

**AGENDA
REGULAR MEETING OF THE
KERRVILLE-KERR COUNTY JOINT AIRPORT BOARD
DECEMBER 15, 2021 8:30 A.M.
HAPPY STATE BANK EXPO HALL
HILL COUNTRY YOUTH EVENT CENTER
KERRVILLE, TEXAS 78028**

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 November 17, 2021 Board Meeting Minutes

4. DISCUSSION AND POSSIBLE ACTION

4A. Monthly Financials, October and November- Tanya Shelton

4B. Monthly Update for Kerrville Aviation – Joe Kennedy

4C. Review proposed changes to Airport User Permit – Mary Rohrer

4D. Discussion on T hangar lease - Mark Mosier

4E. Updates on:

1. Row Hangar Committee

2. Brinkman Doors – 2020 Wind Claim

3. Terminal Building – Improvements

5. 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

KERRVILLE-KERR COUNTY JOINT AIRPORT BOARD

Regular Meeting

Wednesday, November 17, 2021 at 8:30 AM

Happy State Bank Expo Center

Hill Country Youth Event Center

3785 Highway 27

Kerrville, Texas 78028

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MEMBERS PRESENT:

Stephen Schmerbeck, Vice President

Scott Schellhase

John Major

AIRPORT BOARD STAFF PRESENT:

Mary Rohrer, Airport Manager

Carole Dungan, Executive Assistant

VISITORS:

Councilperson Judy Eychner

Stuart Barron, Director of Public Works

Jonathan Letz, County Commissioner

Tanya Shelton, County Auditor

Suprina Espallargas, County Auditor Department

Robert Hamm, Newsletter Editor

Joe Kennedy, Owner of Kerrville Aviation

Stan Kubenka, Visitor

I-N-D-E-X

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	3 A. Approval of the Board Minutes for November 17, 2021 Meeting Minutes	3
4.	DISCUSSION AND POSSIBLE ACTION	
	4A. Monthly Financials, September, 2021 – Tanya Shelton	3
	4B. Approve Engagement Letter for Independent Auditor	3
	4C. Monthly Update for Kerrville Aviation – Joe Kennedy	3
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	1. Row Hangar Committee Recommendations – Stephen Schmerbeck	
	2. Funding Update – Statewide Pavement Program, Airport Planning Study	
	4E. Update on Building and Improvements – Mary Rohrer	3
	1. Brinkman Doors – FY 2022 Budget Adjustment	
	2. Terminal Building – Status and Insurance claim update	
5.	<u>EXECUTIVE SESSION</u>	
	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 (deliberations regarding real property), 551.073 (deliberation regarding gifts), 551.074 (personnel matters), 551.075, 551.076 (deliberation regarding security devices) or 551.087 (deliberations regarding economic development negotiations) of Chapter 551 of the Government Code of the State of Texas.	
	5A. Deliberations regarding real Property – 551.072	
6.	<u>ADJOURNMENT</u>	

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 Commissioner's 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

CALL TO ORDER

1. VISTORS FORUM:

None

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

Scott Schellhase gave a brief summary of the Aggregate Producers Organization Community Council meeting he attended on October 6, 2021. He reported that West Texas Aggregate is on board with the Council and has agreed to eliminate their sound reversing equipment devices to eliminate the noise.

3. CONSENT AGENDA

3 A. The Board approved the minutes for the September 22, 2021 meeting with a vote of 3-0. (See Exhibit 3A)

4. DISCUSSION AND POSSIBLE ACTION

4A. Tanya Shelton reviewed the financials for September with the board. The board vote 3-0 to accept the financial reports. (See Exhibit 4 A).

4B. Mary Rohrer presented the Independent Auditor's Engagement letter to the board and asked the board to Approved it. The board voted 3-0 to accept the Engagement letter from Neffendorf and Blocker. (See Exhibit 4B).

4C. Joe Kennedy gave a monthly update on Kerrville Aviation. He reported that he is working with Hallmark and Schreiner University and several high schools to develop aviation programs. He also reported that he with Matt Ross will have several larger planes coming to the field to be used in flight training programs. They are also trying to find a location on the field for a flight simulator. Fuel sales for Kerrville Aviation are on track to hit a high of 500,000 gallons sold for the year. No action needed.

4D 1. Stephen Schmerbeck reported that the committee on the Row Hangars has agreed to go back and reconsider other options on how to proceed with the project. Mary Rohrer and John Major further explained the complicated issues of the cost of the project and the return on investment or payback of the project (See Exhibits 4D 1-3). The matter was tabled at this time and no action was taken.

4D 2. Mary Rohrer gave an update to the Board on the Resolution of the funding from TxDOT (\$15 million) for special projects (See Exhibit 4D 2). No action needed.

4E. 1 Mary Rohrer gave an update on the on the progress of repairing the hangar doors of the Brinkman Hangar. She explained the need to make a budget adjustment to move funds for the repairs and to cover the costs of storing the tenant's aircraft during the repairs. (See Exhibit 4E 1)

2. Mary then gave an update on the Winter Storm damage repairs. She explained that most of the repairs have been completed. The Flight Planning area is nearing completion. The bathrooms will be completed on Friday November 19. The next phase will include directional signage in the terminal, business directional signs at each of the perimeter gates and additional artwork and displays in the lobby. (See Exhibit 4 E 2)

4E. 1. Mary Rohrer gave an update on the progress of the TxDOT Row hangars (See Exhibit 4F1 - 3). The estimated cost of the project has increased. She asked that a committee be put together to review the situation and to make recommendations to the Board at the October Meeting as to what the next steps should be. Mark Mosier asked Stephen Schmerbeck and John Major to work with Mary on this committee. (See Exhibit 4E 1).

5. The regular meeting was ended and the board went into Executive Session at 10:04 a.m. to deliberate on issue of Real Property – 551.072.

6. The Board came back into open session having taken no action. A motion to adjourn was made and seconded and the board voted to adjourn at 11:21 a.m.

Kerrville-Kerr County Airport Financial Statements



For the Month of October, 2021

12-09-2021 09:43 AM

KERR COUNTY, TEXAS
BALANCE SHEET
AS OF: OCTOBER 31ST, 2021

PAGE: 1

47 -Airport

ACCOUNT#	TITLE	
ASSETS		
=====		
47-103-100 NOW ACCOUNT	720,097.29	
47-103-360 TERMINAL LEASES RECEIVABLE	32.13	
47-103-403 T-HANGER LEASES RECEIVABLE	350.00	
47-103-610 FUEL FLOW RECEIVABLE	<u>6,360.12</u>	
		<u>726,839.54</u>
TOTAL ASSETS		<u>726,839.54</u>
=====		
LIABILITIES		
=====		
47-202-000 ACCOUNTS PAYABLE	2,436.99	
47-202-001 UNEARNED REV BRINKMAN HANGER	1,644.03	
47-202-003 UNEARNED REV T-HANGERS	16,525.00	
47-202-005 UNEARNED REV STORAGE	110.00	
47-202-025 UNEARNED PARKING LOT LEASES	812.50	
47-202-050 UNEARNED REV LAND LEASES	6,003.25	
47-202-060 UNEARNED REV TERMINAL LEASE	1,175.18	
47-202-080 UNEARNED INSURANCE PROCEEDS	11,271.04	
47-202-114 1994 BUILDING DEPOSITS	5,000.00	
47-202-115 TERMINAL DEPOSITS	1,465.00	
47-202-116 T-HANGER DEPOSITS	5,100.00	
47-202-118 BRINKMAN DEPOSIT	8,085.00	
47-203-100 RETAINAGE	22,542.09	
47-207-090 DUE TO PAYROLL FUND	2,359.45	
47-207-201 DUE TO FICA	240.64	
47-207-203 DUE TO RETIREMENT	220.90	
47-207-204 DUE TO FED W/H	293.34	
47-207-505 DUE TO MUTUAL OF OMAHA VA	7.07	
47-207-511 DUE TO MASA EMERGENT	6.75	
47-207-514 VISION	3.06	
47-207-521 SHORT TERM DISAB MUT. OF OMAHA	2.14	
47-207-522 LONG-TERM DISAB MUT. OF OMAHA	<u>22.32</u>	
TOTAL LIABILITIES		<u>85,325.75</u>
EQUITY		
=====		
47-271-000 UNRESERVED FUND BALANCE	369,040.08	
47-271-110 COMMITTED 1815 DOOR REPAIRS	<u>223,508.32</u>	
TOTAL BEGINNING EQUITY	592,548.40	
TOTAL REVENUE	111,824.41	
TOTAL EXPENSES	40,032.51	
(PRIOR YEAR UNPOSTED)	<u>(22,826.51)</u>	
TOTAL REVENUE OVER/(UNDER) EXPENSES	48,965.39	
TOTAL EQUITY & REV. OVER/(UNDER) EXP.		<u>641,513.79</u>
TOTAL LIABILITIES, EQUITY & REV.OVER/(UNDER) EXP.		<u>726,839.54</u>
=====		

KERR COUNTY, TEXAS
STATEMENT OF REVENUES - BUDGET VS. ACTUAL
AS OF: OCTOBER 31ST, 2021

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>							
<u>Lease/Rental Income</u>							
47-325-350 LAND ONLY LEASES	40,200	40,600	3,529.19	3,529.19	3,017.37	37,070.81	91.31
47-325-360 TERMINAL LEASES	13,000	15,300	1,503.34	1,503.34	1,128.02	13,796.66	90.17
47-325-402 LAND & STRUCTURE LEASES	142,000	142,000	12,624.37	12,624.37	11,801.68	129,375.63	91.11
47-325-601 BRINKMAN HANGER & OFFICE LE	97,000	98,000	8,377.68	8,377.68	9,969.30	89,622.32	91.45
47-325-603 T-HANGAR LEASE	126,000	126,000	10,500.00	10,500.00	34,200.00	115,500.00	91.67
47-325-604 VEHICLE RENT SURCHARGE	3,000	3,000	344.49	344.49	63.80	2,655.51	88.52
47-325-605 STORAGE RENTAL	1,300	2,000	165.00	165.00	220.00	1,835.00	91.75
47-325-625 PARKING LOT LEASES	5,000	3,400	281.25	281.25	105.00	3,118.75	91.73
TOTAL Lease/Rental Income	427,500	430,300	37,325.32	37,325.32	60,505.17	392,974.68	91.33
<u>Reimbursement</u>							
47-350-601 FUEL FLOW FEES	20,000	40,000	6,360.12	6,360.12	0.00	33,639.88	84.10
TOTAL Reimbursement	20,000	40,000	6,360.12	6,360.12	0.00	33,639.88	84.10
<u>Other Revenue</u>							
47-370-975 INSURANCE PROCEEDS	0	0	68,130.02	68,130.02	0.00	(68,130.02)	0.00
TOTAL Other Revenue	0	0	68,130.02	68,130.02	0.00	(68,130.02)	0.00
<u>Miscellaneous</u>							
<u>Interest Income</u>							
47-380-601 INTEREST INCOME	0	0	8.95	8.95	1.74	(8.95)	0.00
TOTAL Interest Income	0	0	8.95	8.95	1.74	(8.95)	0.00
<u>Transfer In</u>							
TOTAL REVENUES	447,500	470,300	111,824.41	111,824.41	60,506.91	358,475.59	76.22

