

KERRVILLE-KERR COUNTY JOINT AIRPORT BOARD

Regular Meeting

Wednesday, September 23, 2020 at 8:30 a.m.

Hill Country Youth Event Center

3785 TX Highway 27

Kerrville, Texas 78028

.....

MEMBERS PRESENT:

Mark Mosier, President

Jim Mans, Vice President

Trey Atkission

MEMBERS ABSENT:

Stephen Schmerbeck

Keith Miller

AIRPORT BOARD STAFF PRESENT:

Mary Rohrer, Airport Manager

VISITORS:

Judy Eychner, City Council Member

Tom Moser, County Commissioner

James Robles, County Auditor's Office

Dixon Mosty, Attorney for the Airport

Scott Schellhase

I-N-D-E-X

NO.		PAGE
1.	VISTOR'S FORUM	3
2.	KERRVILLE-KERR COUNTY JOINT AIRPORT BOARD MEMBER FORUM	3
3.	CONSENT AGENDA	3
	3 A. Approval of the Board Minutes for August 26, 2020 Meetings	3
4.	DISCUSSION AND POSSIBLE ACTION	
	4 A. Monthly Financials for August, 2020	3
	4 B. Approval of Flyin' Diesel Truck Race on October 3, 2020	
	4 C. Monthly update from Kerrville Aviation	3
	4 D. Strategic Plan	
	1. Approval Strategic Plan 2020-2024 document	3
	2. Review outline of presentation for Joint Meeting on Friday October 9, 2020 at 10 am, Dietert Center	3
	4 E. Interlocal Agreement and Financial Management Policies	3
	4 F. General Update	
	1. T-hangar Project	
	2. July 30, 2020 Storm Damage Repair status	3
	3. FY 2020 Projects Updates	3
	4. Leasing Update	3
5	EXECUTIVE SESSION	3
	5 A. Deliberation regarding economic development projects	
6	ADJOURNMENT	3

CALL TO ORDER

1. VISTORS FORUM:

None

2. KERRVILLE-KERR COUNTY JOINT AIRPORT BOARD MEMBER FORUM:

Mary Rohrer, Airport Manager reported to the Board the FAA Facilities Directory will be updated to reflect Runway 12/30 to be the Common Runway. The directory will be published in mid -September. Until that time she will add an announcement on the AWOS.

Mark Mosier, President of the Airport Board thanked all those present on site after the wind storm for their help.

Mary Rohrer reminded everyone of the October 9, 2020 Strategic Plan Meeting.

3. CONSENT AGENDA

3 A. The Board approved the minutes for the August 26, 2020 meeting with a vote of 3-0. (Item 3)

4. DISCUSSION AND POSSIBLE ACTION

4A. The Board voted to accept the financial report for August, 2020 with a vote of 3-0. (Item 4A)

4B. The Board voted to approve the Flyin' Diesel Truck Race with a vote of 3-0. (Item 4B)

4C. Monthly Update from Kerrville Aviation – no report from Joe Kennedy

4D. The Board voted to approve the Strategic Plan 2020-2024 with a vote of 3-0.

4E. The Board voted to approve the Revised Interlocal Agreement and Financial Management Policies with legal comments with a vote of 3-0 (Item 4E.1 and Item 4E.2)

4F. General Update – Mary Rohrer

1. July 30, 2020 Storm Damage Repair Status – no action needed (Item 4F.1)
2. FY 2020 Projects Updates – no action needed (Item 4F.2 and 4F.3)
3. Leasing Update – no action needed (Item 4F.4)

5. EXECUTIVE SESSION

5A. Deliberation regarding economic development projects – no action taken

6. ADJOURNMENT

The Joint Airport Board adjourned the meeting at 11:08 am.

CERTIFIED AGENDA

An Executive Session of the Kerrville / Kerr County Joint Airport Board

23 Day of September, 2020

CONFIDENTIAL: No one shall, without lawful authority, knowingly disclose to a member of the public this certified agenda of a closed meeting. A person who violates this subsection commits a Class B misdemeanor and may be liable to any party injured or damaged by the disclosure. Texas Government Code § 551.146(a).

1. The Kerrville / Kerr County Joint Airport Board (herein and referred to as the "Board") convened an open Airport Board Meeting.
2. The Board, pursuant to an announcement made by the Presiding Officer, then convened into Executive Session, closed to the public, at 10:15 AM.
3. Those present in the executive session were (*circle those present*):

Mark Mosier, President

C James Mans, Vice-President

Keith Miller, Board Member

Trey Atkission, Board Member

Stephen Schmerbeck, Board Member

Mary Rohrer, Airport Manager

Others: (List by Name and Position)

DIXON MOSIER, ATTY

4. The executive session included the following agenda items: (Attach Agenda)
5. The executive session was pursuant to Texas Government Code §§ 551.071 (Consultation with Attorney), 551.072 (Deliberations about Real Property), 551.073 (Deliberations about Security Devices), 551.074 (Personnel Matters) and 551.087 (Economic Development) (*circle one or more*).
6. The Presiding Officer announced the end of the executive session at 11:07 A m., and the Board reconvened in open session at that time.
7. Motion Made and Vote taken by the Board on Agenda item
NO ACTION TAKEN

CERTIFICATION

The undersigned, as Presiding Officer of the executive session described above, hereby certifies that this document is a true and correct record of the proceeding.

PRESIDING OFFICER:

by: Mark Mosier

Mark Mosier, Presiding Officer

**AGENDA
REGULAR MEETING OF THE
KERRVILLE-KERR COUNTY JOINT AIRPORT BOARD
SEPTEMBER 23, 2020 at 8:30 AM
HILL COUNTRY YOUTH EVENT CENTER
3785 Hwy 27, KERRVILLE, TEXAS**

CALL TO ORDER

1. VISITORS FORUM:

At this time, any person with business not scheduled on the agenda may speak with the airport board. No deliberation or action can be taken on these items because the Open Meetings Act requires an item be posted on an agenda 72 hours before the meeting. Visitors are asked to limit presentations to three minutes.

2. KERRVILLE-KERR COUNTY JOINT AIRPORT BOARD MEMBER FORUM

At this time, any member(s) of the Kerrville – Kerr County Joint Airport Board may speak to the Board and/or public present on any matter not scheduled on the agenda. (No deliberate or formal action can be taken on these items because the Open Meetings Act requires an item that requires formal action to be posted on the agenda 72 hours before the meeting. If formal action is required, the item will be placed on an agenda for a future meeting.)

3. CONSENT AGENDA

All items listed below within the consent agenda are considered routine by the Board and will be enacted with one motion. There will not be separate discussion of items unless a Board Member or citizen so request, in which event the item will be removed from the general order of business and considered in its normal sequence.

3 A. Approval of August 26, 2020 Board Meeting Minutes

4. DISCUSSION AND POSSIBLE ACTION

4A. Monthly Financials, August - James Robles

4B. Approval of Flyin Diesel Truck Race on October 3, 2020- Ross Dunagan

4C. Update from Kerrville Aviation – Joe Kennedy

4D. Strategic Plan

1. Approve Strategic Plan 2020-2024 document

2. Review outline of presentation for Joint Meeting on Friday October 9, 2020 at 10 am, Dietert Center

4E. Interlocal Agreement and Financial Management Policies – Jim Mans

4F. General Update – Mary Rohrer

1. T-hangar Project

2. July 30, 2020 Storm Damage Repair status and funding

3. FY 2020 Projects Updates

4. Leasing Update

5. EXECUTIVE SESSION

The Kerrville-Kerr County Joint Airport Board reserves the right to discuss any of the above items in executive closed session if they meet the qualifications in Sections 551.071 (consultation with attorney), 551.072 (deliberation regarding real property), 551.073 (deliberation regarding gifts), 551.074 (personnel matters), 551.075, 551.076 (deliberation regarding security devices) or 551.087 (deliberation regarding economic development negotiations) of Chapter 551 of the Government Code of the State of Texas.

5A. Deliberation regarding economic development projects

6. ADJOURNMENT

The facility is wheelchair accessible and accessible parking spaces are available. Requests for accommodations must be made 48 hours prior to this event. Please contact the Kerr County Commissioners' Court at 830-792-2211 for further information.

I do hereby certify that this notice of meeting was posted on the bulletin board at the Kerr County Courthouse, Kerrville, Texas, and said notice was posted on the following date and time: _____ at _____ and remained posted continuously for at least 72 hours preceding the scheduled time of the meeting.

Deputy County Clerk, Kerr County, Texas

ITEM 3A

KERRVILLE-KERR COUNTY JOINT AIRPORT BOARD

Regular Meeting

Wednesday, August 26, 2020 at 8:30 a.m.

Hill Country Youth Event Center

3785 TX Highway 27

Kerrville, Texas 78028

MEMBERS PRESENT:

Mark Mosier, President

Jim Mans, Vice President

Stephen Schmerbeck

Trey Atkission

MEMBERS ABSENT:

Keith Miller

AIRPORT BOARD STAFF PRESENT:

Mary Rohrer, Airport Manager

VISITORS:

Jonathan Letz, County Commissioner

Judy Eychner, City Council Member

EA Hoppe, Deputy City Manager

James Robles, County Auditor's Office

Joe Kennedy

Scott Schellhase

Matt Christiansen

Dee Christiansen

I-N-D-E-X

NO.		PAGE
1.	VISTOR'S FORUM	3
2.	KERRVILLE-KERR COUNTY JOINT AIRPORT BOARD MEMBER FORUM	3
3.	CONSENT AGENDA	3
	3 A. Approval of the Board Minutes for June 24, 2020 Meetings	3
4.	DISCUSSION AND POSSIBLE ACTION	
	4 A. Monthly Financials for July 22, 2020	3
	4 B. Monthly update from Kerrville Aviation	3
	4 C. Presentation of proposed hangar project	3
	4 D. Interlocal Agreement and Financial Management Policies	3
	4 E. Strategic Plan Update	3
	4 F. TxDOT T-hangar Project	3
	4G. General Update	
	1. July 30, 2020 Storm Damage Repair status	3
	2. FY 2020 Projects Updates	3
	3. Leasing Update	3
5	ADJOURNMENT	3

CALL TO ORDER

1. VISTORS FORUM:

None

2. KERRVILLE-KERR COUNTY JOINT AIRPORT BOARD MEMBER FORUM:

Mary Rohrer, Airport Manager reported to the Board the FAA Facilities Directory will be updated to reflect Runway 12/30 to be the Common Runway. The directory will be published in mid -September. Until that time she will add an announcement on the AWOS.

Mark Mosier, President of the Airport Board thanked all those present on site after the wind storm for their help.

Mary Rohrer reminded everyone of the October 9, 2020 Strategic Plan Meeting.

3. CONSENT AGENDA

3 A. The Board approved the minutes for the July, 2020 meeting with a vote of 3-1.

4. DISCUSSION AND POSSIBLE ACTION

4A. The Board voted to accept the financial report for July 2020 with a vote of 4-0. (See handout 4A. 1-11)

4B. Monthly Update from Kerrville Aviation – Joe Kennedy - no action needed

4C. Presentation of Proposed hangar project – Matt Christiansen – Mr. Christiansen will submit a Letter of Intent to the Airport Board.

4D. Interlocal Agreement – Action taken – the items identified on the list will be prioritized and sent to the City and County Representatives for their review. A meeting will then be set up for these Representatives , Airport Board Members and Airport Manager to meet and discuss before the October 9th Airport Strategic Plan Meeting. (See handout 4D Financial Management Policies pages 1 -5)

4 E. Strategic Plan Update - Jim Mans - no action taken. (See handout 4E Financial Projections 1-3)

4 F. TxDOT T- Hangar Project - Mary Rohrer- no action taken (See handout 4F Construction Costs, Hangar Size and Number, and Rent 1-3).

4 G. General Update – Mary Rohrer

1. July 30, 2020 Storm Damage Repair Status – no action needed (See handout 4G.1)
2. FY 2020 Projects Updates – no action needed (See handout 4G. 2 1-3)
3. Leasing Update – no action needed (See handout 4G. 3)

5. ADJOURNMENT

The Joint Airport Board adjourned the meeting at 11:03 am.

Kerrville-Kerr County Airport Financial Statements

KERRVILLE AIRPORT



For the month of August, 2020

auditor@co.kerr.tx.us

830-792-2236

BALANCE SHEET

AS OF: AUGUST 31ST, 2020

47 -Airport

ACCOUNT# TITLE

ASSETS

47-103-100	NOW ACCOUNT	626,810.77
47-103-117	DUE FROM FUND #17	0.00
47-103-150	OFFICIAL'S RECEIVABLE	0.00
47-103-200	INVESTMENTS	0.00
47-103-255	ACCOUNTS RECEIVABLE	0.00
47-103-260	INTERGOVERNMENTAL REC	0.00
47-103-265	LAND LEASES RECEIVABLE	0.00
47-103-300	TERMINAL LEASES RECEIVABLE	0.00
47-103-400	T-HANGER LEASES RECEIVABLE	0.00
47-103-604	VEHICLE RENT RECEIVABLE	0.00
47-103-605	STORAGE LEASE RECEIVABLE	0.00
47-103-610	FUEL FLOW RECEIVABLE	0.00
47-103-615	DEPOSITS RECEIVABLE	0.00
47-103-800	PREPAID INSURANCE	9,762.25
47-103-850	PREPAID EXPENSE	0.00
		<u>636,573.02</u>

TOTAL ASSETS

636,573.02

LIABILITIES

47-202-000	ACCOUNTS PAYABLE	0.00
47-202-050	UNEARNED REV LAND LEASES	0.00
47-202-055	UNEARNED REV T-HANGERS	0.00
47-202-060	UNEARNED REV TERMINAL LEASE	0.00
47-202-065	UNEARNED REV STORAGE	0.00
47-202-070	UNEARNED REV BRINKMAN	0.00
47-202-100	ACCRUED COMPENSATION	0.00
47-202-114	1994 BUILDING DEPOSITS	5,000.00
47-202-115	TERMINAL DEPOSITS	1,125.00
47-202-116	T-HANGER DEPOSITS	5,100.00
47-202-117	STORAGE DEPOSITS	0.00
47-202-118	BRINKMAN DEPOSIT	8,065.00
47-202-125	INTERGOVERNMENTAL PAYABLE	0.00
47-202-999	A/P CREDIT WITH VENDORS	0.00
47-207-090	DUE TO PAYROLL FUND	0.00
47-207-100	AIRPORT MANAGER SEVERANCE	0.00
47-207-150	RESERVE FOR T-HANGERS	0.00
47-207-200	DUE TO PAYROLL	0.00
47-207-201	DUE TO FICA	0.00
47-207-202	DUE TO GROUP INSURANCE	0.00
47-207-203	DUE TO RETIREMENT	0.00
47-207-204	DUE TO FED W/H	0.00
47-207-210	DUE TO CHILD SUPPORT	0.00
47-207-303	DUE TO METLIFE	0.00
47-207-502	DUE TO STANDARD INS DENTAL	0.00
47-207-503	DUE TO AVESIS	0.00
47-207-504	DUE TO AIRLIFE	0.00
47-207-505	DUE TO MUTUAL OF OMAHA VA	0.00
47-207-508	ING VOL LIFE	0.00

