: And it can be rented for --

8 MR. MCKENZIE: 2,600 a month.

9 MR. KING: -- \$2,600 a month, so that's just -- you
10 know, it seems a shame to -- it's not going to get any better
11 sitting there, so we need to -- we need to --

12 MR. WALTERS: What marketing efforts do we have for
13 that building?

14 MR. MCKENZIE: Everybody that walks in here looking
15 for anything, I show them that building first.

16 MR. KING: Have you met with Ray Watson?

17 MR. MCKENZIE: I've met with him one time.

18 COMMISSIONER OVERBY: I think B.A. was -- they left
19 in '06, so it's been vacant for five years. Plus there's a
20 small automotive guy was in there for a short time.

21 MR. MCKENZIE: Had to evict him.

22 COMMISSIONER OVERBY: Ray knows about it.

23 MR. KING: He knows about it?

24 COMMISSIONER OVERBY: Yeah.

25 MR. KING: Has he seen the building?

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1 MR. MOSER: Probably not.

2 COMMISSIONER OVERBY: I'm not real sure.

3 MR. KING: After we fix it.

4 MR. COWDEN: Get it fixed first.
5 MR. KING: Maybe get something done to it. Maybe
6 if we do demo all this stuff, get him to come look at it and
7 see. I can't imagine that somebody wouldn't need that
8 building. It just looks like a great place for somebody to
9 store something or to even do some -- like, that welding deal
10 is a great idea. Those guys need some sort of training. My
11 brother-in-law did that down in Uvalde. He needed sheet
12 metal mechanics; they didn't have any sheet metal mechanics,
13 so he started a sheet metal school at the Sul Ross
14 University. He started a sheet metal school and gave them a
15 60 or 70 percent employment -- employment rate off their --
16 off of their students like that. They take six out of every
17 ten or something, put them to work over there.

18 COMMISSIONER OVERBY: They're going to qualify
19 significantly for Workforce grant money for a welding school.

20 MR. KING: So --

21 COMMISSIONER OVERBY: We're going to have to put
22 one somewhere.

23 MR. KING: Alamo Community College, are they --
24 that wouldn't be something they would --

25 COMMISSIONER OVERBY: Well, they could help put the

1 schooling on with it, is what I'm saying, but the grant money
2 can be helped -- used to pay for their -- their employees of
3 learning.

4 MR. KING: Yeah.

5 COMMISSIONER OVERBY: So it's --

6 MR. KING: I mean, I know when they were doing the
7 Alamo Community College, I was on that committee to --

8 COMMISSIONER OVERBY: Sure.

9 MR. KING: -- put that thing together.

10 COMMISSIONER OVERBY: Sure. They talked about
11 welding.

12 MR. KING: They would not fund the structure. The
13 structure they would not fund, but once you have the
14 structure, they would fund everything inside the structure.

15 COMMISSIONER OVERBY: That's right.

16 MR. KING: The computers, people, the -- the labor,
17 the teachers and everything. They'd fund all that, but they
18 won't fund the structure. That's why we had to use the old
19 school down there and get the school district to pay for a
20 lot of that.

21 COMMISSIONER OVERBY: There are also other
22 facilities who have welding equipment that are sitting in
23 warehouses in New Braunfels and Houston. We can get all that
24 property donated and moved up here, but we need a facility.

25 MR. KING: Well, that's okay. That would be a good

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1 one. I'd like to go meet with that guy.

2 MR. LIVERMORE: How big a facility is it,

3 approximately? This side --

4 COMMISSIONER OVERBY: Oh, yeah, for a training
5 area. I mean, if you look at the schools, if you go to Tivy
6 High School, look at their facility, it's not 10,000 square
7 feet; it's just a small little thing. But the one that they
8 have over there by the -- the other junior high area over
9 there is very small as well. So, this one's identical; it's
10 out by the airport. It would be -- really give some thought
11 to it, and that's all I'm trying to tell you.

12 MR. KING: All right.

13 MR. MOSER: Good.

14 MR. KING: I'd like to go eat lunch with them.

15 Anyway, I was supposed to play golf a couple weeks ago and
16 didn't get a chance, but it's something to definitely think
17 about. If you want to build offices like that, I think we're
18 better off with a lean-to, anyway. Just build them off the
19 side of -- the outside of the building and everything. Man,
20 I just -- what's inside of there doesn't seem right. All
21 right, cool. 2E, property lease rates. Airport property
22 lease rates. I did put that on the agenda.

23 MR. MCKENZIE: Yes, sir.

24 MR. KING: I don't know why I put that on the
25 agenda. I guess I wanted to look at those lease rates and be

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1 sure we were -- we need to probably look at these things on
2 at least an every six month basis to see how we are -- how
3 we're doing with everybody around the -- around the state,
4 around our area and stuff, and see how we are
5 competitive-wise, because that is our revenue stream.

