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4 KERRVILLE-KERR COUNTY JOINT AIRPORT BOARD

5 Regular Meeting

6 Monday, November 18, 2013

7 8:30 a.m.

8 Airport Terminal Conference Room

9 1877 Airport Loop Road

10 Kerrville, Texas

11
12 MEMBERS PRESENT: MEMBERS ABSENT:
13 Stephen King, President
Corey Walters, Vice-President
14 Ed Livermore
Bill Wood
15 Kirk Griffin

16 AIRPORT BOARD STAFF PRESENT:
17 Bruce McKenzie, Airport Manager
Carole Dungan, Executive Assistant

18
19 COUNTY STAFF PRESENT:
Tom Moser, Commissioner Pct. 2
20 James Robles, Assistant Auditor

21 CITY STAFF PRESENT:
22 Jack Pratt, Mayor
Sandra Yarbrough, Finance Director
23

24 VISITORS:

25
2
1 I N D E X
November 18, 2013
2 PAGE

3 CALLED TO ORDER

4 1. VISITORS FORUM 3
5 2. KERRVILLE-KERR COUNTY JOINT AIRPORT BOARD
MEMBER FORUM 3
6 3. CONSENT AGENDA
7 3A Approval of November 6 board meeting minutes 4
8 4. DISCUSSION AND POSSIBLE ACTION
4A Monthly Financials (September & October) 4
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10 4C New T-hangar construction 16
11 4D Negotiate price for construction of new T-hangars
12 with Lansford Construction (Design-Build contractor)
(Executive Session as needed) 23
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14	4E Brinkman Hangar lease proposals (Executive Session as needed)	23
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1 On Monday, November 18, 2013, 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: All right, I'll call the meeting to
8 order, the Kerrville/Kerr County Joint Airport Board,
9 November 18th, 2013. Call to order. Item 1, Visitor's
10 Forum. At this time, any person with business not scheduled
11 on the agenda may speak to the Airport Board. No member --
12 no deliberation or action may be taken on these items because
13 the Open Meetings Act requires it be posted for 72 hours
14 before the meeting. Visitors are asked to limit it to three
15 minutes. Anybody need to speak? Joint Airport Board Forum,
16 Item 2. At this time, any member of the Airport Board may
17 speak on the board, and -- may speak to the board and/or
18 public present on any matter not scheduled on the agenda. No
19 deliberation or action may be taken on these items because
20 the Open Meetings Act requires an item be posted at least 72
21 hours before the meeting if formal action is to be taken.

22 Anybody need to speak?

23 Consent agenda, Item 3. All items listed in the
24 consent agenda are considered routine and will be enacted in
25 one motion. There will not be separate discussion of items

1 unless a board member or citizen so requests, and in that
2 event, the item will be removed from the general order of
3 business and considered in normal sequence. Approval of --
4 Item 3A, approval of the November 6th board meeting minutes.
5 Any discussion on those?

6 MR. GRIFFIN: I make a motion we accept the minutes
7 as written. It's a consent agenda, actually.

8 MR. KING: Yeah, consent agenda. Second, somebody?

9 MR. WALTERS: I second.

10 MR. KING: Mr. Walters. Discussion? None being
11 heard, all in favor?

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

13 MR. KING: Five-zero. Item 4, discussion and
14 possible action. The monthly financials, 4A. James?

15 MR. ROBLES: Good morning.

16 MR. LIVERMORE: I don't have mine. Would you hand
17 me a copy, please?

18 MR. McKENZIE: There's September. Do you have
19 October?

20 MR. KING: Thank you, James.

21 MR. McKENZIE: Here's October.

22 MR. WOOD: Anybody want October?

23 MR. McKENZIE: Did you get one, Mayor?

24 MAYOR PRATT: I got September.

25 MR. McKENZIE: The Mayor needs one.

1 MR. ROBLES: She's going to grab you an October
2 one.

3 MR. LIVERMORE: Oh, the first one I got was
4 September.

5 MR. ROBLES: Yeah, we have two months to do this
6 time. All right we'll start with September. Page 1. Total
7 cash and receivables, \$389,044.44. Payables at 78,849.56.
8 Page 2, total revenue and expenses in the fund balance,
9 310,194.88. Total liabilities and equity, 389,044.44. Page
10 3, third column at the bottom. Revenue, 71,286.94.

