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KERRVILLE-KERR COUNTY JOINT AIRPORT BOARD

Regular Meeting

Monday, May 21, 2012

8:30 a.m.

Airport Terminal Conference Room

1877 Airport Loop Road

Kerrville, Texas

MEMBERS PRESENT: MEMBERS ABSENT:
Stephen King, President Corey Walters
Tom Moser, Vice-President

Mark Cowden
Ed Livermore

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

COUNTY STAFF PRESENT:
Jonathan Letz, Commissioner Pct. 3
Jeannie Hargis, Auditor

CITY STAFF PRESENT:
Jack Pratt, Mayor-elect
Mike Erwin, Finance Director

VISITORS:
Bill Wood, prospective board member
Mark Armstrong, Kerrville Daily Times

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I N D E X

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3 CALLED TO ORDER

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1 On Monday, May 21, 2012, at 8:30 a.m., a regular
2 meeting of the Kerrville-Kerr County Joint Airport Board was
3 held in the Airport Terminal Conference Room, Louis Schreiner
4 Field, Kerrville, Texas, and the following proceedings were
5 had in open session:

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

7 MR. KING: All right, I'll call this meeting to
8 order of the Kerrville/Kerr County Joint Airport Board on
9 May 21st, 2012. Item 1, visitors' forum. At this time, any
10 person with business not scheduled on the agenda may speak to
11 the Airport Board. No deliberation or action may be taken on
12 these items because the Open Meetings Act requires an item to
13 be posted on the agenda 72 hours before the meeting.
14 Visitors are asked to limit their presentations to three
15 minutes. Anybody?

16 MR. LIVERMORE: May I make a statement?

17 MR. KING: Yeah, sure.

18 MR. LIVERMORE: I took a trip -- my family and I
19 took a trip -- Mr. Wood was there, too -- to Merced -- well,
20 we were going to Yosemite, but we landed at Merced,
21 California airport, and what a different place from here.
22 This is a friendly airport, and that's an airport in search
23 of niceness. (Laughter.) And the big -- the big problem is
24 T.S.A. They have a commuter flight in there, and they have
25 locked that place down like a German concentration camp. You

1 have to carry your bags from the parking lot, which is 300 or
2 400 yards from the airplane. It's just a mess. And I know
3 that we're too close to San Antonio to probably ever get a
4 commuter flight, but we sure want to think a long time before
5 we let T.S.A. on this airport.

6 MR. KING: Well, thank you for that. Anybody else?

7 MR. MOSER: Good morning. Sorry I'm late.

8 MR. KING: Financials. Jeannie?

9 MS. HARGIS: Okay. On the operating account, cash
10 balance, \$358,640.50; that is Page 1. Page 2, the revenue.
11 Year-to-date revenue, 245,701.88. The next page, which is 3,
12 is your salaries, which are 80,756.11 year-to-date. Page 4
13 is the total of each of the different areas, each one of
14 those. Page 5, total amount of expenses there, 64,817.48.
15 That's all of the total of all those above.

16 MR. MOSER: I'm going to sound like a broken
17 record, but for Bruce and Laurie and company, their -- their
18 amount of spending is excellent relative to the -- to the
19 year.

20 MS. HARGIS: Page 6, total amount of expenditures
21 with salaries, 154,714.01, leaving a balance of 90,987.87.
22 Page 7 is the capital account. We're showing 168,382.10. We
23 still have 25,000 that belongs to the City of Kerrville for
24 next year. On Page 8 is the revenue showing the RAMP grant
25 coming in and a little bit of interest, 50,055.92. Total

1 amount of expenditures on Page 9 to-date, \$15,012.50, leaving
2 a balance then of 35,043.42. That is all RAMP.

3 MR. MOSER: So, 58 percent of that remaining.

4 MS. HARGIS: Page 11 is the summary of our projects
5 which will soon be coming to an end. The Project 815, which
6 was closed down in September of last year, still showing a
7 balance there of 111,859.29, which I'll explain in just a
8 moment. We do have the -- the RAMP grants, and for a total
9 there of 143,231.51. And then with the -- adding back the
10 25,000 that we owe the City, it's 168,379.80. Page 12 is a

11 recap of all those funds. And the only thing that we're
12 showing that may be due to us is \$502.44 from TexDOT.
13 Everything else has been paid back. And, again, that shows
14 the 111,859.29 that we are talking about disbursing. I've
15 done a memo --

16 COMMISSIONER LETZ: Jeannie, 500? Or 5,025?

17 MS. HARGIS: \$502. Which would be in the -- in the
18 gray column, as of 4/30.

19 COMMISSIONER LETZ: Okay.

20 MS. HARGIS: Remember, we had to come up with
21 actually a little bit more money for the master plan. So --

22 COMMISSIONER LETZ: Okay.

23 MS. HARGIS: I gave you a little memo, and we did
24 it twice, and we continued it so that you kind of get an idea
25 of -- of our original thought.

