

1
 2 KERRVILLE-KERR COUNTY JOINT AIRPORT BOARD
 3 Regular Meeting
 4 Monday, July 15, 2013
 5 8:30 a.m.
 6 Airport Terminal Conference Room
 7 1877 Airport Loop Road
 8 Kerrville, Texas

9
 10 MEMBERS PRESENT: MEMBERS ABSENT:
 11 Stephen King, President
 Corey Walters, Vice-President
 12 Ed Livermore
 Bill Wood
 13 Kirk Griffin

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

17 COUNTY STAFF PRESENT:
 Tom Moser, Commissioner Pct. 2
 18 Jonathan Letz, Commissioner Pct. 3
 Jeannie Hargis, Auditor
 19 James Robles, Assistant Auditor

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

23 VISITORS:
 Ilse Bailey, Airport attorney
 24 Robert Lansford, Lansford Construction
 Mark Armstrong, Kerrville Daily Times
 25 Mark Mosier
 Jim Settle

2

1 I N D E X
 July 15, 2013
 2 PAGE

3 CALLED TO ORDER

4 1. VISITORS FORUM 3

5 2. KERRVILLE-KERR COUNTY JOINT AIRPORT BOARD
 MEMBER FORUM 3

6

7 3. CONSENT AGENDA 4
 3A Approval of May 20th Board Meeting Minutes

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1 On Monday, July 15, 2013, at 8:30 a.m., a regular
2 meeting of the Kerrville-Kerr County Joint Airport Board was
3 held in the Airport Terminal Conference Room, Louis Schreiner
4 Field, Kerrville, Texas, and the following proceedings were
5 had in open session:

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

7 MR. KING: I'm going to call this meeting to
8 order...

9 MR. WALTERS: Keeping talking.

10 MR. KING: I'll call this meeting to order of the
11 Kerrville/Kerr County Joint Airport Board, July 15th, 2013.
12 Visitor's forum. Item Number 1. At this time, any persons
13 with business not scheduled on the agenda may speak with the
14 Airport Board. No deliberation or action may be taken on
15 these items because the Open Meetings Act requires an item to
16 be posted for 72 hours. Visitors are asked to limit their
17 presentations to three minutes. Any visitors like to speak?
18 No? Item 2. Kerrville/Kerr County Joint Airport Board
19 member forum. Any board member can speak on this item as
20 long as it's not on the agenda, but it has got to be posted
21 72 hours. No formal action will be taken on these items.
22 Anyone like to speak?

23 MR. GRIFFIN: Two things. One, accolades to Bruce.
24 The ditch is done, and TexDOT signed off. And --

25 MR. KING: Okay, good.

4

1 MR. GRIFFIN: -- congratulations.

2 MR. McKENZIE: Thank you.

3 MR. GRIFFIN: That one's over and done with.

4 MR. McKENZIE: Thank you.

5 MR. GRIFFIN: And the second piece is riding
6 TexDOT's tails, and we're going to hear the story on the
7 T-hangers, but it's been an effort to get data out of them,
8 but I think we're there. So, thanks again.

9 MR. McKENZIE: Sure. Thank you.

10 MR. KING: Item 3, consent agenda. Consent agenda.
11 All items listed below within the consent agenda are
12 considered routine by the Board and will be enacted with one
13 motion. No separate discussion of items unless the Board
14 members request. We have Item 3A, approval of the May 20 --

15 MR. GRIFFIN: That's considered consent?

16 MR. KING: That's consent. Board meeting minutes.
17 Need a motion on the meeting -- motion on the minutes.

18 MR. LIVERMORE: So moved.

19 MR. KING: Second?

20 MR. GRIFFIN: I'll second.

21 MR. KING: Any discussion on the minutes? Any
22 changes on the minutes? None being heard, all in favor?

23 (The motion carried by unanimous vote.)

24 MR. KING: Approved, 5-0. Discussion and possible
25 action. Item 4, monthly financials. Jeannie? 4A.

5

1 MR. ROBLES: Good morning.

2 MR. McKENZIE: James, could I -- give me just a
3 second. I'd just like to let everybody know that Carole's
4 back; it's her first day back after her surgery, and she's
5 back. She's not full-steam, but she's back, and I'm thankful
6 for that.

7 MR. LIVERMORE: We're glad she's here.

8 (Applause.)

9 MR. McKENZIE: We're glad she's here. She's on the

10 road to recovery. Thank you. Thanks, James.

11 MR. ROBLES: Okay. We have a month for May and
12 June here, so we'll start with May.

13 MR. LIVERMORE: This doesn't look like Jeannie
14 Hargis. Who is this?

15 MR. ROBLES: No, little bit different. She's in
16 the back, though. Okay. Page 1 for May.

17 MR. MCKENZIE: This is James.

18 COMMISSIONER LETZ: James Robles.

19 MR. MCKENZIE: This is James Robles with the
20 County.

21 MR. LIVERMORE: James...?

22 MR. ROBLES: Robles, Assistant Auditor.

23 MR. LIVERMORE: I'll shake your hand a little
24 later.

25 MR. KING: You're looking at the May 31st?

6

1 MR. ROBLES: May 31st.

2 MR. KING: All right. Go ahead.

3 MR. ROBLES: You should have May and June.

4 MR. KING: Right.

5 MR. ROBLES: All right. Page 1, total amount of
6 cash and receivables, \$353,851.21. At the bottom, payables
7 at 57,080. Page 2. We have total revenue and expenses in
8 the fund balance of 296,771.21. Total liabilities and equity
9 are 353,851.21. Page 3, third column at the bottom, monthly
10 revenue, 35,592.10. Page 4, third column at the bottom,
11 these are the expenses for the month at 15,607.90, for a
12 year-to-date total of 116,593.06. Page 5 -- Page 5 is a
13 breakdown of personnel, supplies, maintenance, and
14 professional services. Everything seems to be below budget
15 there. Page 6, these are the utilities, 2,458.19. Page 7 is
16 utilities for the building. That's 1,528.27, for a
17 year-to-date total of 8,187.38. Total expenses with salaries
18 is 218,399.32, leaving a balance of 54,575.81.

19 Going on to the Fund 48 capital account, the
20 balance there on Page 8 is 70,115.68. Page 9, this is the
21 airport capital revenues. No activity in there. And Page

22 10, the expenses, no activity in there either. Page 11 is a
23 recap. It shows a negative balance of 17,559.69, same as
24 reported in April. Moving along to June, okay. Page 1 for
25 June, total cash and receivables is 348,243.64. Payables at

7

1 57,080. Page 2, total revenue and expenses in the fund
2 balance is 291,163.64.
3 MR. LIVERMORE: Which page are you on now?
4 MR. ROBLES: Page 2 of June.
5 MR. LIVERMORE: Okay.
6 MR. ROBLES: Total liabilities and equity is
7 348,243.64. Page 3, third column at the bottom, monthly
8 revenue, 30,629.02. Page 4, expenses for the month of June
9 is 15,607.90. Total year-to-date, 132,296.

10 MR. LIVERMORE: Can I ask you a question?

11 MR. ROBLES: Yes, sir.

12 MR. LIVERMORE: Why -- well, go on; I'll come back
13 to it. I'll come back to it.

14 MR. ROBLES: Page 5, again, is a breakdown of
15 personnel, supplies, maintenance, professional services.

16 Page 6 is the utilities, 1,154.35. Year-to-date total,

17 18,939.98. Page 7 is the utilities for the building,

18 1,103.36. Year-to-date, 9,290.74. Total expenses with

19 salaries is 256,003.37, leaving a balance of 47,678. Page 8,

20 48 -- Fund 48, capital account. The balance is 67,006.92.

21 Page 9, third column, revenue. There is a reimbursement from
22 TexDOT for 3,780.82. Total year-to-date revenue, 98,146.21.

23 MR. KING: What was the reimbursement for, Bruce?

24 MS. HARGIS: RAMP grant.

25 MR. MCKENZIE: RAMP grant.

8

1 MR. KING: RAMP grant? Okay, go ahead.

2 MR. ROBLES: Okay. Page 10 is expenditures. You
3 see 6,890 in the RAMP grant. And Page 11 is a recap, again,
4 leaving a negative balance of 20,668.45.

5 MR. LIVERMORE: The question I have again goes back
6 to the T-hangar lease. That -- in the revenue stream, we're

7 roughly \$17,000 behind last year, and at least half of that
8 seems to be in T-hangars. What -- what's the deal with that?

9 MR. McKENZIE: They're all leased, Ed, and everyone
10 pays their rent at different times of the year, some by the
11 month. Some pay for one year at a time.

12 MR. KING: Wouldn't they pay, everyone a year at a
13 time, at the beginning of the year?

14 MR. McKENZIE: Well, it's scattered out. It
15 depends on when they leased it; some in June, some in August,
16 some in November.

17 MR. KING: I got you.

18 MR. McKENZIE: It just comes in at different times.

19 MR. LIVERMORE: If you look at it, it's got to
20 catch up at some point.

21 MR. McKENZIE: You know, we're full, and --

22 MR. LIVERMORE: I know we're full.

23 MR. McKENZIE: -- all the lessees are paying their
24 rent.

25 COMMISSIONER MOSER: Nobody's behind.

9

1 MR. GRIFFIN: Everybody's paying rent when they're
2 due. Nobody's behind.

3 MR. McKENZIE: We're there.

4 MR. WALTERS: Different calendar years.

5 MR. KING: I guess, yeah.

6 MR. LIVERMORE: Mine's in March, and that's not --
7 that's in the mid point of the year.

8 MR. KING: You paid yours?

9 MR. LIVERMORE: Yeah, I did. (Laughter.) I did,
10 this year.

11 MR. KING: Just checking.

12 MR. GRIFFIN: Any other questions?

13 MR. KING: Bruce, question on the -- we were
14 getting a deal on the float fee. We were getting a deal on
15 the gas sold out here. At some point, we were getting that
16 in your report.