BALANCE SHEET

AS OF: AUGUST 31ST, 2020

47 -Airport

ACCOUNT#	TITLE	
47-207-509	DUE TO AIRLIFE	0.00
47-207-510	DUE TO AIREVAC	0.00
47-207-511	DUE TO NASA EMERGENT	0.00
47-207-513	DENTAL SELECT	0.00
47-207-514	VISION	0.00
47-207-516	BLUE CROSS BLUE SHIELD DENTAL	0.00
47-207-520	DUE TO VOL LIFE-MUT. OF OMAHA	0.00
47-207-521	SHORT TERM DISAB MUT.OF OMAHA	0.00
47-207-522	LONG-TERM DISAB MUT. OF OMAHA	0.00
	TOTAL LIABILITIES	<u>19,310.00</u>
EQUITY		
=====		
47-271-000	UNRESERVED FUND BALANCE	656,326.08
47-271-110	COMMITTED FUTURE CONSTRUCTION	0.00
47-271-111	PRIOR PER RESERVE FOR DEPOSITS	0.00
	TOTAL BEGINNING EQUITY	<u>656,326.08</u>
	TOTAL REVENUE	443,901.24
	TOTAL EXPENSES	<u>482,964.30</u>
	TOTAL REVENUE OVER/(UNDER) EXPENSES	(39,063.06)
	TOTAL EQUITY & REV. OVER/(UNDER) EXP.	<u>617,263.02</u>
	TOTAL LIABILITIES, EQUITY & REV.OVER/(UNDER) EXP.	636,573.02

 01 02 03 04 05 06 07 08 09 10 11 12 13 14 15 16 17 18 19 20 21 22 23 24 25 26 27 28 29 30 31 32 33 34 35 36 37 38 39 40 41 42 43 44 45 46 47 48 49 50 51 52 53 54 55 56 57 58 59 60 61 62 63 64 65 66 67 68 69 70 71 72 73 74 75 76 77 78 79 80 81 82 83 84 85 86 87 88 89 90 91 92 93 94 95 96 97 98 99 100

KERRVILLE-KERR COUNTY AIRPORT
STATEMENT OF REVENUES - BUDGET VS. ACTUAL
AS OF: AUGUST 31ST, 2020

47 -Airport

REVENUES	ORIGINAL BUDGET	CURRENT BUDGET	MONTHLY REVENUE	YEAR-TO-DATE REVENUE	PRIOR YEAR YEAR-TO-DATE	BUDGET REMAINING	% BUDGET REMAINING
<u>INTERGOVERNMENTAL REV.</u>							
47-300-602 KERR COUNTY CONTRIBUTION	0	0	0.00	0.00	0.00	0.00	0.00
47-300-603 CITY OF KERRVILLE CONTRIBUT	0	0	0.00	0.00	0.00	0.00	0.00
47-300-604 CARES ACT GRANT	0	0	0.00	0.00	0.00	0.00	0.00
47-300-606 TX DOT REIMBURSEMENT	0	0	0.00	0.00	0.00	0.00	0.00
TOTAL INTERGOVERNMENTAL REV.	0	0	0.00	0.00	0.00	0.00	0.00
<u>LEASE/RENTAL INCOME</u>							
47-325-301 LAND ONLY LEASES	161,301	161,301	14,369.94	174,141.30	149,004.80 (	12,840.30)	7.96-
47-325-401 LAND & STRUCTURE LEASES	0	0	0.00	0.00	0.00	0.00	0.00
47-325-601 BRINKMAN HANGER & OFFICE LE	92,687	92,687	7,365.96	91,344.62	66,953.25	1,342.38	1.45
47-325-602 TERMINAL LEASES	12,833	12,833	796.68	14,475.69	12,064.44 (	1,642.69)	12.80-
47-325-603 T-HANGAR LEASE	118,200	118,200	7,092.69	122,063.83	120,443.10 (	3,863.83)	3.27-
47-325-604 VEHICLE RENT SURCHARGE	3,576	3,576	234.65	2,309.03	3,189.49	1,266.97	35.43
47-325-605 STORAGE RENTAL	2,520	2,520	165.00	2,055.00	2,447.45	465.00	18.45
47-325-625 PARKING LOT LEASES	4,500	4,500	245.00	5,083.00	5,528.00 (	583.00)	12.96-
TOTAL LEASE/RENTAL INCOME	395,617	395,617	30,270.12	411,472.47	359,830.53 (	15,855.47)	4.01-
<u>FUEL SALES-AVIATION</u>							
47-350-601 FUEL FLOW FEES	33,000	33,000	4,712.94	32,143.68	30,705.67	856.32	2.59
47-350-602 OTHER	0	0	0.00	0.00	0.00	0.00	0.00
TOTAL FUEL SALES-AVIATION	33,000	33,000	4,712.94	32,143.68	30,705.67	856.32	2.59
<u>PROCEEDS</u>							
47-370-260 SURPLUS PROPERTY SALE	0	0	0.00	0.00	2,000.00	0.00	0.00
47-370-975 INSURANCE PROCEEDS	0	0	0.00	0.00	164,126.55	0.00	0.00
47-370-980 APPROPRIATED FUND BALANCE	0	0	0.00	0.00	0.00	0.00	0.00
TOTAL PROCEEDS	0	0	0.00	0.00	166,126.55	0.00	0.00
<u>MISCELLANEOUS</u>							
47-375-601 MISCELLANEOUS	0	0	0.00	0.00	890.24	0.00	0.00
TOTAL MISCELLANEOUS	0	0	0.00	0.00	890.24	0.00	0.00
<u>INTEREST INCOME</u>							
47-380-601 INTEREST INCOME	0	0	1.17	285.09	469.10 (	285.09)	0.00
TOTAL INTEREST INCOME	0	0	1.17	285.09	469.10 (	285.09)	0.00
<u>TOTAL REVENUES</u>							
TOTAL REVENUES	428,617	428,617	34,984.23	443,901.24	558,022.09 (	15,284.24)	3.57-

SEP 19 2020 08:27 AM KERR COUNTY AIRPORT STATEMENT OF REVENUES - BUDGET VS. ACTUAL AS OF: AUGUST 31ST, 2020

A

KERRVILLE-KERR COUNTY AIRPORT
 STATEMENT OF EXPENDITURES - BUDGET vs ACTUAL
 AS OF: AUGUST 31ST, 2020

47 -Airport
 SALARIES & BENEFITS

EXPENDITURES	ORIGINAL BUDGET	CURRENT BUDGET	MONTHLY EXPENDITURES	YEAR-TO-DATE EXP.+ ENCUMB.	PRIOR YEAR YEAR-TO-DATE	UNENCUMB. BALANCE	% BUDGET REMAINING
<u>SALARIES AND BENEFITS</u>							
47-700-100 TENTATIVE BENEFITS	0	0	0.00	0.00	0.00	0.00	0.00
47-700-101 Airport Manager	87,550	87,550	6,734.62	77,111.40	71,923.25	10,438.60	11.92
47-700-102 EXECUTIVE ASSISTANT PART TI	31,858	31,858	1,922.83	25,825.10	25,268.32	6,032.90	18.94
47-700-104 Airport Maintenance Staff	38,007	38,007	3,197.70	33,749.53	32,696.99	4,257.47	11.20
47-700-150 ACCRUED COMP TIME	0	0	0.00	0.00	0.00	0.00	0.00
47-700-201 FICA	12,042	12,042	903.82	10,424.08	9,906.24	1,617.92	13.44
47-700-202 GROUP INSURANCE	18,468	18,468	1,382.72	15,209.92	14,652.44	3,258.08	17.64
47-700-203 RETIREMENT	20,181	20,181	1,589.78	18,121.95	16,607.99	2,059.05	10.20
47-700-204 WORKMAN'S COMP	1,244	1,244	0.00	928.00	694.75	316.00	25.40
47-700-205 OVERTIME	0	0	0.00	0.00	0.00	0.00	0.00
47-700-206 BASIC LIFE	128	128	10.44	114.84	117.04	13.16	10.28
47-700-207 UNEMPLOYMENT INSURANCE	0	0	0.00	0.00	0.00	0.00	0.00
TOTAL SALARIES AND BENEFITS	209,478	209,478	15,741.91	181,484.82	171,867.02	27,993.18	13.36
TOTAL SALARIES & BENEFITS	209,478	209,478	15,741.91	181,484.82	171,867.02	27,993.18	13.36

KERRVILLE-KERR COUNTY AIRPORT
STATEMENT OF EXPENDITURES - BUDGET vs ACTUAL
AS OF: AUGUST 31ST, 2020

47 -Airport
AIRPORT

EXPENDITURES	ORIGINAL BUDGET	CURRENT BUDGET	MONTHLY EXPENDITURES	YEAR-TO-DATE EXP. + ENCUMB.	PRIOR YEAR YEAR-TO-DATE	UNENCUMB. BALANCE	% BUDGET REMAINING
<u>PERSONNEL</u>							
47-800-008 PROF. DVMT/TRAINING	6,000	6,000	0.00	3,246.73	4,359.13	2,753.27	45.89
TOTAL PERSONNEL	6,000	6,000	0.00	3,246.73	4,359.13	2,753.27	45.89
<u>SUPPLIES</u>							
47-800-101 OFFICE SUPPLIES	2,700	2,700	18.62	2,405.35	1,162.40	294.65	10.91
47-800-102 SMALL TOOLS & EQUIP	2,000	2,000	131.30	1,980.70	1,488.21	19.30	0.97
47-800-104 FUEL & OIL SUPPLIES	4,000	4,000	347.38	1,623.31	2,517.07	2,376.69	59.42
47-800-106 JANITORIAL SERVICES	6,800	6,800	486.00	4,964.34	1,365.44	1,835.66	27.00
47-800-110 LANDSCAPING	3,250	3,250	0.00	3,250.00	1,576.36	0.00	0.00
47-800-112 WEARING APPAREL	1,000	1,000	14.00	502.00	869.11	498.00	49.80
TOTAL SUPPLIES	19,750	19,750	997.30	14,725.70	8,978.59	5,024.30	25.44
<u>MAINTENANCE</u>							
47-800-200 LAND MAINT/MOWING CONTRACT	37,500	37,500	0.00	30,000.00	30,000.00	7,500.00	20.00
47-800-201 BUILDING & STRUCTURES REPAIR	1,500	1,500	0.00	0.00	9,529.43	1,500.00	100.00
47-800-202 BUILDING & STRUCTURE MAINT.	18,000	18,000	4,637.69	23,489.74	17,221.20	5,489.74	30.50
47-800-203 VEHICLE MAINTENANCE	2,500	2,500	0.00	2,500.00	1,363.97	0.00	0.00
47-800-205 AIRSIDE MAINTENANCE	6,000	6,000	2,910.61	5,073.33	1,597.56	926.67	15.44
47-800-215 STORM DAMAGE REPAIRS	150,655	150,655	15,804.88	150,654.88	0.00	0.46	0.00
TOTAL MAINTENANCE	216,155	216,155	23,353.18	211,717.95	59,712.16	4,437.39	2.05
<u>PROFESSIONAL SERVICES</u>							
47-800-302 PROPERTY INSURANCE	9,200	11,574	0.00	11,574.00	7,347.30	0.00	0.00
47-800-303 LIABILITY INSURANCE	750	750	0.00	646.00	658.00	104.00	13.87
47-800-305 EQUIPMENT RENTAL	2,700	2,700	342.85	2,254.69	1,785.25	445.31	16.49
47-800-307 MARKETING	5,600	4,020	0.00	76.08	1,991.64	3,944.09	98.11
47-800-311 LEGAL SERVICES	8,000	8,000	175.00	4,375.00	6,818.50	3,625.00	45.31
47-800-312 PROFESSIONAL SERVICES	15,000	16,580	0.00	16,579.83	9,450.00	0.00	0.00
TOTAL PROFESSIONAL SERVICES	41,250	43,624	517.85	35,505.60	28,050.69	8,118.40	18.61
<u>UTILITIES</u>							
47-800-401 Phone Service - Cell	1,300	1,300	132.87	1,143.95	1,290.72	156.05	12.00
47-800-404 WATER & SEWER	2,139	2,139	143.34	1,503.66	1,541.81	635.34	29.70
47-800-406 LIGHT AND POWER	18,400	18,400	1,520.39	15,991.71	14,557.58	2,408.29	13.09
47-800-503 DUES AND SUBSCRIPTION	1,200	1,200	375.00	537.50	437.50	662.50	55.21
TOTAL UTILITIES	23,039	23,039	2,171.60	19,176.82	17,827.61	3,862.18	16.76
<u>CAPITAL</u>							
47-800-508 RESERVE FOR CAPITAL	15,000	15,000	0.00	0.00	5,685.00	15,000.00	100.00
TOTAL CAPITAL	15,000	15,000	0.00	0.00	5,685.00	15,000.00	100.00
<u>CONTINGENCY</u>							
47-800-512 CONTINGENCY	30,800	28,426	1,651.03	9,873.03	2,255.00	18,552.97	65.27
TOTAL CONTINGENCY	30,800	28,426	1,651.03	9,873.03	2,255.00	18,552.97	65.27
TOTAL AIRPORT	351,994	351,994	28,690.96	294,245.83	126,868.18	57,748.51	16.41

KERRVILLE-KERR COUNTY AIRPORT
 STATEMENT OF EXPENDITURES - BUDGET vs ACTUAL
 AS OF: AUGUST 31ST, 2020

47 -Airport
 TERMINAL

EXPENDITURES	ORIGINAL BUDGET	CURRENT BUDGET	MONTHLY EXPENDITURES	YEAR-TO-DATE EXP. + ENCUMB.	PRIOR YEAR YEAR-TO-DATE	UNENCUMB. BALANCE	% BUDGET REMAINING
<u>UTILITIES</u>							
47-801-300 PHONE SERVICES	1,000	1,000	0.00	997.70	867.06	2.30	0.23
47-801-301 LIGHT & POWER	9,000	9,000	1,068.95	7,075.02	5,590.08	1,924.98	21.39
47-801-302 PROPANE GAS	4,000	4,000	0.00	2,161.56	1,582.65	1,838.44	45.96
47-801-303 WATER & SEWER	3,800	3,800	142.92	2,106.23	2,011.72	1,693.77	44.57
TOTAL UTILITIES	17,800	17,800	1,211.87	12,340.51	10,051.51	5,459.49	30.67
TOTAL TERMINAL	17,800	17,800	1,211.87	12,340.51	10,051.51	5,459.49	30.67
TOTAL EXPENDITURES	579,272	579,272	45,644.74	488,071.16	308,786.71	91,201.18	15.74
REVENUE OVER/(UNDER) EXPENDITURES	(150,655)	(150,655)	(10,660.51)	(44,169.92)	249,235.38	(106,485.42)	70.68

BALANCE SHEET

AS OF: AUGUST 31ST, 2020

48 -AIRPORT CAPITAL

ACCOUNT#	TITLE		
ASSETS			
=====			
48-103-100	NOW ACCOUNT	18,137.48	
48-103-110	INVESTMENTS	0.00	
48-103-115	ACCOUNTS RECEIVABLE-RAMP	0.00	
48-103-116	INTEREST RECEIVABLE	0.00	
48-103-117	DUE FROM FUND #17	0.00	
48-103-120	DUE FROM OTHER FUNDS	0.00	
48-103-125	CONSTRUCTION IN PROGRESS	0.00	
48-103-130	CASH RESTRICTED	0.00	
48-103-135	INTER GOV REC RESTRICTED	0.00	
48-103-155	ACCOUNTS RECEIVABLE	0.00	
			<u>18,137.48</u>
TOTAL ASSETS			18,137.48
=====			
LIABILITIES			
=====			
48-200-110	RETAINAGE PAYABLE	0.00	
48-200-120	LIABS PAYABLE FROM REC RESTR	0.00	
48-200-140	COK RAMP 2012-2013	0.00	
48-200-150	COUNTY TXDOT REIMB	0.00	
48-202-000	ACCOUNTS PAYABLE	0.00	
	TOTAL LIABILITIES		<u>0.00</u>
EQUITY			
=====			
48-271-000	UNRESERVED FUND BALANCE	56,740.11	
48-271-001	PRIOR PERIOD ADJUSTMENT	0.00	
	TOTAL BEGINNING EQUITY	56,740.11	
TOTAL REVENUE		97,147.73	
TOTAL EXPENSES		<u>135,750.36</u>	
TOTAL REVENUE OVER/(UNDER) EXPENSES		(38,602.63)	
TOTAL EQUITY & REV. OVER/(UNDER) EXP.			<u>18,137.48</u>
TOTAL LIABILITIES, EQUITY & REV.OVER/(UNDER) EXP.			18,137.48
=====			