11 Year-to-date revenue, 439,501.08. Page 4, the monthly
12 expenditures, 19,973.69. Year-to-date total, 187,111.34.
13 Page 5, breakdown of the expenditures for the personnel,
14 supplies, maintenance, and professional services. Any
15 questions on this page?

16 MR. KING: So, this is the last month of the year?

17 MR. ROBLES: Yes. This one is, yeah.

18 COMMISSIONER MOSER: September's?

19 MR. ROBLES: Yes, sir, so all these are year-end
20 totals. Page 6, utilities, 12,230.63 for the month.

21 COMMISSIONER MOSER: Let me comment on Page 6,
22 James. And go back to 5, if you will. This is end of year?

23 MR. ROBLES: Yes, it is.

24 COMMISSIONER MOSER: So, looking at supplies,
25 maintenance, and professional services, far right-hand

1 column, supplies --

2 MR. LIVERMORE: You're on Page 6?

3 COMMISSIONER MOSER: I'm on Page 5. Page 5.

4 Supplies, 31 percent better than the budget forecast.

5 Maintenance, 29 percent. Professional services, 30 percent.

6 But then the bottom line on Page 6, total airport, 23 percent

7 or \$53,000 under budget. So, I want to just say --

8 MR. ROBLES: 59,000.

9 COMMISSIONER MOSER: Yeah.

10 MR. ROBLES: 52,9.

11 COMMISSIONER MOSER: Yeah, 53,000 rounded. So,

12 congratulations to the -- to Bruce and Carole and the board.

13 That's a great year.

14 MR. McKENZIE: Thank you.

15 MR. ROBLES: Okay.

16 MR. LIVERMORE: And cut the budget next year,

17 right? (Laughter.)

18 COMMISSIONER MOSER: Well, you know, --

19 MR. LIVERMORE: I'm kidding.

20 COMMISSIONER MOSER: -- it's always alleged that
21 people wait to the end of the year -- I heard one department
22 in the county say, "Yeah, we bought a bunch of extra stuff

23 end of year, you know, all these supplies." You know, that's
24 -- that's okay, but that's -- but this didn't do it. And so,
25 therefore, congratulations. So -- and I know the mowing

1 helped, but still, good job. It was just -- that's the
2 reason I looked at all those things. It wasn't just mowing;
3 it was everything else holding it tight. Okay.

4 MR. ROBLES: Okay, Page 7. We have total
5 expenditures, 371,864.74, with revenue over/under
6 expenditures, leaving a fund balance of 67,636.34. Page 8,
7 capital account.

8 MR. LIVERMORE: Wait, I'm sorry.

9 MR. ROBLES: Yes, sir?

10 MR. LIVERMORE: I have a hard time following this.

11 MR. ROBLES: Fourth column is going to be the
12 year-to-date.

13 MR. KING: Oh, okay.

14 MR. LIVERMORE: Sixty -- okay.

15 MR. ROBLES: Are there any questions on Fund 47?

16 Fund 48, Page 8, balance of 60,803.69. Page 9, total
17 year-to-date revenue, 99,429.99. Not much activity since
18 last month. Page 10, no expenditures for the month of
19 September. Finishing with 1,000 -- 118,814.66. Page 11 is a
20 recap of the total expenditures, same balance as last month,
21 19,384.67 under. Okay. We'll move on to October if there's
22 no other questions.

23 MR. KING: So, on Page 7, James, that 67,636 at the
24 bottom of Column 4, that basically is the total we ended up
25 to the good?

1 MR. ROBLES: Yes.
2 MR. KING: So, if you took 180 off of that, we
3 would have basically been running at a -- a net deficit of
4 120,000 if you didn't have help from the County and the City,
5 basically?
6 MR. ROBLES: Yeah. I believe --
7 MR. LIVERMORE: 112, I think.