6

1 MR. MOSER: Are we going to the next item?

2 MS. HARGIS: Yes, sir.

3 MR. KING: What are we doing?

4 MS. HARGIS: This is just an explanation.

5 MR. KING: Oh, yeah. Let's look at the budget
6 first, and then we'll go to that.

7 MS. HARGIS: Okay.

8 MR. MOSER: Don't we need to approve the
9 financials?

10 MR. KING: Yeah. Anybody have any questions on the
11 budget? We're where we should be right now, this month?
12 What percentage is this?

13 MR. MOSER: We're -- should be six -- 40 percent
14 through.

15 MR. McKENZIE: Four months left.

16 MR. LIVERMORE: Oh, this is --

17 MS. HARGIS: No, we're at --

18 MR. McKENZIE: There's four months left.

19 MR. MOSER: October, November -- I mean, October,
20 November, December, January, February, March, April. Seven.
21 Seven, so you got 40 percent to go.

22 MR. LIVERMORE: Okay.

23 MS. HARGIS: We're just paying April disbursements
24 this month.
25 MR. MOSER: Yeah, 60 percent should be spent.

7

1 MR. KING: Should be good. And we're at 65 on --
2 on total expenses. Okay. Anybody have any questions?

3 MR. MOSER: No.

4 MR. LIVERMORE: Move approval.

5 MR. MOSER: Second.

6 MR. KING: Discussion? None being heard, all in
7 favor?

8 (The motion carried by unanimous vote, 4-0.)

9 MR. KING: Four-zero. All right. Approve the
10 budget -- approve the financials.

11 MR. MOSER: Right.

12 MR. KING: Item 2, project completion 0815KERRV.
13 Jeannie, is this your deal?

14 MS. HARGIS: I guess so.

15 COMMISSIONER LETZ: Yes.

16 MR. KING: Yeah, this is yours.

17 MS. HARGIS: This is the memo that I gave you.

18 MR. KING: Okay.

19 MS. HARGIS: We had two projects, as you'll recall.
20 Originally, there was one project, which was 815, which was
21 to do the taxiway and all the improvements out here. Then in
22 about '06, I think, it was split into two pieces. Prior to
23 my going to the City of Kerrville, and in 2007, then we did
24 have two separate projects, 'cause TexDOT decided it was too
25 large a project to do at one time. So, 815 was the original

8

1 project. Of that money, there was -- we had money left, and
2 then when we were finishing 915, which is the second half of
3 the large project, we needed to fix the road, so we used
4 \$20,993, and we thought we had all of that money coming back
5 to us. And in addition to that, we had a receivable at year
6 end for RAMP grant. We didn't ask for all of the RAMP grant
7 money until late September. It didn't really come in until

8 December, so we showed it as a receivable. It was received
9 in December. So the original amount everybody thought we
10 were going to get back was 132,852.29. However, we received
11 an e-mail which is attached to your memo that explains that
12 we don't get all of that money back. The 20,000, we only get
13 9,000 of that back. And we already got it back in the
14 \$19,000 refund that the City received about two or three
15 weeks ago and disbursed half and half to each of us. So, the
16 only -- the amount we have left is 111,829.29. And based on
17 what we have on the report that each party paid, there was
18 666,000 between the City of Kerrville and -- and Kerr County.
19 There was 599,000 in cash from E.I.C. We took that pro rata
20 share and divided it. And this is just for your information;
21 the City hasn't requested a refund, and it's up to the board
22 to direct me to do what you want to do with this.

23 COMMISSIONER LETZ: But we have that -- we received
24 that full 111,000 back?

25 MS. HARGIS: We never spent the 111.

9

1 COMMISSIONER LETZ: Okay.

2 MS. HARGIS: What happened was, I think that as I
3 recall, they called for some additional money to be put in
4 the pot, and they didn't take it all. And so we left it in
5 the capital projects, thinking that at some point in time,
6 they might want it for the other project. And also, as we
7 saw by fixing the road, we thought we might need some of that
8 money in the second round as well, so we held onto it until
9 both -- both projects were complete. And we know we just got
10 the completion on the second one in April.

11 MR. MOSER: Okay.

12 MS. HARGIS: So, that one is 915. It's 0815 and
13 0915. So --

14 MR. MOSER: Are we supposed to also, Bruce, get
15 some more money back from TexDOT on the 20,000?

16 MS. HARGIS: No. That's what this is about, if
17 you'll read the e-mail.

18 MR. MOSER: So we didn't -- so we do not get --
19 okay.

20 MS. HARGIS: No. Basically, what they said was
21 that it was a -- contractor will pay 50 percent.
22 MR. MOSER: Right.
23 MS. HARGIS: And the state and the parties -- the
24 owners would pay 10 percent. So, basically, they said we
25 paid our 10,000. We held 10,000 from the contractor. We