KERRVILLE-KERR COUNTY AIRPORT
STATEMENT OF REVENUES - BUDGET VS. ACTUAL
AS OF: AUGUST 31ST, 2020

48 -AIRPORT CAPITAL

REVENUES	ORIGINAL BUDGET	CURRENT BUDGET	MONTHLY REVENUE	YEAR-TO-DATE REVENUE	PRIOR YEAR YEAR-TO-DATE	BUDGET REMAINING	% BUDGET REMAINING
<u>REIMBURSEMENTS</u>							
48-350-100 RAMP GRANT TX DOT MATCH	50,000	50,000	0.00	15,472.50	27,779.41	34,527.50	69.06
48-350-200 TX DOT REIMB T-HANGARS	600,000	600,000	6,560.36	6,560.36	0.00	593,439.64	98.91
TOTAL REIMBURSEMENTS	650,000	650,000	6,560.36	22,032.86	27,779.41	627,967.14	96.61
<u>INTERGOVERNMENTAL REV</u>							
48-351-100 KERR COUNTY RAMP GRANT MATC	25,000	25,000	0.00	25,000.00	25,000.00	0.00	0.00
48-351-101 CITY RAMP GRANT MATCH	25,000	25,000	0.00	25,000.00	25,000.00	0.00	0.00
48-351-102 KERR COUNTY PROJECT MATCH	0	0	0.00	0.00	0.00	0.00	0.00
48-351-103 KERRVILLE CITY PROJECT MATC	525,000	525,000	0.00	12,542.00	0.00	512,458.00	97.61
TOTAL INTERGOVERNMENTAL REV	575,000	575,000	0.00	62,542.00	50,000.00	512,458.00	89.12
<u>MISCELLANEOUS</u>							
48-375-601 MISCELLANEOUS	0	0	0.00	0.00	0.00	0.00	0.00
TOTAL MISCELLANEOUS	0	0	0.00	0.00	0.00	0.00	0.00
<u>GRANT REVENUE</u>							
48-400-100 CAPITAL GRANTS TX DOT	0	0	0.00	0.00	0.00	0.00	0.00
48-400-104 RAMP GRANT	0	0	0.00	0.00	0.00	0.00	0.00
TOTAL GRANT REVENUE	0	0	0.00	0.00	0.00	0.00	0.00
<u>OTHER REVENUE</u>							
48-360-100 INTEREST EARNINGS	0	0	0.11	30.87	68.34	30.87	0.00
TOTAL OTHER REVENUE	0	0	0.11	30.87	68.34	30.87	0.00
<u>TRANSFERS IN</u>							
48-390-610 TRANSFER IN	525,000	525,000	0.00	12,542.00	0.00	512,458.00	97.61
TOTAL TRANSFERS IN	525,000	525,000	0.00	12,542.00	0.00	512,458.00	97.61
TOTAL REVENUES	1,750,000	1,750,000	6,560.47	97,147.73	77,847.75	1,652,852.27	94.45

KERRVILLE-KERR COUNTY AIRPORT
STATEMENT OF EXPENDITURES - BUDGET vs ACTUAL
AS OF: AUGUST 31ST, 2020

48 -AIRPORT CAPITAL
Capital Outlay

EXPENDITURES	ORIGINAL BUDGET	CURRENT BUDGET	MONTHLY EXPENDITURES	YEAR-TO-DATE EXP. + ENCUMB.	PRIOR YEAR YEAR-TO-DATE	UNENCUMB. BALANCE	% BUDGET REMAINING
<u>AIRPORT CAPITAL</u>							
48-600-100 CAPITAL OUTLAY TX DOT	0	0	0.00	0.00	0.00	0.00	0.00
48-600-101 LAND	0	0	0.00	0.00	0.00	0.00	0.00
48-600-102 BLDGS & STRUCTURES	0	0	0.00	0.00	0.00	0.00	0.00
48-600-103 WATER SYSTEM IMPROVEMENTS	0	0	0.00	0.00	0.00	0.00	0.00
48-600-104 RAMP GRANT	100,000	100,000	24,597.60	92,672.66	58,067.05	7,327.34	7.33
48-600-105 DRAINAGE IMPROVEMENTS	0	0	0.00	0.00	0.00	0.00	0.00
48-600-106 GRANT MATCH T-HANGER 2019	0	0	0.00	0.00	0.00	0.00	0.00
48-600-107 TX DOT T-HANGER PORTION	600,000	600,000	0.00	0.00	0.00	600,000.00	100.00
48-600-108 RELOCATE 12/30 PARALLEL TAX	0	0	0.00	0.00	0.00	0.00	0.00
48-600-109 HORSESHOE BLDG IMPROVEMENT	550,000	550,000	3,840.00	18,574.00	0.00	531,426.00	96.62
48-600-110 MASTER PLAN	0	0	0.00	0.00	0.00	0.00	0.00
48-600-111 BOX HANGER CONSTRUCTION	200,000	200,000	0.00	0.00	0.00	200,000.00	100.00
48-600-112 CONTRACT SERVICES	0	0	0.00	0.00	0.00	0.00	0.00
48-600-113 INSTRUMENTS & APPARATUS	0	0	0.00	0.00	0.00	0.00	0.00
48-600-114 CROSSWIND RUNWAY	0	0	0.00	0.00	0.00	0.00	0.00
48-600-115 T-HANGER 10% MATCH/SITE PRE	300,000	300,000	0.00	10,350.00	0.00	289,650.00	96.55
48-600-116 MAINTENANCE BLDG RENOVATION	40,000	40,000	13,365.60	16,707.00	0.00	23,293.00	58.23
48-600-120 MOONEY ROOF PROJECT	0	0	0.00	0.00	0.00	0.00	0.00
TOTAL AIRPORT CAPITAL	1,790,000	1,790,000	41,803.20	138,303.66	58,067.05	1,651,696.34	92.27
TOTAL Capital Outlay	1,790,000	1,790,000	41,803.20	138,303.66	58,067.05	1,651,696.34	92.27
TOTAL EXPENDITURES	1,790,000	1,790,000	41,803.20	138,303.66	58,067.05	1,651,696.34	92.27
REVENUE OVER/(UNDER) EXPENDITURES	(40,000)	(40,000)	(35,242.73)	(41,155.93)	19,780.70	1,155.93	2.89-

Aug-20

	Month		YTD		Year Ended		Trailing		2020	
	Current	Prior Year	Delta	Current	Prior	Delta	9/30/2019	12 months	Budget	Delta
Revenues										
Leases	14,370	17,810	(3,440)	174,141	149,205	24,937	156,415	181,351	161,301	20,050
Brinkman	7,366	6,418	948	91,345	66,953	24,391	70,324	94,716	92,687	2,029
Terminal	797	1,749	(952)	14,476	12,064	2,411	12,501	14,912	12,833	2,079
T Hangar	7,093	12,975	(5,882)	122,064	120,443	1,621	118,668	120,289	118,200	2,089
Vehicle Rent	235	233	1	2,309	3,189	(880)	3,484	2,604	3,576	(972)
Storage Rent	165	475	(310)	2,055	2,447	(392)	2,507	2,115	2,520	(405)
Parking Lot Leases	245	750	(505)	5,083	5,528	(445)	5,668	5,223	4,500	723
Total Leases/Rental	30,270	40,410	(10,140)	411,472	359,831	51,642	369,568	421,209	395,617	25,592
Fuel Flow Fee	4,713	3,078	1,635	32,144	30,706	1,438	35,001	36,439	33,000	3,439
Miscellaneous		158,987	(158,987)	-	167,017	(167,017)	168,249	1,232	-	1,232
Interest Income	1	41	(40)	285	469	(184)	498	314	-	314
Total Revenues	34,984	202,517	(167,533)	443,901	558,022	(114,121)	573,315	459,194	428,617	30,577
Expenditures										
Airport Manager	6,735	6,538	(196)	77,111	71,923	(5,188)	82,068	87,256	87,550	294
Exec. Asst.	1,923	2,030	108	25,825	25,268	(557)	28,857	29,414	31,858	2,444
Maintenance Staff	3,198	2,995	(203)	33,750	32,697	(1,053)	37,264	38,317	38,007	(310)
FICA	904	882	(22)	10,424	9,906	(518)	11,301	11,819	12,042	223
Group Ins.	1,383	1,332	(51)	15,210	14,652	(557)	16,035	16,593	18,468	1,875
Retirement	1,590	1,482	(107)	18,122	16,608	(1,514)	18,122	19,636	20,181	545
Wcomp	-	-	-	928	695	(233)	695	928	1,244	316
Other	10	11	0	115	117	2	127	125	128	3
Total Salaries & Wages	15,742	15,271	(471)	181,485	171,867	(9,618)	194,470	204,088	209,478	5,390
Professional Develop.	-	129	129	3,247	4,359	1,112	5,335	4,222	6,000	1,778
Supplies	997	1,960	963	14,726	8,979	(5,747)	10,230	15,977	19,750	3,773
Mowing Contract	-	7,500	7,500	30,000	30,000	-	30,000	30,000	37,500	7,500
Maintenance	7,548	8,952	1,404	31,063	29,712	(1,351)	39,119	40,470	28,000	(12,470)
Storm Damage Repairs	15,805		(15,805)	150,655	-	(150,655)		150,655	150,655	0
Professional Services	175	450	275	20,955	16,269	(4,686)	17,194	21,880	23,000	1,120
Other	343	157	(186)	14,551	11,782	(2,769)	14,900	17,669	18,250	581
Utilities	2,172	(126)	(2,298)	19,177	17,828	(1,349)	21,546	22,895	23,039	144
Utilities - Terminal	1,212	478	(734)	12,341	10,052	(2,289)	14,018	16,307	17,800	1,493
Contingency	1,651	1,145	(506)	9,873	2,255	(7,618)	3,692	11,310	30,800	19,490
Other Operating Costs	29,903	20,645	(9,258)	306,586	131,235	(175,352)	156,033	331,385	354,794	23,409
Net Operating	(10,661)	166,601	(177,262)	(44,170)	254,920	(299,090)	222,812	(76,279)	(135,655)	59,376
Capital Items	-	4,540	4,540	-	5,685	5,685	4,540	(1,145)	15,000	16,145
Intergovernmental	-	-	-	-	-	-	-	-	-	-
Net Operating Results	(10,661)	162,062	(172,722)	(44,170)	249,235	(293,405)	218,272	(75,134)	(150,655)	75,521
Operating Cash	626,811	699,691	(72,880)							



Kerrville

KERRVILLE, TEXAS 78028 • 830.257.8000 • KERRVILLETX.GOV

September 18, 2020

Ross Dunagan
Owner
Flyin Diesel Performance
1994 Airport loop
Kerrville, TX. 78028

I have reviewed the Covid-19 prevention plan with our emergency preparedness personnel for the Airport Race. We believe the plan follows COVID-19 best practices set forth by the State of Texas and the Center for Disease Control and Prevention. Therefore, I hereby approve moving forward with the race at 1877 Airport Loop, Kerrville, Texas, on October 3, 2020, at 08:00 AM.

Best Wishes,


Bill Blackburn, Mayor

Mary Rohrer

From: Ross Dunagan <ross.flyindiesel@gmail.com>
Sent: Thursday, September 17, 2020 11:34 AM
To: Mary Rohrer
Subject: Fwd: Racing Event
Attachments: Airport Race Proposal FDP.docx

----- Forwarded message -----

From: Ross Dunagan <ross.flyindiesel@gmail.com>
Date: Tue, Sep 15, 2020 at 4:19 PM
Subject: Re: Racing Event
To: Rob Kelly <rob@rkellylaw.com>

Rob,

I have attached the proposal that I had sent the airport for the general description of the event. With response to COVID we will have social distancing guidelines in effect as well any mask for anyone that would like one. Spectators and racers are highly encouraged to social distance throughout the entire event. I will be posting a video about this on the event page on Facebook as well as my staff will be encouraging social distancing while handing out tickets at the front gate. The back of the airport has a VERY LARGE area to be able to social distance without any issues. Signs will also be posted at the front gate encouraging this as well. Im not sure what else we can do to help this issue but we are happy to do what is needed to make this event happen.

Thank you for your time!

Ross Dunagan
Flyin Diesel Performance
830-214-7778
830-285-6195

On Mon, Sep 14, 2020 at 12:21 PM Rob Kelly <rob@rkellylaw.com> wrote:
Ross

Something's come up and I'll be out of the office in the morning. Just e-mail the general description of your planned event along with a COVID safety plan and I'll review and get it back to you asap.

Thanks, Rob

--
Ross Dunagan
Owner
Flyin Diesel Performance
830-214-7778

Event Proposal for:

Flyin Diesel Performance

Race Day

Dear Airport Board,

On behalf of Flyin Diesel Performance, who currently rents the building located at 1994 Airport Loop, I (Ross Dunagan) would like offer a proposal to host a race event held on the airport grounds. I have met with the Airport Manager and we have discussed an area on your facility that might suite our needs, as well as maintain a safe environment. I have outlined below the location we have discussed to hold this event, what all legal services—documents and insurance we will provide, security, EMS, and all other aspects that will be needed to make this event work as flawlessly as possible. We feel that this is a great family style event that will attract many families and racers from not only Kerrville, but from surrounding counties and cities. With that we feel that the economic impact, while small, would bring hotels and restaurants within the city extra business from the attendees who will be traveling from out of town. With this event we plan to have an estimated 300 spectators and approximately 50-60 racers. We have reached out through different social media avenues to gauge the kind of interest that an event like this would bring. While not offering a specific location, only the concept of the event itself, we have received a high volume of interest from both excited spectators and racers for this style of event. Automotive racing is something that we at Flyin Diesel Performance are passionate about; we share this passion with a tight knit community of racers as well as spectators. We are excited at the prospect of providing an opportunity to gather our community as well as newcomers to the sport to enjoy a day full of fun and exhilarating action for both racers and spectators. I look forward to discussing this opportunity with you all more, and will be happy to answer any questions you may have either in person or over the phone. My contact information is provided below.

- **Insurance**

Flyin Diesel Performance will provide Event Insurance through a local agency here in Kerrville. This type of insurance is geared towards these styles of events and protects the interest of the Kerrville/Kerr County Airport. We will provide the Airport Manager a copy of this policy for your review, and so that everyone is aware of what the coverage will be. If any changes need to be made we will need to be notified 30 days prior to the event date so that we have ample time to make the proper changes.

- **Security**

For the safety of all involved, as well as spectating, we feel that a police presence will aide in a safe and enjoyable experience for all who attend. We will work with Kerrville Police Department and employ 3 officers from the time the event starts until the closing of the event. We feel that this will only aid in the safety of all attendee's as well as provide quick response and resolution to any problems should their services be needed. In addition to the police presence security we will have the event area taped off, and access past the event perimeter will be prohibited to ensure the separation of the event area to the continued operation of the rest of the airport grounds. I have provided a visual for the area that will be taped off for the event perimeter in the aerial map included at the end of the proposal.