8 MR. ROBLES: The total from -- let's see.
9 MR. KING: You get 180? Yeah, it'd be 112.
10 MR. ROBLES: Yeah.
11 MR. KING: So, 112,000 is all we -- okay. We're
12 getting close.
13 COMMISSIONER MOSER: Close to zero.
14 MR. LIVERMORE: Increment down.
15 MR. ROBLES: Does anyone need a copy of October?
16 MAYOR PRATT: Thank you.
17 MR. ROBLES: Anybody else?
18 MR. WOOD: I have a general question. We're
19 looking at the airport's overall performance as far as
20 contribution from the City and the County and how we run the
21 business to see if we can be revenue neutral. Are there
22 assets here at the airport, due to the airport, that
23 contribute to the overall tax rolls that don't get reflected
24 in this accounting?
25 MR. MCKENZIE: Yes.

1 MR. KING: Sure. We don't get credit for those.
2 We tried that five years ago.
3 MR. LIVERMORE: We get brownie points.
4 MR. KING: We get brownie points, but no credit.
5 MR. WOOD: Okay. That was my basic question. So,
6 there are other things at the airport.
7 MAYOR PRATT: There are other considerations.
8 MR. KING: We marched down that street for a while.
9 It didn't work, so we walked the other way.
10 MAYOR PRATT: So we got off of it.
11 MR. KING: We got off that road.
12 MR. WOOD: All right. Already been down that
13 trail.
14 MR. LIVERMORE: No, but it's a good point.
15 MR. KING: Right, it's a valid point. It's a valid
16 point.
17 MR. WOOD: I wasn't asking for it to show up on our
18 ledger sheets. I just wanted to know everybody knew it.
19 MR. KING: It's a valid point. Not accepted, but a

20 valid point.
21 MR. ROBLES: Okay. For October, we'll start Fund
22 47 balance sheet, Page 1. We have a total cash and
23 receivables of 373,508.49. Payables at 57,080. Page 2, we
24 have total revenue and expenses in fund balance, 316,428.49.
25 Total liabilities and equity, 373,508.49.

10

1 MR. LIVERMORE: Can we stop just a second? There's
2 a question I meant to ask back --
3 MR. ROBLES: Yeah.
4 MR. LIVERMORE: The total equity on the balance
5 sheet for the end of the year, how does that 310,194.88
6 number compare with the year before? Do we know that from
7 the information we have?

8 MR. ROBLES: One second.
9 MS. DUNGAN: Are you talking September or October?
10 MR. LIVERMORE: September 30th. On Page 2 -- I
11 meant to ask this, and then we got something else going; it
12 slipped my mind for a minute.

13 MAYOR PRATT: Are you asking for a comparison of --
14 MR. LIVERMORE: Year over year.
15 MAYOR PRATT: -- 2013 over --
16 MR. LIVERMORE: '12.
17 MAYOR PRATT: -- '12?
18 MR. LIVERMORE: Mm-hmm. I'm just curious how that
19 total equity line moves one way or the other, if you -- if we
20 know that. You may not have it there.

21 MR. ROBLES: I'm not sure about that. I can get
22 back to you on that.
23 MR. LIVERMORE: Would you share -- would you give
24 that to Bruce so he can share it with us?
25 MR. ROBLES: Absolutely will, yeah. Let me look at

11

1 that.
2 MR. LIVERMORE: I'd be curious to know what that
3 is. I won't interrupt again. Thank you.
4 MAYOR PRATT: Till next time.

5 MR. LIVERMORE: Hmm?
6 MAYOR PRATT: I said till next time.
7 MR. ROBLES: Page 3. We have -- third column at
8 the bottom, monthly revenue for October, 26,700.66. Page 4,
9 total expenditures for the month, 10,173.93. Page 5,
10 breakdown of personnel, supplies, maintenance, professional
11 services. Page 6, utilities for the month, 1,047.65. Total
12 expenditures, less salaries, 9,383.81. Page 7 --
13 MR. WOOD: I got a question.
14 MR. ROBLES: Yes?
15 MR. WOOD: Why isn't year-to-date and monthly
16 expenditures the same?
17 MR. ROBLES: We haven't closed out the books yet.
18 Next month you should see those reflect as the year-to-date
19 will equal the monthly expenditures.
20 MR. WOOD: Okay.
21 MR. ROBLES: We should be doing that this week in
22 preparation for the auditors.
23 MR. WOOD: Thanks.
24 MR. ROBLES: Page 7, total utilities for the
25 building this month, 909.31. Total expenses, 20,467.05.