17 MR. McKENZIE: It's in the quarterly report.

18 MR. KING: It's in the quarterly report every

19 quarter? I must not have looked far enough into that thing.
20 MR. LIVERMORE: Any more questions?
21 MR. KING: I look at the pictures.
22 MR. McKENZIE: That's what they're in there for.
23 MR. KING: I withdraw the question. (Laughter.)
24 COMMISSIONER MOSER: I have a comment -- or an
25 observation. Excellent job on controlling the expense

10

1 through the year. I mean, you're way ahead of schedule, and
2 keep it up. And you get .001 percent for yourself.
3 (Laughter.)
4 MR. McKENZIE: Thank you.
5 COMMISSIONER MOSER: Whatever's left over.
6 MR. McKENZIE: All right.
7 MR. KING: All right. Any other questions?
8 COMMISSIONER MOSER: But good job, seriously.
9 MAYOR PRATT: I have a comment.
10 MR. KING: Yes, sir?
11 MAYOR PRATT: I just want to introduce Sandra
12 Yarbrough to you guys. She's replacing Mike Erwin.
13 MR. KING: Mike Erwin?
14 MR. LIVERMORE: Hi, Sandra.
15 MR. KING: Nice to meet you. Pleasure. Are you
16 going to attend our meetings?
17 MS. YARBROUGH: Yes.
18 MR. KING: Okay. Look forward to having you. Any
19 questions you have, direct them towards Bruce.
20 MS. YARBROUGH: Thank you.
21 MR. KING: No questions on the financials? Motion
22 to approve both sets of financials?
23 MR. GRIFFIN: I'll make a motion that we approve
24 the April -- or April and June financials.
25 MR. KING: April and June. Second?

11

1 MR. WALTERS: Second.
2 MR. WOOD: It's May and June.
3 MR. GRIFFIN: May and June.

4 MR. KING: May and June. Discussion? None heard.

5 All in favor?

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

7 MR. KING: Opposed? None. Five-oh. Well, thank

8 you very much for that. Appreciate it. Thanks for your

9 report. Is that it? Okay. Item 4B, the T-hangar project --

10 the proposed T-hangar project.

11 MR. LIVERMORE: Mr. Chairman, do you -- would it be

12 convenient to have a motion presented on that subject, and

13 then we can discuss that? Or do you want to have some kind

14 of discussion before a motion?

15 MR. KING: I would just -- what would -- I don't

16 know. We can get Bruce --

17 MR. McKENZIE: I can explain it a little bit.

18 MR. KING: -- to explain what's going on.

19 MR. McKENZIE: Give you a synopsis of what we've

20 come up to since February.

21 MR. KING: Right.

22 MR. McKENZIE: At the pleasure of the board.

23 MR. KING: That's fine. Go ahead.

24 MR. McKENZIE: As a point of reference, does

25 everybody in here know where we're going to build the

12

1 T-hangars? I've got it on a Power Point, or I've got a big

2 picture here I can show everybody. Everybody good? All

3 right. TexDOT Aviation has approved our grant that we

4 requested in the amount of \$460,000. Since that time, they

5 have increased that to \$640,000. So, we've -- we're blessed.

6 This has worked. We've diligently worked on this since

7 February, and we're there now. So, what we need to do today

8 is, I'm going to request two things from the board. One is

9 the resolutions that we take to the County and the City, and

10 we'll do that next Monday and Tuesday, in the amount of

11 \$640,000, not to exceed that. And our portion, the Airport

12 Board's portion won't be over 64,000, which is 10 percent.

13 And the second thing I'm going to request is that we go out

14 for RFQ's, Requests for Qualifications, for a design-build

15 contractor to do this project. That's the two things I'm

16 going to request the Board to do today.
17 MAYOR PRATT: Clarification. Design-build?
18 MR. McKENZIE: Design-build the T-hangars.
19 MAYOR PRATT: With the exception of the excavation?
20 Are you going to include that on there?
21 MR. McKENZIE: I'm going to include that on there,
22 because that's still a little bit up in the air, Mayor. I'm
23 not sure where we're going to go. If we're going to put --
24 if we put another engineer in, fine; we can do it either way.
25 Because when we get to that point, it'll either be done or --

13

1 and I say that because of the timeline involved here. And
2 without convoluting this too much, the timeline is this.
3 Next Monday and Tuesday, we present to both owners. Then
4 I've got to get these resolutions that are signed to TexDOT
5 by 1 August, which I can do easily after next Tuesday, after
6 the Mayor gets through signing everything, hopefully. Then
7 the next thing that will happen is about 60 days from then,
8 which is September the 26th, is when the Texas Transportation
9 Board meets. Once they approve, then we can take the next
10 step forward. And in the interim between now and then, and
11 in the next 60 days with the RFQ, we'll get all the
12 qualifications back from the contractors that want to build
13 this project for us. This board will have ample time,
14 probably two to three weeks, to review those qualifications,
15 and then at the September 16th board meeting, you can choose
16 who you would like, if you so desire, at that meeting, which
17 would be a good idea, who you'd like to be your contractor.
18 Then at that point, we start negotiating with the contractor.
19 COMMISSIONER MOSER: Bruce, let me ask you a
20 question, if I may.
21 MR. KING: Sure.
22 COMMISSIONER MOSER: Okay. They've approved --
23 TexDOT's approved the grant.
24 MR. McKENZIE: Yes, sir.
25 COMMISSIONER MOSER: Okay. Take to it the City and

14

1 say, "Yea, verily," we want to go. We can't move until
2 TexDOT gets the resolution from the -- from the owners to
3 move forward.

4 MR. GRIFFIN: County and City.

5 COMMISSIONER MOSER: And that's at the end of
6 September?

7 MR. McKENZIE: No, y'all are going to approve it
8 next week. We can't move till September the 26th, till the
9 Transportation Commission approves it.

10 COMMISSIONER MOSER: That's the reason I said --
11 that's the earliest that the Transportation Commission could
12 approve it?

13 MR. McKENZIE: That's the -- yes, sir. That's when
14 they meet, yes, sir.

15 COMMISSIONER MOSER: Okay, got you. Thank you.

16 MR. McKENZIE: Sure. But that's -- that's where we
17 are with this now. And when we -- when you choose who you
18 desire to build these, who our contractor's going to be, our
19 partner in this, then we will all sit down with him, tell
20 him, "This is what we want, this is how we want it. This is
21 what we want; we want to get as many hangars as we can in
22 here." And in my resolution, it's going to say, "up to, but
23 not to exceed, 12 T-hangars," because that's all I've been
24 directed to do since February, was 8, 10 or 12, and that's
25 all -- we've got voluminous numbers on all of those, so --

15

1 calculations. So -- and I think that that's a good idea.
2 And after really looking at this, we're going to land between
3 10 and 12, it appears to me. And I've had some professional
4 eyes look at it as well, and it looks like that's where we're
5 going to land geometrically. Geometrically -- the geometry's
6 what's going to play a big part in this.

7 COMMISSIONER MOSER: Since you mentioned the
8 schedule --

9 MR. McKENZIE: The Commissioner and I were out
10 there a couple months ago. Geometry plays a part in it.

11 COMMISSIONER MOSER: But on the schedule, in the --
12 the thing that I think that somebody brought up about the

13 site preparation --

14 (Cell phone rang; discussion off the record.)

15 COMMISSIONER MOSER: So, Road and Bridge is -- is

16 ready to move if they have a schedule on doing the site work,

17 but they have to have a plan --

18 MR. McKENZIE: Yes, sir.

19 COMMISSIONER MOSER: -- to do it as soon as the

20 engineering's done for that slab, and it's compatible with

21 their schedule. Right now, it looks like that it would be.

22 But the sooner that we can tell Len and the guys, "This is

23 what we want to do," he's ready to -- he's ready to move on

24 it. And that's -- that's in -- he'll do it per the plan,

25 okay.

16

1 MR. McKENZIE: Sure.

2 COMMISSIONER MOSER: And the only cost from the

3 County will be for materials. That's -- materials is -- is

4 the base. If some material is required for the base, he'll

5 compact it to 6 inches, whatever's required. And the other

6 thing is -- is for fuel, you know, just fuel for the

7 equipment. So, his consumables are the only thing that the

8 County will charge, assuming it's compatible. So, the sooner

9 you can set that schedule, the -- the higher probability that

10 the County can do that.

11 MR. McKENZIE: I'm glad you brought that up.

12 That's a salient point, and that's a good segue into what I

13 was going to do. This is a design-build project, so when our

14 contractor is chosen, we'll have to see, whomever that is, if

15 he's the one responsible for that slab, does he want to do

16 the dirt work? Or if we do the dirt work -- I don't know why

17 we wouldn't do the dirt work, and we can get it over with.

18 COMMISSIONER MOSER: Save a lot of money.

19 MR. McKENZIE: And we'll save some more money.

20 That's the point of this.

21 MAYOR PRATT: And the City is going to go ahead

22 with the engineering for the excavation.