6 MR. MOSER: Mm-hmm.

7 MR. KING: Anybody look at them?

8 MR. MOSER: Yeah, it's right here, separate page.

9 It's on your --

10 MR. KING: I got it.

11 MR. MOSER: Where's another copy? There you go.

12 MR. KING: Yeah.

13 MR. WALTERS: They look competitive.

14 MR. MOSER: Yeah.

15 MR. LIVERMORE: Certainly right in the middle of

16 the rent.

17 MR. MOSER: It looks pretty competitive.

18 MR. KING: Yeah.

19 MR. MOSER: What was --

20 MR. KING: So San Marcos doesn't have a flowage

21 fee? Or we couldn't get it?

22 MR. McKENZIE: We didn't get it.

23 MR. KING: New Braunfels?

24 MR. McKENZIE: No.

25 MR. KING: Did we ask them? Or they just won't

1 give it to us or what?

2 MR. McKENZIE: They just didn't have it when we

3 asked them, but I can certainly pursue that.

4 MR. KING: Looks like they didn't have anything.

5 Did they answer?

6 MR. McKENZIE: Sometimes -- yeah.

7 MR. LIVERMORE: Did they have a phone? (Laughter.)

8 MR. McKENZIE: They talked.

9 MR. MOSER: I think it's -- that's -- Steve has a

10 good idea. Every six months or something, we ought to look

11 at this. And it would be -- Bruce, could you also, on here,

12 show the number of hangars they have and what percent of

13 occupancy they have?

14 MR. McKENZIE: Mm-hmm.

15 MR. WALTERS: That's a good idea.

16 MR. McKENZIE: Okay.

17 MR. COWDEN: Steve, you need to have lunch with Bob

18 Snowden.

19 MR. KING: We have --

20 MR. COWDEN: We need to.

21 MR. KING: You know him. Why don't you call him?

22 MR. COWDEN: I'll call him. He's the guy that

23 built all those hangars over in Fredericksburg.

24 MR. MOSER: Oh, okay.

25 MR. KING: What's New Braunfels? Is there a

1 tie-down rate? They charge five bucks for tie-downs? Okay.

2 MR. McKENZIE: New Braunfels doesn't show the

3 flowage fee, 'cause they sell fuel.

4 MR. KING: City-owned deal. San Marcos, too.

5 MR. McKENZIE: No, they've got a flowage fee.

6 MR. KING: Yeah, that's what I thought. Okay. You

7 know that guy with Sugar Land, Bruce?

8 MR. McKENZIE: Do I know him?

9 MR. KING: Have you met those guys? I was over

10 there yesterday.

11 MR. McKENZIE: Were you?

12 MR. KING: Boy, those guys got it going, don't

13 they?

14 MR. McKENZIE: That's the number one airport in

15 the world. N.B.A.A. says it's the number one G.A. airport in

16 the world.

17 MR. MOSER: Really?

18 MR. LIVERMORE: Sugar Land?

19 MR. McKENZIE: It is.

20 MR. KING: They funded all that. Sugar Land

21 spent --

22 MR. McKENZIE: Millions.

23 MR. KING: -- 50 million, 45 million on their

24 airport. Huge numbers. I may be wrong on the numbers, but

25 they built a hundred --

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1 MR. MCKENZIE: Built 99 brand-new hangars, and they
2 were full before they even broke ground.

3 MR. KING: It's a city-owned airport, but funded by
4 the airport strictly. There's no outside funding.

5 Strictly -- funded strictly internally from the revenues at
6 the airport.

7 MR. MOSER: So, they are revenue neutral.

8 MR. KING: They are revenue positive. They'll tell
9 you they're revenue positive.

10 MR. KENNEDY: They used to have private operators
11 about 10, 15 years ago. They bought out all the private
12 operators and did everything.

13 MR. KING: Probably a \$4 million F.B.O. terminal.
14 I mean, the terminal is probably a \$4 million terminal. You
15 walk in there --

16 MR. LIVERMORE: Are these the same people that have
17 the new Bird's Nest Airport?

18 MR. MCKENZIE: No.

19 MR. KING: City of Sugar Land. It's the city --

20 MR. LIVERMORE: Of course, sitting next to Houston
21 doesn't hurt.

22 MR. KING: I tell you, they've done some good
23 things.

24 MR. COWDEN: Pretty good draw.

25 MR. LIVERMORE: Everybody has an airplane.

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1 MR. KING: It's pretty impressive how they can fund
2 that thing.