STATEMENT OF EXPENDITURES - BUDGET vs ACTUAL

AS OF: OCTOBER 31ST, 2021

47 -Airport

SALARIES & BENEFITS

% OF YEAR COMPLETED: 08.33

DEPARTMENTAL EXPENDITURES	ORIGINAL BUDGET	CURRENT BUDGET	MONTHLY EXPENDITURES	YEAR-TO-DATE ACTUAL	YEAR-TO-DATE ENCUMBERED	PRIOR YEAR YEAR TO DATE	UNENCUMB. BALANCE	% BUDGET REMAINING
47-700-101 Airport Manager	88,400	90,200	7,243.85	7,243.85	0.00	7,473.13	82,956.15	91.97
47-700-102 EXECUTIVE ASSISTANT PART TI	31,162	34,700	2,720.83	2,720.83	0.00	2,638.86	31,979.17	92.16
47-700-104 Airport Maintenance Staff	38,400	39,200	3,147.69	3,147.69	0.00	3,245.95	36,052.31	91.97
47-700-201 FICA	12,113	12,500	760.75	760.75	0.00	788.41	11,739.25	93.91
47-700-202 GROUP INSURANCE	24,000	27,000	2,150.82	2,150.82	0.00	679.26	24,849.18	92.03
47-700-203 RETIREMENT	21,234	23,000	1,333.37	1,333.37	0.00	1,639.18	21,666.63	94.20
47-700-204 WORKMAN'S COMP	1,300	1,300	0.00	0.00	0.00	0.00	1,300.00	100.00
47-700-206 BASIC LIFE	<u>200</u>	<u>200</u>	<u>15.66</u>	<u>15.66</u>	<u>0.00</u>	<u>5.22</u>	<u>184.34</u>	<u>92.17</u>
TOTAL SALARIES & BENEFITS	216,809	228,100	17,372.97	17,372.97	0.00	16,470.01	210,727.03	7.62

KERR COUNTY, TEXAS
STATEMENT OF EXPENDITURES - BUDGET vs ACTUAL
AS OF: OCTOBER 31ST, 2021

47 -Airport

AIRPORT

% OF YEAR COMPLETED: 08.33

DEPARTMENTAL EXPENDITURES	ORIGINAL BUDGET	CURRENT BUDGET	MONTHLY EXPENDITURES	YEAR-TO-DATE ACTUAL	YEAR-TO-DATE ENCUMBERED	PRIOR YEAR YEAR TO DATE	UNENCUMB. BALANCE	% BUDGET REMAINING
47-800-008 PROF. DVMT/TRAINING	4,000	4,000	0.00	0.00	0.00	0.00	4,000.00	100.00
47-800-101 OFFICE SUPPLIES	2,700	2,200	0.00	0.00	0.00	0.00	2,200.00	100.00
47-800-102 SMALL TOOLS & EQUIP	2,000	2,000	0.00	0.00	0.00	0.00	2,000.00	100.00
47-800-104 FUEL & OIL SUPPLIES	3,000	2,000	380.04	380.04	0.00	97.15	1,619.96	81.00
47-800-106 JANITORIAL SERVICES	6,000	7,000	142.44	142.44	242.44	334.40	6,615.12	94.50
47-800-110 LANDSCAPING	8,000	8,000	350.00	350.00	0.00	0.00	7,650.00	95.63
47-800-112 HEARING APPAREL	1,000	1,000	8.90	8.90	8.90	5.60	982.20	98.22
47-800-200 LAND MAINT/MOWING CONTRACT	37,500	37,500	0.00	0.00	0.00	0.00	37,500.00	100.00
47-800-201 BUILDING & STRUCTURES REPAI	35,000	70,000	0.00	0.00	0.00	0.00	70,000.00	100.00
47-800-202 BUILDING & STRUCTURE MAINT.	9,000	9,000	230.00	230.00	0.00	0.00	8,770.00	97.44
47-800-203 VEHICLE MAINTENANCE	2,500	1,500	0.00	0.00	0.00	0.00	1,500.00	100.00
47-800-205 AIRSIDE MAINTENANCE	5,000	15,000	5,966.00	5,966.00	0.00	0.00	9,034.00	60.23
47-800-215 2020 WIND DAMAGE REPAIRS IN	0	0	0.00	0.00	68,130.02	0.00 (	68,130.02)	0.00
47-800-220 1815 HANGER DOOR REPAIR A.P	0	0	0.00	0.00	111,807.88	0.00 (	111,807.88)	0.00
47-800-302 PROPERTY INSURANCE	15,000	15,000	10,627.25	10,627.25	0.00	9,128.25	4,372.75	29.15
47-800-303 LIABILITY INSURANCE	1,000	1,000	1,000.00	1,000.00	0.00	634.00	0.00	0.00
47-800-305 EQUIPMENT RENTAL	2,500	2,100	143.94	143.94	0.00	140.35	1,956.06	93.15
47-800-307 MARKETING	10,000	8,000	0.00	0.00	0.00	0.00	8,000.00	100.00
47-800-311 LEGAL SERVICES	6,000	5,550	0.00	0.00	525.00	0.00	5,025.00	90.54
47-800-312 PROFESSIONAL SERVICES	15,000	15,000	0.00	0.00	0.00	0.00	15,000.00	100.00
47-800-401 Phone Service - Cell	1,500	1,500	53.99	53.99	36.58	53.00	1,409.43	93.96
47-800-404 WATER & SEWER	2,200	2,000	0.00	0.00	0.00	155.33	2,000.00	100.00
47-800-406 LIGHT AND POWER	15,000	15,000	1,702.61	1,702.61	0.00 (	242.46)	13,297.39	88.65
47-800-503 DUES AND SUBSCRIPTION	1,000	750	0.00	0.00	0.00	0.00	750.00	100.00
47-800-508 RESERVE FOR CAPITAL	25,000	0	0.00	0.00	0.00	0.00	0.00	0.00
47-800-512 CONTINGENCY	3,791	0	0.00	0.00	0.00	140.50	0.00	0.00
TOTAL AIRPORT	213,691	225,100	20,605.17	20,605.17	180,750.82	10,446.12	23,744.01	89.45

KERR COUNTY, TEXAS
 STATEMENT OF EXPENDITURES - BUDGET vs ACTUAL
 AS OF: OCTOBER 31ST, 2021

47 -Airport

TERMINAL

% OF YEAR COMPLETED: 08.33

DEPARTMENTAL EXPENDITURES	ORIGINAL BUDGET	CURRENT BUDGET	MONTHLY EXPENDITURES	YEAR-TO-DATE ACTUAL	YEAR-TO-DATE ENCUMBERED	PRIOR YEAR YEAR TO DATE	UNENCUMB. BALANCE	% BUDGET REMAINING
47-801-300 FIRE ALARM MONITORING	1,000	3,600	258.00	258.00	0.00	150.00	3,342.00	92.83
47-801-301 LIGHT & POWER	9,000	7,500	688.09	688.09	0.00	0.00	6,811.91	90.83
47-801-302 PROPANE GAS	4,000	3,000	1,108.28	1,108.28	0.00	0.00	1,891.72	63.06
47-801-303 WATER & SEWER	3,000	3,000	0.00	0.00	0.00	338.79	3,000.00	100.00
TOTAL TERMINAL	17,000	17,100	2,054.37	2,054.37	0.00	488.79	15,045.63	12.01
TOTAL EXPENDITURES	447,500	470,300	40,032.51	40,032.51	180,750.82	27,404.92	249,516.67	46.95

KERRVILLE-KERR COUNTY AIRPORT
STATEMENT OF EXPENDITURES BY FUNCTION
INCLUDING ENCUMBRANCES
AS OF: OCTOBER 31ST, 2021

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>							
47-700-101 Airport Manager	88,400	90,200	7,243.85	7,243.85	7,473.13	82,956.15	91.97
47-700-102 EXECUTIVE ASSISTANT PART TI	31,162	34,700	2,720.83	2,720.83	2,638.86	31,979.17	92.16
47-700-104 Airport Maintenance Staff	38,400	39,200	3,147.69	3,147.69	3,245.95	36,052.31	91.97
47-700-201 FICA	12,113	12,500	760.75	760.75	788.41	11,739.25	93.91
47-700-202 GROUP INSURANCE	24,000	27,000	2,150.82	2,150.82	679.26	24,849.18	92.03
47-700-203 RETIREMENT	21,234	23,000	1,333.37	1,333.37	1,639.18	21,666.63	94.20
47-700-204 WORKMAN'S COMP	1,300	1,300	0.00	0.00	0.00	1,300.00	100.00
47-700-206 BASIC LIFE	<u>200</u>	<u>200</u>	<u>15.66</u>	<u>15.66</u>	<u>5.22</u>	<u>184.34</u>	<u>92.17</u>
TOTAL SALARIES AND BENEFITS	216,809	228,100	17,372.97	17,372.97	16,470.01	210,727.03	92.38
<hr/>							
TOTAL SALARIES & BENEFITS	216,809	228,100	17,372.97	17,372.97	16,470.01	210,727.03	92.38