23 MR. McKENZIE: Okay. And I don't -- I'm not a

24 design-build contractor. I know there's one in the room.

25 Would you mind weighing in on that just a little bit? This

17

1 is Mr. -- go ahead and introduce --

2 MR. LANSFORD: My name is Robert Lansford, Lansford

3 Company, and we've been doing the design-build and building

4 hangars for quite a while for TexDOT Aviation. The

5 design-build, you know, is -- I guess maybe Bruce has

6 discussed it with you guys. It's a little different tool the

7 in the toolbox in terms of partnering and -- and getting a

8 project off and getting underway with it. And in this case

9 right here, the -- if the County or the City wanted to do the

10 -- the excavation, the dirt work, you know, that would be

11 fine, as long as the -- we had quality control in place, you

12 know, testing and making sure the densities and -- and that

13 kind of thing were -- were achieved.

14 COMMISSIONER MOSER: May I interrupt you to ask you

15 a question?

16 MR. LANSFORD: Yes.

17 COMMISSIONER MOSER: It will have to be done to

18 city specifications as far as compaction and all for the --

19 for the dirt work -- for the site work. So, is that

20 generally compatible with --

21 MR. LANSFORD: Yes, sir. We'll -- we can, and/or

22 the engineers.

23 COMMISSIONER MOSER: Yeah.

24 MR. LANSFORD: The site engineer will also have --

25 have a spec, and we'll have -- and, you know, coordinate our

18

1 -- our requirements for the slab, you know, cross-check it,

2 and I suspect we'll have no issues there.

3 COMMISSIONER MOSER: Yeah, okay.

4 MR. LANSFORD: I don't think it will be --

5 COMMISSIONER MOSER: All right, thank you.

6 MR. McKENZIE: Thank you, sir.

7 MR. KING: So, y'all -- so, on this design-build,

8 who's going to -- who's going to hire the engineer?

9 MR. McKENZIE: The contractor. We -- we partner

10 with whomever that is. If this lady is the contractor, it's

11 her engineer. It's her --

12 MR. GRIFFIN: What it does is it takes the Board

13 and the airport out of managing the task, and so,

14 essentially, we're looking to them, to a design-build

15 contractor, so it's -- and it's turnkey essentially for us.

16 You know, "This is what we want. You guys go build it; hand

17 us the keys when you're done." And it keeps us -- it keeps

18 us out of having to manage the day-to-day tasks. And they

19 have to make sure that they meet the right requirements, the

20 -- you know, whether --

21 MR. McKENZIE: TexDOT will watch them.

22 MR. GRIFFIN: -- they meet TexDOT requirements.

23 And if -- and the onus is on them, therefore, and not us, and

24 it keeps us out of having to review all that stuff.

25 MR. KING: So, you don't have a problem with

19

1 working with the City and the County both on this project, as

2 far as --

3 MR. LANSFORD: No, sir.

4 MR. KING: If they can lay hot mix -- if these guys

5 can lay hot mix for us on this project, you don't have a

6 problem with them laying the hot mix?

7 MR. LANSFORD: Absolutely not. I mean, just by the

8 -- the nature of the design-build, it's a partner. We're

9 working for you, as are any engineering firm, and, you know,

10 we've got the best interests of your airport at heart.

11 COMMISSIONER MOSER: I -- let me jump on one thing

12 that Kirk said. You can look at it as -- as an Option A and

13 Option B. Option A is what's out there right now, the

14 configuration of the dirt and all. You can look at Option B

15 as when the contractor's selected, the site work is ready to

16 go. In other words, if the City can do the engineering for

17 the site work, drainage and -- and so forth, and the County

18 can do the dirt work, then that would be the starting point.

19 Option B, we'd have the starting point then for the

20 contractor. And that way, the City and the County and the

21 airport could save -- save a lot of money. So, it's a

22 two-phase approach. One is, just say you got it all. The
23 other one is you got the -- you got the site work prepared.
24 MR. KING: Can you work with that scenario also?
25 MR. LANSFORD: Yes, sir.

20

1 MR. KING: I mean, if we --
2 MR. LANSFORD: The only thing --
3 MR. KING: I'm talking about if we already have
4 chosen a contractor. If we've already chosen a contractor,
5 can you work with that -- with that angle, and that you're
6 already the -- let's say you're already named contractor, or
7 Joe Blow is the main contractor, and we inform you in the
8 process that this is how it's going to work. We're going to
9 give you a pad. We're going to give you a pad, and you have
10 input, obviously, in the quality of the pad prior to you
11 taking over the project.
12 MR. GRIFFIN: We have to -- it's an interim
13 process, because we have to have his engineering to build the
14 pad to a spec.
15 MR. KING: Not -- Tom just said we can have the
16 City's engineer --
17 COMMISSIONER MOSER: To build the site -- do the
18 site work.
19 MAYOR PRATT: Let me reask the question here. The
20 extra money is -- is that in there for them to take care of
21 the --
22 MR. McKENZIE: Yes.
23 MAYOR PRATT: I'm inclined to -- without discussing
24 it with you further, I'm inclined to say we'll relieve
25 ourselves of the liability and let it all go that way.

21

1 COMMISSIONER LETZ: I think I can -- I mean --
2 MR. KING: Go ahead.
3 COMMISSIONER LETZ: There was -- this overall
4 concept of design-to-build, I just want to go over that a
5 little bit. What it does, it enables -- if you don't do the
6 design-to-build, you've got to come up with 10 hangars and

7 put it out for bid.

8 MR. KING: Right.

9 COMMISSIONER LETZ: This way, you've got a pot of
10 money, and you can -- you're working collaboratively with the
11 contractor to come up with whatever the best project is.

12 MR. KING: Sure.

13 COMMISSIONER LETZ: And you're not putting it out
14 for bid, so that you select who you want to work with from a
15 contractor standpoint. Then the contractor can work with the
16 City, work with the County, or not work with either one of
17 them. It's up to -- it's whatever works best for the
18 contractor financially, and for you financially. So, it
19 gives a lot more flexibility in how the whole process works.

20 MR. MCKENZIE: Here's what the most significant
21 part of this is. We need the County and the City to help us
22 with this project, because TexDOT's using this as a beta
23 project, they've made it real clear, across the state of
24 Texas. They've told me several times, and Sandra told me
25 again Wednesday morning; I had a nice conversation with her

22

1 Wednesday morning. She said, "We're excited about this."
2 She said, "If this works in Kerrville," she said, "then we're
3 going to start moving this across the state. Because if we
4 can get folks like y'all that participate and show the state
5 that it works," she said, "then we're going to move forward."
6 So, it's going to almost be imperative that you guys help us
7 on this and you guys pave this. We're going to buy the
8 materials, though, just like we agreed to. We'll pay for
9 your fuel, buy the materials, the hot mix, the base material.
10 That's all in the grant.

11 COMMISSIONER MOSER: Okay.

12 MR. KING: That's what I was getting at. Just
13 'cause they said they'll give you \$640,000 that's -- they're
14 not giving you 640,000. Most of this money is our money
15 already. It's coming out of our --

16 MR. MCKENZIE: 460,000.

17 MR. KING: 460,000 is coming out of our N.P.E.
18 funds. If we don't use that, we get that money back. So,

19 it's not like they just threw a big old pot of money down
20 here and just said, "Hey, spend all you can, and give us back
21 what's left." You know, it's our money to a certain extent,
22 and if we spend all of it up, we're not going to have any --
23 MR. McKENZIE: Correct.
24 MR. KING: So, you know, it's in our best interest
25 to still try to save as much money on this project as we can.

23

1 And -- and the second point is, I think we've kind of
2 committed to TexDOT to do this project with the help of the
3 City and the County, and that's the only reason they're doing
4 this as a beta test. If we just say, "Hey, you know what?
5 Looks like there's enough money here to do it," then TexDOT's
6 going to come back, "What happened to this project you were
7 going to do with the help of the City and County?" Looks
8 like y'all hired a contractor to build the hangars for you.
9 Have a nice day."

10 COMMISSIONER MOSER: Sounds like the schedule is,
11 Bruce, at the end of September, TexDOT Aviation Commission
12 says, "Yea, verily," and then a couple weeks later from that,
13 you can select the contractor, and then the City and
14 County --

15 MR. McKENZIE: We'll have the contractor selected
16 before that.

17 COMMISSIONER MOSER: Okay, good. So, at that
18 point, then, that's where the contractor -- that's where the
19 contractor, the City and the County can come together and try
20 and optimize --

21 MR. GRIFFIN: 26th of September, we get started.

22 COMMISSIONER MOSER: All right.

23 MR. McKENZIE: Yes, sir.

24 MR. KING: Go ahead.

25 MR. LANSFORD: I've got a comment. Since you are

24

1 being funded by TexDOT, one of the things you mentioned, you
2 know, by getting the dirt work going and all that, I know
3 what TexDOT likes to see, you know, when it comes to airports

4 is that engineers are familiar with airports in terms of, you

5 know, your site plan.

6 COMMISSIONER MOSER: Mm-hmm.

7 MR. LANSFORD: And that's what we would bring to

8 the table.

9 COMMISSIONER MOSER: Yeah, okay.

10 MR. LANSFORD: Bring in Garver, and -- you know, so

11 they're used to working with TexDOT.

12 COMMISSIONER MOSER: Yeah, we've worked with Garver

13 before.

14 MR. LANSFORD: Yeah. So, that's what we do; we

15 partner with -- with folks like that.