- **Medical**

We plan on working with Kerrville Fire Department to have EMS on staff from the time racing starts until it ends. We want to ensure the safety of all drivers, and have medical staff on site if a problem should arise from a crash, medical condition, and/or fire. Again, we feel that the presence of these types of professionals will help us provide a safe and fun race environment from spectators to racers.

- **Pavement Preservation**

I as well as Montana Martin, from Sealcoat specialist, will be on site the day of, as well as the following day, to address any concerns regarding the pavement of the runway that might arise from an accident, spill, ect. I have previously worked with asphalt before pursuing the diesel repair business, and also have maintained a great working relationship with Montana over the years. I feel that with Mr. Martin's experience in the work he has done on the runway in the past that he would be a great asset to the staff on site to ensure the runway maintains a safe takeoff and landing area for planes. We intend to maintain the quality of the runway as it is provided to us from the beginning of this event to the end.

- **Waiver**

Before anyone is allowed to enter the airport grounds we will have, at the gate, a waiver that every individual entering the premises will be required to sign. We will provide a copy of this waiver to the Airport Manger so that it can be reviewed, and any changes be made before the event. We want to ensure that the airport property and staff as well as our staff and company will be free from liability.

- **Restrooms and Trash**

We plan on hiring a company to put up portable restrooms as well as 50 trash cans on site. It is important to us to keep a clean environment for this event, as well as maintain the quality of the grounds for the safety of the airport staff and pilots. We do know that not all trash ends up where it should, so my team and I will be diligent to gather all loose trash at the end of the event.

I have included an aerial map of the site where the Airport Manager and I have discussed traffic flow, parking, and race area. If any further questions are needed please call or email me, and I will be happy to discuss any question or concerns you may have. Thank you for taking the time to review this proposal. We look forward to working with you.

Ross Dunagan

Flyin Diesel Performance

830-214-7778 or 830-285-6195

Ross.flyindiesel@gmail.com

**RESTATED INTERLOCAL AGREEMENT FOR THE
CONTINUED EXISTENCE OF A
JOINT AIRPORT BOARD TO PROVIDE MANAGEMENT
OF KERRVILLE/KERR COUNTY AIRPORT**

This amended and restated Joint Action Agreement ("Agreement"), pursuant to Chapter 22 of the Texas Transportation Code, is entered into between Kerr County, Texas ("County") and the City of Kerrville, Texas ("City"), also referred to individually as "Party", or collectively as "Parties", on the ____ day of ____, 2020.

WHEREAS, County and City jointly own the real property upon which is located the Kerrville/Kerr County Airport, sometimes referred to as Louis Schreiner Field ("Airport"); and,

WHEREAS, County and City find that it is in the best interests of the citizens of County and City for the Airport to continue to be managed by a Joint Airport Board pursuant to the Code; and

WHEREAS, County and City are desirous of the continuous operation of the Airport in an effective manner; and

NOW, THEREFORE, in consideration of these promises, covenants, and agreements, the Parties agree as follows:

1. **Duration of Agreement**: This Agreement shall be effective as of October __, 2020 and remain in effect until October __, 2030 or terminated as described in Section 8 below.
2. **Proportionate Interest in Airport Property**: Each Party owns an equal, undivided interest in the real property as depicted in **Exhibit A**, along with all structures, fixtures, and other assets purchased or otherwise acquired by the Airport Board.
3. **Joint Airport Board**: The Parties affirm the creation and continued existence of the Joint Airport Board ("Board"). The Board shall consist and operate as follows:
 - (a) **Membership**. The Board shall be comprised of five members. The approval by each Party is required to constitute an appointment to the Board.
 - (b) **Term of Office**. Each Board member shall be appointed for a five-year term and shall continue to serve in this capacity until their successor is appointed and is duly qualified.

In an effort to increase efficiency and promote good governance of the Board, the positions of the Board are staggered so that one position will expire each year. This will be initially accomplished as follows and as shown on Exhibit B:

- 1) Place 1 – current term to expire May 31, 2023;
- 2) Place 2 – current term to expire May 31, 2024;
- 3) Place 3 – current term to expire May 31, 2025;
- 4) Place 4 – current term to expire May 31, 2021;
- 5) Place 5 – current term to expire May 31, 2022;

Each “current term” specified above shall count as a single, 5-year term. Upon the death of any member or should any member resign or for any reason become unable to serve, a replacement to fill the vacancy for the unexpired term shall be appointed in the same manner as provided below.

(c) Appointment. The process for appointment by action of each Party shall be as designated below:

- 1) The Board shall recommend persons to the County and City for consideration of appointment. The Board shall submit the names of such persons to each Party at least 60 days prior to the end of the particular place’s term. In the event that a candidate recommended by the Board is not appointed by either Party, the Board shall recommend an alternative candidate. In the event that this second candidate is not appointed by either Party, the Board shall select another candidate who will be automatically appointed to the Board without the approval of the Parties.
- 2) It is deemed desirable that all Board members possess and will contribute a balance of expertise in business, financial, aviation, or management training and experience. Appointments shall be made on or before June 1 of each year.
- 3) Replacement of members shall be in the same manner and under the same qualification as described above.
- 4) Any Board member may be removed by a majority vote of each Party, for any reason. In addition, the Board may recommend to the County and City that a Board member be removed.
- 5) Board members shall be eligible for reappointment, if they are filling a term that was vacated early and are prohibited from serving more than 8 (eight) consecutive years.

(d) Oath. Following appointment, each Board member shall qualify for office by taking the required oath of office before the County Judge.

(e) Officers: The Board shall appoint a President and Vice President who shall be selected from the Board's membership. The term for the President shall be for two years.

(f) Compensation: Service on the Board is without compensation. However, each Board member is entitled to reimbursement for necessary expenses incurred in the performance of his/her duties as a Board member.

(g) Authority, Powers, and Duties: The Board shall have the following authority, powers and duties:

1) The Board may exercise on behalf of the Parties any power possessed by either Party and those specifically provided by the Kerrville/Kerr County Airport Code ("Airport Code") dated June 27, 2018 as exists and may be amended from time to time, including the power to lease property and facilities, and to buy and sell goods as an incident to the operation of the Airport.

2) The Board is not authorized to impose a property tax, sell bonds, or otherwise enter into other debt instruments, dispose of Airport property, or exercise the power of eminent domain without the prior written consent of each Party.

3) The Board, following the prior written consent of each Party, has the authority to apply for and to execute grant funding agreements.

4) The Board may improve, equip, maintain, operate, manage, regulate, and protect the Airport.

5) The Board may realign, alter, acquire, abandon, or close a portion of a roadway or alleyway without a showing of paramount importance if the portions to be realigned, altered, abandoned, or closed are in the geographical boundaries of the Airport at the time of or after the realignment, alteration, acquisition, abandonment, or closing.

6) The Board shall have the responsibility and be in charge of the property, improvements, and other assets of the Airport and shall be in charge of the disbursement of Airport funds for Airport purposes, and pursuant to the approved Board Budget. The Board shall also cause records to be kept of any and all revenues and disbursements.

7) The Board shall cause two funds for accounting purposes. One fund will consist of all accounts and transactions relative to Airport operations and the other fund will consist of all capital items relative to the Airport. See separate Airport Financial Management Policies.

8) The Board shall have an audit of the financial affairs of the Board and its operation of the Airport conducted each year by an independent accountant and shall furnish the audit to each Party no later than February 28 of each year.

9) The Board shall ensure that records regarding the operation of the Airport including the minutes of the Board meetings, are maintained, retained, and made available for public review in accordance with the Texas Public Information Act. Records shall be maintained at the Airport.

10) The Board shall hire and employ an Airport Manager ("Manager") and such other employees as are necessary for the operation of the Airport. The Board shall develop a written job description for the Manager and shall review Manager's performance annually.

11) The Board, through its Manager and any other employees, shall be responsible for the day-to-day management of the Airport. Toward that end, the Board is authorized to enter into service contracts with other public or private entities, but where such a contract exceeds \$75,000.00; both Parties must approve the contract.

12) The Board may adopt resolutions, rules, and orders for the operation of the Airport.

13) The Board may lease Airport property and may adopt fees and rental rates with respect to the use of Airport services or use of Airport property. Revenues for such fees and rates shall be included within the Board Budget.

14) The Parties acknowledge that the Airport property is within the City's limits and is subject to the City's regulations and that land adjacent to the Airport but outside of the City limits is subject to the adoption, administration, and enforcement by the County. The Board shall use its best efforts to monitor and consider appropriate zoning for the Airport and the immediately surrounding areas whose use may impact Airport operations.

15) The Board adopts Kerr County policies and procedures for the purchase of goods and services and for the accounting of the Airport's finances, each in accordance with state law.

16) Insurance is provided by the parties with the City providing liability insurance and the County providing property insurance. The Board may insure itself, its contractors, and subcontractors against liability arising from the operation of the Airport for damages to the person or property of others, worker's compensation, directors and officers liability, and employees liability. The insurance may consist of self-insurance and/or purchased insurance.

17) The Board is prohibited from giving, leasing, or otherwise allowing the use of any part of the Airport for no value, without first having received approval from both Parties.

18) The Board shall comply with the Airport Code and other federal, state laws and local laws in all respects.

(h) Meetings: The Board shall meet on dates and times as agreed upon by the Board, which schedule may be changed from time to time; however in no event shall the Board meet less frequently than once per calendar quarter. The President of the Board or any two Board members shall have the authority to call a meeting. All such meetings of the Board shall be held in accordance with the Texas Open Meetings Act and three members of the Board shall constitute a quorum of the Board. The Board shall make its own rules of order, by-laws, set the time and place for regular meetings, and shall keep minutes of its meetings.

(i) Fiscal year: The Board shall observe a fiscal year that begins each October 1 and ends September 30.

(j) Litigation: The Board shall not enter into litigation of any kind without prior approval from both Parties. However, the Board may provide an appropriate response to a lawsuit or claim filed against it in an effort to protect its rights and defenses prior to any approval from both Parties.

4. **Board Budget**: The Board is responsible for the operations and needs of the Airport and shall develop a budget for Airport operations ("Board Budget") to be approved by both Parties. The Board Budget shall consist of revenues ("Revenues") from lease income and fees imposed, and maintenance and operations expenses ("Expenses"). In addition, the Board shall include as an addendum to the Board Budget a description and discussion of, at a minimum, proposed capital improvements looking forward 5 years.

The Board shall submit and present the Board Budget to the County and the City for approval. Should either Party not approve the Board Budget, the previous year's Board Budget shall be automatically adopted for the upcoming year.

(a) Submission Required: The Board shall submit the Board Budget to both Parties not later than June 1st of each year for Parties' consideration no later than September 30 of each year.

(b) Content and Format. The Board Budget shall substantially conform to the format and line item content as specified and depicted in **Exhibit C** and in accordance with the following:

1. Where Expenses exceed Revenue; the Board shall seek contributions from the Parties as provided in Paragraph 5.

2. In no case shall contingency funds exceed 10% of the annual amount budgeted for Expenses.

(c) Excess Spending. The Board shall not spend nor incur obligations which at any time will exceed the Board Budget approved and adopted by the County and City for that current fiscal year, except for an emergency expenditure, which is declared by the Board President. An "emergency expenditure" is defined as an expenditure necessary for the immediate preservation of the public peace, property, health, or safety. Prior to or immediately following such expenditure, the Board President shall notify the County Judge and Mayor in writing of the declared emergency expenditure.

(d) Movement between Funds. Concerning Expenses, the Board is authorized to move budgeted funds between individual line items. However, in no event shall the individual budgeted funds being moved exceed 5% of the total Board Budget for that fiscal year period.

(e) Airport Revenues. The Board shall use Revenues generated by operation of the Airport only for Airport purposes.

5. **County and City Funding**: To assure the objective of the continuation of efficient Airport operations, each Party is obligated to the other Party to contribute funds as follows:

(a) Maintenance and Operations. The County and City shall each fund on a fiscal year basis one-half (1/2) of Expenses in excess of the Airport Revenues.

(b) Capital Improvements. The County and City shall be equally responsible for capital improvements budget. On an annual basis as part of the draft Board Budget review process, both Parties must review proposed capital improvement projects.

(c) Schedule of Payments. Pursuant to the Board Budget and the amount of each Party's contributions, each Party shall forward no less than 12 equal monthly payments to the Board in the amount of 1/12th of their total contribution on or before the 15th day of each month, or to be paid in one single amount as determined by the Parties, or as needed.

6. **Airport Annual Meeting**: Annually, the Board shall meet with the Parties to present updates to the Airport Strategic Plan, including but not limited to information regarding the operations of the Airport and its finances.

7. **Amendment**: This Agreement may only be amended by written agreement of the Parties.

8. **Termination of Agreement**: Either party may terminate the Agreement for any reason by giving the other Party no less than one hundred and eighty (180) days written notice.

9. **Notices**: Any notice required or permitted to be given pursuant to this Agreement or under the laws of this state shall be given in writing and may be given via the United States

Postal Service, certified mail, or commercial courier service, addressed to the applicable Party at the address set forth below:

City: City of Kerrville
Attention: City Manager
City Hall
701 Main Street
Kerrville, TX 78028

County: County of Kerr
Attention: County Judge
Kerr County Courthouse
700 Main Street
Kerrville, TX 78028

Board: Joint Airport Board
Attention: President
Kerrville/Kerr County Airport
1877 Airport Loop Road
Kerrville, TX 78028

10. Governing Law and Venue: This Agreement and all of the transactions contemplated herein shall be governed by and construed in accordance with the laws of the State of Texas. Venue for any cause of action shall be in a court of competent jurisdiction in Kerr County, Texas.

11. Severability: If any provision of this Agreement is invalid or unenforceable, this Agreement shall be considered severable as to such provision, and the remainder of this Agreement shall remain valid and binding as though such invalid or unenforceable provision was not included.

12. Captions: Section headings are inserted herein only as a matter of convenience and for reference, and in no way defines, limits, or describes the scope or intent to any provision.

13. Use of Language: Words of any gender used in this Agreement shall be held and construed to include any other gender, and words in the singular shall be held to include the plural, unless the context otherwise requires.

14. Entire Agreement: This Agreement embodies the entire agreement between the Parties, and supersedes all prior agreements and understandings, whether written or oral, and all contemporaneous oral agreements and understandings relating to the subject matter. This Agreement shall not be amended, discharged or extended, except by written instrument executed by the Parties. The Parties agree that no representations or warranties shall be binding upon either Party unless expressed in writing in the Agreement.

15. Multiple Counterparts: This Agreement may be executed in multiple counterparts, each of which constitutes an original.