3 MR. MOSER: Yeah. Schlumberger's headquarters are
4 right down there.

5 MR. KING: Okay. So, I think we should look at
6 these --

7 MR. MOSER: On the same item -- rather, on that
8 agenda item of airport lease rates, let me -- let me just
9 segue to Mooney for just a second. Since that's a \$5,000 a

10 year lease rate that we have over there, part of our master
11 plan is -- is to look at the options, contingency plans for
12 Mooney, and we will see -- we'll see those results in
13 November. There's -- there's a lot of potential revenue over
14 there for the -- if Mooney were to go away, we've got hangars
15 that could be leased immediately. We've got other buildings
16 over there -- we're talking about manufacturing. There's a
17 lot of buildings over there that can be used for
18 manufacturing. We'd have to change some of the requirements,
19 because it wouldn't be airport-related to do that, but I
20 think that that can be done, so we've got a big potential
21 revenue source in Mooney. We also have obligations. But we
22 -- you know, that would be -- look at the specific building,
23 and what do you do? Tear it down, or do you -- do you put
24 off rent if they'll fix the building up? Kind of like this
25 building we're talking about across the road here, except

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1 about 150 times larger as far as the space is available. So,
2 we've got a lot of potential over there if -- if Mooney does
3 the thing of, you know, having to walk away.

4 MR. LIVERMORE: But at the same time, we've got --
5 don't we have -- we know they have airport access, and all
6 that kind of stuff is all --

7 MR. MOSER: That's what I said. You could rent
8 hangars immediately.

9 MR. LIVERMORE: -- ready to go, sort of.

10 MR. MOSER: Ready to go.

11 MR. KING: When is Brinks' hangar up?

12 MR. McKENZIE: '13.

13 MR. WALTERS: December of '13. December of 2013.

14 MR. LIVERMORE: Two years.

15 MR. KING: Two years from now, okay. At some
16 point, I think we have to look at -- we need to form
17 a committee or something to look at what we're going to do
18 with that hangar, 'cause that was asked to me by the mayor in
19 our meeting we had. He said that's something -- he said if
20 y'all -- just as a suggestion, he said, you know, I don't
21 think y'all should probably wait until the lease expires to

22 have some of idea --
23 MR. MOSER: Right.
24 MR. KING: -- ideas and some concepts as to what
25 you plan on doing with that hangar, so that it doesn't just

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1 sit there for --
2 MR. MOSER: Should have put that in our master
3 plan, just like we did Mooney.
4 MR. KING: -- six months or eight months after he
5 decides to not lease it.
6 MR. LIVERMORE: Who knows him? I don't know him,
7 but I --
8 MR. WALTERS: I do.
9 MR. KING: Corey knows him.
10 MR. LIVERMORE: Would it be possible just to chat
11 with him, or do you already --
12 MR. WALTERS: I think I know what his plans are.
13 MR. LIVERMORE: Do you?
14 MR. KING: We're pretty sure on that. So, I mean,
15 I think we should probably at some point get proactive on
16 that deal and -- and decide what we're going to do with that
17 thing, to find out where we can get the maximum amount of
18 revenue for the airport and the City and the County, and do
19 it prior to it running up on top of us, and then go, "Oh,
20 here we are," and having no plans. We got six months worth
21 of no revenue. So --
22 MR. MOSER: Right.
23 COMMISSIONER LETZ: Just a comment on something
24 y'all said. I mean, when you're looking at the T-hangars, I
25 would encourage y'all to look at Mooney, converting to

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1 hangar -- not T-hangar, but hangar space.
2 MR. MOSER: The master plan has some of that in
3 there. Some hangars are ready to go. Where they do the
4 maintenance and stuff like that, you can put -- you can lease
5 that space for -- you know, if you have a rental there, you
6 know, there's pros and cons to that. So if --

7 COMMISSIONER LETZ: But I think -- I guess what I'm
8 bringing up is that lease is so low.

9 MR. MOSER: Yeah.

10 COMMISSIONER LETZ: Even if Mooney survives, I
11 think it needs to look at, you know doing something -- maybe
12 see if we can get them to release part of the property. I
13 mean, like -- you know, and there may be a relatively
14 inexpensive way for the City/County to increase revenue just
15 by --

16 MR. MOSER: Let me pick up on what you're saying,
17 okay? Take -- just divide it into three pieces, Mooney. The
18 first piece would be it's applicable for aircraft leasing
19 right now. Okay, put that in. Another part of it needs to
20 be torn down. No question about that. The other piece,
21 we're talking about -- what's the name? Cox or --

22 COMMISSIONER OVERBY: Fox.

23 MR. MOSER: Fox. A large manufacturing --
24 potential manufacturing area over there in the big, long
25 hangar. I mean --