16 COMMISSIONER MOSER: Yeah.

17 MR. KING: So, how do you give us a number without

18 knowing whether they're going to save us -- they're going to

19 do \$40,000 worth of dirt work for you, and they're going to

20 do \$8,000 -- \$10,000 worth of paving for you beforehand? How

21 do you --

22 COMMISSIONER MOSER: You don't.

23 MR. KING: You don't.

24 MR. LANSFORD: It's based on qualifications. And I

25 will tell you that -- what do you have, 640,000?

25

1 MR. KING: Yeah.

2 MR. LANSFORD: We built a hangar in Hamilton that's

3 a 14-unit basically for that. So -- and we did the dirt

4 work, but they did the paving and -- and --

5 MR. KING: Did you?

6 MR. LANSFORD: And that was a design-build project.

7 MR. KING: What did that project end up costing?

8 MR. LANSFORD: 640, and that was including

9 everything. Engineering, everything.

10 COMMISSIONER MOSER: Okay.

11 MR. WOOD: Question.

12 MR. LANSFORD: I would love -- if anybody's ever

13 interested, I'd love to show you that, 'cause we have a jet

14 pod on the end, and a really unique design.

15 MR. WOOD: I've got a question.

16 MR. KING: Go ahead.

17 MR. WOOD: The design-build contractor's going to
18 be acting in the Airport Board's behalf as project manager,
19 and project manager means cost control, scheduling, et
20 cetera. Coordination.

21 MR. LANSFORD: Mm-hmm.

22 MR. WOOD: And you have several different entities.
23 You've got an engineering contractor you've contracted with,
24 we've got the County to do the dirt work, got the City going
25 to do some paving. All that's got to be coordinated

26

1 time-wise so you don't have people waiting on other people.
2 How would that work, as far as -- I'm sure the design-build
3 contractor will have a project manager watching this project,
4 keeping up with it, and possibly even doing some progress
5 reports or, you know, measuring to see if you're on schedule
6 and on budget. How will that interface with the current
7 board? Will we be able to have some debriefings on a monthly
8 basis, --

9 MR. LANSFORD: Absolutely.

10 MR. WOOD: -- or something like that at our
11 meetings?

12 MR. GRIFFIN: That's contracted together. The
13 design-build contractor is our --

14 MR. WOOD: That's what I'm hoping, but I'd just
15 like to hear him say it.

16 MR. GRIFFIN: It's -- the onus is on to us put that
17 in whatever we -- however we negotiate our contract with --
18 with the design-build.

19 MR. WOOD: 'Cause ultimately, the Board's
20 responsible for the success or the failure of the project.

21 MR. GRIFFIN: No, but you put that in the contract
22 between us and our design-build contractor. You know, give
23 us biweekly reports or --

24 MR. WOOD: So, is that a document that's going to
25 come out of us?

27

1 MR. GRIFFIN: It's the negotiated contract that we
2 have with the design-build contractor. Yeah, we'll have --
3 we'll have a contract with that design-build firm.

4 MR. WOOD: I understand. But --

5 MR. GRIFFIN: And --

6 MR. LANSFORD: And they're required to report.

7 MR. GRIFFIN: That's a non-issue.

8 MR. WOOD: I'm a detail guy.

9 MR. GRIFFIN: That's part of our negotiation.

10 Essentially, it's a contract between us and our general
11 contractor to do this job.

12 MS. BAILEY: Bill, what will probably happen is
13 that they have a standard contract that they use, and they'll
14 give it to me, and I'll say where we got to have biweekly
15 reports or photographs and meetings and whatever.

16 MR. GRIFFIN: Stipulate all of that.

17 MR. LANSFORD: And if I may add -- add to that, you
18 know, typically, if I'm selected, all you have to do is
19 simply ask. You know, if you want a report, I'm here. And I
20 am your manager.

21 MR. WOOD: You don't want to get three-fourths
22 through the project and all of a sudden find out you've had
23 change orders, overruns, and you're behind schedule.

24 MR. GRIFFIN: Exactly.

25 MR. WOOD: You kind of want to communicate, is all

28

1 I'm talking about.

2 MR. LANSFORD: Absolutely. And on that point, I
3 will tell you that as -- as design-build develops, we are the
4 engineers and the contractors. We present to the Board or to
5 the City and County what it is we're going to do, and we'll
6 have a full set of plans. You know, we're responsible -- or
7 the contractor is responsible not only for the construction,
8 but for design as well. So, when you talk about change
9 orders, there shouldn't be any change orders. If we miss an
10 elevation by 6 inches, and if we have to eat -- or provide
11 more dirt or whatever, that's on us. The only reason for a
12 change order would be, let's say, "You know what? I would

13 like a sidewalk from that building around here." We know
14 it's not scheduled. Obviously, that's extra work. Other
15 than that, there -- there will be zero change orders, 'cause
16 we're responsible for the entire package.

17 MR. WOOD: Okay. Well, it's turnkey.

18 MR. WALTERS: Hope she's got that in the minutes.

19 MR. KING: Can you say that again?

20 MR. WOOD: Thanks.

21 MR. KING: So, do you give us a number -- an actual
22 number in your bids?

23 MR. LANSFORD: Yes, sir. What will happen as we're
24 -- what typically happens, and it's happened nearly on every
25 project we've ever done design-build, which we've done five

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1 of them for TexDOT, typically the Board knows what they want.
2 And when we get through making the sausage, you know, we'll
3 wind up with something different, and it will come as -- you
4 know, as site requirements. You know, when I do this, you
5 know, we adjust. You know, we bring some fresh ideas when it
6 comes to hangars, and you get to thinking, you know what?
7 Yeah, you know, that -- that's really what we need, you know.
8 So, we'll give you several different options. And, you know,
9 basically I'll take the temperature of the room and come up
10 with some options that I think, you know, you might be
11 interested in looking at, and you can put -- you can put that
12 together with a cost. When we give you a cost, you know,
13 I'm -- I'm also a contractor; it's an actual cost. It's not
14 a budget, although it's -- it's described as a budget, but,
15 you know, basically it's a hard cost, so you can see exactly
16 what it is we're getting into.

17 Typically, there's -- it's a two-stage process.

18 There will be a design, and then it will be a -- the
19 construction phase. The construction phase, we will have a
20 lump sum contract -- we'll have a lump sum contract with
21 everything, but it will basically be, you know, a
22 construction lump sum contract. But it will be in two -- two
23 phases; one for the design, and then the construction as
24 well. It's very interesting, and we've had a lot of success

25 in partnering and, you know, bringing ideas to the airport,

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1 you know, in terms of our knowledge of working with TexDOT.
2 I mean, you have a 90/10 grant. You know, the most important
3 thing to this airport is revenues, you know, keeping that --
4 keeping -- and these hangars is just absolutely -- it's
5 just -- they're just good deals. And I would say, you know,
6 spend as much as you can, get as many hangars as you can,
7 because, you know, it's just costing you a dime.

8 COMMISSIONER MOSER: Speaking of revenue, on the
9 project you finished, the 14, what was the duration --
10 duration from start to finish?

11 MR. LANSFORD: That might have been six months.

12 COMMISSIONER MOSER: Okay.

13 MR. LANSFORD: The design --

14 COMMISSIONER MOSER: Somewhere in that
15 neighborhood?

16 MR. LANSFORD: Yeah. The City was responsible for
17 some of the work, you know, and -- and --

18 COMMISSIONER MOSER: I think another way to look at
19 this thing too is the design-to-build, and the County doing
20 part and City doing part, the County and City would
21 essentially be subcontractors, in concept.

22 MR. LANSFORD: In concept.

23 COMMISSIONER MOSER: Yeah, in concept, to the
24 primary contractor.

25 MR. GRIFFIN: Right.

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1 COMMISSIONER MOSER: Because he's got the schedule.
2 So, there would have to be a commitment by the County, "Yeah,
3 we can do that; we can meet this schedule" and so forth, "and
4 this is what our cost would be," and that would be the
5 early -- early discussion phases, if that makes sense.

6 MR. LANSFORD: Sure.

7 COMMISSIONER MOSER: Okay or not okay.

8 MR. KING: So you have them incorporated into your
9 bid prior to you --

10 MR. LANSFORD: Right.

11 MR. KING: Prior to you making a bid. You have to

12 almost --

13 MR. LANSFORD: Right. Well, yes, sir, and that

14 would -- and that would be part of the thing. And I also

15 would recommend this to the Board. I wouldn't stick a spade

16 in the ground until you've gone through the Commission.

17 COMMISSIONER MOSER: Right.

18 MR. LANSFORD: And you've been approved. Squirrely

19 things have happened, so --

20 COMMISSIONER MOSER: Okay.

21 MR. LANSFORD: -- I will -- I will -- that was one

22 of the things I was going to recommend.

23 MR. KING: Okay.

24 MR. GRIFFIN: One of the things, too, to keep in

25 mind is that the City and the County's piece are at the

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1 beginning and at the end.

2 COMMISSIONER MOSER: Right.

3 MR. GRIFFIN: So it's kind of -- it's a scheduling

4 thing. We got to have one done before we can start. The

5 other one happens after everybody else has cleared out.

6 COMMISSIONER MOSER: Right, yeah.

7 MR. GRIFFIN: So, as far as having to integrate

8 that with something else going on on the site is a pretty

9 good control; it's real straightforward.