IN WITNESS WHEREOF, the Parties hereto have caused this Agreement to be legally executed this _____ day of _____, 20__

CITY OF KERRVILLE

COUNTY OF KERR, TEXAS

By: _____
Bill Blackburn, Mayor

By: _____
Rob Kelly, County Judge

ATTEST:

ATTEST:

Shelly McElhannon, City Secretary

Jackie Dowdy, County Clerk

APPROVED AS TO FORM:

APPROVED AS TO FORM:

Michael C. Hayes, City Attorney

Heather Stebbins, County Attorney

EXHIBIT A Property Depiction

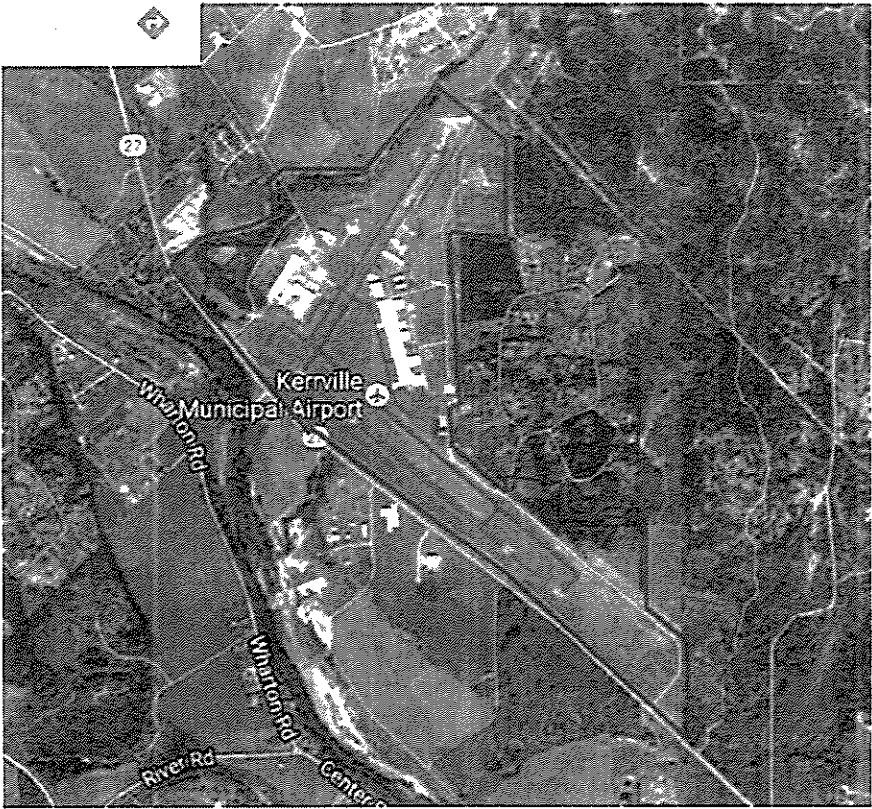


EXHIBIT B Joint Airport Board Member Terms

Joint Airport Member Terms and Expiration Dates		
Place 1	Current Term to expire 5/31/2023	5 Year Term
Place 2	Current Term to expire 5/31/2024	5 Year Term
Place 3	Current Term to expire 5/31/2025	5 year Term
Place 4	Current Term to expire 5/31/2021	5 Year Term
Place 5	Current Term to expire 5/31/2022	5 Year Term

EXHIBIT C
Budget Format Example

ITEM
4E.2

**KERRVILLE/KERR COUNTY AIRPORT
FINANCIAL MANAGEMENT POLICIES
EFFECTIVE OCTOBER 1, 2020**

ACCOUNTING AND FINANCIAL REPORTING

A. Accounting Basis

The accounting, reporting and budgeting policies of the Airport Board conform to U. S. generally accepted accounting principles ("GAAP") applicable to government organizations.

The Airport Operating fund will use the modified accrual basis of accounting. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Expenditures generally are recorded when a liability is incurred, as under accrual accounting.

B. Chart of Accounts

The Airport board and/or its financial service provider(s) will use a chart of accounts that substantially conforms to the format and line item content as specified and depicted in Exhibit C of the 2020 Interlocal agreement.

C. Monthly Financial Reports

Monthly reports shall be prepared comparing expenditures and revenues to current budget, for the month and fiscal year-to-date. Financial Reports will be provided to all Board Members, Airport Manager, City Council members, and Kerr County Commissioners.

D. Accounts Payable

The Accounts Payable process must utilize an approval process for all purchases or withdrawals. In order to ensure adequate internal control, requisitions or purchase orders must be processed through a secondary party such as the Airport Board's financial services provider.

E. Revenue Collections

The Airport Manager and/or the Airport Board's financial services provider shall maintain high collection rates for all Airport revenues by monitoring monthly receivables. They shall follow an aggressive, consistent, yet reasonable approach to collecting revenues to the fullest extent allowed by law for all delinquent lessees and others overdue in payments.

BUDGET DEVELOPMENT

A. Preparation and Adoption

The Airport Manager shall propose a base budget adequate to fund continued operations and maintenance of the airport for the ensuing fiscal year no later than the regularly scheduled Airport Board meeting in April of each year. The budget should include detailed revenues, expenditures, and proposed contribution requests to the airport's owners.

The budget should be presented with the five year fiscal forecast and the five year capital improvement plan. Funding for Capital Improvement Projects is separate from funding for annual operating costs, and as a result, a separate contribution should be indicated and split evenly between the owners for these projects.

B. Balanced Budget

The Airport Board budget should be structurally balanced, whereas, recurring revenues are equal to or more than recurring expenditures.

C. Use of Non-Recurring Revenues

Non-recurring revenue sources, such as a one-time revenue remittance, should only be budgeted to fund non-recurring expenditures, such as capital purchases or capital improvement projects (CIP). Non-recurring revenue sources may be used to offset normal expenditures in the event of financial distress, but this should not be a common procedure so as to ensure that recurring expenditures are not funded by non-recurring sources.

OPERATING FUND BALANCE

A. Contingency

The Airport's operating fund will maintain a minimum fund balance at a level of three to six months of budgeted operations and maintenance expenditures.

Such minimum fund balance should be used for emergency purposes only, and should be replenished back to the minimum level as soon as reasonably possible.

B. Reserves

In addition to the contingency amount in A. Contingency above, the Airport will maintain an operating fund balance sufficient to provide for all unpaid and unbudgeted operating and maintenance obligations, commitments and liabilities of the airport.

C. Use of Fund Balance

Any remaining balance in the operating fund balance (after contingency and reserves) should be used to offset that year's proposed contribution request from the airport owners (see Budget Development). A calculation of the remaining balance shall be prepared in connection with the annual budget process. An example is attached as Exhibit A.

Where possible, any remaining balance will be used to fund nonrecurring expenses.

PURCHASING

A. Purchasing Authority

The Airport Manager shall make every effort to maximize any discounts offered by creditors/vendors. The Airport Manager will follow state law concerning the amount of the purchase requiring formal bidding procedures and approval by the Airport Board. For purchases where competitive bidding is not required, the Airport Manager shall obtain the most favorable terms and pricing possible

B. Purchasing thresholds

The purchasing agent for the Airport shall have purchasing power without Airport Board approval up to \$20,000.

CAPITAL ASSETS

A. Capitalization Threshold for Tangible Capital Assets.

1. Tangible capital items should be capitalized only if they have an estimated useful life of at least two (2) years following the date of acquisition or significantly extend the useful life of the existing asset and cannot be consumed, unduly altered, or materially reduced in value immediately by use and has a cost of not less than \$5,000 for any individual item.
2. A capitalization threshold of \$5,000 will be applied to individual items rather than to a group of similar items (i.e. desks, chairs, etc.).
3. Computer software, regardless of cost, will not be capitalized.

B. Five-Year Capital Improvement Plan (CIP)

1. The Airport Manager shall annually prepare a five-year Capital Improvement Plan based on the needs for capital improvements and equipment, the status of the Airport's infrastructure, replacement and renovation needs, and potential new projects. Capital projects are improvements or additions to the Airport's physical plant/facilities and become part of the Airport's asset inventory. Capital projects can be further categorized into land, buildings, improvements other than buildings, and infrastructure, which includes roads, sidewalks, bridges, utility lines, etc. Capital costs typically consist of preliminary design, final design, construction, and may involve the acquisition of land or easements. For every project identified in the plan, a project scope and project justification will be provided. Also, project costs shall be estimated, funding sources identified, and annual operation and maintenance costs computed.
2. The Airport Manager is charged with recommending a Capital Improvement Plan to the Airport Board. The Five-Year Capital Improvement Plan shall be filed and adopted with the annual budget.

GRANTS

A. Grant Guidelines

1. The Airport Manager shall apply and facilitate the application for those grants that are consistent with the objectives and high priority needs identified by Airport Board.
2. Grant funding will be considered to leverage Airport funds. Inconsistent and/or fluctuating grants should not be used to fund on-going programs.
3. The potential for incurring on-going costs, to include assumptions of support for grant-funded positions from local revenues, will be considered prior to applying for a grant.
4. Unless otherwise specified, grant funds will be considered to be expended first in a project, followed by Airport funds.

B. Grant Review

1. All grant submittals shall be reviewed for cash match requirements, potential impact on the operating budget, and the extent to which they meet the Airport Board's goals. If there is a cash match requirement, the sources of funding shall be identified and confirmed prior to application.
2. The Airport Manager shall approve all grant submissions and Airport Board shall approve all grant acceptances over \$25,000 and any grant acceptance no matter the dollar amount if a budget adjustment is required.

EXHIBIT A
 KERRVILLE/KERR COUNTY AIRPORT BOARD
 AIRPORT BOARD FINANCIAL MANAGEMENT POLICIES
 EXAMPLE RESERVE CALCULATION
 Year Ended September 30, 2021

0923 2020

Item

A	CONTINGENCY	\$	225,000
	<i>Six months of \$450k Budgeted Annual Expenditure</i>		

B Reserves

Terminal HVAC Replacement	\$	33,000
---------------------------	----	--------

Subtotal	\$	258,000
----------	----	---------

OPERATING FUND BALANCE, June 2020	\$	593,136
-----------------------------------	----	---------

Remaining balance	\$	335,136
-------------------	----	---------



Kerrville/Kerr County Airport
Mary Rohrer, Airport Manager
1877 Airport Loop
Kerrville, TX 78028
mrohrer@kerrvilleairport.com

DATE: September 23, 2020

TO: Mark Mosier, Jim Mans, Keith Miller, Trey Atkisson, and Stephen Schmerbeck

CC: Bill Wood, Scott Schellhase, Tom Moser, Jonathan Letz, Judy Eychner, Gary Cochran, EA Hoppe

RE: TxDOT T Hangar Project Update- Agenda Item 4F.1

Below are construction estimates from JK Bernhard, local Kerr County contractor, compared with delivery methods and return with TxDOT/Garver construction estimates.

A. Ten T hangars, JK Bernhard constructs without the use of TxDOT/FAA funding. Kevin Bernhard visited the site and the numbers below include value engineering to shift the T hangar towards Taxiway D, which saves costs of grading and paving.

Number of units=	10 units
Construction Costs=	\$1,060,000
Cost per unit=	\$106,000/unit
Estimated SF of lease space=	12,000 sf
Annual rent per sf=	\$4.00/ sf (about \$400/month per unit)
Total Income=	\$48,000 per year
Years for payback=	22 years

B. Telephone conference call, on September 14, 2020 with Garver and TxDOT. High level discussion to design hangars that are within the TxDOT/FAA mandates and within the approved budget of \$900,000. That is \$600,000 with TxDOT grant and \$300,000 Airport.

Suggested solution, 4 row hangars, one sided boxes and shift of hangars towards Taxiway D. No formal work on this scenario has been authorized by TxDOT or Airport.

Number of units=	4 units
Total Construction Costs=	\$1,056,000-\$150,000=\$906,000
Share of Cost by City/County=	\$906,000-\$600,000=\$306,000
Cost per unit=	\$226,000/unit
Estimated SF of lease space=	4800 sf
Annual rent per sf=	\$4.00/ sf (about \$400/month per unit)
Total Income=	\$19,200 per year
City/County payback=	16 years

JULY 31, 2020 WIND STORM

0923 2020

Repair Items

Brinkman Hangar, 1815 Airport Loop	Estimated repair costs	Vendor	Submitted to Adjuster?	Work complete?	Paid?	Adjuster Estimate (Net Depreciation)
1 North Hangar Door						
a. Cost to re-install existing door	\$ 4,322	Alamo Door	yes	yes	yes	\$ 123,500.00
b. Cost to replace north door system	\$ 168,325	Alamo Door	yes	no		\$ 1,000.00
c. Connect electrical to door openers	\$ 500	Priour Elect	yes	yes	yes	
Reinstall and replace roof insulation	\$ 191	5 star Rental	no	yes	yes	
Inspect roof for damage	Pending	Cypress	no	no		
2 Wood Fence along Al Mooney Road						
Repair fence and lighting						
a. Cost to fix hole in fence	\$ 650	Secor	yes	yes	yes	\$ 6,355.00
b. Cost to repair broken fence (460 LF)	\$ 41,980	Secor	yes	no		\$ 1,300.00
c. Repair electrical to red lights	\$ 1,200	Priour	yes	no		
3 Other Items						
a. Damage to Runway Lighting	Pending	F&W	no	no		Pending
4 Paid to date					\$ 5,663	
5 Claim Approval to date						\$ 132,155.00

4F.2

4F.3

MEMORANDUM

TO: Airport Board Members
CC: Tom Mosier, Jonathan Letz, James Robles, and EA Hoppe
FROM: Mary Rohrer
DATE: September 23, 2020
RE: AGENDA ITEM 4F.3 - FY 2020 Capital Projects Update



Work Package 1 - Ten T Hangars

Budget, \$900,000 (County share \$150,000; City share \$150,000; TxDOT Grant \$600,000)

Estimate of FY 2020 Spend- City/County= \$5,175 each

Estimate of FY 2021 Spend- City/County= \$144,825 each

- June 29 – Garver issued Preliminary Engineering Report, PER, which includes site plans, cost estimates, alternates for TxDOT and Airport's review.
- July 14- Online meeting with TxDOT, Garver, TxDOT and KERV Selection Committee- jointly reviewed PER. Scope reviewed for 10 T Hangars and pad area for two future box hangars. Proposed site grading and utilities reviewed. Removed proposed restroom and associated utilities from scope to reduce costs. Discussed Garver estimated fee (\$200,000) for construction administration and onsite services during hangar construction. Risk- TxDOT engineer's opinion of probable cost is \$1.6m.
- August 5- Received 75% plan set for airport review. Meeting to be scheduled to review plans with Garver and TxDOT
- August 26- Virtual meeting with TxDOT Staff and Mary Rohrer, unfunded construction costs, long payback and high unit cost. Per TxDOT, no additional funding available, only \$600,000.
- September 8- Virtual meeting with Garver, TxDOT project planner, Mary Rohrer and Bill Wood. Recommendation, one sided row hangars an need to move hangars closer to Taxiway D to work within the budget.

Work Package 2 – Site work for Box Hangars – ON HOLD

Budget, \$200,000 (County Share \$100,000; EIC share \$100,000)

Work Package 3 – Horseshoe, Phase 1

Budget \$550,000 (County share \$275,000; EIC share \$275,000)

Phase 1- Demo and Site work= \$300,000

Phase 2- Building shell=\$250,000

Estimate of FY 2020 Spend- EIC/County= \$39,818

Estimate of FY 2021 Spend- EIC/County= TBD

- January- Asbestos removal work complete, costs for testing and abatement= \$14,835, EIC/County Paid= \$7417 each
- March – Horseshoe (including red iron and roof), Stress test room, Telephone room and plan room, ready for demo.
- August 10, received approval by FAA and stakeholders to commence demo work, budget = \$60,000, EIC/County share= \$30,000 each
- September 18 – Submitted demo permit to City of Kerrville
- September 23-Contract with Hunter Demolition to commence work, fee= \$46,000.
- Budget for installing new hangar building in-lieu of renovation \$239,000. Same parameters as existing building. Scope defined as 140' by 70 ft hangar shell, 9800 sf (Door 70' by 20' high) installed on existing slab. Cost to increase door to 25' clear, additional \$7500.
- TBD - Commence work when City demo permit is received and utilities shut off, approx 10 days.