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1 MR. KING: I think --

2 MR. MOSER: I don't know that the ceiling height is
3 right for Fox.

4 MR. KING: They already looked at it.

5 MR. MOSER: Did they? Okay.

6 MR. KING: Not tall enough.

7 MR. MOSER: Okay, that's what I was going to say.

8 MR. KING: Not tall enough. Their tanks are 20
9 foot high.

10 COMMISSIONER OVERBY: They're using a 32-foot
11 ceiling.

12 MR. MOSER: Okay. They have to have a big thing --
13 well, anyway, you know, we're talking about, you know, this
14 manufacturing -- bringing manufacturing in there. That's a
15 huge manufacturing area over there, but you'd have to -- you
16 could take steps and, say, draw the boundary line such that
17 that building is not part of the airport operations. That's
18 easy to do. And then -- and, golly, there's 100,000 square

19 feet in that building itself.

20 MR. LIVERMORE: Wow.

21 MR. KING: Yeah, I was -- since they're paying such
22 a low rate, I think we have a little bit of leverage over
23 them to go in and say, "Look, you guys aren't using this
24 thing." I mean, it's just sitting there. They have two
25 hangars over there, I know for a fact. You know, we've

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1 looked at it before, that -- you know, that, "Why don't you
2 guys throw those back to us?" And, I mean, you can always
3 have some sort of agreement with them, I guess, that there's
4 a 90-day notice or 180 -- you know, so much notice.

5 MR. MOSER: Yeah.

6 MR. KING: That if they jump back up and start
7 building airplanes again, you'll let them have the hangar
8 back. But, I mean, it is -- there is some space over there.
9 It's just kind of wasted, just sitting there. You know, that
10 could be used for a revenue source for the airport.

11 MR. MOSER: Immediately.

12 MR. KING: Okay, good idea.

13 MR. WALTERS: First, I don't think this is
14 something that we need to have Ilse come, you know, at every
15 meeting, like we talked about, but I do think, since Mooney
16 is such a big part of the airport, that we probably -- I'd
17 like to see us, every month, have -- contact her, have her
18 contact them, and just have a -- a status on Mooney.

19 MR. MOSER: Good idea.

20 MR. COWDEN: Are you talking about Ilse?

21 MR. WALTERS: Yeah. I don't think she needs to
22 come to give us that status, but just have Bruce call her --
23 Bruce call her and get an updated status. I think she was
24 going to do that last time she was here, and I don't think
25 we've ever heard exactly what -- she was going to give them a

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1 call and find out kind of where they are.

2 MR. MCKENZIE: There are still people looking over
3 there; I saw them last week.

4 MR. MOSER: Looking at the whole operation?
5 MR. KING: But this --
6 MR. LIVERMORE: Would that be to probably move it
7 elsewhere, or would it be to fire it up here?
8 MR. McKENZIE: That's -- that's what it appeared to
9 me.

10 MR. KING: Why don't we -- let's put down -- put
11 that down on your list of what Jonathan was talking about,
12 'cause I don't want to let that drop to the bottom, that
13 other deal about using some of those hangars, something like
14 that. 'Cause, I mean, I don't -- and get -- and getting an
15 update on those guys, like Corey and Ed were saying.

16 MR. McKENZIE: I'll call --
17 MR. KING: Find out where they're at. Time keeps
18 marching on.

19 COMMISSIONER OVERBY: Still down to nine employees?
20 Is that what they're at still?

21 MR. McKENZIE: Nine or less, it looks like, Guy.
22 MR. KING: Yeah.
23 MR. LIVERMORE: What is the preference of the
24 owners here? Do we prefer to continue with the Mooney lease
25 at roughly the present rate? If they went back into business

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1 making airplanes, which would be hiring people, would we
2 prefer to stay with what we've got if -- if that hiring
3 occurred?

4 MR. MOSER: They have a lease just signed till
5 2033.

6 MR. LIVERMORE: We don't have any choice.
7 MR. MOSER: No.
8 MR. LIVERMORE: Okay.
9 MR. WALTERS: I think you got to look at, too, if
10 somebody else came in here and said -- you know, if Mooney
11 came in and said, "Okay, we're going to put back 90
12 employees," it would be the same as if somebody else came in
13 here and said, "Okay, we're going to bring 90 employees."
14 COMMISSIONER OVERBY: Right.
15 MR. WALTERS: "Will you keep the rate the same?"