10 COMMISSIONER MOSER: Right, good point.

11 MR. LANSFORD: So, what would happen -- and with

12 the scenario that this is kind of going up, you would hire a

13 firm; they would come in and do the engineering on the site,

14 is what is -- and then from that, work with the City and the

15 County. You know, what is it that you're bringing to the

16 table? You know, estimate your consumables, you know, and

17 then we start pulling money out of the -- off the top. And

18 then we come to say, okay, this is our not-to-exceed number.

19 MR. KING: Right.

20 MR. LANSFORD: What's the most we can do?

21 MR. WOOD: And define the work so that there's no

22 misunderstanding that they -- you thought they were going to

23 do --

24 MR. KING: Yeah.

25 MR. WOOD: -- all this, and they didn't do that,

33

1 you know.

2 MR. LANSFORD: Yes, sir. And that's part of the
3 plan. I mean, you know, we'll have a -- we'll have a -- you
4 know, an engineer that will give -- give us a plan on that.

5 MR. KING: Is there anything in this project that
6 TexDOT will not pay for? I thought originally, we had some
7 stuff they don't -- do not want to pay for.

8 MR. McKENZIE: Not any more, not if the City and
9 County are going to participate in this.

10 MR. KING: They'll pay for their consumables --
11 their share of consumables?

12 MR. McKENZIE: We're going to -- yes.

13 COMMISSIONER MOSER: Yeah.

14 MR. KING: We're going to, what, send them a bill
15 and hope they pay it?

16 MR. McKENZIE: That's the way it's going to work.
17 When we get a bill from whomever the contractor is, all we
18 can do is forward it to TexDOT. They -- they send us the
19 money; we pay the bill.

20 MR. KING: How did y'all do it on the Hamilton job?
21 The City helped you with paving or something like that? The
22 city -- they probably don't have an airport board. They
23 probably don't have a separate board like we do.

24 MR. LANSFORD: They've got a board.

25 MR. KING: But, I mean --

34

1 MR. LANSFORD: Not as sophisticated. (Laughter.)

2 Or as good-looking.

3 MR. KING: There you go.

4 COMMISSIONER MOSER: He's not only a primary
5 contractor; he's a salesman. (Laughter.)

6 MR. LIVERMORE: Silver-tongued.

7 MR. KING: I bet the county and city didn't own the
8 airport half-and-half, did they?

9 MR. LANSFORD: No, it was all city. But --

10 MR. KING: So --

11 MR. LANSFORD: But basically what happens is, on
12 your grant, you'll be able to get reimbursed for your
13 expenses over and above our -- whatever our contract winds up
14 being.

15 MR. KING: Yeah.

16 MR. LANSFORD: Or the design-build contract. So,
17 if you have a design-build contract, let's just arbitrarily
18 say \$500,000, and you have \$100,000 or \$140,000 worth of
19 expenses as far as the municipalities are concerned, then
20 they will reimburse you. But I would -- I would mention
21 again, get it in writing before you do it.

22 MR. KING: Right.

23 MR. MCKENZIE: But we're not going to ask for
24 reimbursement for the City and County. That was part of this
25 beta project. They're going to help us lay out the airport,

35

1 so that's going to be a -- we're going to compartmentalize
2 that and put this over here, and then we're going to build
3 the project.

4 MR. LANSFORD: And it may slice it down to where,
5 you know, "Here's my account; go buy the dirt and charge it
6 to us."

7 MR. KING: Yeah.

8 MR. LANSFORD: Something like that, if it -- it
9 could go that way. You know, it could go any way you want it
10 to.

11 COMMISSIONER MOSER: That's where they would be
12 typically subcontractors to you, right?

13 MR. LANSFORD: Right. We're just providing the
14 materials and --

15 COMMISSIONER MOSER: Right.

16 MR. KING: Don't tell the City and County to get
17 reimbursed, please.

18 MAYOR PRATT: And your point?

19 MR. KING: I'm trying to do what we told TexDOT
20 we'd do. Not turn this into a normal project, and they never
21 come back again.
22 MR. LANSFORD: Yeah. You know --
23 MR. KING: I don't think we really want to lie to
24 them about -- or not lie, but mislead them.
25 MAYOR PRATT: I think Bruce would be communicating

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1 with them what we're doing, and get their blessing as we go
2 step by step.
3 MR. KING: Sure. Sure.
4 MR. WOOD: As far as this project, you're nothing
5 more than contractors. The fact that you're owners is beside
6 the point.
7 COMMISSIONER MOSER: We're here. We're up here and
8 we're down here.
9 COMMISSIONER LETZ: We're just doing --
10 MR. WOOD: You're in the middle. Sorry about that.
11 You're in the middle.
12 COMMISSIONER LETZ: We're subject to the contract,
13 but don't get paid for anything except in terms of
14 reimbursement.
15 COMMISSIONER MOSER: Right.
16 MR. LANSFORD: Sometimes the city, you know,
17 utilities department will --
18 MR. KING: Yeah.
19 MR. LANSFORD: -- chip in the service to the
20 building.
21 MR. KING: Right.
22 MR. LANSFORD: So, I mean, there are lots of
23 different ways, you know, that municipalities can work.
24 MR. KING: Okay. All right. So, we'll just need a
25 motion. Whose numbers are these? This number.

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1 MR. MCKENZIE: Y'all came up with those over the
2 months.
3 MR. KING: These are real numbers? They don't look

4 that efficient to me right now.

5 MR. McKENZIE: That was --

6 MR. KING: Not when I heard it costs 600,000 to
7 build 14 of them, and I got 380,000 here for 12.

8 COMMISSIONER MOSER: Now, there's one thing on this
9 -- on this analysis I think that says it all, though. On
10 Page 1, if you look at the 12 hangars, lower right-hand
11 corner -- and I know these are all of our collective numbers,
12 but the City/County's or the Airport Board's portion of
13 that's \$35,560. Okay, that's the 10 percent.

14 MR. KING: Right.

15 COMMISSIONER MOSER: Okay. You go to Page 2, lower
16 right-hand corner, 90 percent occupancy annually, 35,400.
17 So, it says in one year, you've -- you've captured your -- we
18 get our money back real fast.

19 MR. KING: Oh, I agree. What I'm -- what I was
20 kind of getting at, I have to present this to the City and
21 the County, and I don't think we probably should be using
22 exact numbers, since --

23 COMMISSIONER MOSER: No.

24 MR. KING: -- I don't think these numbers are
25 anywhere close to what these hangars are going to cost.

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1 MR. McKENZIE: We're going to use the design-build
2 concept.

3 MR. KING: He just said it was 600,000 to build 14.

4 MR. LIVERMORE: They're high.

5 MR. KING: He's high?

6 MR. GRIFFIN: These numbers are high.

7 MR. KING: 320,000 to build 10 hangars?

8 COMMISSIONER MOSER: That's \$32,000 each, and
9 that's about -- anyway --

10 MR. KING: Robert, how much did it cost y'all,
11 600,000? What did y'all build up there?

12 MR. LANSFORD: We built a 10-unit nested T-hangar
13 with a 65-foot jet pod on it.

14 MR. KING: Okay.

15 MR. LANSFORD: And the 65-foot jet pod has -- it's

16 actually just a little bit larger, but it's got a 65-foot
17 door on it.

18 MR. KING: Wow.

19 MR. LANSFORD: A bifold -- like, electrically
20 operated bifold with an additional 40-foot door on the other
21 side of the pod, so you can access it from both sides.

22 MR. KING: Could you do me a favor after the
23 meeting? Would you get together with Bruce and kind of give
24 him -- could you give us some ideas of what you think
25 actually it's going to cost to build T-hangars in today's

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1 world?

2 MR. LANSFORD: Yes, sir.

3 MR. KING: I know you've probably done it; you
4 probably know what it costs. We're out here listening to
5 guys selling T-hangars and stuff like that, and you actually
6 built it. I think it would be -- I think it would be a nice
7 idea to have.

8 MR. LANSFORD: Now, we do -- I mean, they're
9 generalities. And --

10 MR. KING: Of course, just -- nothing exact. I
11 mean, --

12 MR. LANSFORD: Nothing exact.

13 MR. KING: -- we're not going to hold you to it.
14 Does it cost \$10,000 or \$50,000 to build a T-hangar if you
15 built a 10-unit or nested?

16 COMMISSIONER MOSER: I think the thing the County
17 would be interested in -- I think the thing that you could
18 say is for the grant amount, the \$640,000, plus work that was
19 just recently done, it looks like you can get 12 hangars, to
20 be determined once the contractor's selected and so forth,
21 and simply that it looks like the return on investment would
22 be set at such, and I don't think you need to get into
23 specific numbers, but I think you just keep it at that level.
24 And, therefore, the County can pass a resolution saying, you
25 know, not to exceed, contingent on blah, blah, blah, that

40

1 kind of stuff.

2 MR. KING: Okay.

3 COMMISSIONER MOSER: Okay.

4 MR. LANSFORD: Yes, sir. You know, it -- it's all
5 just general numbers, you know. Of course, every location
6 has different --

7 COMMISSIONER MOSER: Sure.

8 MR. LANSFORD: -- requirements in terms of soils.

9 MR. KING: Mm-hmm.

10 MR. LANSFORD: The engineering scope on this one
11 will be for the entire site, so you may have additional
12 engineering.