4F.4

August Agenda Item 4G.3 Leasing Update

Acct Code	DESCRIPTION	
	Land; Land and Structure Leases	Notes
301	Land Tenants	
	Air Evac	
	Apache Springs	
	Drane, Steven	
	Guadalupe Aviation	
	Kerrville Aviation (North)	
	South Texas Refueling	
	Stieren, George	
	PROSPECT- Box Hangar Development	Christiansen -ground lease 6.5 acres, Development Area 3
401	Land and Structure Tenants:	
	Flying Diesel	
	Kerrville Aviation (South)	
	Horseshoe	Interested Party visited Horseshoe Sept 8
	1700 Airport Loop	Complete Oct 1, 2500sf space, stop by! Interested party visited Sept 8th
	Future Hangar Developments	Two parties interested in constructing large business-based hangars, locations under consideration
		Opportunities
		Bldg 27 600sf enclosed, plus patio
601	Brinkman & Offices	Notes
	Tenants	
	Air Methods	
	MacDonald Companies	
	Richardson Aviation	
	Walters, Corey	
	Air Ops Int'l- Office 109	
		Opportunities- NONE
602	Terminal	Notes
	Tenants	
	Blilie, Ron	
	Grassell	
	Hill Country Aviation (Dave Bryant)	
	Kerrville Aviation (2 offices)	
	Davenport	
		Opportunities- NONE
		Waiting list for office
603	T Hangars	Notes
	Tenants	Opportunities
	Hangars A-B, 16 Units	
	Hangars C-D, 12 Units	
	Paint Hangar, 4 units	Two offices in Paint Hangar, 325sf and 225sf
		Two Box Hangar pads- land lease
		Hangar E, 10 units:
		Waiting List= 21
		New Aircraft to KERV= 17
		On field Aircraft= 5
605 & 625	Storage Rent and Long Term Parking	
	Tenants	Opportunities
	Storage	
605	4 units, 3 leased	One vacant storage space
	Parking	
625	18 spaces leased	

KERRVILLE - KERR COUNTY AIRPORT

STRATEGIC PLAN 2020 – 2024

JUNE 1, 2020



TABLE OF CONTENTS

I. INTRODUCTION AND PURPOSE	1
Purpose.....	1
Updates	1
Brief history of the Airport	2
Airport Governance	4
III. Strategic Planning Overview.....	4
Current Status of Airport.....	4
Mandates.....	4
Summarized Financial Information	5
Projected Operations and Capital Needs	5
IV. STRATEGIC PLANNING PROCESS	6
Internal Stakeholder Interviews	6
AIRPORT TENANTS AND BUSINESS SURVEYS.....	6
Peer Airports	6
SWOT Analysis.....	7
Mission Statement	7
Values	8
Vision Statement	8
V. STRATEGIC INITIATIVES	8
VI. GOALS.....	8
A. Economic Development Goals	8
B. Infrastructure and Financing Goals	8
C. Service Level Improvement Goals	8
D. Promotion of Airport Goals.....	9
VI. OBJECTIVES AND ACTION STEPS	9
VII. EXHIBITS	9

I. INTRODUCTION AND PURPOSE

This strategic plan was developed by a team consisting of Kerrville-Kerr County Airport Manager Mary Rohrer and Joint Airport Board members Ed Livermore, Jim Mans, Keith Miller, Mark Mosier, Trey Atkission and Bill Wood. Others involved in the project through workshops and meetings included City of Kerrville representatives Bill Blackburn, Judy Eychner, Delayne Sigerman, Mark McDaniel and E.A. Hoppe; Kerr County representatives Rob Kelly, Jonathan Letz and Tom Moser; Joe Kennedy, of Kerrville Aviation; Gil Salinas, of the Kerr Economic Development Corp.; and Carole Dungan, airport executive assistant.

PURPOSE

The purpose of this plan is to provide direction and guidelines for making decisions regarding the future development of the airport while making certain the airport is in alignment with the goals and aspirations of the citizens of Kerrville and Kerr County and the governmental entities that represent them.

This plan includes the foundation of our strategy, including our mission, vision and values, as well as our strategic initiatives for the upcoming five-year period.

UPDATES

The original Strategic Plan 2019-2023 was dated June 1, 2019. This updated Strategic Plan 2020-2024 reflects the changed conditions since June 1, 2019 and related revisions of the Plan considered appropriate.

Joint Airport Board members working on this update included Trey Atkission, Jim Mans, Keith Miller, Mark Mosier and Stephen Schmerbeck.

In January 2020, Mooney International ceased operations with the exception of parts production. It is not yet clear as to what the future holds for this important component of the airport.

The impact of COVID-19, started to affect the Hill Country March 2020. The negative impact on the local economy also impacted aviation activities. At KERV, business aviation, primarily turbine traffic, slowed substantially. Kerrville Aviation experienced the financial impact of declining fuel sales. Airport owners decided not to fund planned FY 2021 Capital Projects and were focused on reducing their operating expenses.

The Board has learned during FY 2020, that:

- Owners are reluctant to support “incoming producing” capital expenditures unless there is an assurance of jobs and or required matching for grant funding.
- TxDOT will not fund the crosswind runway 03-21 rehabilitation
- Private funding for buildings is limited.
- Lease Agreements were developed over a number of years and are not consistent from a lessor standpoint.

Changes in personnel at TxDOT and difficulties in conducting business due to reaction to Covid 19 have resulted in scheduled delays with the T Hangar project and substantial increase in the costs of the project. Based on this experience T-hangars may not be feasible in the future if using TxDOT funding.

BRIEF HISTORY OF THE AIRPORT

The first aircraft landing in Kerrville was in 1913 and was a Curtis Pusher biplane flown by a Frenchman. Numerous flights here by Dan Moran, president of Continental Oil Company, proved how important an airport would be here. He utilized aviation to visit his Hill Country ranch. Today, that property is Mo-Ranch, as Moran later donated the property to the Presbyterian Church for a camp.

The current airport was established in 1941 when the city secured about half of the current airport property from the Goss family in an unfriendly transaction. Lore has it that the then mayor lost part of his ear in a related scuffle on the federal courthouse steps where the purchase was finalized, apparently by seizure.

An additional 297 acres were purchased and added to the airport property. The Schreiner and Peterson families recognized the importance of aviation. Each gave \$10,000 for immediate improvements; this was a considerable sum in 1941.

A new airport replaced the old one for two reasons: the federal government was establishing emergency landing sites at civil airports for civilian and military use, and a Navy pilot training program was set to come to our town. The old site would not accommodate the needed cross wind runway requirement.

The Federal Government appropriated \$299,000 to build two runways, taxiway and apron. The runways were lit, and a beacon was placed nearby on a hill. The first hangar at Schreiner Field was an 80 foot by 100 foot Butler building.

The government was gearing up for World War II, raging already in Europe. The U.S. Navy soon opened a pilot program. Students were housed at Schreiner Institute (now Schreiner University).

The Navy program ended with the conclusion of World War II. The airport sat quietly until 1952 when Al Mooney announced the opening of his airplane manufacturing plant in Kerrville. Commitments between he and the town were signed Dec. 20, 1952. By 1953, the plant employed 500 workers, which later increased to 600.

In 1953, Kerrville gained its first airline service. Trans Texas Airways began operating four daily flights using Douglas DC-3s. At the time, the field had a restaurant.

A momentous day came in 1957 when the county accepted 50% ownership of Schreiner Field. That beneficial partnership remains to today and exists in complete harmony regarding airport operations.

By 1976, the ratio of private aircraft ownership to population in Kerr County was twice that of the remainder of Texas. The reasons for air travel back then remain the same today: local festivals, business, hunting,

retirement, camps, second homes in the Hill Country and ranch ownership. Without question, the county's ranch economy would suffer without a quality airport for owners who frequently fly here.

Kerrville Flying Service, forerunner of today's Kerrville Aviation, was formed prior to WWII. Following the war, civilian pilot training surged. By 1948, the flying service had 13 iconic trainers and 52 students on the GI Bill.

Lloyd Sieker wrote an interesting history filled with many details about the field's history throughout the 1960s, 1970s and the 1980s. Refer to it for more of this story. Significant actions in those years included the purchase of Kerrville Flying Service by the city and county. Charlie Dugosh became the airport manager. Dugosh later established an aircraft repair business specializing in Mooney planes that remains in operation today.

In 1983, the airport board leased the fixed based operation to John Miller, who subsequently sold to Bob Woodward in 1986. Later, he sold to Joe Kennedy who operates Kerrville Aviation today.

There was not always the current peace between the city and county over the airport. The managing board was composed of two county commissioners and two city council members and a fifth director from the public. The board wisely decided to resolve management issues and philosophical differences by forming an independent airport board in 2011, charged with acting in the best interest of both owners. This decision has proven to work extraordinarily well.

Kerrville – Kerr County Airport was named Texas' outstanding general aviation airport in 2011. Our manager at the time, Bruce McKenzie, was named Texas' airport manager of the year in 2016. In 2009-2010, the airport received around \$12 million in Federal stimulus funds for taxiway, drainage and other extensive improvements. An aerial of the airport with the property boundary identified is shown in Exhibit A.

Economic Role and Impact

The Texas Department of Transportation (TxDOT) Aviation Division commissioned an economic impact study to measure the economic impact of the state's aviation system from 289 general aviation airports. The study was issued in the summer of 2018. TxDOT uses this data to fund infrastructure and development projects to support economic growth. Shown in Exhibit B are the study results pertaining to our Kerrville airport.

Kerrville – Kerr County Airport's economic drivers are direct impacts totaling \$17.5 million from the following:

- On-airport jobs
- Capital improvements
- Visitor impacts

This data is put into the TxDOT model, which then calculates the multiplier impact due to re-spending. Our Employees spend a part of their incomes locally, while visitors stay at hotels, ranches and camps -- all boosting economic activity throughout the area. Such spending and direct economic impacts then combine for the airport's total impact of \$38.3 million.

AIRPORT GOVERNANCE

Kerrville - Kerr County Airport is jointly owned by The City of Kerrville and Kerr County, Texas. Airport business is conducted under an Interlocal Agreement which is in effect through September 30, 2021. Necessary revisions and modification of the Interlocal Agreement are under review.

The airport is managed by an independent airport board consisting of five members. That board selects and hires an airport manager. The Airport Manager hires a staff and runs day-to-day operations.

III. STRATEGIC PLANNING OVERVIEW

At its July 17, 2018, meeting, the board's directors voted to update the Airport Strategic Plan dated May 4, 2009. The city and county representatives present at the meeting expressed their firm support for this effort. It was decided not to engage an outside facilitator, but use the talents of existing board members guided by *"Creating Your Strategic Plan"* by John M Bryson and Farnum K Alston as a resource.

CURRENT STATUS OF AIRPORT

The airport currently has 90 based aircraft, including 40 in airport-owned hangars. There are two runways – 03/21 (which is 3,600 feet long) and 12-30 (6,000 feet long) and three instrument approaches. The property consists of 528 acres, with 6.5 miles of fence. The terminal building completed in 2007 is owned by the airport. Kerrville Aviation, an independent company, operates as the fixed base operator (FBO) and provides on-airport services and visitor accommodations.

Mary Rohrer was named airport manager in 2018 following Bruce McKenzie's retirement. Current independent board members are Dr. Mark Mosier, C. James Mans, Keith Miller, Trey Atkission and Stephen Schmerbeck.

MANDATES

The airport operates under mandates, which dictate what can and cannot be done there. Such mandates consist of agreements, codes, bylaws, and regulations (See Exhibit C.).

SUMMARIZED FINANCIAL INFORMATION

Summarized financial information from the Statement of Net Position at the end of Sept. 30, 2019, (the end of the fiscal year) is as follows:

Cash	\$751,795
Capital Assets.....	\$16,768,763
Total Assets.....	\$17,557,304
Liabilities.....	\$231,413
Net Position.....	\$17,325,891

A condensed statement of operations for the years ending Sept. 30, 2018, and Sept. 30, 2019, is:

	2018	2019
REVENUES:	\$401,180	\$417,378
EXPENSES:		
Salaries and Wages.....	\$210,859	\$194,470
Other.....	\$132,907	\$156,033
Total.....	\$343,767	\$350,503
Revenue less Expenses.....	\$57,413	\$66,875
Intergovernmental.....	\$0	\$0
Net.....	\$57,413	\$66,875

For additional financial information and charts, see Exhibit D. Information for 2019 excludes \$155,937 storm damage insurance proceeds; repairs were made in 2020.

PROJECTED OPERATIONS AND CAPITAL NEEDS

Capital improvements for the airport are in large part funded by TxDOT through its grant programs. Major infrastructure, such as runway improvements are funded 90% by TxDOT and 10% through local funding. An example of these infrastructure projects using CIP grants at the airport is the 12-30 parallel taxiway and Airport Loop relocation project. From the fiscal year of 2008-2009, about \$ 10.4 million was spent by TxDOT and \$704,000 was funded by the airport owners.

TxDOT also manages an NPE (Non-Primary Entitlement) Grant that funds income-producing projects. The airport has used these grants to fund two existing hangar projects in 2001 and 2013. The proposed hangar project for FY2020 will use NPE funds. Federal budget constraints now limit TxDOT's T-hangar funding to \$600,000. Costs above that threshold would need to be funded by the city and county. (Refer to Exhibit E for more information.)

IV. STRATEGIC PLANNING PROCESS

The process included the following:

- Data collection
- Internal stakeholder interviews
- Survey responses from airport tenants and businesses
- Selection, analysis, and visits to peer airports

INTERNAL STAKEHOLDER INTERVIEWS

Exhibit F provides a list of the Internal and External Stakeholders.

Conversations with internal stakeholders were positive and supportive. Suggestions include expanded outreach to the community and more involvement in economic development. (See Exhibit G for more detailed information.)

AIRPORT TENANTS AND BUSINESS SURVEYS

Survey comments in collected in 2018 were generally positive. Areas for improvement include better self-service fueling and lower pricing, more consistent service from FBO, more extensive maintenance of the facility, better maintenance of roads and control of weeds, striping of ramps and taxiways, and improvement to the airport's website.

Suggestions include additional T-hangars and box hangars, an avionics shop, a restaurant, a flight school and a mid-taxiway on the main runway. Tenant and Business surveys are available for review in June 2019 version of the Strategic Plan at the Airport Manager's office and posted on the airport website www.kerrvilleairport.com.

PEER AIRPORTS

Four airports were selected to review and visit to learn how they operate and how such information would be helpful to Kerrville - Kerr County. Airports studied included:

1. Conroe (KCXO) – control tower
2. Fredericksburg (T82) – no control tower
3. McKinney (KTKI) – control tower
4. New Braunfels (KBAZ) – control tower

All these airports are owned by either the city or the county; all have advisory boards except McKinney which functions as a department of the city using city resources. Conroe and Fredericksburg have independently owned FBOs; McKinney and New Braunfels FBOs are operated by their municipalities, having been purchased from independent operators in the last six years as a result of performance issues; none of the airports are building T-hangars.

Major take-aways:

- Conroe – Reliever airport in North Houston; excellent, large, full-service FBO with restaurant; U.S. Customs onsite; managed by Montgomery County, is included in a large master-planned business park; Army Reserve aviation unit on the field.
- Fredericksburg – Hospitality oriented FBO drives the operations and provides capital; independent investor owns and operates much of the full-service operations; most facilities are privately owned, including a restaurant and hotel on the field; funding of small budget comes from fuel flowage fee and County of Gillespie.
- McKinney – Located north of Dallas with full services; airport and FBO managed by city; \$71 million of infrastructure funding over 10 years from TxDOT and McKinney's EDC and city; U.S. Customs are on site; supporting Toyota and Texas Instrument corporate flight offices; new terminal under construction; Cirrus Service Center planned for 2020.
- New Braunfels – Located 30 miles north of San Antonio, infrastructure planning is underway to handle more aviation business traffic. The city provides FBO services; outside investment with funding assistance from the city and EDC was made for new box hangars (Additional details are provided in Exhibit J.)