KERRVILLE-KERR COUNTY AIRPORT
STATEMENT OF EXPENDITURES BY FUNCTION
INCLUDING ENCUMBRANCES
AS OF: OCTOBER 31ST, 2021

47 -Airport
AIRPORT

EXPENDITURES	ORIGINAL BUDGET	CURRENT BUDGET	MONTHLY EXPENDITURES	YEAR-TO-DATE EXP.+ ENCUMB.	PRIOR YEAR YEAR-TO-DATE	UNENCUMB. BALANCE	% BUDGET REMAINING
PERSONNEL							
47-800-008 PROF. DVMT/TRAINING	4,000	4,000	0.00	0.00	0.00	4,000.00	100.00
TOTAL PERSONNEL	4,000	4,000	0.00	0.00	0.00	4,000.00	100.00
SUPPLIES							
47-800-101 OFFICE SUPPLIES	2,700	2,200	0.00	0.00	0.00	2,200.00	100.00
47-800-102 SMALL TOOLS & EQUIP	2,000	2,000	0.00	0.00	0.00	2,000.00	100.00
47-800-104 FUEL & OIL SUPPLIES	3,000	2,000	380.04	380.04	97.15	1,619.96	81.00
47-800-106 JANITORIAL SERVICES	6,000	7,000	142.44	384.88	334.40	6,615.12	94.50
47-800-110 LANDSCAPING	8,000	8,000	350.00	350.00	0.00	7,650.00	95.63
47-800-112 WEARING APPAREL	1,000	1,000	8.90	17.80	5.60	982.20	98.22
TOTAL SUPPLIES	22,700	22,200	881.38	1,132.72	437.15	21,067.28	94.90
MAINTENANCE							
47-800-200 LAND MAINT/MOWING CONTRACT	37,500	37,500	0.00	0.00	0.00	37,500.00	100.00
47-800-201 BUILDING & STRUCTURES REPAIR	35,000	70,000	0.00	0.00	0.00	70,000.00	100.00
47-800-202 BUILDING & STRUCTURE MAINT.	9,000	9,000	230.00	230.00	0.00	8,770.00	97.44
47-800-203 VEHICLE MAINTENANCE	2,500	1,500	0.00	0.00	0.00	1,500.00	100.00
47-800-205 AIRSIDE MAINTENANCE	5,000	15,000	5,966.00	5,966.00	0.00	9,034.00	60.23
47-800-215 2020 WIND DAMAGE REPAIRS IN	0	0	0.00	68,130.02	0.00	(68,130.02)	0.00
47-800-220 1815 HANGER DOOR REPAIR A.P	0	0	0.00	111,807.88	0.00	(111,807.88)	0.00
TOTAL MAINTENANCE	89,000	133,000	6,196.00	186,133.90	0.00	(53,133.90)	39.95
PROFESSIONAL SERVICES							
47-800-302 PROPERTY INSURANCE	15,000	15,000	10,627.25	10,627.25	9,128.25	4,372.75	29.15
47-800-303 LIABILITY INSURANCE	1,000	1,000	1,000.00	1,000.00	634.00	0.00	0.00
47-800-305 EQUIPMENT RENTAL	2,500	2,100	143.94	143.94	140.35	1,956.06	93.15
47-800-307 MARKETING	10,000	8,000	0.00	0.00	0.00	8,000.00	100.00
47-800-311 LEGAL SERVICES	6,000	5,550	0.00	525.00	0.00	5,025.00	90.54
47-800-312 PROFESSIONAL SERVICES	15,000	15,000	0.00	0.00	0.00	15,000.00	100.00
TOTAL PROFESSIONAL SERVICES	49,500	46,650	11,771.19	12,296.19	9,902.60	34,353.81	73.64
UTILITIES							
47-800-401 Phone Service - Cell	1,500	1,500	53.99	90.57	53.00	1,409.43	93.96
47-800-404 WATER & SEWER	2,200	2,000	0.00	0.00	155.33	2,000.00	100.00
47-800-406 LIGHT AND POWER	15,000	15,000	1,702.61	1,702.61	(242.46)	13,297.39	88.65
47-800-503 DUES AND SUBSCRIPTION	1,000	750	0.00	0.00	0.00	750.00	100.00
TOTAL UTILITIES	19,700	19,250	1,756.60	1,793.18	(34.13)	17,456.82	90.68
CAPITAL							
47-800-508 RESERVE FOR CAPITAL	25,000	0	0.00	0.00	0.00	0.00	0.00
TOTAL CAPITAL	25,000	0	0.00	0.00	0.00	0.00	0.00

KERRVILLE-KERR COUNTY AIRPORT
STATEMENT OF EXPENDITURES BY FUNCTION
INCLUDING ENCUMBRANCES
AS OF: OCTOBER 31ST, 202147 -Airport
AIRPORT

EXPENDITURES	ORIGINAL BUDGET	CURRENT BUDGET	MONTHLY EXPENDITURES	YEAR-TO-DATE EXP.+ ENCUMB.	PRIOR YEAR YEAR-TO-DATE	UNENCUMB. BALANCE	% BUDGET REMAINING
<hr/>							
<u>CONTINGENCY</u>							
47-800-512 CONTINGENCY	3,791	0	0.00	0.00	140.50	0.00	0.00
TOTAL CONTINGENCY	3,791	0	0.00	0.00	140.50	0.00	0.00
<hr/>							
TOTAL AIRPORT	213,691	225,100	20,605.17	201,355.99	10,446.12	23,744.01	10.55

KERRVILLE-KERR COUNTY AIRPORT
STATEMENT OF EXPENDITURES BY FUNCTION
INCLUDING ENCUMBRANCES
AS OF: OCTOBER 31ST, 2021

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 FIRE ALARM MONITORING	1,000	3,600	258.00	258.00	150.00	3,342.00	92.83
47-801-301 LIGHT & POWER	9,000	7,500	688.09	688.09	0.00	6,811.91	90.83
47-801-302 PROPANE GAS	4,000	3,000	1,108.28	1,108.28	0.00	1,891.72	63.06
47-801-303 WATER & SEWER	<u>3,000</u>	<u>3,000</u>	<u>0.00</u>	<u>0.00</u>	<u>338.79</u>	<u>3,000.00</u>	<u>100.00</u>
TOTAL UTILITIES	17,000	17,100	2,054.37	2,054.37	488.79	15,045.63	87.99
<hr/>							
TOTAL TERMINAL	17,000	17,100	2,054.37	2,054.37	488.79	15,045.63	87.99
<hr/>							
TOTAL EXPENDITURES	447,500	470,300	40,032.51	220,783.33	27,404.92	249,516.67	53.05
<hr/>							
REVENUE OVER/(UNDER) EXPENDITURES	0	0	71,791.90 (	108,958.92)	33,101.99	108,958.92	0.00

48 -AIRPORT CAPITAL

ACCOUNT#	TITLE		
ASSETS			
=====			
48-103-100 NOW ACCOUNT		<u>6,951.83</u>	<u>6,951.83</u>
TOTAL ASSETS			<u>6,951.83</u>
			=====
LIABILITIES			
=====			
EQUITY			
=====			
48-271-000 UNRESERVED FUND BALANCE		<u>39,771.81</u>	
TOTAL BEGINNING EQUITY		39,771.81	
TOTAL REVENUE		0.16	
TOTAL EXPENSES		9,865.00	
(PRIOR YEAR UNPOSTED)		(<u>22,955.14</u>)	
TOTAL REVENUE OVER/(UNDER) EXPENSES		(32,819.98)	
TOTAL EQUITY & REV. OVER/(UNDER) EXP.		<u>6,951.83</u>	
TOTAL LIABILITIES, EQUITY & REV.OVER/(UNDER) EXP.			<u>6,951.83</u>
			=====

KERRVILLE-KERR COUNTY AIRPORT
STATEMENT OF REVENUES - BUDGET VS. ACTUAL
AS OF: OCTOBER 31ST, 2021

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	0.00	0.00	50,000.00	100.00
TOTAL REIMBURSEMENTS	50,000	50,000	0.00	0.00	0.00	50,000.00	100.00
<u>INTERGOVERNMENTAL REV</u>							
48-351-100 KERR COUNTY RAMP GRANT MATC	25,000	25,000	0.00	0.00	0.00	25,000.00	100.00
48-351-101 CITY RAMP GRANT MATCH	25,000	25,000	0.00	0.00	0.00	25,000.00	100.00
48-351-103 KERRVILLE CITY PROJECT MATC	510,058	300,000	0.00	0.00	0.00	300,000.00	100.00
TOTAL INTERGOVERNMENTAL REV	560,058	350,000	0.00	0.00	0.00	350,000.00	100.00
<u>MISCELLANEOUS</u>							
<u>GRANT REVENUE</u>							
<u>OTHER REVENUE</u>							
48-360-100 INTEREST EARNINGS	0	0	0.16	0.16	0.08 (	0.16)	0.00
TOTAL OTHER REVENUE	0	0	0.16	0.16	0.08 (	0.16)	0.00
<u>TRANSFERS IN</u>							
48-390-610 TRANSFER IN	510,058	300,000	0.00	0.00	0.00	300,000.00	100.00
TOTAL TRANSFERS IN	510,058	300,000	0.00	0.00	0.00	300,000.00	100.00
TOTAL REVENUES	1,120,116	700,000	0.16	0.16	0.08	699,999.84	100.00

KERRVILLE-KERR COUNTY AIRPORT
 STATEMENT OF EXPENDITURES - BUDGET vs ACTUAL
 AS OF: OCTOBER 31ST, 2021

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>							
48-600-104 RAMP GRANT	100,000	100,000	9,865.00	9,865.00	0.00	90,135.00	90.14
48-600-108 RELOCATE 12/30 PARALLEL TAX	0	180,000	0.00	0.00	0.00	180,000.00	100.00
48-600-109 HORSESHOE BLDG IMPROVEMENT	530,466	0	0.00	0.00	0.00	0.00	0.00
48-600-111 BOX HANGER CONSTRUCTION	200,000	0	0.00	0.00	0.00	0.00	0.00
48-600-114 CROSSWIND RUNWAY	0	350,000	0.00	0.00	0.00	350,000.00	100.00
48-600-115 T-HANGER 10% MATCH/SITE PRE	289,650	0	0.00	0.00	0.00	0.00	0.00
48-600-116 MAINTENANCE BLDG RENOVATION	22,956	0	0.00	0.00	0.00	0.00	0.00
TOTAL AIRPORT CAPITAL	1,143,072	630,000	9,865.00	9,865.00	0.00	620,135.00	98.43
<hr/>							
TOTAL Capital Outlay	1,143,072	630,000	9,865.00	9,865.00	0.00	620,135.00	98.43
<hr/>							
TOTAL EXPENDITURES	1,143,072	630,000	9,865.00	9,865.00	0.00	620,135.00	98.43
<hr/>							
REVENUE OVER/(UNDER) EXPENDITURES	(22,956)	70,000	(9,864.84)	(9,864.84)	0.08	79,864.84	114.09

AIRPORT BOARD AGENDA

ITEM 4C. Review Changes to User Permit

MEETING DATE: December 15, 2021

FROM: Mary Rohrer
SUBJECT: Changes to Airport User Permit



Attached is the current Airport User Permit. Reviewing the content for First Friday Wine Share event earlier this month, we recognized the existing document and fee schedule needs a refresh.