13 MR. KING: Sure.

14 MR. LANSFORD: So --

15 MR. KING: Okay.

16 COMMISSIONER MOSER: Good.

17 MR. KING: I'd like to talk to you about that after
18 the meeting. Okay, y'all get a motion together. Go ahead.

19 MR. LIVERMORE: Okay. I'd like to move that we
20 present a resolution to both Kerr County and the City of
21 Kerrville that would be as follows. The Airport Board
22 intends to build one set of T-hangars, not to exceed 12
23 units, on the Kerrville/Kerr County airport property, and
24 that the funds available for this project are \$640,000, of
25 which the Airport Board will be responsible -- responsible

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1 for 10 percent of the cost, up to and no greater than
2 \$64,000.

3 MR. KING: Does that sound okay, Bruce?

4 MR. McKENZIE: Yes, sir.

5 COMMISSIONER MOSER: And put something in there
6 about the schedule.

7 MR. KING: Okay.

8 MR. McKENZIE: What would you --

9 COMMISSIONER MOSER: Well, I'd let Ed do it. But I
10 think --

11 MR. LIVERMORE: Give me a hint, sir.

12 COMMISSIONER MOSER: And the schedule would be to

13 commence after TexDOT Aviation Commission approves this on
14 September the 26th.

15 MR. McKENZIE: That's the Texas Transportation
16 Commission.

17 COMMISSIONER MOSER: Okay.

18 MR. WOOD: And we need the approvals back by a
19 certain date so that we can --

20 COMMISSIONER MOSER: Yeah.

21 MR. WOOD: -- have it there for that meeting.

22 COMMISSIONER MOSER: Precisely.

23 MR. KING: Just put in there the project's --
24 project commencing on -- or project commencing soon -- you
25 know, soon after approval by TexDOT on September 26.

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1 MR. LIVERMORE: I'll accept that amendment.

2 MR. KING: Okay. All right. Any discussion on
3 that?

4 MR. LIVERMORE: We haven't had a second yet.

5 MR. KING: Second on that?

6 MR. GRIFFIN: Is that a motion? I'll second it as
7 amended.

8 MR. KING: Okay. Any discussion? All in favor?

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

10 MR. KING: Five-zero. Okay. Thanks, Tom.

11 MR. WOOD: Do we need to approve him to go out for
12 a design-build, or do we wait for the City approval?

13 MR. McKENZIE: No, I'd like to -- I'd like, if you
14 would, please --

15 MS. BAILEY: You can do it subject to the approval
16 by the City and County. That way it's already in the
17 pipeline.

18 MR. McKENZIE: Now, after next Tuesday night, after
19 the Mayor signs and the Judge signs, I can start making
20 some --

21 MS. BAILEY: Correct.

22 MR. McKENZIE: -- big steps forward, if that's okay
23 with the Board.

24 MR. KING: That's fine.

25 MR. WOOD: I move that we direct the Airport

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1 Manager to prepare and advertise for a Request for
2 Qualifications document so we can get a design-build
3 contractor selected.

4 MR. KING: All right.

5 MR. WOOD: Subject to the approval by the City and
6 the County of the first motion.

7 MR. KING: Okay. Second?

8 MR. GRIFFIN: I'll second that. I'll second.

9 MR. KING: Discussion? All in favor?

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

11 MR. KING: Okay.

12 MR. LIVERMORE: We've had our discussion already.

13 MR. MCKENZIE: One other quick point. Sandra
14 Braden -- y'all have all met Sandra when she was here. I've
15 got to tell you, she really went -- I think she arm-wrestled
16 a few people in Austin to help us through with this thing.
17 She's -- she really went to the mat for us. She's -- she
18 believes in this, and she's trying to help us diligently. I
19 really appreciate that. She's so far been great to work
20 with, because she's -- she wants to see it work as well.

21 MR. KING: Right.

22 MR. MCKENZIE: So, just so you know.

23 MR. LIVERMORE: Let's make it happen for her.

24 MR. KING: Let's make it happen. And just a quick
25 note. I went to Llano last Sunday and looked at some hangars

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1 that they're just finishing. In fact, they haven't done the
2 paving on them yet. Very nice. So --

3 MR. WOOD: Are they the bifold, or were they the
4 sliding door?

5 MR. LANSFORD: Bifold.

6 MR. LIVERMORE: That's the one right on the east
7 side of the terminal?

8 MR. LANSFORD: Yes, sir.

9 MR. LIVERMORE: Mm-hmm.

10 MR. KING: All right.

11 MR. LANSFORD: Yes, sir. The state -- the state in
12 there, they have a canned spec, if you would. And they --
13 they have developed a spec for T-hangars, and their standard
14 is the bifold. Not to say that you couldn't have a rolling
15 door, but they like -- that's what they --

16 MR. LIVERMORE: That's the state -- a state spec?

17 MR. LANSFORD: That's a state spec, yes, sir.

18 MR. LIVERMORE: Those up there at Llano, I haven't
19 seen them in a while, but aren't they kind of like box
20 hangars?

21 MR. LANSFORD: Those are box hangars, yes, sir.

22 MR. KING: How many did you build up there?

23 MR. LANSFORD: Three. Three hangars.

24 MR. KING: How big were they?

25 MR. LANSFORD: One was 75 by 75. Another was a

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1 50 by, I think, 45. And then we had one that was 40 -- 35 by
2 175. It was just a long one with four individual --

3 MR. KING: Really?

4 MR. LANSFORD: -- boxes in it. That -- that
5 particular project, including engineering, was about \$36 a
6 square foot.

7 MR. KING: 36 a foot?

8 MR. LANSFORD: Mm-hmm.

9 MR. WOOD: Those hangars are owned by the City of
10 Llano?

11 MR. LANSFORD: Yes, sir.

12 MR. KING: Were they purpose-built? Did they
13 already have somebody to go in them?

14 MR. LANSFORD: Oh, yeah. Everybody was mad because
15 they needed more of them before they even started.

16 MR. KING: Oh, really? And that was a 90/10
17 project?

18 MR. LANSFORD: That was a 90/10.

19 MR. KING: 90/10.

20 MR. LANSFORD: Now, your box hangars aren't --
21 don't provide the efficiency in terms of revenue replacement

22 as does the T-hangar. You know, the T-hangars are more
23 expensive per square foot, simply because you have more doors
24 and there's more to them, but they also provide a -- a better
25 revenue return.

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1 MR. LIVERMORE: Mm-hmm.

2 MR. KING: Good. A wealth of information. All
3 right, that's good. Thanks very much. Appreciate that.
4 Thanks for your input on that. Item 4C, land acquisition.
5 Ilse?

6 MS. BAILEY: Well, as you will recall, the property
7 that the Economic Development Foundation was wanting to give
8 to us, and we really appreciate it, has been sort of divided
9 up over the years. So, our thought was to acquire it by
10 platting instead of by metes and bounds so that we wouldn't
11 have to have a really complicated deed. So, that's what I've
12 pitched to the City and to the County. Both entities agree
13 with us that platting this large a piece of property would be
14 the sensible way to do it instead of having to do this really
15 complicated metes and bounds. The County says, "Great, go
16 for it." We have -- you know, because it's a large piece of
17 property, we'd go through a simple platting process on the
18 county side. The City, of course, has more requirements,
19 because we are within the city limits.

20 I've included an e-mail that shows part of the
21 conversation with Jason Lutz over at the City about the
22 platting process. What's holding us up right now is that
23 because of where the property's located, some of it may --
24 it's likely to be in the floodplain, and the city platting
25 requirements require an engineering study to identify the

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1 floodplain, which would be expensive. What we're trying to
2 do is figure out a way that we can instead plat it with just
3 a note on the plat that says if this property is ever to be
4 developed, there's going to have to be a floodplain study,
5 because we know it's not going to be developed as long as it
6 remains airport property, and we assume that will be

7 essentially forever, or at least in our lifetimes, and
8 probably the lifetimes after us. So, that is the issue that
9 we're -- that is delaying the process right now.
10 Jason has indicated to me that he's trying to
11 figure out some provision in their rules that would allow
12 them to have the Council grant us a waiver of the floodplain
13 requirements so that we can just proceed onward and get it
14 done with a plat. My approach has been I don't really care;
15 it's not coming out of my pocket, but it's going to be much
16 more expensive to both owners if we have to do the floodplain
17 study.

18 MR. McKENZIE: \$8,000. I checked.

19 MS. BAILEY: Okay. So, it's an \$8,000 difference.
20 However, the more important thing is let's get it done. So,
21 we neither need to know, yes, we have to have a floodplain
22 study if we're going to plat it, and then you direct me
23 either to get the floodplain study done, or to acquire it by
24 metes and bounds. If we acquire it by metes and bounds, that
25 would not be required. And unless somebody down the line in

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1 the future, if they want to plat it, would have to do that.

2 MR. WOOD: So, is a conditional plat something
3 that's ever been done before?

4 MS. BAILEY: Yeah. Well, I'm not that familiar
5 with it from a city point of view, but we do it in the
6 county -- not frequently, but it's done if you have somebody
7 that, as a practical matter, it doesn't make sense to do sort
8 of the chapter and verse of how it's supposed to be done.
9 So, you put a note that says, just F.Y.I., anybody that
10 purchases there, you're not purchasing it without this issue.
11 And it might be floodplain; it might be -- you know, one of
12 the problems we have out in the county is, for instance,
13 elevations that make something that looks like it would be a
14 good subdivision not appropriate, because you can't put a
15 septic on it because of, you know, the geographical height of
16 the property. So, that's the kind of thing that -- that has
17 been done. I'm hopeful that staff will find a way where they
18 can recommend to the Council that they grant us a variance.