16 You'd say absolutely.
17 MR. MOSER: Say you bet, yeah.
18 MR. LIVERMORE: That would be the best news of all.
19 MR. MOSER: Oh, yeah.
20 MR. KING: They're liable to hear about this deal
21 with this tank manufacturer and want to get some of that
22 money they're forking over for them. All right, we'll take a
23 look at that. Let's kind of stay on top of that. All right.
24 Item 2G, airport traffic counting. Bruce?
25 MR. McKENZIE: This was talked about two months

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1 ago.
2 MR. LIVERMORE: Yep.
3 MR. McKENZIE: And I've been researching this, and
4 I went to TexDOT Aviation finally, and they suggested Patriot
5 Technologies out of Mississippi. And these folks do these
6 traffic counters. It's a -- it's a state-of-the-art
7 technology. It will give us a lot of data. It depends on
8 what the board -- if they still desire all that data, or the
9 owners, which is who was asking for it originally. It's just
10 pricey. But it works with cameras and acoustical traffic
11 counters as well. It can even tell you -- they say it can
12 tell you what type of aircraft it is, and you can with the
13 cameras as well. So -- and it will give you the traffic
14 counts. It can give you the touch-and-go counts as well.
15 So, I sent this to you last week, and here's the printed
16 copies. And --

17 MR. LIVERMORE: I think the price --
18 MR. McKENZIE: I got this last Thursday. I haven't
19 had a chance to --
20 MR. WALTERS: I called Bruce on this and I asked
21 him; I said, "Well, is this -- what's our long -- what's our
22 financial benefit on this?" I mean, is this something that
23 we spend this money, but it helps us gain a lot more money
24 with the state or the F.A.A., and do we need those funds? Or
25 is this just money going out, and it tells you how much

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1 traffic we have, and nothing, you know, really coming back
2 in? Nothing -- no immediate financial benefit. My feeling
3 is, if there's no immediate financial benefit, we don't have
4 it in our budget and we don't do it.

5 MR. KING: I was just -- I mean, I was just shocked
6 at the cost. I was -- I talked to Corey. I said as an
7 alternative plan, I'd just as soon get Joey to give us a
8 figure on what he'd charge us to do traffic counts from his
9 little office -- from his little peephole over there.

10 MR. KENNEDY: We'd be happy -- we've done it in the
11 past. We'd be happy to help. The problem is, if you want me
12 to make sure that every aircraft is accounted for and every
13 operation, it's going to be cumbersome.

14 MR. KING: No.

15 MR. McKENZIE: We -- I mean, we can --

16 MR. KING: Something's better than nothing.

17 MR. McKENZIE: Sure.

18 MR. KING: Something's better than nothing. I
19 mean, I'm not asking for any favors, Joey. I'm just saying
20 that if there was a way, I think there's a bit -- there's a
21 bit of data that the airport and the City and the County and
22 K.E.D.C. and a lot of different people could use in this --
23 in the airport, in selling the airport and -- and growing the
24 airport, if we knew what came in here every day. If we just
25 had an idea what came in here -- I mean, I know what comes in

1 here. You know what comes in here. You see it on a --
2 MR. McKENZIE: We can get a pretty good idea.
3 MR. KING: But the F.A.A. telling us there's 160
4 flights here a day doesn't do much for -- do you know where
5 that figure came from? I assume somebody gave them that.
6 That's how these airports do it. I proposed a very simple
7 sheet, you know, that had some basic types of aircraft;
8 single engine, multi-engine piston, turbine, light jet, heavy
9 jet.

10 MR. LIVERMORE: This isn't going to tell you that,
11 is it?
12 MR. KING: That's it. That's basically it. And

13 you just -- and basically, we just put a stick figure next to
14 each one of them, and we just do it on a daily basis. And
15 it's the best estimate we could get, and maybe we just do it
16 for six months. Maybe we do it for six months or a year and
17 get an idea of what we had coming in here. But I think that
18 it would be very helpful if we could say last week we had 14
19 jets -- jet operations here, midsize jets, heavy size jets,
20 something like that. I think it would be helpful with the --
21 the City and the County and the other organizations, the
22 convention -- you know, Chamber, the Convention and Visitors
23 Bureau, to get them a little more involved in what goes on
24 out here, 'cause that's one of our biggest problems we have
25 is perception -- is perception of this airport. And I

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1 just -- that's my only reason I've always wanted to do that.
2 And I'm not saying that we wouldn't -- we couldn't -- if we
3 had to, we couldn't compensate you for it.

4 MR. McKENZIE: Well, I don't -- I'm not sure that
5 compensation is actually necessarily an issue. I think --

6 MR. KING: I'm not looking for an idea of exactly,
7 you know. "Hey, this guy came in here and you didn't put
8 them down on the piece of paper."

9 MR. McKENZIE: Yeah.

10 MR. KING: You know, I mean, it's just -- Bruce
11 can't see it. Laurie can't see it from her office. She
12 can't see it from her office, or I'd get Laurie to do it.

13 MR. WALTERS: Can you get some -- couldn't Laurie
14 pull up, you know, at the end of the day or something, or
15 I -- well, I guess couldn't you get something from
16 FlightAware?