Online research was performed to understand how other local jurisdictions manage facility rentals. Attached is our preferred format from Kendall County Parks Department. Their form is simple, easy to understand policies and to the point.

In the next few weeks, we'll update the form specific to Kerrville Kerr County Airport. The form would be used to accommodate rental of Airport facilities- such as the terminal building and facilities that are leased, such as Kerrville Aviation's Jet Hangar 5. Other items that should be discussed and included in the agreement are:

- Rental and deposit fees and how fees are waived,
- How much insurance is needed, and
- Requirements for serving wine/beer/alcohol.

KERRVILLE-KERR COUNTY AIRPORT
TERMINAL FACILITY
USER AGREEMENT

Parties:

Lessor: Kerrville-Kerr County Airport
Attn: Bruce McKenzie
1877 Airport Loop
Kerrville, Texas 78028

Lessee: _____ (Name of Responsible Party)
_____ (Organization)
_____ (Address)
_____ (City, State, Zip Code)

Delegation of Authority

The Kerrville-Kerr County Airport is owned jointly by the City of Kerrville and Kerr County ("Owners"). These entities have delegated operation of the Airport to the Joint Airport Board, and as such, the Airport Manager, the Board's designee, is authorized to enter into this use agreement on behalf of the Board and the Owners.

Term:

This Agreement shall be effective for the dates and times reflected in the attached "Reservation and Event Information Form" (Exhibit A).

Premises:

The area(s) of the Kerrville-Kerr County Airport Terminal designated in the attached Exhibit A shall be reserved for the exclusive use by Lessee during the time period(s) listed therein, under the conditions contained in said Exhibit. By entering into this Agreement, Lessee agrees to abide by the conditions contained in this Exhibit.

Consideration:

Lessee agrees to pay to the Kerrville-Kerr County Airport Manager the sum(s) as reflected in the attached Exhibit for use of the identified areas of the Terminal Building during the date(s) and time(s) indicated therein. All amounts must be paid by check, money order or bank draft (payable to the Kerrville-Kerr County Airport); cash will not be accepted. All amounts shall be mailed or delivered to: Kerrville-Kerr County Airport, Attn: Bruce McKenzie, Airport Manager, 1877 Airport Loop, Kerrville, Texas 78028

Reservations:

After Lessee submits a completed "Reservation and Event Information Form," the date(s) agreed upon for the lease period will be held for 5

working days. A deposit of 50% of the total lease amount must be made within five (5) working days of submission of the form, unless otherwise agreed in writing between Lessor and Lessee at the time of reservation. If such payment is not made, the dates will thereafter be available to the public for reservation. Failure of Lessee to pay the remaining balance due on or before fourteen (14) working days before the event will result in cancellation of the event by Lessor, with Lessee being responsible for any and all direct or indirect costs resulting from such cancellation. A Lessee may reserve up to 4 dates within a 12-month period by paying one deposit. Reservation of any date(s) more than 12 months from the date of reservation may be made by payment of a non-refundable deposit of \$500.00 for each date reserved.

Insurance

At least ten (10) working days prior to the planned use of the Terminal facilities, Lessee shall provide Lessor with an ACORD™ Certificate of Insurance evidencing Lessee has Comprehensive Commercial General Liability insurance coverage for bodily injury, death, and property damage limits of at least \$500,000.00 Per Occurrence / \$1,000,000.00 General Aggregate, naming Lessor, Lessee, Kerr County and City of Kerrville as insured parties under said policy (without condition or cost to Lessor). For any event where alcohol will be served, Lessee must also provide liquor liability insurance coverage with minimum limits of \$500,00.00 per occurrence / \$1,000,000.00 General Aggregate naming Lessor as an Additional Insured. Coverage shall be provided by carriers admitted to do business in the State of Texas as either "Admitted" or accepted Excess Surplus Lines carriers. Insurance shall be in a form and substance satisfactory to Lessor. All carriers must have an "A-" or better, A.M. Best rating. Failure to provide this proof of insurance within the time required may result in cancellation of the event and forfeiture of all deposited funds.

Security:

Lessee agrees to provide sufficient security during the lease term to maintain law and order and to protect the safety and security of all attendees. For any event that will utilize the leased facility after 9:00 p.m. or where liquor is to be served, Lessee shall provide at least one TCLEOSE licensed and commissioned peace officer for security for each 100 persons in attendance, but in no event shall there be fewer than two security officers for any event requiring security, unless otherwise agreed to in writing between the parties prior to the event. It is Lessee's responsibility to arrange for and pay the required security personnel, and to provide Lessor with proof that such services have been arranged at least ten (10) days before

the event. Such security personnel shall be deemed independent contractors for purposes of this agreement and shall operate under the direction and control of Lessee during any event. Failure to comply with the requirement to provide security personnel will result in immediate suspension or cancellation of the event with no refund.

Property Damage:

Lessee shall be responsible for and agrees to pay Lessor for any and all costs of repair or replacement of property damaged or destroyed by Lessee, its agents, representatives, employees or invitees.

Lessee's Personal Property:

Lessor shall not be responsible for loss or damage to personal property belonging to Lessee, its agents, representatives, employees or invitees.

Right of Entry:

Lessor retains the right to enter the leased premises at all times.

Emergency Contact:

If any emergency relating to use of the facility arises outside of regular business hours that requires contacting Lessor, the following telephone number should be used to contact the Airport Manager or his designated representative: 830/____-____.

Assignment/Sublease:

Lessee may not assign or sublease under this Agreement without the express written permission of Lessor.

Indemnity:

Lessee agrees to indemnify and hold Lessor, Kerr County and City of Kerrville harmless from any and all claims or liability for damages to any person or persons for personal injuries or death or loss or damage to property occasioned by or in connection with the use of the leased premises caused by any source whatsoever. Lessee hereby assumes full responsibility for the acts, conduct, or omissions of all persons admitted to the leased premises by Lessee, its agents, representatives, or employees during the lease term.

Entire Agreement:

This Agreement constitutes the complete and entire agreement between the parties hereto, and supersedes any other written or oral agreements, promises or representations made by either party.

Severability:

If any term, covenant or condition of this Agreement or the application thereof to any person or circumstance shall, to any extent be found invalid or unenforceable, the remainder of this Agreement or application of such term, covenant or condition to persons or circumstances other than those as to which it is invalid or unenforceable shall not be affected thereby, and each other term, covenant or condition of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

Modification

No modification of this Agreement shall be of any force or effect unless made in writing, attached hereto, and executed by Lessor and Lessee.

Choice of Law and Forum:

This Agreement shall be governed, construed, and interpreted under the laws of the State of Texas. Kerr County, Texas, shall be the proper forum for resolving any and all disputes arising from or under this Agreement.

Observance of Laws and Court Orders:

Lessee, its agents, representatives, employees and invitees shall comply with all laws of this state and of the United States, and all local rules and ordinances, including but not limited to all applicable rules, court orders, and laws relating to the health, registration and vaccination of animals, and all local and state fire code regulations.

Taxes:

Lessee shall collect all applicable taxes on sales of tickets and/or other items and shall remit the amounts to the proper authority as required by law.

Cancellation:

Upon written declaration by the County Judge of a public emergency requiring use of the Terminal facilities by or on behalf of either Owner during a term covered by this Agreement, this Agreement shall terminate effective immediately.

Lessee shall receive a full refund, less a 20% administrative fee, if Lessor receives notice of such cancellation at least ____ () months prior to the date scheduled. No refund shall be made for any cancellation made later than ____ () months before the event.

Signed and agreed to on this ____ day of _____, 20____.

Lessor (Authorized Agent)

Lessee (Authorized Agent)

Kerrville/Kerr County Airport Terminal Reservation and Event Information Form
 1877 Airport Loop, Kerrville Texas 78028 (830)896-9399
 Emergency Contact: (830) ____-____

Name/Organization Name				Date		
Contact Person						
Address			City	State	Zip	
Phone Number		Cell Number		Fax Number		
Commercial		Non-Commerical		Not-for-Profit		

Must have current IRS 501c(3) or approved designation with Facilities Use Department

Reservation Dates							
Reservation Day(s)	Monday	Tuesday	Wednesday	Thursday	Friday	Saturday	Sunday
Mark Days							
Event Times	Start		Finish				
Decorating Time	Start		Finish				
Security Reserved	Yes						
Insurance Coverage verified	Yes						

ALL RENTALS FEES ARE PER DAY

Facilities Needed	Quantity	Fixed	Cost	Total	Additional Notes Section
Conference Room		\$ 350.00			
Terminal Building Lobby		\$ 250.00			
Terminal Building Outside		\$ 50.00			
Grounds*(parking lot)		\$ 200.00			
Set-up / Take down Fee		\$ 300.00			
Tables		\$ 4.00			
Chairs		\$ 0.75			
Food Vendor Fee		\$ 100.00			
Copies (each)		\$ 0.20			
Fax (each)		\$ 2.00			
Clean up Deposit (refundabl)		\$ 300.00			
Catering Deposit		\$ 100.00			
PA System		\$ 150.00			
Liability Insurance		\$ -			
Liquor License		\$ -			
Damages cost +20%		0			
Early Access Fee		\$ 25.00			
Key Deposit (check held)		\$ 100.00			
Total Contract Price					
50% Deposit					
REMAINING BALANCE					

DEPOSIT	DATE Rec'd	Amt Rec'd	Rec'd By
PAYMENT	DATE Rec'd	Amt Rec'd	Rec'd By
PAYMENT	DATE Rec'd	Amt Rec'd	Rec'd By

Mail payment to: Kerrville/Kerr County Airport, Attn. Bruce McKenzie, Airport Manager, 1877 Airport Loop, Kerrville, TX 78028
 Make checks payable to Kerr County Airport - please reference event date on the check.