19 If they can't -- you know, I'm not really clear on what rules

20 he's looking at, so I can't really tell you. But --

21 MR. WOOD: But the reason it won't be developed is

22 'cause we want that area --

23 MS. BAILEY: To be undeveloped. Exactly. And

24 that's -- that's the reason -- ordinarily, you know, as -- as

25 a government lawyer, I don't like the idea of making

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1 exceptions to development plans, because the -- the rules are

2 there for a reason. But in this case, if it can be done, I

3 think that's the way to do it. It would be simpler, more

4 straightforward, and give everybody a clear idea of what it

5 is that the airport's acquiring.

6 MR. LIVERMORE: These are city rules that we are

7 dealing with, not state law?

8 MS. BAILEY: Correct, yeah.

9 COMMISSIONER LETZ: I'll just make a comment that

10 the -- well, is it in the E.T.J. or the city limits?

11 MS. BAILEY: It's within the city limits.

12 COMMISSIONER LETZ: So the County isn't involved.

13 MS. BAILEY: Except they have to -- don't they have

14 to -- it has to go through just to bless it and say --

15 COMMISSIONER LETZ: Not in the city limits, only in

16 the E.T.J.

17 MS. BAILEY: Okay.

18 MR. WALTERS: What's the time from Jason to find

19 out from the City Attorney on whether we can get a waiver and

20 exception?

21 MS. BAILEY: Well, this e-mail from him was the

22 most recent one, and he said that he would be back in the

23 office early next week, which is this week, and so I'm

24 hopeful that I'll hear something from him this week. But

25 we've had some trouble; he was out for a couple weeks before

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1 we did our first meeting. I think he was out for a seminar,

2 so we've been having some trouble getting together.

3 MR. WALTERS: Bruce, we talked about acquisition of

4 this property and what it might mean for us to get that
5 displaced threshold removed. Have you had any other
6 conversations with the F.A.A. on whether we're going to be
7 able to achieve that?

8 MR. McKENZIE: No, we'll go through TexDOT on that,
9 our declared distances. We may, and/or we may not. It just
10 depends on -- one of the determining factors is going to be
11 Al Mooney Road is still going to be there.

12 MR. WOOD: Was that the reason for the displaced
13 threshold?

14 MR. McKENZIE: That's one of the reasons, 'cause
15 there's a road right there. Now, what I'm planning on doing,
16 and I've discussed this with a board member, is when we get
17 our RAMP grant money next year, just perhaps to clear -- when
18 we acquire this property, is to clear those trees out. All
19 -- we own all the rest of that property.

20 MR. WALTERS: Right.

21 MR. McKENZIE: I think you and I talked about it
22 too, to go out there 150 feet wide and leave just a small
23 strip -- narrow strip of trees next to the highway, but clear
24 the rest of it out. That's -- that will go a long way
25 towards helping us. But -- and it's a safety issue as well

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1 if we can get that done. But that's not for this meeting.
2 That's just to tell you that's what I'm planning on doing.

3 MR. WALTERS: Is there anybody at TexDOT that can
4 kind of give us an idea of -- I mean, obviously, the trees,
5 the road -- that can say, "You know what? Trees are fine,
6 but the road's got to go," or, "You got to relocate it"? I
7 mean, is there anybody with TexDOT that can give us a
8 direction on this?

9 MR. McKENZIE: Sure, mm-hmm. I can certainly
10 inquire.

11 MR. WALTERS: I think we should --

12 MR. McKENZIE: Okay.

13 MR. WALTERS: -- see exactly what we're dealing
14 with.

15 MR. McKENZIE: Okay, will do.

16 MS. BAILEY: But for now, we're just working on
17 getting that answer from the City. And if they say we can --
18 we can do -- get a variance, then we have to go put it on the
19 Council agenda and apply for the variance. And presumably,
20 if we can do it, then we can move forward immediately. I
21 have already asked Lee Voelkel about doing the survey for the
22 plat, so he's all ready to go. We're just on hold waiting
23 for that decision.
24 MR. KING: If they don't, then we can go metes and
25 bounds?

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1 MS. BAILEY: We can go metes and bounds.
2 MR. KING: Or spend \$8,000.
3 MS. BAILEY: Or spend \$8,000.
4 MR. KING: To get some free property that we're
5 never going to use.
6 MS. BAILEY: Right.
7 MR. KING: Okay. So, what would be the
8 disadvantage of going metes and bounds, if we're never going
9 to develop it?
10 MS. BAILEY: It makes anybody who's trying to
11 figure out what we own out there -- it would be very
12 complicated and headache-inducing. But legally, there's no
13 problem with it. I just think that if we can do that, it
14 just makes so much more sense.
15 MR. KING: Sure.
16 MR. LIVERMORE: I agree.
17 MR. KING: The people trying to give us this land,
18 though, they need to go ahead and get rid of it.
19 MR. LIVERMORE: Yeah.
20 MR. KING: There's one individual I see every
21 day -- or see a lot of, and he asks me about it every time I
22 see him.
23 MR. MCKENZIE: Yeah, he just taxied by.
24 MR. KING: Asks me every time. "We're trying to
25 give y'all the land. Can y'all take it, or do you not want

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1 to? What do y'all want to do?"

2 MS. BAILEY: What -- another advantage that -- I
3 mean, it's not a big issue, but it's just a little bit more
4 complicated as far as somebody looking at what does this
5 airport really own? When KEDF transferred these very little
6 pieces of property to us and retained that other larger
7 piece, they retained all or part of the mineral interests, so
8 we have to be sure that when we're taking back from them,
9 we're not just taking surface real estate; we're taking the
10 mineral interests that they retain, so that they don't end up
11 with a -- a defunct entity owning mineral interests.

12 MR. KING: Right. Right.

13 MS. BAILEY: So, that's the reason I think it would
14 just be more straightforward to go as a plat. We'll see what
15 they tell us we can do, and then we'll do it.

16 MR. KING: All right. I'm sorry, Ed.

17 MR. WALTERS: Bruce, I want to ask one more thing
18 about this displaced threshold and TexDOT. Do they have the
19 information, or do we have the information on the survey that
20 shows the runway, the road, all that property that -- you
21 know, so that they can make a determination?

22 MR. McKENZIE: I've got it --

23 MR. GRIFFIN: It's there, yeah.

24 MR. McKENZIE: -- in the master plan.

25 MR. GRIFFIN: It's in our master plan, that

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1 property that you're after, in the back of the master plan.

2 MR. McKENZIE: That was one of the issues that came
3 up as we went through the 18-month process on one road.
4 That's one of things -- I recall that was one of the things.

5 MR. GRIFFIN: There's a fold-out page in the back
6 of the master plan, and it's color-coordinated, that defines
7 where we're in violation. It drives the -- it then drives
8 the displaced threshold.

9 MR. WALTERS: Okay.

10 MS. BAILEY: And, Corey, the road is an issue, but
11 I recall when we acquired that other property by eminent
12 domain, there was some discussion about the fact that

13 clearing out all those trees would go a long way towards

14 helping us get that.

15 MR. McKENZIE: That's my plan. And you and I have

16 discussed that at length before.

17 MR. WALTERS: Does the volume of the traffic on

18 this road have an impact as well? 'Cause it's obviously

19 pretty low volume.

20 MR. GRIFFIN: Low right now, yeah.

21 MR. McKENZIE: Hardly any. I don't know, Corey, if

22 it will or not. I'll visit with them and see.

23 COMMISSIONER LETZ: Just a thought on this. If

24 we're thinking of closing the road or recommending it be

25 closed, it'd probably be good to do it sooner rather than

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1 later, while there's not any traffic over there.

2 MAYOR PRATT: Not only that. For economic

3 development purposes, what's the value of the road?

4 MR. McKENZIE: That is a city street.

5 MAYOR PRATT: Yeah.

6 COMMISSIONER LETZ: So, if that's an option and

7 that would help the airport, why not do it, knowing it's not

8 needed any more? At the moment, it's not needed. It may be

9 needed in the future, but --

10 MR. WALTERS: So, is this -- Peterson Farm Road is

11 a city road?

12 MR. McKENZIE: Well, it is, you know, down to the

13 bridge here; then it turns into a county road. Goes back

14 towards where -- yeah, going back that way, it's a county

15 road. Right in front of Mooney, Corey, it changes from a

16 city street to county road right there at the curve.

17 MR. WALTERS: Yeah.

18 MR. KING: Okay. Keep us advised on that.

19 MS. BAILEY: I will.

20 MR. LIVERMORE: I do agree with Ilse's direction

21 that -- that it should go with a plat. I've done a lot of

22 metes and bounds work in my prior life, and even trying to

23 write it and type it, I mean, it's just a --

24 MS. BAILEY: Yes.

25 MR. LIVERMORE: And it's fraught with error.

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1 MR. McKENZIE: Is it okay if we talk to Steve or
2 Bob Waller? I see him at Rotary sometimes. I'm always
3 telling him what's going on.

4 MR. KING: Sure.

5 MS. BAILEY: I want to make sure that they don't
6 think we're dragging our feet, 'cause we really appreciate
7 the offer. We do want to acquire it.