17 MR. LIVERMORE: A lot of the numbers are locked.

18 MR. KING: We could -- well, we couldn't now;
19 they're getting ready to block them again.
20 MR. WALTERS: Are they really?
21 MR. KING: They're going to block them. They
22 passed through the House that deal through the Legislature.
23 They're going to block them again, going back to being
24 blocked again. You're going to have a lot of your things --

25 your important airplanes are going to be blocked.

1 MR. LIVERMORE: Well, the base price right here is
2 shocking, but I've never seen an equipment supplier in my
3 life who give you his bottom number on his first proposal.

4 MR. KING: Yeah.

5 MR. LIVERMORE: This is 20 percent less or
6 something.

7 MR. KING: Yeah.

8 MR. KENNEDY: What Steve's suggesting, we can get a
9 pretty good idea. And if Laurie was to help us, with my
10 people kind of trying to keep a count, comparing to fuel
11 sheets -- if we could get a little bit of help from Laurie
12 helping us tabulate everything, we'd be happy to help try to
13 put numbers together. That's how these counts have all been
14 done in the past for 20 years. We've been -- I can think of
15 three different times. When we did the runway extension, we
16 helped gather the data --

17 MR. KING: Yeah.

18 MR. KENNEDY: -- to prove the operations. The last
19 time TexDOT did the actual -- their airport directory
20 themselves was in 1994, and that's how they gathered that
21 data. We actually helped in that regard. So, we'd be happy
22 to help.

23 MR. KING: We could come up with a form.

24 MR. KENNEDY: We've already got forms. I've got
25 forms that will show tail -- the one thing you have to be

1 careful with is tail numbers.

2 MR. KING: I don't want to put down tail numbers.

3 MR. KENNEDY: We categorize them into single light,
4 twin cabin class, twin light jet, midsize, large jet, and "X"
5 number. Every one has a hash mark. It's not that
6 complicated. It's an issue of I don't necessarily always
7 have a counter person.

8 MR. KING: I know.

9 MR. KENNEDY: Start at 6 a.m. when we open the

10 doors. We can't track what happened overnight, but we can
11 interpret. We can get a pretty good idea based on the --

12 MR. MOSER: You can probably get within 90 percent
13 of it.

14 MR. KENNEDY: Exactly.

15 MR. MOSER: That's all we're looking for.

16 MR. KING: That's all we're looking for.

17 MR. KENNEDY: We don't mind doing that.

18 MR. LIVERMORE: Have we got enough helicopters out
19 here to make that a category?

20 MR. KENNEDY: Yeah, it's a category, sure.

21 MR. KING: You got AirLife in here.

22 MR. MOSER: AirEvac.

23 MR. KING: They come in here buying fuel and stuff.

24 And it just -- it would kind of help us. We'd have some

25 ammunition for when we -- we're always telling all these

1 people how much business this airport does.

2 MR. MOSER: Right.

3 MR. KING: What a great benefit it is to the county

4 and the city. And, you know, it's just hard to quantify it.

5 MR. KENNEDY: And you may find that the operation

6 -- I think the -- personally, I think the numbers are about

7 the same as they were when they were originally taken because

8 of the way the economy's been affecting -- everything's flat.

9 I can tell you, just from interpolating fuel sales, volumes,

10 I mean, ever since 2008, they've been basically flat. We've

11 been within 10 percent, 5 percent --

12 MR. KING: Right.

13 MR. KENNEDY: -- every year since. And that

14 dropped, you know, significantly around 60,000 gallons, which

15 is directly proportionate to the number of operations. Now,

16 there probably are some more operations, percentage wise,

17 that we're not capturing fuel sales because the way the

18 economy is and everything, 'cause a lot of people are just

19 not buying fuel on the road like they used to.

20 MR. KING: Sure.

21 MR. KENNEDY: But, yes, we'd be happy to help.

22 MR. KING: On that note, I think your fuel prices

23 are -- are competitive.

24 MR. KENNEDY: For the type of service that we

25 provide.

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1 MR. KING: At Sugar Land, I paid 5.45 yesterday.

2 And --

3 MR. KENNEDY: For jet?

4 MR. KING: For jet. And you're at --

5 MR. KENNEDY: We're in the ballpark. We monitor

6 all those operations. We can't -- we can't compete with

7 Hondo, where they're a city operation where they're selling

8 it three cents over the cost, with no -- with no rent. Can't

9 do it. But for a full-service F.B.O., if you compare apples

10 and apples, we're right in the middle of the road.

11 MR. KING: Yeah. They charge me -- Sugar Land

12 charged me a \$10 fee, landing fee -- ramp fee.