SIGNATURE		DATE	
Approved:		DATE	

Kendall County Ring Mountain Event Center Lease Agreement

This agreement, made and entered into this day by and between Kendall County, Texas a political subdivision of this state of Texas herein after called Lessor, acting by and through its duly authorized Parks Director, and _____ hereinafter called Lessee, is as follows:

1. That, upon the terms and conditions herein expressed and in consideration of the covenants and agreements herein expressed, Lessor does hereby grant unto Lessee the right to use and occupy the following described space and Premises of the Kendall County Ring Mountain Event Center, in the Town of Comfort, Kendall County, Texas to-wit: Kendall County Ring Mountain Event Center all grounds surrounding and/or adjacent to it, as well as, all furniture, equipment, or personal property appertaining to it (hereinafter the "Premises") This agreement allows the use of facilities by the Lessee for the said purpose of: _____ on dates and times as indicated:

DATE

IN TIME

OUT TIME

2. The Lessee must provide a security deposit in the sum of FIVE HUNDRED AND 00/100 DOLLARS (\$500.00) to the Lessor to reserve a date. The security deposit must be paid by credit/debit card and will be credited towards the rental fee. If damages occur, the Lessee grants the Lessor the right to charge the card on file to cover the expenses pertaining to the damages. The Lessor will provide the Lessee with proof of damages and receipts of expenses associated with the damages.
3. Lessee hereby covenants and agrees to pay the Lessor, at its office, for the use of the Premise _____ AND 00/100 DOLLARS (\$ _____), payable as set forth in this lease no later than 120 days before said date listed above. If Lessee fails to submit payment by the 120 day deadline, the Lessee then grants the Lessor the right to release the agreed upon date listed above as available. Lessee acknowledges a receipt of a copy of the schedule of fees and charges and covenants that it is bound thereby.
4. Lessee shall have possession of the premises for the purpose and term aforesaid, including corridors necessary to accommodate patrons, along with restrooms.
5. Lessor will furnish, at its expense, all utilities necessary for operation of the Kendall County Ring Mountain Event Center and all janitorial service deemed necessary by Lessor. Lessor shall not be responsible for any loss resulting from any lack of heat, water or lights due to an act of God or failure of equipment to operate properly through no fault of Lessor.
6. Lessor shall have the right to enforce the observance of the Regulations of the Kendall County Ring Mountain Event Center by Lessee's ushers, gate men, and all other employees and agents of Lessee and to remove all such employees and agents (i) not complying with said Regulation or (ii) not conducting themselves in an acceptable manner, is the Lessor's sole discretion. Lessor through its officers and agents, shall also have the authority to eject any objectionable person(s) from the Premises. In the event of the exercise of this authority, Lessee hereby waives and releases any claim for damages against Lessor, its, agents and employees on account thereof.
7. The Lessee is responsible for contracting and providing the required number of Peace Officers, determined by the Kendall County staff, in the event that alcoholic beverages are to be served. Charges for these services are the responsibility of Lessee. Kendall County requires one (1) Peace Officer per one hundred (100) guests. Peace Officer services must be paid no later than the end of the event. If the Lessee is required to provide Peace Officers and fails to comply with policy, the Kendall County staff reserves the right to terminate any dispersion of alcoholic beverages.
8. No machinery shall be operated on the Premises without the prior written consent of the Kendall County staff. Candles are permitted but must be enclosed in a non-flammable structure. Doors under lighted exit signs may not be blocked or locked. Decorations are permitted according to the guidelines set forth in the Kendall County Ring Mountain Event Center Lease Agreement.
9. Lessor reserves the right after the termination of the time for which the Premises are rented, to remove from the building all personal property remaining. Lessor shall not be liable in any way to Lessee on account of so removing and storing such personal property. Lessee shall return the facilities in the same condition as when received.
10. The Lessee agrees to and shall indemnify and hold harmless and defend the Lessor, its officers, agents, elected officials and employees from and against any and all claims, losses, damages, causes of action, suits and liability of every kind, including all expenses of litigation, court costs and attorney's fees, for injury to or death of any person, or damage to any property, or for any breach of contract arising out of or in connection with this lease agreement and the purposes for which this lease agreement was entered into, including but not limited to property damage, injuries and death due to the act, omission, mistake, fault, default, or negligence of (1) the Lessor, its, agents, employees; (2) the Lessee, its agents and employees; and (3) any invitees, licensees or guests of the Lessee.
11. Cancellations: In order to receive a full refund of the fees that have already been processed, a written cancellation notice must be given 90 days prior to the said date listed above. The lessee will forfeit all of their fees if cancellation is received less than 90 days before the time of occupancy. Lessee will also forfeit all of their fees for a "No Show". Lessor reserves the right to cancel any event that has not met all criteria outlined in the Event Center policies. Lessee will forfeit any fees for cancellation of an event due to failure to comply with policies. If Lessee must reschedule, a request must be submitted 90 days prior to the said date listed above in order for a revised date to be granted.
12. Neither the corridors, passageways, nor exits shall be obstructed by Lessee, nor shall be used for any purpose other than ingress or egress.
13. In the event the Premises or the building of which the Premises are a part shall be destroyed by fire or other cause, or of any other casualty or unforeseen occurrence or other causes shall render the fulfillment of the agreement by Lessor impossible, then the term of this agreement shall end and Lessee shall be liable to pay rent only up to the time of such termination, and Lessee hereby waives and releases any claim for damages or compensation on account of such termination. The Lessor will refund all processed fees to the Lessee in the event the Premises are destroyed or are non-accessible.

14. Lessor, through its staff, security officers, or other designated representatives, shall have the right at any time to enter any portion of the Premises for any purpose whatsoever, and the entire building, including the Premises covered by this agreement, shall be at all times be under the charge and control of the Kendall County staff.
15. Lessee agrees to comply with all laws of the United States, the State of Texas, all ordinances of Kendall County, Texas, and all rules and regulations adopted by the Commissioner's Court of Kendall County, Texas governing the use of the Kendall County Ring Mountain Event Center. Lessee agrees to obtain and pay for any and all necessary permits and licenses.
16. Lessee will not post, exhibit or allow to be posted or exhibited, any signs, advertisements, show bills, lithographs, posters or cards of any description on the Premises (inside or outside the building or on any adjacent grounds), except as authorized by the Kendall County staff. Lessee agrees to immediately remove all signs, advertisements, show bills or other material, which are unacceptable to the Kendall County staff.
17. This agreement may not be assigned by Lessee in whole or in part. Lessee further agrees and understands that it may not sublet any portion of the Premises, without the written consent of the Lessor.
18. Lessee accepts the building, its fixtures and equipment, in their present condition and state of repair. All repairs and replacement required to return the building and its furnishings, fixtures and equipment to their present condition will be at the expense of Lessee upon demand by Lessor.
19. Lessor reserves all rights and privileges for outgoing television and radio broadcasts originating from the Kendall County Ring Mountain Event Center during the term of this agreement, should Lessor grant to Lessee such privilege. Lessor has the right to require advance payment of any estimated related cost to Lessor and may also require payment for said privilege in addition to rental fee. The grant of such privilege must be in writing, and obtained from the Kendall County staff in advance of the broadcast date.
20. Lessee shall not install any wire, electrical appliances, plumbing fixtures or pipes without first securing the written consent of the Kendall County staff.
21. Lessee agrees to pay reasonable attorney fees in the event the Lessor must collect from Lessee any amount due hereunder by judicial proceedings.
22. Lessee shall not admit to the Premises a number greater than the seating capacity of 150 persons.
23. Alcohol served or consumed on the Premises must comply with the regulations of the Texas Alcoholic Beverage Commission. Lessee is responsible for providing proof of a licensed TABC bartender if alcohol is served. Alcohol cannot be served until officers arrived and will be cut off 30 minutes prior to the end of the event.
24. Lessee accepts full responsibility for the actions of all individuals or groups invited, hired, or participating in the event.
25. Smoking is permitted at the designated smoking area only.
26. Lessee shall be responsible for providing a shuttle service for attendees due to the lack of parking at the Ring Mountain Event Center. Only ten (10) vehicles are allowed to park at the Ring Mountain Event Center, the remaining vehicles must park at the shuttle lot which is provided by the Lessor at no cost to the Lessee.
27. Final Appointment: The Lessor must schedule a final appointment with the Lessee no later than thirty (30) days before the event to determine the final layout of the event.
28. Lessor reserves the right to cancel an event due to unsafe facility condition. In such instances, full refunds will be given or the Lessee will have the option to reschedule the event.
29. Nails, screws, glitter, confetti, and stickers are prohibited.

IF LESSEE AGREES WITH ALL TERMS OF THIS CONTRACT, THE LESSEE WILL NEED TO SIGN THE CONTRACT AND RETURN, ALONG WITH PAYMENT, TO KENDALL COUNTY. ONCE RECEIVED, THE CONTRACT WILL BE SIGNED BY THE PARKS STAFF.

KENDALL COUNTY, TEXAS

LESSOR

By: _____
Kendall County Staff

Date

LESSEE

By: _____
Authorized Agent

Date

AIRPORT BOARD AGENDA ITEM 4D

MEETING DATE: December 15, 2021

FROM: President Mark Mosier and Mary Rohrer
SUBJECT: Discussion on T-Hangar Lease



Discussion Items on T Hangar Lease

1. Assembly of aircraft and concept of airworthiness
2. Hangar Inspections
3. Rental Rate and CPI

1. At the September Board Meeting, President Mosier asked how to provide the ability for a builder to assemble an aircraft in one of the airport's hangars and how to monitor if an aircraft is being used and kept airworthy. Attached is the latest "Sample T hangar Lease" from the airport website.

- Assemble an Aircraft. Paragraph 5.06 specifically prohibits substantial disassembly of the aircraft, and Paragraph 5.07, assembly of a new or used aircraft is prohibited. How should these paragraphs be modified to help the home builder?
- Airworthy. Airworthiness isn't a concept in the lease. Paragraph 4.02 mentions a "storage of a registered aircraft" which information on the aircraft is filled in for each lease. What are suggestions to add to the lease to only store actively flown airworthy aircraft?

2. Hangar Inspection. An outcome of researching the issues above, Paragraph 11.07 allows the Airport the right to inspect the individual hangars. A quick look inside the hangar may help identify aircraft that are pulled apart, or appear not to have been flown. And there are a handful of lease provisions that can be cross checked by three steps:

- First, Lessor's review of the signed lease (Carole),
- Second, airport staff taking a look inside the hangar (Mary/Jason), and
- Third, providing feedback to the Lessee (either be at inspection in person, or receive copy of the form by email).

Carole has prepared a memo to send to the hangar tenants which would advise them of our plan to inspect their premises attached. A sample Inspection sheets is also included. Above the red line on the form, Carole will fill in the information from the office lease. Below the red line are items that will be reviewed during the inspection. The pink highlight references the sections in the lease pertaining to the check list. After the inspection, the completed form will be emailed to Lessee and filed in Lessee's folder in our office.