12

1 Revenue over/under for the month, 6,233.61. Page 8 --
2 MR. LIVERMORE: Wait a minute. What was that?
3 Where was the number you just said?
4 MR. ROBLES: 6,233.61.
5 MR. LIVERMORE: Okay, that's the expenditures.
6 MR. ROBLES: That's for the month.
7 MR. LIVERMORE: I got you.
8 MR. ROBLES: Page 8, it's the capital account
9 balance sheet. There's a balance of 108,163.69. Page 9, we
10 have revenue for the month at 50,000, the RAMP grant and the
11 Kerr County match of 25,000 each. Page 10, we have 2,640 for
12 the RAMP grant. Page 11, recap of total expenditures. Total
13 expenditures, 2,640. Revenue over/under, 47,360.
14 MR. LIVERMORE: I'd make a comment in general on
15 the first month's financials. Some of the numbers give a
16 real, true annualized piece of the annual picture, but a lot

17 of them haven't leveled out yet. I mean, we'll maybe make a
18 big purchase of one thing early in the year, and maybe there
19 will be several months -- it takes a while sometimes for
20 these numbers to kind of -- kind of level out.

21 MR. KING: Okay. I need a motion to accept the
22 September and October --

23 MR. LIVERMORE: I so move.

24 MR. KING: Second?

25 MR. WALTERS: I second.

13

1 MR. KING: Any discussion on those, either one of
2 them? On September, any discussion? October, any
3 discussion? Okay. All in favor?

4 MR. LIVERMORE: Aye.

5 MR. KING: Aye.

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

7 MR. KING: Five-zero.

8 MR. WALTERS: Bruce, I do have a question for
9 December, going on with Tom's comment. Is there anything in
10 -- will our expenses be about as consistent as September-
11 October? Do you see anything that's come up year end that's
12 larger?

13 MR. McKENZIE: No, sir.

14 MR. WALTERS: Okay.

15 MR. McKENZIE: Not at this time.

16 MR. WALTERS: Okay.

17 MR. LIVERMORE: I didn't look at it when we were
18 going through. Tom mentioned something -- are you talking --
19 is that what you're asking about, the mowing?

20 MR. WALTERS: No.

21 MR. LIVERMORE: Oh. How much did we -- we were
22 down in mowings because of the drought.

23 MR. McKENZIE: Yes, sir. This last fiscal year,

24 yes, sir.

25 MR. LIVERMORE: Uh-huh. I noticed them out there

14

1 the other day.

2 MR. MCKENZIE: Mm-hmm, we've mowed since 1 October.

3 MR. LIVERMORE: Mm-hmm.

4 MAYOR PRATT: You had -- at the end of the year,

5 you had a lot of rain, so your October -- which you normally

6 probably don't have a mowing in October, and your October

7 mowing took care of that.

8 MR. MCKENZIE: Right, this time of the year.

9 MR. LIVERMORE: There's an example of expenses that

10 tend to level out at the end. The picture can get real

11 distorted early.

12 MR. KING: All right. Item 4B, FY '14 holiday

13 schedule.

14 MR. MCKENZIE: Yes, sir. Last year you approved

15 the holiday schedule for the last fiscal year. This is for

16 2014.

17 MR. KING: Mm-hmm.

18 MR. MCKENZIE: And the only thing we did, we left

19 them exactly the same as you approved last year. We just

20 changed the dates as appropriate for the coming calendar

21 year.

22 MR. KING: Okay.

23 MR. LIVERMORE: Are these -- I remember some

24 discussion last year. Are these consistent with the City and

25 the County?

15

1 MR. MCKENZIE: No, we don't take the holidays the

2 County does. I don't know if it's consistent with the City

3 or not. I don't -- Sandra, is it pretty close?

4 MS. YARBROUGH: I'm not sure.

5 MR. MCKENZIE: Have you looked at it?

6 MS. YARBROUGH: No.

7 MR. MCKENZIE: Ask the Mayor. Here, there you go.

8 The County, I know, doesn't take -- I mean, takes a few more,

9 but...