8 MR. LIVERMORE: Mm-hmm.

9 MR. KING: Okay, emergency airport plan -- Airport
10 Emergency Plan. Kirk, do you have something?

11 MR. GRIFFIN: Okay. Coming out of the TexDOT
12 conference in --

13 MR. McKENZIE: May.

14 MR. GRIFFIN: -- May, we discovered that we were
15 probably negligent in having an emergency plan for the
16 airport. It says if this happens, then this is what you do.
17 Carole and Bruce went off and developed what is in your
18 package. This is a draft emergency plan with who they would
19 contact, and for what purpose. I've since talked with the
20 911 network guys to find out who needs to have this after we
21 do this, and they also gave me L.C.R.A.'s emergency plan and
22 K.I.S.D.'s emergency plan, which is very nice, but, of
23 course, they're dealing with kids, and they -- they got very
24 good about "If this, then this" kind of stuff.

25 But I think where we are with this is we'd like to

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1 review it with what I've learned in the last couple weeks
2 from L.C.R.A. and -- and K.I.S.D.; that you guys review this
3 draft that Bruce and Carole put together, and then at our
4 next meeting, press forward and maybe approve our plan. I'll
5 try to get a draft out back out in the next couple weeks so
6 that we can do that. After my meeting with the 911 network,
7 I know where we have to get these things -- they have to --
8 where they need to reside. Not that they have to reside
9 anywhere, other than the fact that we have a plan, and it

10 makes TexDOT exceptionally happy that we've got a plan. One
11 of the biggest things to remember in the state of Texas is,
12 if there is an incident, D.P.S. is the responsible party --
13 it's kind of a cool thing in Texas -- until the F.A.A. shows
14 up. So --

15 MAYOR PRATT: Are you coordinating this with the
16 Fire Chief?

17 MR. GRIFFIN: We will give him a copy of this
18 after, yeah.

19 MAYOR PRATT: You're going to give him a copy
20 after, or are you going to coordinate with him before you
21 make your final --

22 MR. GRIFFIN: We're going to put it all together.
23 We're going to make a recommendation here out of the Board;
24 then we'll talk to him.

25 MAYOR PRATT: Yeah.

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1 MR. GRIFFIN: There's nothing in here that says --

2 MR. MCKENZIE: We don't have procedures in here.

3 MR. GRIFFIN: We're not committing him to anything,
4 other than saying if this happens, contact this person or
5 contact this agency. So --

6 MAYOR PRATT: But he's just the -- he's the head of
7 the emergency --

8 MR. GRIFFIN: Except in the case -- except in the
9 case of airports, D.P.S. is.

10 MAYOR PRATT: Yeah.

11 MR. GRIFFIN: And that's the key. And so -- and
12 this was -- Carole and Bruce went and got previous airport
13 plans, and so we've got that, you know, skew on it in here.

14 MAYOR PRATT: Okay.

15 MR. GRIFFIN: Okay? So, that's all that is. And I
16 just -- we've been working it. I wanted to let you guys
17 know.

18 MR. KING: That's fine. Good. Good job. Thanks
19 very much.

20 MR. LIVERMORE: So, when do you expect that this
21 will be moved for completion? The next --

22 MR. GRIFFIN: I hope to have it done by the next
23 meeting. And I hope --
24 MR. McKENZIE: August.
25 MR. GRIFFIN: Yeah. And what I'll do is, I'll send

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1 you guys any changes that we got to this, and --
2 MR. LIVERMORE: Anything we have, we can
3 communicate with you?
4 MR. GRIFFIN: Just communicate with me. Okay?
5 MR. KING: Good. Item 4E, airport west side
6 development. What's that?
7 MR. McKENZIE: I think that's in executive session.
8 MR. KING: What is it about? Is that -- do you
9 have somebody interested or something?
10 MR. GRIFFIN: Well, it's -- no, it's more of how we
11 use the property maybe in the near future. And I think we
12 need to have that conversation with a small group.
13 MR. KING: Okay. Airport -- Item 4F, Brinkman
14 hangar. What's the deal there?
15 MR. McKENZIE: I put that on there. I was asked to
16 put it on. I was quizzed as to how many folks had looked at
17 the hangar, who it was, what they've told me. And we
18 decided -- myself and another Board member decided we need to
19 discuss that in executive session, because we thought it
20 would be better at this time to discuss that among just the
21 Board.
22 MR. GRIFFIN: We're not sure that the people
23 interested in the hangar want other people to know they're
24 interested in the hangar.
25 MR. KING: Okay.

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1 MR. GRIFFIN: At this point. I think that's the
2 easiest way to say it.
3 COMMISSIONER LETZ: The only thing I -- clearly,
4 that one is executive session. The other one, I think you
5 need to be a little clearer as to why land use needs to go
6 into executive session.

7 MR. LIVERMORE: Are you talking about the

8 Brinkman --

9 COMMISSIONER LETZ: No, Brinkman's clearly
10 executive session. That's contract negotiations on real
11 property.

12 MR. GRIFFIN: Well, it would be contract
13 negotiations with me.

14 COMMISSIONER LETZ: On the land use?

15 MR. GRIFFIN: On land use.

16 COMMISSIONER LETZ: That, I mean, doesn't bother
17 me. I just want to make sure it's on the record as to why --

18 MR. GRIFFIN: That's what it is.

19 MR. KING: So, would you label that with -- I think
20 when you put these things on, if you think you're going to go
21 into executive session, I think you need to reference what --
22 what reference -- what section you're quoting on executive
23 session.

24 MR. WOOD: Negotiation regarding real property?

25 MR. GRIFFIN: Absolutely.

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1 MR. McKENZIE: You bet.

2 MR. LIVERMORE: All right.

3 MR. KING: So, that's what you think on -- 'cause I
4 don't know anything about what you're talking about.

5 MR. GRIFFIN: 4E.

6 MR. KING: So, 4E, --

7 MR. GRIFFIN: Yes.

8 MR. KING: -- you're talking 551 what?

9 MR. GRIFFIN: 073, regarding real property.

10 MR. KING: And on --

11 MR. LIVERMORE: No, it's 072.

12 MR. KING: 4F is your -- your 551.072 also?

13 MS. BAILEY: No --

14 MR. LIVERMORE: Well, it's real property.

15 MR. GRIFFIN: It's real property.

16 MS. BAILEY: 073 is.

17 MR. LIVERMORE: Probably 072.

18 MR. KING: Okay. All right. General update?

19 MR. McKENZIE: We had the busiest weekend we've had
20 out here in several years over the 4th of July weekend,
21 starting on Wednesday. It began to get busy Thursday.
22 Friday and Saturday were tremendous. Tremendous amount of
23 jet traffic. Almost 13,000 gallons of Jet A sold in two and
24 a half days. I don't know how much 100 low-lead we sold, but
25 it was substantial, and it was just really neat to see. It

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1 was a busy, busy weekend.

2 MR. LIVERMORE: It was also not only the 4th, but
3 the rotation on the camp.

4 MR. McKENZIE: The camp rotation was that weekend
5 as well, that's correct.

6 MAYOR PRATT: From my point of view, what I'd like
7 to see is comparisons. When you put out these figures, like,
8 in my thinking, the first thing is, okay, what did we do last
9 year? I want to see trends, okay? So, I -- so we sold so
10 many -- so much fuel. What does that mean? I'd like to see
11 -- I'd like to see some comparisons to last year and the year
12 before, at least three years.

13 MR. GRIFFIN: It's in there.

14 MR. McKENZIE: It's in the quarterly report that
15 you asked me to do. It's a graph. It's all on the graph.
16 You can look at it on it there; you can see -- we go back 12
17 months.

18 MAYOR PRATT: Okay, so that's on that. I just
19 haven't seen the graph yet.

20 MR. McKENZIE: We've got it.

21 MR. KING: I found that out, too.

22 MR. GRIFFIN: The quarterly report comes up again.

23 MR. KING: Quit looking at the pictures; go to the
24 back. Like me.

25 MAYOR PRATT: Hey, I'll send you the quarterly

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1 report; I've got it.

2 MR. McKENZIE: I sent it to that lady right there
3 and she signed for it, 'cause I have it back.

4 MR. LIVERMORE: I don't know if there's any more
5 questions.

6 MR. KING: I'm not ever asking another question.

7 Any more updates? Anybody else? Any updates?

8 MR. McKENZIE: No, that's it for me.

9 MR. KING: Okay. All right. Then we'll adjourn

10 this meeting and go into executive session on Item 4E,

11 Section 551.072, and on 4F, 551.072 also, and we'll go out at

12 9:43.

13 (The open session was closed at 9:43 a.m., and an
14 executive session was held off the record.)

15 MR. KING: All right, we'll be out of executive

16 session at 10:22, and back in to reconvene at 10:23. We did

17 not take any action -- or will not take any action on either

18 one of those items. And does anybody have anything else?

19 Move to adjourn?

20 MR. LIVERMORE: So moved.

21 MR. KING: Motion.

22 MR. WALTERS: Second.

23 MR. KING: All in favor?

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

25 MR. KING: Thank you very much.

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1 (Airport Board meeting was adjourned at 10:24 a.m.)

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5 STATE OF TEXAS |

6 COUNTY OF KERR |

7 I, Kathy Banik, official reporter for Kerr County,

8 Texas, do hereby certify that the above and foregoing is a

9 true and complete transcription of my stenotype notes taken

10 at the time and place heretofore set forth.

11 DATED at Kerrville, Texas, this 17th day of July, 2013.

12

13 _____
Kathy Banik, Texas CSR # 6483

14 Expiration Date: 12/31/14

Official Court Reporter

Kerr County, Texas

15 700 Main Street

Kerrville, Texas 78028

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Phone: 830-792-2295

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