3. Hangar rental rates

In 2019, the T Hangar rental rates were increased by \$25/month. The increase was implemented at the renewal date of each lease. Currently, for the T hangars and Paint hangar, (32 units) the average annual rental rate based on the area of premises is \$3.37/sf and average monthly hangar rent is \$325/month.

In 2020, an appraisal prepared by Win Perkins determined \$4/sf as market rate for the proposed TXDOT project for 10 new T hangars.

For consideration in FY 2022, attached is a summary spread sheet that shows the rates per hangar type as currently being charged and the rates if adjusted for CPI (December 2021 index compared to Jan 2019 index). Using the December 2021 CPI index would increase the average annual rental rate per area of premises is \$3.74/sf and average monthly hangar rent is \$360/month.

**KERRVILLE-KERR COUNTY AIRPORT
T-HANGAR LEASE AGREEMENT**

THIS T- HANGAR LEASE AGREEMENT ("Lease" or "Agreement"), made this ____ day of _____, 2021 between the Kerrville –Kerr County Airport, herein called the "Board" or "Lessor", pursuant to the Texas Municipal and County Airport Act, Tex. Transportation Code Chapter 22 and _____ ("Lessee").

RECITALS

WHEREAS, the Lessor operates and has all power and authority to enter into this lease and agreements at the Kerrville-Kerr County Airport, located in the City of Kerrville, Texas, hereinafter referred to as "Airport" on behalf of joint owners, the City of Kerrville ("City") and Kerr County ("County"), Texas, and,

WHEREAS, Lessee desires to lease certain Lessor-owned hangar at the Airport for the storage of aircraft;

NOW, THEREFORE, for and in consideration of the covenants and conditions herein stated, Lessor and Lessee agree as follows:

ARTICLE 1. GRANT OF LEASE

1.01 Leased Premises: Lessor agrees to lease to Lessee certain property owned by Lessor located at the Airport and being more particularly described as _____, hereinafter being referred to as the "Leased Premises."

ARTICLE 2. TERM OF AGREEMENT

2.01 Lease Term: The term of this Lease Agreement shall commence at 12:01 a.m. on _____, 20__, and terminate at midnight on _____, 20__, ("the Lease Term") unless terminated earlier pursuant to the provisions of this Lease Agreement.

2.02 Holdover of Lessee: If Lessee holds over or remains in possession of the Leased Premises after the termination of this Agreement in the absence of a new lease agreement between the Lessor and Lessee, such continuation beyond the date of termination, or the collection or acceptance of rent, fees and/or other charges by the Lessor, shall not be construed as a renewal or extension of this Agreement, but shall be construed solely as creating a tenancy at will and not for any other term whatsoever. During the term of such tenancy at will, Lessee shall pay Lessor the fees and charges herein reserved, and Lessee shall be bound by and comply with all relevant provisions of this Agreement. Lessor may terminate the tenancy at will by giving Lessee 30 day written notice thereof.

ARTICLE 3. RENT

3.01 Amount of Base Rent: Lessee agrees to pay to Lessor rent for the Leased Premises in the amount of \$ _____ per month, commencing on the first day of the lease period, and continuing monthly, due on the first day of each following month for the entire lease period. If

the commencement date of this lease shall be on a day other than the first day of a month, the rent due for that first month shall be prorated accordingly. The amount of rent due from time to time pursuant to this Agreement shall be subject to adjustment as set forth in Section 3.03, below.

3.02 Security Deposit. At or before the execution of this Agreement, Lessee shall pay to Lessor a security deposit in the amount of \$150.00. Lessor may use as much of the deposit as necessary to pay for any damages resulting from Lessee's occupancy of the Premises, normal wear and tear excepted. Within thirty (30) days of the termination of this Agreement, Lessor shall return the balance of the deposit to Lessee, minus any amount subtracted for damages.

3.03 Adjustment of Rent During Lease Term: During the Lease Term, the rent to be paid by Lessee shall be periodically increased or decreased every October (not more frequently than once per year) in accordance with changes in the Consumer Price Index for Urban Wage Earners and Clerical Workers (CPI - U) (the "Consumer Price Index") as promulgated by the Bureau of Labor Statistics of the United States Department of Labor, which consumer price index for August, 202_, is _____ (the "Base Index") using the year 2010 as a base of 100. The Base Rent to be paid during the term of this Agreement shall bear the same ratio to the Consumer Price Index for the month of August preceding the date of the rent adjustment, as _____ bears to the Base Index. In no event, however, shall the Base Rent be less than \$_____ per year.

In the event that the CPI is discontinued, comparable statistics on the purchasing power of the consumer dollar as determined by a responsible financial periodical of recognized authority selected by the Board shall be used as the basis for making adjustments of Base Rent during the Lease Term.

3.04 Delivery of Rent: All payments required of Lessee by this Agreement shall be delivered by mail, or in person, to the Airport Manager's Office, 1877 Airport Loop, Kerrville, Texas located at the Airport, or to such other location as specified in writing by the Lessor from time to time, no later than the first day of each calendar month of the Lease Term for which the payment is due.

3.04 Delinquent Rent Payments: In the event that payments to the Lessor for rent or other fees or charges are not received by the Lessor on or before the eighth day following the due date, Lessee shall pay a late rental charge of Two Percent (2.0%) of the rent amount due for that month. All rent and other payments which are past due more than thirty (30) days shall accrue simple interest at the rate of eighteen percent (18.0%) annually or (b) the maximum percentage rate allowed by law, whichever is less.

3.05 Application of Amounts Received: Payments received shall be applied in the following order: (1) late rental charges, (2) past due rent, beginning with the oldest amount due, (3) other past due amounts, AND (4) rent currently due.

3.06 CONTRACTUAL LESSOR'S LIEN. LESSEE AGREES THAT LESSOR SHALL HAVE A CONTRACTUAL LIEN FOR UNPAID RENT THAT IS DUE, AND THAT THIS LIEN SHALL ATTACH TO ALL PROPERTY THAT IS STORED ON THE PREMISES. THIS CONTRACTUAL LIEN IS IN ADDITION TO ANY STATUTORY LIEN AUTHORIZED BY LAW. IF LESSEE DEFAULTS UNDER THIS AGREEMENT, LESSOR

SHALL HAVE A LIEN UPON ALL GOODS, CHATTELS, AND/OR PERSONAL PROPERTY OF ANY DESCRIPTION BELONGING TO LESSEE THAT IS PLACED IN OR BECOMES A PART OF THE PREMISES, AS SECURITY FOR RENT DUE AND TO BECOME DUE FOR THE REMAINDER OF THE TERM. LESSEE GRANTS LESSOR A SECURITY INTEREST IN ALL SUCH NONEXEMPT PERSONAL PROPERTY PLACED IN OR ON THE PREMISES. IF LESSOR EXERCISES ITS OPTION TO TERMINATE THE LEASEHOLD AS THE AGREEMENT PROVIDES, THE LESSOR, AFTER GIVING THE LESSEE REASONABLE NOTICE, MAY TAKE POSSESSION OF ALL OF LESSEE'S PROPERTY ON THE PREMISES AND SELL IT AT PUBLIC SALE IN ACCORDANCE WITH CHAPTER 59, SUBCHAPTER C, OF THE TEXAS PROPERTY CODE. THE SALE PROCEEDS SHALL BE APPLIED TO THE NECESSARY AND PROPER EXPENSES OF THE SALE, THEN TO PAYING THE AMOUNT OF THE LIEN, WITH THE BALANCE, IF ANY, TO BE PAID TO THE LESSEE.

3.07 Place of Payment. All rent and other fees provided for herein shall be paid to Lessor at the following address: Office of the Airport Manager, 1877 Airport Loop, Kerrville, Texas 78028, or at such other address as may be directed in writing by Lessor.

ARTICLE 4 – PREMISES

4.01 Description of Premises. Lessor hereby leases to Lessee T-Hangar Number _____ (the "Premises") located at the Airport. Lessor shall provide Lessee with access to the Premises, taxiways, and runways for aircraft operations, as may be needed.

4.02 Use of Premises. Lessee agrees and acknowledges that the Premises are being leased for the sole purpose of storing the registered aircraft described below (the "Aircraft"), together with such items or equipment reasonably necessary to keep the Premises or the Aircraft clean, or to perform preventative aircraft maintenance. Lessee agrees that the Aircraft to be stored shall not be so large as to preclude the closing of the T-Hangar doors.

Make: _____ Model: _____

Registration Number _____ Aircraft N- Number: _____

Registered Owner(s): _____

4.03 Ownership. Lessee warrants that he/she is a registered owner of or is leasing the Aircraft to be stored on the Premises. Lessee shall immediately notify the Airport Manager, in writing, of the description of any aircraft stored in the T-Hangar that is different from the Aircraft described above or of any change in the registered ownership of said Aircraft. On or before the commencement date of this Agreement, Lessee shall provide a copy of the permanent FAA Certificate of Aircraft Registration establishing the ownership of the Aircraft being stored. If ownership is evidenced by a lease, such lease must be an exclusive-use lease wherein Lessee is the ONLY authorized user of the Aircraft. Upon request, Lessee shall provide a copy of said lease to the Airport Manager.

4.04 Aircraft Replacement. Only the above-designated Aircraft shall occupy the Premises. In the event that Lessee sells or disposes of the Aircraft, or aircraft registration lapses, Lessee shall have 120 days to replace the Aircraft with another aircraft or re-register aircraft and shall provide written notification to the Airport Manager concerning the actions taken. In the event Lessee fails to replace the Aircraft within this time period, Lessee shall be deemed to have abandoned the Premises, and the Lessor may immediately terminate this Agreement.

4.05 Securing the Premises. Lessee shall have full responsibility to and shall furnish any combination lock and or equipment necessary to properly secure the Premises. Combination code shall be provided to Lessor.

ARTICLE 5 – CONDITIONS AND USES

5.01 Compliance with Laws. Lessee shall commit no kind of waste and shall take good and reasonable care of the Premises, and shall in the use and occupancy of the Premises, adhere to federal, state, and local laws and regulations, including the Kerrville/Kerr County Airport Code, as adopted by City and County on June 27, 2018, ("Rules"). Such Rules are specifically incorporated herein by reference. Lessee acknowledges and agrees to be bound by and comply with the Rules, as these now exist or may be amended, during the term of this Agreement. Should any conflict arise between this Agreement and the Rules, such conflict shall be resolved in favor of the Rules.