SWOT ANALYSIS

Main issues related to strengths, weaknesses, opportunities and threats (SWOT) are:

- STRENGTHS: Independent airport board, supportive owners, main 6,000-foot runway and a crosswind runway
- WEAKNESSES: Limited availability of premier space, no clear path to capital for development and average service level
- OPPORTUNITIES: Improved community outreach, and increase in number and quality of services
- THREATS : Reliance on one major tenant

(Details of the strength, weaknesses, opportunities and threats are included in Exhibit K.)

MISSION STATEMENT

To provide aviation facilities and services to the Kerrville/Hill Country area by managing airport infrastructure for a safe, efficient, and convenient aviation gateway.

VALUES

- Safety and security
- Excellence in all we do
- Innovation
- Integrity in all dealings
- Accountability

VISION STATEMENT

To provide premier services and airport facilities through operational excellence and innovation, while also promoting commercial and local economic development.

V. STRATEGIC INITIATIVES

The strategic initiatives for 2019-2023 are as follows:

- A. Emphasis on economic development for the airport and the community
- B. Actively address airport improvements and infrastructure (and related financing)
- C. Improvement in service levels for stakeholders and prospective customers
- D. Promotion of the airport and marketing of the airport's brand

VI. GOALS

A. ECONOMIC DEVELOPMENT GOALS

1. Build and maintain relationships with economic development entities
2. Focus on high potential business development at airport

B. INFRASTRUCTURE AND FINANCING GOALS

1. Increase number of hangars available for lease
2. Increase amount of Class A Space
3. Pursue relationships and finance options with TxDOT
4. Improve appearance of airport

C. SERVICE LEVEL IMPROVEMENT GOALS

1. Improve service to existing customers
2. Improve service levels of FBO
3. FBO goals and objectives alignment

D. PROMOTION OF AIRPORT GOALS

1. Marketing the airport to improve community awareness
2. Increase communication and outreach

VI. OBJECTIVES AND ACTION STEPS

Objectives for each of the above goals and shorter- term action steps are included in Exhibit I. Our plan is to review the status of action steps on a quarterly basis, beginning with the quarter ending September 30, 2020

VII. EXHIBITS

- A. Airport Map
- B. Economic Role and Impact
- C. Mandates
- D. Operational and Financial Data
- E. Financial Projections
- F. List of Stakeholders
- G. Stakeholder Interviews
- H. SWOT Analysis
- I. Strategic Initiatives, Goals and Objectives

EXHIBIT A

Kerrville-Kerr County Airport



EXHIBIT B

ECONOMIC ROLE AND IMPACT

Texas Aviation Economic Impact Study



2018 TxDOT Economic Impact

On Airport Impacts			Capital Impacts		Visitor Impacts		Total Impacts			Operations
Identifier	Jobs	Output (\$ m)	Jobs	Output (\$ m)	Jobs	Output (\$ m)	Jobs	Payroll (\$ m)	Output (\$ m)	Number (annual)
KERV	186	\$ 13.9	10	\$ 1.4	95	\$ 5.5	680	\$ 16.8	\$ 38.3	60,000
KTKI	284	\$ 85.9	66	\$ 26.1	73	\$ 4.2	993	\$ 64.3	\$ 212.7	107,000
KBAZ	59	\$ 11.4	3	\$ 0.5	51	\$ 3.0	240	\$ 7.7	\$ 27.3	52,000
KCXO	449	\$ 59.6	65	\$ 9.4	79	\$ 4.6	1170	\$ 48.3	\$ 136.3	63,000
T82	42	\$ 6.0	7	\$ 1.0	7	\$ 0.4	103	\$ 4.0	\$ 13.7	15,000

EXHIBIT C

MANDATES

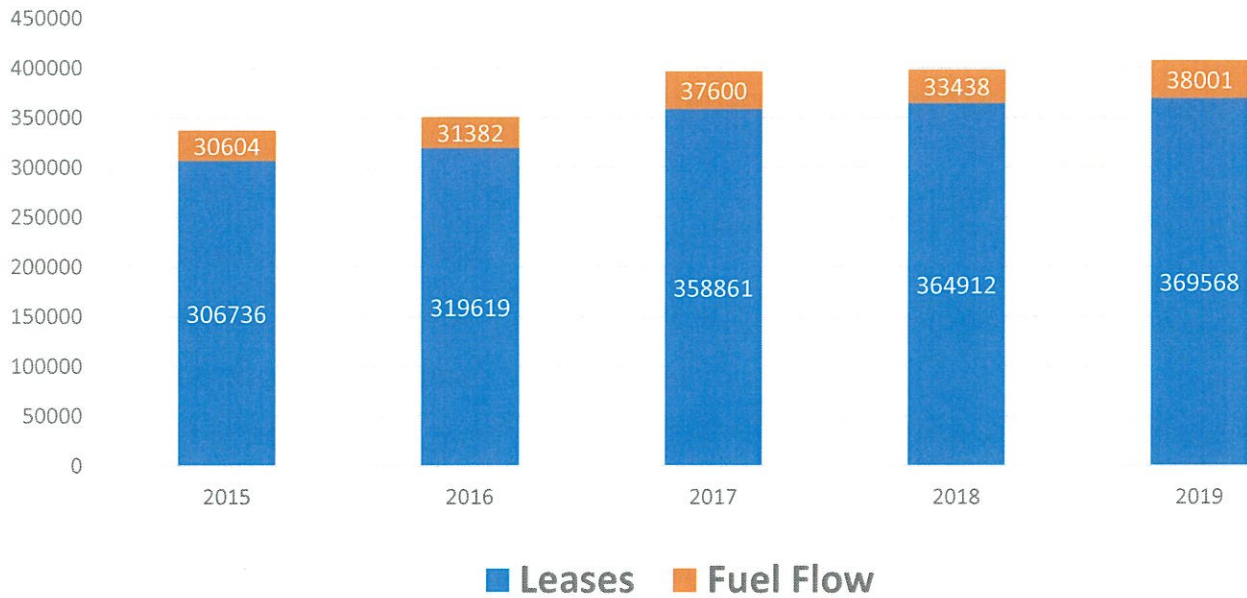
- Interlocal Agreement (Court Order #35729) for the continued existence of the Joint Airport Board to provide management of the Kerrville - Kerr County Airport.
- TxDOT
 - RAMP- Routine Airport Maintenance Program
 - Airport Rules and Standards
 - Guidebook for Managing Small Airports
 - Guidebook for Sponsors- Hangars
 - Guidebook for Sponsors- Airworthiness/Aeronautical Activity
 - Airport Compliance Basics
- Federal Aviation Administration (FAA)
 - Airport Compliance Division- Obligations of Airport Sponsors
- Airport Master Plan
- Airport Minimum Standards
- Local Building Codes
- Texas Transportation Code Chapter 22
- Local Government Code Chapter 241
- Fire Code

EXHIBIT D**OPERATIONAL AND FINANCIAL DATA****Statement of Operations for the five years ended Sept 30, 2019**

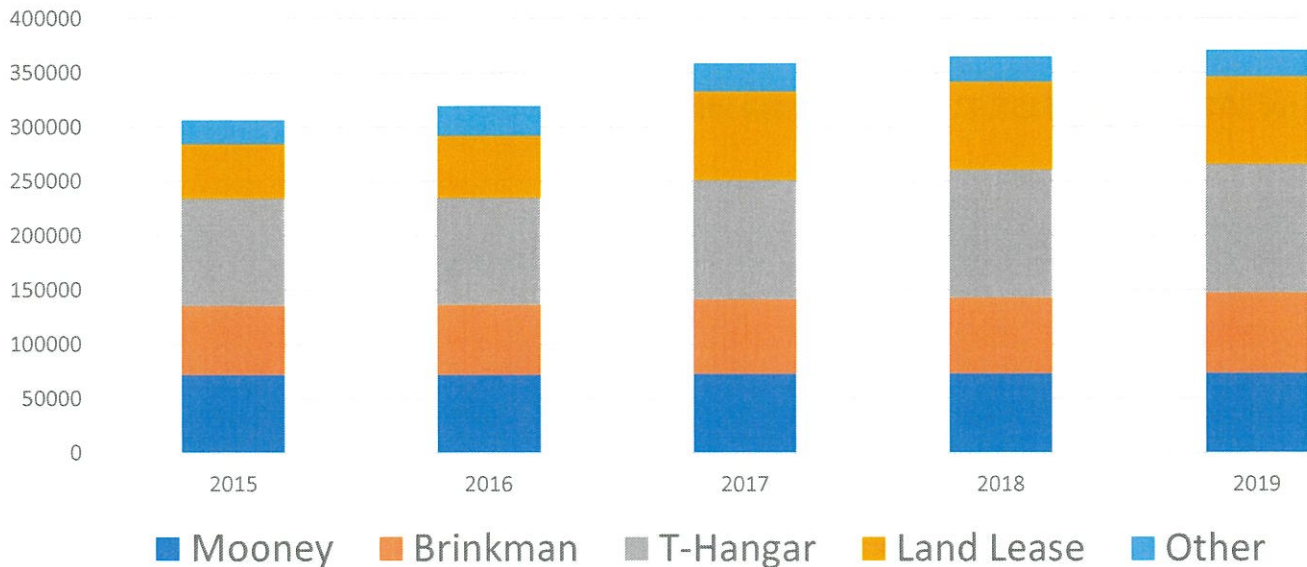
	2015	2016	2017	2018	2019
REVENUES					
Leases	\$306,736	\$319,619	\$358,861	\$364,912	\$369,568
Fuel Flow	\$30,604	\$31,382	\$37,600	\$33,439	\$38,001
Total	\$337,387	\$351,031	\$417,272	\$401,180	\$417,378
EXPENSES					
Compensation	\$197,987	\$188,570	\$194,433	\$210,859	\$194,470
Other	\$141,318	\$145,723	\$140,149	\$132,907	\$156,033
Total	\$339,306	\$334,293	\$334,583	\$343,767	\$350,503
Rev. less Exp.	\$-1,919	\$16,737	\$82,689	\$57,413	\$66,875
Intergovernmental Support	\$94,957	\$70,000	\$43,470	\$0	\$0
Net	\$93,037	\$86,737	\$126,159	\$57,413	\$66,875

Information for 2019 excludes \$155,937 storm damage insurance proceeds – repairs were made in 2020