10 MR. LIVERMORE: Mm-hmm.

11 MAYOR PRATT: That's fairly consistent with the

12 City, except for the floating.

13 MR. MCKENZIE: I think it's pretty close.

14 MAYOR PRATT: The Friday after Thanksgiving is
15 really the key.
16 MR. LIVERMORE: I move we approve these.
17 MR. WALTERS: I have one question. One floating
18 holiday, when did we use that in 2013? Or did we?
19 MR. McKENZIE: Any of the three employees can use
20 it --
21 MR. WALTERS: Oh, okay.
22 MR. McKENZIE: -- at their discretion.
23 MAYOR PRATT: It's like a birthday or anniversary.
24 MR. McKENZIE: That's all. It wasn't used
25 collectively, no.

16

1 MR. WALTERS: All right.
2 MR. KING: All right.
3 MR. WOOD: Second the motion.
4 MR. KING: Motion and a second. Any discussion?
5 No discussion. All in favor?
6 (The motion carried by unanimous vote, 5-0.)
7 MR. KING: We don't get those, do we? We don't
8 take those holidays.
9 MR. GRIFFIN: We don't take any holidays.
10 MR. LIVERMORE: We need a holiday. We need to
11 raise our pay, too. (Laughter.)
12 COMMISSIONER MOSER: Double it.
13 MR. KING: We should have used the holiday schedule
14 for the Senate or the House. You would have been better off.
15 Take off November, December. Okay. Item 4C, the T-hangar
16 construction project. We've -- we have a -- we have a
17 proposal to TexDOT in right now with them after our last
18 meeting, and as of right now, we haven't heard anything back.
19 They're not --
20 MR. McKENZIE: I talked to our contractor this
21 morning -- excuse me, go ahead.
22 MR. KING: Go ahead.
23 MR. McKENZIE: I talked to Robert this morning
24 early, and he should have the rest of the data to us by
25 tomorrow morning, and then I'll forward that on to Sandra.

1 I sent Tom an e-mail the other day to him about it. She's
2 expecting it. I've been talking to her on the phone. She's
3 waiting to get that, then we'll move that process.

4 COMMISSIONER MOSER: She wanted detail on each one
5 of the options.

6 MR. KING: So, this is something she requested
7 after our --

8 MR. MCKENZIE: Yes, sir.

9 MR. KING: -- information to her.

10 MR. MCKENZIE: When we changed it, she said, "Okay,
11 I need to see an engineer's drawing and then the breakdown.
12 Those are forthcoming within the next 48 hours, and then
13 she'll have it back by Wednesday.

14 COMMISSIONER MOSER: Oh, wow. Good.

15 MR. MCKENZIE: She'll have it. I mean, I don't
16 know how long it will take those folks, but I anticipate it
17 not taking them over a couple of weeks to get back to us, to
18 be honest with you.

19 COMMISSIONER MOSER: Okay.

20 MR. MCKENZIE: And I hope it doesn't, but I'm
21 trying to be the eternal optimist here.

22 MAYOR PRATT: At least for them, it's pretty fast.

23 MR. LIVERMORE: What --

24 MR. WOOD: Does she have to sell somebody?

25 MR. MCKENZIE: She has to go through committees and

1 meetings, and --

2 MR. LIVERMORE: Do you have a sense about it, or do
3 you think --

4 MR. MCKENZIE: The sense that I got was the --
5 without getting too convoluted, the lower end, which was the
6 10 T-hangars without the jet pod, was not an issue at all.
7 But when I went to the high end with the 12 with the jet pod,
8 and it got to be in the 800,000 range, she was uncomfortable
9 with that.

10 MR. KING: Was she?

11 MR. McKENZIE: So we dropped it back to the two
12 remaining sources, which was 10 with a jet pod or 12 without.
13 She -- it was her comfort level, and she said let's go with
14 that.