5.02 Storage. Lessee shall be prohibited from storing any items not listed in Section 2.02 of this Agreement, including, but not limited to, materials or equipment, spare parts, and tools, other than hand-held tools.

5.03 Alterations. Lessee shall not make any changes or alterations to the Premises unless upon written consent of Lessor. Where consent is granted, all changes and alterations shall be made at the expense of Lessee and, upon the expiration of this Agreement, all fixtures shall become the property of the Lessor.

5.04 Commercial and Non-aviation Activities. Lessee shall not conduct or allow any commercial activity such as pilot instruction, aerial spraying, charter flight, air taxi, sightseeing, skydiving, aerial photography, aircraft engine or airframe repair, avionics repair, or any other commercial activity within the Premises or at the Airport without the prior written consent of the Lessor. Lessee shall not operate any non-aviation related business or activity within the Premises or Airport without the prior written consent of the Lessor. Any approved commercial operation or non-aviation related business must be in accordance with a separate contract agreement with the Lessor.

5.05 Motor Vehicles and Parking. Only properly licensed drivers shall drive vehicles to and from and within the T-Hangar area. Short-term vehicle parking is allowed within the Premises only while the aircraft is in use. Vehicles may be parked on the pavement adjacent to the Premises only when the Lessee is present, provided taxiway access is not blocked. Vehicles shall not be left unattended outside the Premises at any time.

5.06 Maintenance of Aircraft. Maintenance and repair of aircraft located on the Premises shall be limited to minor routine maintenance and repairs generally required for normal operation of the aircraft as recommended by the aircraft's manufacturer, such as changing filters, lubricants, spark plugs, and tires. Conducting repairs or maintenance that requires the substantial disassembly or assembly of the aircraft's airframe, power plant, and/or avionics, or that requires the stripping and/or painting of aircraft parts, is prohibited on the Premises.

5.07 Assembly of Aircraft Prohibited. The assembly of new and/or used aircraft on the Premises is prohibited.

5.08 Breach. Lessee agrees that the failure of Lessee, his/her agents, employees, invitees, or servants to comply with any provision of this Article shall result in a material breach of this Agreement and shall permit Lessor to pursue remedies as set forth in this Agreement, in addition to all other rights and remedies provided by law, to which the Lessor may resort cumulatively, or in the alternative.

ARTICLE 6 – MAINTENANCE AND REPAIRS

6.01 Lessee's Responsibilities. Lessee shall maintain the Premises in a clean, neat, and sanitary condition, free of dirt, trash, refuse, scrap parts, and debris. Lessee shall, at its expense, provide for the removal and disposal of any such items. Lessee shall promptly report to Lessor any defects in the Premises requiring maintenance. Lessee further agrees that it shall, before storing an aircraft on the Premises, provide a metal drip pan to be placed under any part of the aircraft, which may leak fuel or lubricants. Lessee shall be liable for all costs of repairs to the Premises, which have been as a result of and/or caused by Lessee's use.

6.02 Fueling. Lessee shall not conduct within the Premises any fueling or de-fueling of any aircraft.

6.03 Storage, Use, and Disposal of Hazardous Materials. With the exception of fuel within the Aircraft, Lessee shall not store or permit the storage of any fuel, hazardous, volatile, and/or dangerous chemicals or substances within the Premises or Airport. The Lessee and its employees, agents, and invitees shall abide by all applicable laws and regulations of the United States Environmental Protection Agency, the Texas Commission of Environmental Quality, or their respective successors agencies, and any other governmental agency regarding the handling, discharge, release, and dumping of hazardous materials. Lessee shall indemnify, defend and hold harmless the Lessor for any violation of environmental law resulting from the use of the Premises by Lessee, or Lessee's family, guests, invitees, contractors, or agents, and shall immediately notify the Lessor of any correspondence received from regulatory agencies concerning such matters. Lessee shall not conduct or allow to be conducted any hazardous activities on the Premises, including, but not limited to, welding, painting, or doping.

6.04 Fire Extinguisher. Lessee shall have a sufficient number of fire extinguishers of acceptable size as determined by the Kerrville Fire Marshall within the Premises. Such fire extinguisher(s) shall be readily accessible in the event of a fire.

6.05 DISCLAIMER OF WARRANTY. LESSOR EXPRESSLY DISCLAIMS ANY WARRANTY OF SUITABILITY THAT MAY OTHERWISE ARISE BY OPERATION OF LAW. LESSOR DOES NOT WARRANT THAT THERE ARE NO LATENT DEFECTS IN THE PREMISES FOR THE LESSEE'S INTENDED PURPOSE AND THAT THE ESSENTIAL FACILITIES WILL REMAIN IN SUITABLE CONDITION. LESSEE AGREES THAT IT IS ACCEPTING THE PREMISES "AS IS."

ARTICLE 7 – ASSIGNMENT, TRANSFER, AND SUBLETTING

Lessee shall not sell, assign, sublet, or transfer any rights or privileges granted by this Agreement without the prior written approval of the Lessor. The Lessor shall have the exclusive option to grant or refuse such approval. The parking of an aircraft not owned or leased by Lessee within the Premises shall constitute a sublease.

ARTICLE 8 – TERMINATION

This Agreement shall be subject to immediate termination by the Lessor where Lessee:

1. is in arrears in the payment of or part of the rental payment for a period of thirty (30) days after Lessee is notified that payment was not received when due;
2. is in default in the performance of any covenants, conditions, or agreements required herein to be kept and performed by Lessee;
3. has made any general assignment for the benefit of creditors; or
4. has sold, assigned, sublet, or transferred any rights or privileges of this Agreement without the prior written approval of the Airport Manager as required by Article 7 of this Agreement.

In any of the aforesaid events, the Lessor may terminate this Agreement immediately and take immediate possession of the Premises, including any and all improvements therein, and remove Lessee's effects, forcibly if necessary, without being deemed guilty of trespassing. However, any failure of the Lessor to terminate this Agreement immediately upon the default of Lessee for any of the reasons set out above shall not operate to bar or destroy the right of the Lessor to terminate this Agreement by reason of any subsequent violation of the terms herein.

The receipt or acceptance of money by the Lessor from the Lessee after the termination of this Agreement or after the service of any notice, after the commencement of any suit, or after final judgment for possession of the Premises shall not reinstate, continue, or extend the terms of this Agreement, or affect any such notice, demand, or suit, or employ consent for any action for which the Lessor's consent is required or operate as a waiver of any right of the Lessor to retake and resume possession of the Premises.

ARTICLE 9 – SURRENDER OF POSSESSION

Upon the expiration or termination of this Agreement, the Lessee's rights, privileges, and use of the Premises shall cease and the Lessee shall immediately surrender the same. The Lessee shall restore the Premises to its original condition as of the beginning of occupancy, ordinary wear and tear excepted.

ARTICLE 10 – INSURANCE AND INDEMNITY

10.01. Liability Insurance. Lessee shall, at their own expense, purchase, maintain, and keep in full force and effect, liability insurance at a minimum of \$1,000,000.00 aircraft liability (per occurrence) combined single limit, inclusive of bodily injury and property damage. Such policy shall include coverage for aircraft operations on the Premises. The policy shall be written so that the Lessor will be notified in writing, in the event of cancellation, restrictive amendment, or non-renewal at least thirty (30) days prior to the action, and City and County shall each be designated on the policy as an additional insured. The insurance shall be carried with an insurance company duly authorized to do business in the State of Texas. A Certificate of Insurance shall be filed with Lessor prior to the Lessee's occupation of the Premises indicating all endorsements, including the additional insured endorsement required hereby. Notwithstanding the above, Lessee shall be fully responsible for all losses arising out of, resulting from, or connected with its activities and operations under this Agreement, whether or not such losses are covered by insurance.

10.02 Indemnification. Lessee shall indemnify and hold harmless the Lessor, and their respective officers, agents, and employees against any and all claims, demands, damages, costs, and expenses, including, but not limited to, investigative expenses and reasonable attorney's fees for the defense of such claims and demands, arising out of or attributed directly or indirectly to the use of the Premises and any other area in the Airport by Lessee, or from any breach on the part of the Lessee of any term of this Agreement, or from any act of negligence of the Lessee, his/her family members, agents, employees, contractors, or invitees, in or about the Premises or other areas of the Airport. In case of any action or proceeding brought against the Lessor by reason of such claim, Lessee, upon notice from the Lessor, agrees to defend the action or proceeding by counsel acceptable to the Lessor.

10.03 Release. Lessee shall store its property in, and shall occupy and use the Premises and all other portions of the Airport at its own risk. Lessee releases Lessor, to the full extent permitted by law, from all claims of every kind resulting in loss of life, personal or bodily injury, or property damage, including those caused by the negligence of the Lessor, its officers, agents, and employees.

10.04 Lessee's Personal Property Coverage. Lessee understands, acknowledges, and agrees that Lessor does not provide, and shall not be required to provide, insurance to cover the loss of personal property located within the Premises, including, but not limited to, aircraft.

ARTICLE 11 – GENERAL PROVISIONS

11.01 Liability for Property Damage. Lessor shall not be liable for damage or loss to aircraft or other personal property on the Premises. Lessee agrees that its aircraft and other personal property is stored at Lessee's sole risk.

11.02 Venue. Venue shall be in the courts of Kerr County, Texas. The laws of the State of Texas shall govern the validity, interpretation, performance, and enforcement of this Agreement.

11.03 Attorney's Fees. If either party brings any action or proceedings to enforce, protect, or establish any right or remedy under the terms and conditions of this Agreement, the prevailing party shall be entitled to recover reasonable attorney's fees, as determined by a court of competent jurisdiction, in addition to any other relief awarded.

11.04 Compliance with Laws and Nondiscrimination Assurance. Lessor reserves the right to operate the Airport in accordance with, and this Agreement is subordinate to, the Lessor's obligations to the federal or state government under any agreements with such. It is specifically acknowledged and agreed that nothing contained in this Agreement shall be construed as granting or authorizing an exclusive right for exercising any activity which is illegally discriminatory, and Lessee specifically agrees to conduct itself and its activities in a nondiscriminatory manner. Lessee, his/her agents, and employees shall not discriminate in any manner prohibited by the Federal Aviation Administration or the Texas Department of Transportation Regulations. Lessee further agrees to comply with any enforcement procedures as might be required by the United States of America or the State of Texas. This Agreement shall be subject to and in conformance with all federal, state, and local laws and regulations.