13 MR. KENNEDY: Mm-hmm.

14 MR. KING: But if I bought gas, they waived it.

15 MR. KENNEDY: Yeah.

16 MR. LIVERMORE: That's typical at a lot of places.

17 (Low-voice discussion off the record.)

18 MR. KING: Well, Joey, I mean, if -- put it this

19 way. If it becomes cumbersome or burdensome on you or

20 anything like that, then you let Bruce know, and we'll make

21 some sort of other arrangements. I'm just -- I just think it

22 would help you -- I think it would help everybody at the

23 airport, because it would give us -- give everybody a little

24 better idea what's going on out here. Okay? All right.

25 Well, thank you, Joey. I really appreciate that.

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1 MR. KENNEDY: No problem.

2 MR. KING: You'll be rewarded greatly.

3 MR. KENNEDY: I just don't want you to open the

4 doors up at Mooney and flood the place with hangar space.

5 We're in big trouble then.

6 MR. KING: They still have a lease.

7 MR. KENNEDY: Yeah.

8 MR. KING: All right. Bruce? Number 3A, the
9 traffic counts, you want to go any further on the traffic
10 count? Do y'all want to buy that thing? Okay, good.

11 MR. LIVERMORE: I do, but we can't.

12 MR. KING: I mean, I'll go out there with my camera
13 and take pictures of airplanes for a little bit less than
14 that. (Laughter.)

15 MR. LIVERMORE: Do it for three days and
16 extrapolate that for a year.

17 MR. KING: I know. We saw that at the aviation --
18 the guy was taking pictures of those airplanes. I was
19 thinking, man, that would make me mad if I had a picture of
20 where I went on my airplane. Some people it would make mad.

21 All right. Drainage/taxiway project punch list.

22 MR. McKENZIE: We completed the rip rap last week
23 on the air side down at the curve on the east end of Dugosh's
24 hangar, so now technically we're complete except for the
25 grass. We still don't have the grass on the 52 acres out

1 here, and we're not going to make any moves -- contractor's
2 not, TexDOT is not -- until we get some appreciable rain.

3 MR. MOSER: God's in charge of that.

4 MR. McKENZIE: Yes, sir, He is.

5 MR. KING: Was Corey mowing yesterday?

6 MR. McKENZIE: I mowed, yeah, everything.

7 MR. KING: He mowed the whole airport?

8 MR. McKENZIE: Yesterday. It hadn't been mowed in
9 eight months.

10 MR. KING: Eight months.

11 MR. McKENZIE: And I always mow it just before
12 Thanksgiving every year so it's set for the holidays.

13 MR. KING: Okay.

14 MR. McKENZIE: Probably, if it doesn't rain, they
15 won't mow before May or June. If it doesn't rain any.

16 MR. KING: Wow. Really saving us money, isn't it?

17 Stieren hangar?

18 MR. McKENZIE: We visited about the Stieren hangar;

19 that's in the reports that I send you. It's still moving
20 along. They obviously can't put the steel up during the
21 windy days, but when it's not windy, they're working.

22 MR. KING: Yeah. I encourage you to go over and
23 look at that hangar, guys. They've done a great job. It's
24 going to be a real asset to the tax rolls.

25 MR. WALTERS: When do they pay the rent?

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1 MR. McKENZIE: Already paid.

2 COMMISSIONER OVERBY: What's the square footage?

3 MR. McKENZIE: 6,000 in the main hangar area, and
4 1,000 foot of office space.

5 COMMISSIONER OVERBY: Office? Okay.

6 MR. LIVERMORE: Is that office?

7 MR. KING: It will be. And then he's got a
8 concrete parking area, covered parking -- covered concrete
9 parking area also.

10 MR. MOSER: Really?

11 MR. KING: First class. The guy's done a great
12 job. I looked at it. The hangar's beautiful too, it really
13 is. The B-17 visit?

14 MR. McKENZIE: That was successful. It was
15 inclement weather the day they came in. They didn't have any
16 rides that day, but on Wednesday the weather was beautiful;
17 we had a big turnout out here. A lot of the community came
18 out to the airport that day, so it was good. We gave three
19 different rides that day, one the day before, so it was good.

20 MR. KING: A bunch of guys from the V.A.

21 Hospital -- there was a bunch of those guys that came out,
22 and had -- some of the staff from the V.A. brought them out
23 and everything.

24 MR. MOSER: How neat.

25 MR. KING: Pretty cool.

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1 MR. LIVERMORE: Did they make an instrument
2 approach on that day they came in?

3 MR. McKENZIE: No, it was above minimum, so they

4 didn't have to.

5 MR. LIVERMORE: I didn't know if they were doing
6 that.

7 MR. McKENZIE: I asked him if he would fly that
8 aircraft in inclement weather. He said yes, only when we're
9 ferrying it like that.