15 MR. WALTERS: What was the price for the 12
16 without?

17 MR. GRIFFIN: 720 --

18 MR. KING: Seven-something.

19 MR. WALTERS: 784.

20 MR. WOOD: 784.

21 MR. McKENZIE: 784 was the 12 T-hangars without a
22 jet pod.

23 MR. LIVERMORE: And you felt like she was
24 comfortable with that?

25 MR. McKENZIE: She didn't say she wasn't.

19

1 MR. LIVERMORE: Let me ask you this. What -- and I
2 know I'm hitting you with numbers, and you don't have them in
3 front of you, probably, but in rough numbers, what is the
4 difference in cost between the 12 jet and -- I'm sorry, the
5 12 T-hangars and 12 T-hangars with the jet pod?

6 MR. McKENZIE: Let's see.

7 MR. WOOD: Well --

8 MR. GRIFFIN: 61,000.

9 COMMISSIONER MOSER: 61.

10 MR. LIVERMORE: 61, okay. Is it -- is there some
11 reason why we -- are we able to finance that ourselves
12 outside of TexDOT, but as part of the project?

13 MR. McKENZIE: We have the cash to do that, but
14 that's a board decision.

15 MR. LIVERMORE: I understand that. But that is --
16 that's possible?

17 MR. McKENZIE: It's possible, but I would be
18 hesitant to go back to them yet again, because we've now got
19 it pretty much where we want it, and she seems to be amenable
20 to what we're trying to do now, so I would recommend to this
21 board that we let this play out. And if she comes back with
22 12 with no or 10 with, let's look at it, but we probably need

23 to go about that rather than rebound again.

24 MR. LIVERMORE: Okay.

25 MR. McKENZIE: And ask them for something else.

20

1 MR. KING: So you think -- but, I mean, getting

2 back to Ed's comments, I don't think you asked for any -- I

3 think we're asking to contribute more. I don't see how she

4 could have a big problem with us putting more --

5 MR. LIVERMORE: That's what I'm saying. I'm

6 saying --

7 MR. KING: -- more skin in the game.

8 MR. McKENZIE: I'm just making a comment.

9 MR. KING: You have to also understand, there's

10 some options in there that we said we'd like to have.

11 They're not included in this deal. There's about \$14,000

12 worth of options, like galvanized stuff, that they're not

13 paying for. That comes straight out of our pockets anyway.

14 So, if we -- if we approach the number they originally said,

15 we'd have to come out of our pocket for another 14,000 just

16 for those options -- just those two options.

17 MR. McKENZIE: That's correct.

18 MR. KING: But, I mean, that is a valid -- that's a

19 decision I -- probably -- we probably could get them to -- I

20 don't think that would be a burden on them. If you --

21 COMMISSIONER MOSER: Is the plan to have the

22 special board meeting if and when you hear -- I mean, when

23 you -- when you hear from her? Probably be --

24 MR. KING: We need --

25 COMMISSIONER MOSER: The contractor's ready to go.

21

1 MR. McKENZIE: We need to get you guys' schedule.

2 COMMISSIONER MOSER: Yeah, right. Got to go to the

3 County --

4 MR. McKENZIE: We need to get that approved, and

5 then Robert needs to get back to Garven. They need to give

6 us the final set of plans with the cut sheet and sealed set

7 of plans. That's what you're waiting for.

8 MR. KING: Did you express to her we were on a bit

9 of a timeline here, as far as --

10 MR. McKENZIE: She knows. She's --

11 MR. KING: Okay.

12 MR. McKENZIE: -- cognizant, aware.

13 MR. KING: I think in two weeks, or two weeks and

14 three days, I think we need to touch base with them again.

15 MR. McKENZIE: Oh, I --

16 MR. KING: And let them know the time is ticking

17 away.

18 MR. McKENZIE: I'll be talking to her.

19 MR. KING: We're going to have to make a decision

20 at some point pretty quickly, because we're going to lose our

21 window for the County if we push through Christmas, and --

22 COMMISSIONER MOSER: I don't know that you need a

23 final set of plans to come to the City and the County. You

24 need to have the concept, and you can say there it is; this

25 is the cost, this is the return on investment, this is what

22

1 we're doing. And -- and we'll do a not-to-exceed.

2 MR. GRIFFIN: Well, I think part of the concern,

3 Tom, is that, you know, in previous discussions with TexDOT,

4 they've said don't touch a speck of dirt until this thing is

5 totally turned on, till we totally agree with it.