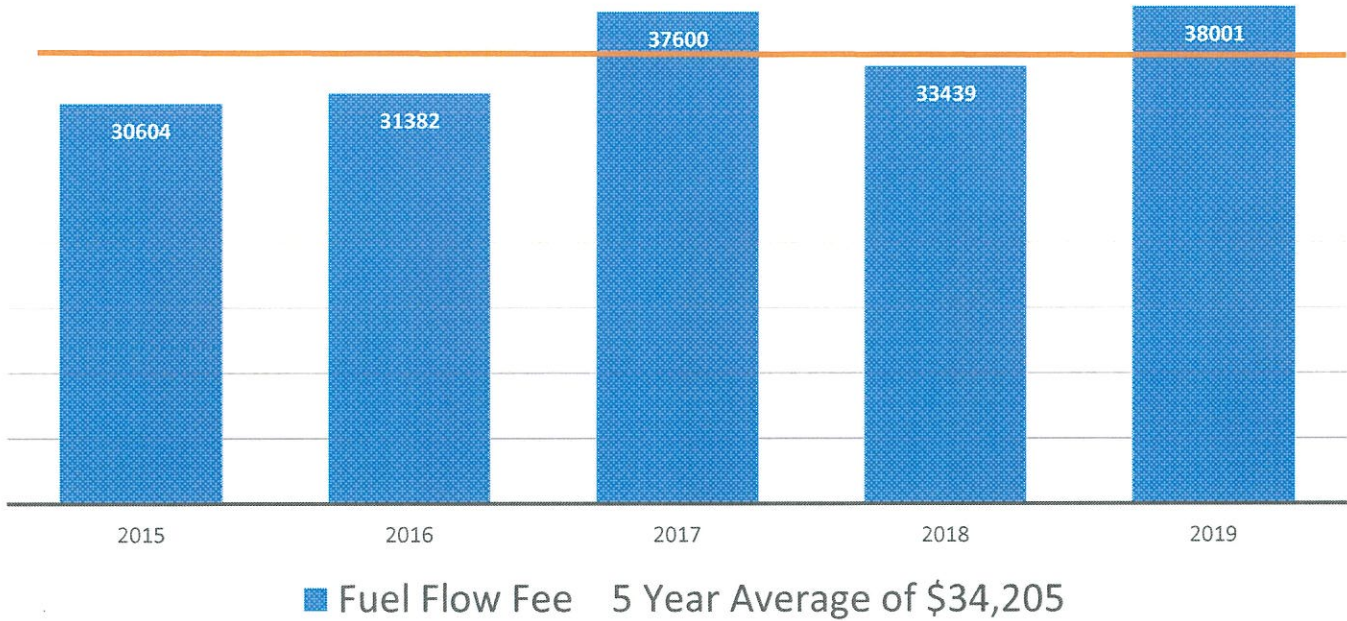
OPERATING REVENUES



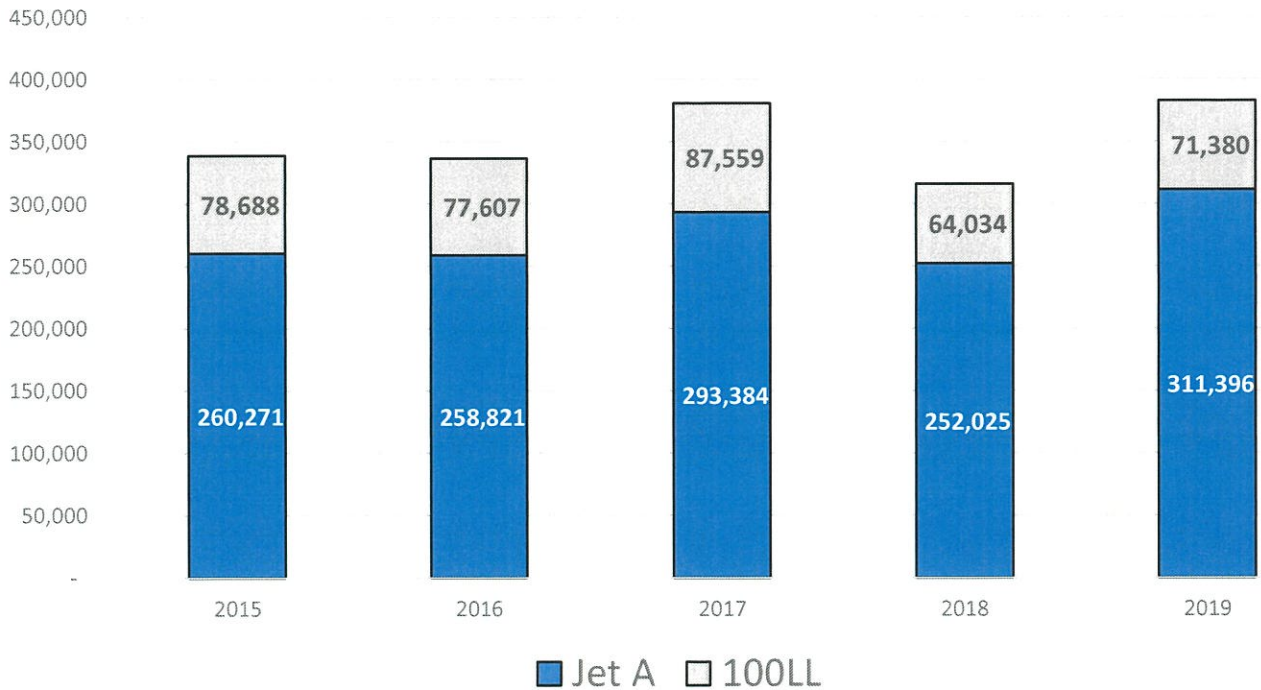
REVENUE FROM LEASES



Fuel Flow Fee

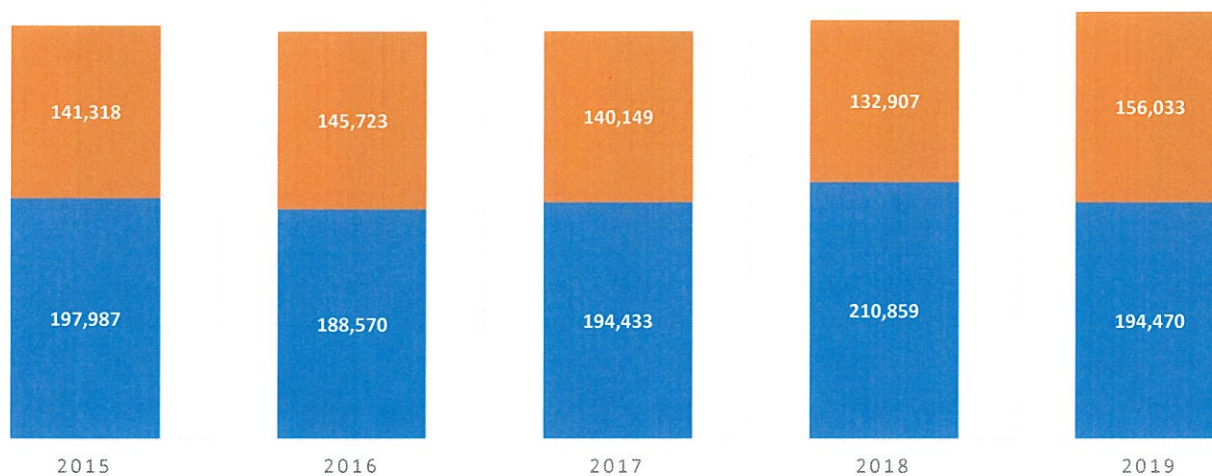


GALLONS DELIVERED



OPERATING EXPENSES

■ Compensation ■ Expenses



Statement of Capital Transactions for the five years ended Sept 30, 2019

	2015	2016	2017	2018	2019
REVENUES					
TxDOT					
Ramp	\$49,689	\$50,000	\$50,000	\$50,000	\$50,000
T-Hangars					
Intergovernmental					
Ramp	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000
Mooney Roof	\$1,000,000				
Operations Transfer					
Total	\$1,099,805	\$100,123	\$100,016	\$100,048	\$100,000
EXPENDITURES					
Ramp Grant	\$93,378	\$100,000	\$100,000	\$100,000	\$100,000
T-Hangars					
Mooney Roof	\$703,817	\$296,184			
From Operations	\$12,120	\$10,500	\$148,855	\$12,287	0
Total	\$815,315	\$406,684	\$248,855	\$112,287	\$100,000
NET	\$284,490	-\$306,561	-\$148,838	\$-12,239	\$0

EXHIBIT E

FINANCIAL PROJECTIONS

Statement of Projected Operations for the years ended Sept 30, 2024

	2020	2021	2022	2023	2024
REVENUES	Budgeted	Budgeted	Projected	Projected	Projected
Leases	\$395,617	\$427,500	\$436,000	\$445,000	\$454,000
Fuel Flow	\$33,000	\$20,000	\$33,000	\$34,000	\$36,000
Total	\$428,617	\$447,500	\$469,000	\$479,000	\$490,000
EXPENSES					
Compensation	\$209,500	\$216,809	\$221,000	\$238,000	\$243,000
Other	\$204,117	\$230,691	\$248,000	\$241,000	\$247,000
Total	\$413,617	\$447,500	\$469,000	\$479,000	\$490,000
NET	\$15,000	\$0	\$0	\$0	\$0

Budgeted Leases FY 2021 is 100% of all available facilities

Projected Revenue from leases have been increased 2% per year from the FY 2021 base

No projected future leases or tenant risks are included in the projected amounts

Projected compensation amounts have been increased 2% per year from FY 2021 amounts

Projected compensation also includes \$13,000 in FY 2023 and FY 2024 for part-time maintenance employee

Budgeted FY 2020 expenses does not include \$150,650 of storm repairs covered by insurance

Statement of Capital Projection for the years ended Sept 30, 2024

	2020	2021	2022	2023	2024
REVENUES					
TxDOT					
Ramp	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000
T-Hangars	\$75,000	\$525,000			
Runway & Apron			\$1,620,000		
EDA Grant			\$150,000	\$990,000	\$1,700,000
Intergovernmental					
Ramp	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000
T-Hangars	\$10,350	\$289,650			
Horseshoe	\$19,635	\$280,365	\$250,000		
Box Site		\$200,000			
Brinkman Doors/Roof		\$465,000			
P. Hangar Doors/Roof			\$125,000		
Runway & Apron			\$180,000		
Seal Twy F					\$95,000
Midfield Exit					\$500,000
Operations	\$34,000				
Total	\$238,985	\$1,929,015	\$2,425,000	\$1,090,000	\$2,395,000

EXPENDITURES					
Ramp Grant	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000
T - Hangars	\$85,350	\$814,650			
Runways & Apron			\$1,800,000		
1700 Airport Loop	\$34,000				
Horseshoe	\$19,635	\$280,365	\$250,000		
Box Site Pads		\$200,000			
Brinkman Doors/Roof		\$465,000			
P Hangar Doors/Roof			\$125,000		
Twy D & Utilities			\$150,000		
Renovate Rwy 03-21				\$990,000	
Twy Extension					\$1,700,000
Seal Twy F					\$95,000
Midfield Exit					\$500,000
Total	\$238,985	\$1,929,015	\$2,425,000	\$1,090,000	\$2,395,000
Net	-	-	-	-	-

EXHIBIT F

STAKEHOLDERS

Any person, group or organization who can place a claim on an organization's attention, resources or output, or who is affected by that output.

AN INTERNAL STAKEHOLDER

Any person, group, or other entity inside the organization, including:

- City of Kerrville mayor, council members and key employees
- Kerr County judge, commissioners and key employees
- Joint Airport Board
- Airport manager and employees

AN EXTERNAL STAKEHOLDER

Any person, group, or other entity outside the organization, such as:

- FAA, TXDOT and other governmental agencies
- All airport tenants
 - hangars
 - offices
 - land leases
- FBO and employees
- Pilots and passengers
 - KERV based
 - transient
 - those using fractional services – Net Jet, Wheels Up
- Kerrville Area Chamber of Commerce
- Kerr Economic Development Corp.
- Community
 - neighbors
 - local businesses
 - hotels, ranches, B&Bs, summer camps
 - restaurants, catering services
 - rental car companies
 - real estate agents, homeowners, developers

EXHIBIT G

STAKEHOLDER INTERVIEWS

Internal Stakeholder Interviews

- During October 2018, the following interviews were held:
 - City of Kerrville
 - Bill Blackburn,
 - Mark McDaniel
 - Judy Eychner
 - Vincent Voelkel
 - Kerr County
 - Rob Kelly
 - Jonathan Letz
 - Tom Moser
- The conversations were initiated based on the following questions:
 - From your viewpoint, how would you evaluate the performance of the airport?
 - What are the airport's strengths?
 - What are the airport's weaknesses?
 - If you could change anything relating to the airport, what would it be?
 - Does the interlocal agreement need to be modified in any way?
 - What do you need from the airport?

Internal Stakeholder - City of Kerrville Interview

- Matters of Interest from the interviews included the following:
 - Airport outreach to the general public is limited and should be addressed for possible emphasis
 - Closer involvement by the airport in economic development and job growth would be beneficial
 - Need to promote airport through better communications with internal and external stakeholders
 - Joint City/County meeting to provide an annual report
 - Need to participate in Hill Country Economic Summit on February 14, 2019
 - Need to determine who the primary customers are for airport services
- Be sure the airport has clear vision and focus as there is a tendency for too many people wanting too many things
- Master Plan shows needs to address infrastructure west of airport
- Strengths are physical facilities, especially runways, operations no longer require financial support by City and County, Kerrville location, airport manager, strong board
- Weaknesses are limited offerings to the community, lack of immediately developable property,
- Consider building more than twelve new T-Hangars

Internal Stakeholder- Kerr County Interview

- Matters of Interest from the interviews included the following continued:
 - Airport outreach to the general public is limited and should be addressed for possible emphasis
 - Consider building more than twelve new T- Hangars
 - Current interlocal agreement is working – no need to modify
 - It is important for the airport to address needs of influential users of airport services
 - Mark McDaniel has great experience with airports – use him as a resource
 - Long-term development will come to the east and south – airport will be right in the middle
 - Kerr County will be a magnet to people (businesses) who don't need bricks and mortar but use technology in a big way
 - Take a hard look at the infrastructure required to support growth
 - Perhaps (in scale) Kerrville can become to San Antonio what Santa Barbara is to Los Angeles
 - Address relationships with Chamber of Commerce, business community and real estate

Interview with Kerrville Aviation

- Additionally an interview was held with Joe Kennedy of Kerrville Aviation
- Items of interest are as follows:
 - Things are tight due to loss of business to South Texas Fuel and general decline in fuel sales
 - Infrastructure is needed to open areas to be developed
 - Need marketing plan with focus on San Antonio
 - Concerns that South Texas Fuel has an unfair advantage because they can operate somewhat like an FBO but are not required to provide services that are required by Kerrville Aviation.

EXHIBIT H

SWOT ANALYSIS

STRENGTHS

- Land – 528 acres
- Independent airport board
- Excellent staff
- 6,000-foot main runway
- Crosswind runway
- Remote Communication Operation (RCO)
- Multiple instrument approaches
- Easy access to city and area
- Supportive owners
- Low prices on hangars
- Quality new T-hangars
- Infrastructure
- Geographic – near San Antonio Growth Area
- Use by wealthy individuals who own property in area
- Emergency helicopter services on airport
- Breakeven operating results

WEAKNESSES

- Lack of hangar space
- Limited Class A land
- Airport not known by the public
- Airport brand is under promoted
- Inability to raise capital for development
- Lack of strategic plan
- Limited services for aviation (avionics, etc.)
- No food or observation facilities
- Infrastructure needs additional services
- No Tower
- Competing FBOs
- Operating income not adequate to support improvements
- Airport Master Plan becoming dated

OPPORTUNITIES

- Availability of funding from TxDOT Aviation
- To provide additional services (flight school, avionics, etc.)
- Reaching out to existing and potential businesses
- Community outreach
- Develop approach to attract larger GA airplanes
- Likely residential development toward San Antonio

THREATS

- Mooney
- Dependence on governmental funds for capital improvements
- No "4B" County access which may result in difficulty to obtain funding
- Technology reducing need for airports
- FBO issues from surveys
- Cuts in federal funding
- Increased air traffic could cause complaints
- Potential poor public view of airport
- Economy of the state and area
- Political environment change toward airport
- Additional governmental mandates
- Competitors toward San Antonio adverse impact for future growth
- Safety issues due to drones and other similar matters
- Loss of tenant revenue could require significant capital expenditures
- Building on land adjacent to airport could cause population density issues
- Potential impact of elimination of 100LL
- Adverse activities from COVID - 19

EXHIBIT I

STRATEGIC INITIATIVES, GOALS AND OBJECTIVES

A. Economic Development

Goal #1 - Build and maintain relationships with economic development entities

- Objective #1 – Actively participate with City, County, EIC, KEDC Chamber of Commerce and other entities so that the airport is recognized as a vital part of the community.
 1. Coordinate airport economic development with Gil Salinas
 2. Develop closer relationship with Chamber of Commerce
 3. Develop and maintain communications with EIC and KEDC

Goal #2 – Focus on high potential business development at airport

- Objective #1 - Actively pursue those with job creations potential
 1. Reach out to commercial real estate developers for ideas
 2. Actively pursue high potential businesses opportunities

B. Infrastructure and Financing

Goal #1 – Increase numbers of hangars available for lease

- Objective #1 – Complete New T-Hangars
 1. Construct and complete hangars
- Objective #2 – Rehab. the Horseshoe
 1. Finalize proposal, including firm costs for new 140-ft by 70-ft structure with 70-ft hangar door
 2. Prepare case for shell construction, including income/lessees
 3. Obtain financing for shell construction
- Objective #3 – Complete two box hangars
 1. Finalize proposal for box hangar site, including firm costs
 2. Market space to future tenants

Goal #2 – Increase amount of Class A space

- Objective #1 – Evaluate options available
 1. Develop 5-year capital plan with timing and funding
 2. Engage consultant to validate

- Objective #2 - Install and/or extend taxiways
 1. Finalize Master Plan for taxiways
 2. Time phase project
 3. Complete project

Goal #3 – Pursue relationships and finance options

- Objective #1 – Identify and actively develop relationship with the decision makers at TxDOT
- Objective #2 - Pursue maximum funding from TxDOT and FAA
- Objective #3 – Pursue other potential (private) funding sources
 1. Clarify process of maximizing funding from these sources
 2. Streamline the process of funding future projects

Goal #4 – Improve appearance of airport

- Objective #1 – Address deferred maintenance issues
 1. List gaps of superior airport facilities and equipment to current status
 2. Develop specific plan to resolve those gaps
 3. Develop program for more attractive entrance to airport
- Objective #2 – Identify upgrades to terminal facility
 1. Prepare list of improvements currently needed at terminal
 2. Prioritize list and begin to resolve needs
 3. Develop 5-year plan for terminal based on needs of market

C. Service Level Improvement

Goal #1 – Improve service to existing customers

- Objective #1 – Modify existing self-serve facility
 1. Identify attributes of first-class self-fueling operations
 2. Develop plan for KERV based on those attributes
 3. Determine where to best to relocate self-serve operation
 4. Estimate costs of the proposed new plan
 5. Establish policy for pricing based on competition
 6. Implement plan
- Objective #2 – Improve service levels of FBO
 1. Establish criteria for superior operations
 2. Develop plan to close the gap from current to superior
 3. Set firm timelines for improvements

- Objective #3 – FBO goals and objectives alignment
 1. Discuss goals and objectives with FBO
 2. Develop and implement a plan to obtain alignment of goals and objectives

D. Promotion of Airport

Goal #1 – Market the airport to improve community awareness

- Objective #1 – Finalize and implement a marketing plan
 1. Utilize City and County expertise when possible
 2. Supplement efforts with outside professionals
 3. Implement time phased plan
- Objective #2 - Provide quarterly updates via airport newsletter
 1. Develop a list of interesting topics relating to the airport
 2. Distribute via print, email, website and social media
- Objective #3 – Establish routine airport functions
 1. Host minimum of four airport functions annually
 2. Function hosts will include community and aviation related organizations

Goal #2 – Increase communication and outreach

- Objective #1 – Improve digital and social media communications
 1. Maintain airport website
 2. Create and manage airport and social media pages for Facebook and Instagram
 3. Produce videos of airport to be posted on airport website
- Objective #2 – Support education
 1. Support additional aviation training programs at KERV
 2. Identify and support outreach opportunities for youth