10 MR. KING: I saw him over in Sugar Land yesterday.

11 MR. McKENZIE: That's where he went from here,
12 Sugar Land.

13 MR. KING: Did they leave us any money to pay for
14 cleanup of our ramp?

15 MR. MOSER: They left us --

16 MR. McKENZIE: The sun will fade that out.

17 MR. KING: You don't think we need a power washer
18 out there? I've got a power washer. We can wash it.

19 MR. MOSER: What is it, oil?

20 MR. McKENZIE: Yeah.

21 MR. KENNEDY: They left us a few buckets of oil
22 sitting out and a bunch of trash. I'm going to be talking to
23 them about it.

24 MR. KING: Joey, would you like for us to get that
25 power-washed to help you guys out?

1 MR. KENNEDY: I don't know that -- to be honest
2 with you, I've seen lots of oil spills out there. In
3 another week, it'll be gone. It's -- we put Oil-Dri down on
4 it, so really, what you're seeing is a stain right now; it's
5 not anything that's being tracked. Our biggest concern is
6 stepping and tracking it to your airplane. And so, you know,
7 we're pretty --

8 MR. KING: Okay.

9 MR. KENNEDY: -- conscious about it, but I don't
10 know that it will be necessary.

11 MR. KING: Let Bruce know if you have a question on
12 it if you do, 'cause I saw it out there. It was a good
13 turnout. It was pretty neat. There was probably -- the one
14 time I was there, probably 30 or 40 people -- 30 or 40 people
15 out here.

16 COMMISSIONER OVERBY: That's good.
17 MR. KING: All the time. That's a pretty good
18 deal. All right, anything else?
19 MR. McKENZIE: One more thing. For the board's
20 information, we're on the County's agenda December the 12th
21 to present the budget, and we're on the City of Kerrville's
22 agenda again to present the budget again on the 13th at
23 6 p.m. I've sent the agenda bills in, and Brenda's e-mailed
24 me back and said that it would be on there, so it's
25 confirmed.

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1 MR. MOSER: County's December 12th, and -- and City
2 December 13th?
3 MR. McKENZIE: The next day, yes, sir, on Tuesday.
4 MR. WALTERS: Hope it goes better for you than the
5 last time you were there. (Laughter.)
6 COMMISSIONER LETZ: Bruce, did you request a time?
7 MR. McKENZIE: I'd rather do it early on, if it
8 works for you guys.
9 COMMISSIONER OVERBY: That works.
10 MR. KING: I've requested some sort of military
11 backup on this deal.
12 MR. McKENZIE: I will post the meeting so all the
13 board members can attend.
14 MR. KING: And I would encourage some of you to
15 attend.
16 MR. MOSER: We'll be there.
17 MR. KING: Who's -- are you going to attend, Bruce?
18 MR. McKENZIE: Yes, sir.
19 MR. KING: What about -- would you get me a
20 breakdown of all those accounts so that I can see what those
21 accounts really mean?
22 MR. McKENZIE: I'll have all of it for you.
23 MR. KING: Okay. All right. That will be fine.
24 I'm going to meet with the mayor before that; we're going to
25 go over this budget.

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1 MR. MCKENZIE: Would you like the attorney there as

2 well?

3 MR. KING: No, I don't need an attorney. If I need
4 an attorney, I'm going to leave. I'm going to hopefully go
5 meet with the mayor; we're going to have lunch and talk about
6 the budget and go over it and everything, 'cause they missed
7 the -- the thing a month ago, the budget workshop. So, he
8 called me from Big Spring and apologized; he got the timing
9 wrong, the date -- I don't know.

10 MR. COWDEN: Well, that first e-mail that came out

11 was 10 o'clock. Then we changed it to --

12 MR. KING: He thought it was at 1 o'clock. Anyway,
13 hopefully that will be... All right, anybody else? Anybody
14 else have anything? Owners? Mike? Nothing? Okay. Motion

15 to adjourn?

16 MR. MOSER: So moved.

17 MR. LIVERMORE: Second.

18 MR. KING: Second by Mr. Livermore. All in favor,
19 "aye"?

20 (The motion carried by unanimous vote, 5-0.)

21 (Airport Board meeting was adjourned at 10 a.m.)

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1 STATE OF TEXAS |

2 COUNTY OF KERR |

3 I, Kathy Banik, official reporter for Kerr County,
4 Texas, do hereby certify that the above and foregoing is a
5 true and complete transcription of my stenotype notes taken
6 at the time and place heretofore set forth.

7 DATED at Kerrville, Texas, this 1st day of December,
8 2011.

9
10

Kathy Banik, Texas CSR # 6483
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