6 COMMISSIONER MOSER: Yeah.

7 MR. GRIFFIN: That's where Bruce is coming from.

8 COMMISSIONER MOSER: You do not have to go to all

9 the departments in the City before you come to the County.

10 That's all I'm saying.

11 MR. LIVERMORE: You're talking about moving dirt.

12 COMMISSIONER MOSER: Yeah, right. I'm just talking

13 about getting approval for the capital investment, right.

14 MR. GRIFFIN: We've already got approval, right?

15 MR. McKENZIE: We've got resolutions from both

16 bodies that says move forward.

17 MR. KING: Is there a not-to-exceed on it?

18 COMMISSIONER MOSER: No.

19 MR. GRIFFIN: Yes, there is.

20 COMMISSIONER MOSER: I don't think there's a
21 not-to-exceed. I don't think you need to come back.
22 MR. McKENZIE: Just move forward. I don't think we
23 have to -- the resolution said we can move forward.
24 MR. WOOD: Well, it's based on the plans that we
25 submitted for approval, though, isn't it?

23

1 MR. McKENZIE: 640,000.
2 COMMISSIONER MOSER: Yeah, right. So, if you go
3 \$200,000 more than that, you got to come back.
4 MR. KING: Okay. We can cross that bridge when we
5 get there.
6 COMMISSIONER MOSER: I don't think there's going to
7 be -- I don't think there's an issue. I'm just saying --
8 MR. McKENZIE: The formality.
9 COMMISSIONER MOSER: -- keep it moving, yeah.
10 MR. McKENZIE: Formality.
11 MR. KING: Okay. Item 4D, we don't really have --
12 we can't -- we're not going to discuss 4D; is that correct?
13 MR. McKENZIE: That's correct.
14 MR. KING: Item 4E, the Brinkman hangar lease
15 proposals, executive session as needed. We'll probably be
16 going -- just go into executive session. We're going to have
17 to bat that around a little bit more and discuss it, and look
18 at these proposals, and then if we make any decision, we'll
19 do it in open session. Item 4F, Mooney International lease
20 agreement. What's the status?
21 MR. McKENZIE: We're waiting for a reply from their
22 legal counsel, who is David Jackson. That's -- we're waiting
23 on them now.
24 MR. KING: Waiting on them.
25 MR. LIVERMORE: Well, you know, we've been

24

1 waiting --
2 MR. McKENZIE: Yes, sir, we've been waiting for
3 about six weeks now.
4 MR. LIVERMORE: Can we query him and --

5 MR. MCKENZIE: Well, I can query him through our
6 attorney. And our attorney, I can probably talk to her this
7 week. She's been down with surgery; she's been out of the
8 loop for about 10 days, but I'll contact her. That was my
9 plan anyways.

10 MR. WOOD: Is there some significance with Jerry
11 Chen coming in tomorrow? We might move that off of dead
12 center.

13 MR. MCKENZIE: I don't know. The reason for him
14 coming is mainly he wanted to meet this board, and just --
15 just a little face time. That was the -- that was the
16 initial concept.

17 MR. KING: What time is he coming tomorrow?

18 MR. MCKENZIE: 9 o'clock.

19 MR. KING: 9 o'clock?

20 MR. MCKENZIE: Yes, sir.

21 MR. KING: Okay. Well, maybe we can ask him.

22 MR. MCKENZIE: As long as we don't get into too
23 much business. It's a social event. Long as we don't --

24 MR. KING: You can ask him when he's planning on
25 being here more often. When he's going to be here more

25

1 often.

2 MR. MCKENZIE: Good point. And along those lines,
3 the general update, a new flying magazine came out Friday.
4 It has got a big article in there about Mooney.

5 MR. KING: Yeah, I saw that.

6 MR. MCKENZIE: Big article. I saw it Saturday.

7 COMMISSIONER MOSER: So, this lease on this agenda
8 item, that's the current lease; is that correct?

9 MR. MCKENZIE: It's their proposal for their new
10 lease.

11 MR. LIVERMORE: We think they're going to give back
12 a couple of buildings. That's the big issue.

13 COMMISSIONER MOSER: So -- okay. So, you haven't
14 received it yet? You just think that's what -- okay, got
15 you.

16 MR. KENNEDY: Exactly.

17 COMMISSIONER MOSER: So, what they're going to do
18 is they're going to propose a lease agreement.

19 MR. MCKENZIE: That's correct. They're going to go
20 off the 2010 agreement that we proposed to them, and that it
21 stopped for various reasons back in 2010 when you were on the
22 board.