11.05 Notices. All notices to be given under this Agreement shall be hand-delivered or sent by certified or registered mail, return receipt requested, postage prepaid, and addressed to the parties at the following addresses:

Airport Manager
Kerrville/Kerr Count Airport
1877 Airport Loop
Kerrville, Texas 78028

LESSEE: _____

11.06 Updating Information. Lessee shall notify the Airport Manager, in writing, within ten (10) days of any change in the information furnished in this Agreement.

11.07 Inspection and Repairs of Premises. Lessor and or its representatives shall have the right, at any time, to inspect the Premises for any purpose or to make repairs or alterations.

11.08 Entire Agreement. This Agreement contains all of the agreements and conditions made between the parties hereto and may not be modified orally or in any manner other than by written agreement signed by the parties hereto.

11.09 Severability. If any part, provision, term, condition, obligation or portion of this Agreement is found to be illegal or void by a court of competent jurisdiction, the entire Agreement shall not be void, but the void provision shall be struck and the remainder of this Agreement shall continue in full force and effect as nearly as possible in accordance with the original intent of the parties.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be legally executed this _____ day of _____, 20____.

LESSOR:
JOINT AIRPORT BOARD
CITY OF KERRVILLE, COUNTY OF
KERR, TEXAS

LESSEE:

By: _____
Mary Rohrer, Airport Manager

By: _____

ATTEST:

Carole Dungan, Executive Assistant

MEMORANDUM

402 - HANGAR
INSPECTION



TO: Hangar Tenants
FROM: Carole Dungan
CC: Mary Rohrer
DATE: December 2021
RE: Review and inspection of T-hangars

With the beginning of a new year the Airport Manager will implement a new practice of inspecting the hangars. It is the purpose of these inspections to ensure that the hangars are in good repair and if needed to make repairs. Should repairs be needed your cooperation will be appreciated as we make them.

If you review your lease you will see in Section 6.01 that it is the responsibility of the "Lessee to maintain the Premises in a clean, neat and sanitary condition, free of dirt, trash, refuse, scrap parts and debris" and "to promptly report to the Lessor any defects in the Premises requiring maintenance".

We strongly recommend that you review your lease and if you need to take action on anything it be done without delay. Additional Information about the inspections and schedule will be sent out in early January. During the inspection you are welcome to be present.

If you should have any question concerning any particular item in the lease or in your hangar please contact Mary for clarification. I have leases electronically that I can email upon request.

Respectfully,

Carole Dungan

EXHIBIT 4D 2



Kerrville - Kerr County Airport Hangar Inspection

T-hangar # Bldg 19 D

Lessee : **Catering of Central Texas**
P.O. Box 294059
Kerrville, TX 78029

Lessee present: _____Y _____N

Record Aircraft Type: Mooney M20K Single Engine X Twin _____ Tail Number: N337HS

Registration Expiration: 2-28-2025 Insurance Current (date): 12-18-2022 Add'l Issued _____Y _____N

Correct Aircraft in Hangar: _____Y _____N If No, what is the tail number of plane in hangar: _____

Unauthorized vehicles in hangar: _____Y _____N List: _____

No major repairs being done in the hangar (airframe, power plant and/or avionics): _____Y _____N

No assembly of new and/or used aircraft being done in the hangar: _____Y _____N

Hangar is clean , neat and free of refuse and scrap parts: _____Y _____N Metal drip pan in use: _____Y _____N

Open Oil or other Flammable fluid containers : _____Y _____N

Fire Extinguisher in sight and charged: _____Y _____N

Damage to Walls , floors or fixtures: _____Y _____N Photo/Describe _____

Maintenance and/or Electrical Problems: _____Y _____N Photo/Describe _____

Overall Messy Condition: _____Y _____N Photo/Describe _____

Comments: _____

Inspectors: _____ Date: _____ Copy to Lessee _____



Kerrville - Kerr County Airport Hangar Inspection

T-hangar # Bldg 19 D

Lessee : **Catering of Central Texas**
P.O. Box 294059
Kerrville, TX 78029

Lessee present: _____Y _____N

Record Aircraft Type: Mooney M20K Single Engine X Twin _____ Tail Number: N337HS

4.02 of Lease Use of Lease

Registration Expiration: 2-28-2025 Insurance Current (date): 12-18-2022 Add'l Issured Y N

4.03 FAA Certificate of Aircraft Registration 10.01 Liability Insurance

Correct Aircraft in Hangar: _____Y _____N If No, what is the tail number of plane in hangar: _____

4.03 Ownership

Unauthorized vehicles in hangar: _____Y _____N List: _____

5.05 Motor Vehicle and Parking

No major repairs being done in the hangar (airframe, power plant and/or avionics): _____Y _____N

Article 5 Conditions and Uses

No assembly of new and/or used aircraft being done in the hangar: _____Y _____N

Article 5 Conditions and Uses

Hangar is clean , neat and free of refuse and scrap parts: _____Y _____N Metal drip pan in use: _____Y _____N

Article 5 Conditions and Uses

Open Oil or other Flammable fluid containers : _____Y _____N

Article 5 Conditions and Uses

Fire Extinguisher in sight and charged: _____Y _____N

6.04 Fire Extinguisher

Damage to Walls , floors or fixtures: _____Y _____N Photo/Describe _____

Maintenance and/or Electrical Problems: _____Y _____N Photo/Describe _____

Overall Messy Condition: _____Y _____N Photo/Describe _____

Comments: _____

Inspectors: _____ Date: _____ Copy to Lessee _____

CPI

Current T Hangar Rental Rates, December 2021							
Hangar A-B							
Rents set 2019							
	Unit Counts	Sizes (est SF)	Monthly rent	Rent (annual)	Rent/sf		Rev (Annual)
	16	1050	\$ 300.00	\$ 3,600.00	\$ 3.43		
	Subtotal A-B	16800	sf				\$ 57,600.00
Hangar C-D							
Rents set 2019							
Small	4	1147	\$ 325	\$ 3,900	\$ 3.40	\$ 15,600	
Medium	4	1242	\$ 350	\$ 4,200	\$ 3.38	\$ 16,800	
Large	4	1337	\$ 375	\$ 4,500	\$ 3.37	\$ 18,000	
C-D Subtotal		14904	sf				\$ 50,400
Paint Hangar							
Rents set 2019	4	1325	\$ 375	\$ 4,200	\$ 3.17		\$ 16,800
		5300	sf				
Subtotals	32	37,004	sf	FY 2022 Annual Rental Revenues		\$ 124,800	
				Avg Rent Per SF of premises		\$ 3.37	
				Avg Rent Per Unit		\$ 325 per Unit	
Proposal - Increase Rent using CPI from Jan 2019 to November 2021							
Hangar A-B							
	Unit Counts	Sizes (est SF)	Monthly rent	Rent (annual)	Rent/sf		Rev (Annual)
	16	1050	\$ 331	\$ 3,975.24	\$ 3.79		
	Subtotal A-B	16800	sf				\$ 63,604
Hangar C-D							
Small	4	1147	\$ 359	\$ 4,306	\$ 3.75	\$ 17,226	
Medium	4	1242	\$ 368	\$ 4,422	\$ 3.56	\$ 17,687	
Large	4	1337	\$ 414	\$ 4,969	\$ 3.72	\$ 19,876	
C-D Subtotal		14904	sf				\$ 54,789
Paint Hangar							
	4	1325	\$ 414	\$ 4,969.08	\$ 3.75		\$ 19,876
		5300					
Subtotals	32	37004		Proposed Annual Rental Revenues		\$ 138,269	
				Avg Rent Per SF of Premises		\$ 3.74	
				Avg Rent Per Month		\$ 360 per Unit	
				Revenue Increase from 1/1/2022		\$ 13,469	

AIRPORT BOARD AGENDA ITEM 4.E Updates

MEETING DATE: December 15, 2021



FROM: Mary Rohrer
SUBJECT: General Updates
1. Row Hangar Committee
2. Brinkman Doors
3. Terminal Building Improvements

1. **Row Hangar Committee-** After the November board meeting, an email was sent to TxDOT Aviation requesting the billing information for the scope that is within our budget. That is base bid of two units and additive alternate for a third. The email is attached and I hope to receive TxDOT costs soon.

2. **Brinkman Doors-**

a. Structural frames for all 16 door panels are installed. The installation of the sheet metal sheathing begins this week. JKBernhard should be finished up to have tenants back in the hangar by the end of the year.

b. County and City approvals have been obtained for budget amendment request approved by the Board at the November meeting. Additional information is pending from Auditor's office when JK Bernhard's November Payment Request 10, (\$75,009) can be paid.

3. **Terminal Building** – The upgrades of restrooms and pilot planning area are complete. Delivery and installation of new interior signage is expected to be installed this week. Carole and Scott are continuing to find great artwork and taking cool aircraft pictures to place in the Lobby.

ITEM 4E.1 ROW HANGAR

Mary Rohrer

From: Mary Rohrer <mrohrer@kerrvilleairport.com>
Sent: Monday, November 29, 2021 10:38 AM
To: Becky Vick; 'Allison Martin'; Michael Van Vliet; Ed Mayle (ed.mayle@txdot.gov)
Cc: Carole Dungan (cdungan@kerrvilleairport.com); Dr Mark Mosier (drmm@windstream.net)
Subject: Billing Letter for 18HGKERRV
Attachments: 2 Unit Base Bid, alternate 3rd unit_11292021101827.pdf

Good morning, Becky and Team,

As mentioned below, the Airport Board has reviewed the September billing information provided. Due to funding, delays in steel/hangar delivery, and increased costs, we have discussed proceeding with this project in line with previously approved sponsor share of \$300,000 and \$600,000 provided by TxDOT with total hangar estimate of \$900,000.

We propose to proceed with a reduced scope of work, with base bid of 2 hangars units and additive alternate of a third unit.

Attached is a markup of the Garver site plan for reference.

Our next Board Meeting on December 15, can your team provide the cost of the two-unit base bid budget that would be reflected on a billing letter?

Also, would your team also review the proposed fees for Construction Phase Services? What is the cost of services for two units proposed?

- The cost of the services has increased, even though the scope of work has decreased from 10 units (\$200,000) to 4 units (\$207,000).
- Please reconsider full time RPR services due to scope reduction and especially if the wait is 20+ weeks (June estimate, may be longer now) for steel delivery.
- Specifications provided on Sept 17 included "Contractor Quality Control Program". Is this program needed for the reduced 2-unit scope?

Thanks in advance for your assistance.

Thanks,
Mary L. Rohrer
Airport Manager
Kerrville/Kerr County Airport
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mrohrer@kerrvilleairport.com