23 COMMISSIONER MOSER: Mm-hmm.

24 MR. MCKENZIE: The same document, which they were
25 amenable to. They were the ones that wanted it.

26

1 COMMISSIONER MOSER: Yeah. We're doing a
2 month-to-month, right? Okay, got you.

3 MR. LIVERMORE: Are we still on a month-to-month?

4 MR. MCKENZIE: (Nodded.) But they're paying us
5 \$2,000 more a month as of October the 1st. We're making
6 6,300-something a month off of them now, rather than 4,000.

7 COMMISSIONER MOSER: Why was that?

8 MR. MCKENZIE: C.P.I., when we did that.

9 COMMISSIONER MOSER: Oh, okay.

10 MR. KING: Is it that much? You told me --

11 MR. MCKENZIE: \$2,000.

12 MR. KING: What's the C.P.I., 40 percent?

13 MR. MCKENZIE: We did run the numbers.

14 COMMISSIONER MOSER: That's over 20 years.

15 MAYOR PRATT: But that's over a long period of
16 time.

17 MR. KING: Yeah, they had a long haul.

18 MR. MCKENZIE: They agreed to it.

19 MR. KING: So their C.P.I. was -- how far did it
20 back up?

21 MR. MCKENZIE: Five years.

22 MR. KING: Five years? Okay. We'll accept it.

23 MR. MCKENZIE: Yes.

24 MR. KING: Okay. Anybody have anything else on
25 that Mooney deal? Bruce?

27

1 MR. MCKENZIE: No, sir.

2 MR. KING: General update, Item 5A.
3 MR. McKENZIE: That was basically it. Mr. Chen's
4 visit in the morning.

5 MR. KING: Okay.

6 MR. McKENZIE: Unless --

7 MR. GRIFFIN: The fly-in, is that still all on
8 schedule for May and --

9 MR. McKENZIE: The MAPA fly-in is in May. The,
10 just, fly-in that we're supposed to have is in April. Isn't
11 that right?

12 MS. DUNGAN: It's backwards. MAPA's in April; ours
13 is in May.

14 MR. McKENZIE: Yes, it's still on track.

15 MR. GRIFFIN: Still on track.

16 MR. McKENZIE: For late in the spring.

17 MR. GRIFFIN: Okay.

18 MR. LIVERMORE: I've got an item I'd like to have
19 in the minutes; that the Board is thrilled with Carole's
20 news. She is cancer-free this morning.

21 (Applause.)

22 MR. KING: Thank you very much for that, Ed. Okay.

23 I guess we'll adjourn for five minutes -- or recess for five
24 minutes, and then go into executive session.

25 MAYOR PRATT: You need a motion.

1 MR. LIVERMORE: I so move.

2 MR. WALTERS: I second.

3 MR. KING: Five minutes. Then we'll go into
4 executive session, okay.

5 MR. GRIFFIN: Under 551.072.

6 MR. KING: I'm sorry, we'll go into executive
7 session on Item 4E under 551.071, .072.

8 (A brief recess was taken at 9:03 a.m., after which
an executive session was held off the record.)

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10 MR. KING: All right, we're back in session at
11 10:29. We took no action -- we're not going to take any
12 action. We discussed the proposals, and we will probably
13 have to address this at a later meeting -- another meeting.

14 I need a motion to adjourn.
15 MR. LIVERMORE: So made.
16 MR. KING: Second?
17 MR. GRIFFIN: Second.
18 MR. WOOD: Second.
19 MR. KING: All in favor?
20 (The motion carried by unanimous vote, 5-0.)
21 (The Airport Board meeting adjourned at 10:30 a.m.)
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24
25

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 19th day of November,
8 2013.

9 _____
10 Kathy Banik, Texas CSR # 6483
11 Expiration Date: 12/31/14
12 Official Court Reporter
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