10

1 turned around and gave you that money back.
2 MR. MOSER: Okay, got you.
3 MS. HARGIS: Already, as part of the 19,000. So,
4 as far as TexDOT is concerned, that 19,000 covered both
5 projects, and we're done.
6 MR. MOSER: Okay, got you. Thank you.
7 MS. HARGIS: Unless somebody -- you know, I mean,
8 that's the way we read it, anyway.
9 MR. KING: Are you giving this to the City?
10 MS. HARGIS: I just gave it to Mike. I talked to
11 him about it.
12 MR. KING: Mike, what do y'all think? What's
13 y'all's position on this?
14 MR. ERWIN: As previously stated, the City would
15 like their portion of the remaining funds back.
16 MR. KING: Right.
17 MR. MOSER: And --
18 MR. KING: Do y'all have a clue what that is? Do
19 y'all agree with the 111,000?
20 MR. ERWIN: We agree with the 111 being the
21 remaining amount.
22 MR. KING: Mm-hmm.
23 MR. ERWIN: And I would just need to go back and
24 review everything. Jeannie called me on the phone, but I
25 just didn't take notes while we were talking.

11

1 MR. KING: Okay.
2 MR. ERWIN: To write numbers down.
3 MR. KING: Maybe this would help you with the --
4 this will help you.

5 MR. ERWIN: Yes, sir.

6 MR. MOSER: And is it correct that a portion of
7 that goes back to E.I.C.?

8 MR. KING: Yeah.

9 MR. MOSER: They did contribute. Do they want it
10 back? Do we know that?

11 MR. ERWIN: We have an E.I.C. meeting this
12 afternoon.

13 MR. MOSER: Okay.

14 MR. KING: Would you do me a favor? Would you ask
15 -- who's the president now? Gregg?

16 MR. ERWIN: Gregg Appel.

17 MR. KING: Ask Gregg. A, I sent you an e-mail -- I
18 sent y'all those two e-mails. I sent one to you, and I sent
19 one to -- or Bruce sent one from me, and one from you on May
20 11th requesting -- we need -- what we need to know is, here's
21 my dilemma on this deal. I'm not refunding -- I'm not going
22 to refund any money. I'm not going to have the airport
23 refund any money until the City tells us what the percentage
24 of breakdown is, because that's not our job to decide who
25 gets with what -- who gets what money. I know that they get

12

1 55,000, "X" number of dollars, 'cause they want -- they get
2 half. But you guys have got E.I.C. and City in the deal, and
3 I -- I'm not going to -- I'm not going to require the County
4 to come up with the breakdown. I mean, it's not their job to
5 come up with the breakdown on what the E.I.C. funds were and
6 what the City funds were. That's between the E.I.C. and the
7 City. So, if you would ask Gregg to look at that agreement.
8 I don't even have that agreement. This was a long time ago.
9 I don't have that agreement, what the agreement said when
10 they gave the airport the money. If there was anything in
11 the agreement that said, "We want our money back," or "We
12 don't want our money back." Or -- I mean, I don't -- that's
13 not us. But there is a -- there is -- there's got to be a
14 percentage of E.I.C. money versus City money, and if we know
15 those two numbers, then we can write y'all a check.

16 MR. MOSER: If the E.I.C. wants it.

17 MR. KING: If the E.I.C. wants it. So, I need
18 three things. We need a -- two things. We need a breakdown
19 of what the money is. We need a letter from E.I.C. stating
20 we would like our money back, and we need a letter from the
21 City stating that we -- the breakdown -- just two things.
22 This is the breakdown, so that way we can write the checks.
23 So, I don't want to write a check and then somebody come back
24 and go, "Oh, it was 48 percent; you said it was 46." Because
25 that's what we took from the County, so I just don't think

13

1 that's right. We just eliminate a lot of this by just you
2 guys telling us what it was.
3 MR. MOSER: And we're ready to write the check.
4 MR. KING: And we'll write the check A.S.A.P. I
5 told Jeannie to cut that check as soon as we can figure out
6 what the breakdown is. But they come up -- you know, the
7 last -- two weeks ago, the County called me and said -- you
8 know, I saw Tess and Jeannie, and they said, "Well, we think
9 it's 42/58." I'm like, "Well, that ain't -- that's not going
10 to cut it." You know, you guys -- I don't want you guys to
11 determine what the City and the County get. I want -- I mean
12 the City and the E.I.C. get. I want the City and E.I.C. to
13 determine what they get. So, you know, I'll just go on
14 record as saying at least what my position is. I don't know
15 where the rest of the board members are, but I'm not going to
16 approve -- I do not want to approve a distribution until the
17 City and the County have made it clear as to what funds the
18 E.I.C. gets, and what funds the City gets.

19 MR. MOSER: Well, just so it reflects --

20 MR. COWDEN: Just so everybody agrees.

21 MR. KING: I want everybody to agree on it.

22 MR. LIVERMORE: I agree with that.

23 MR. COWDEN: I do too.

24 MR. KING: I don't know, Jonathan. Your money
25 stays with us?

14

1 COMMISSIONER LETZ: No, I don't think we've ever

2 voted on it.

3 MR. KING: If you guys want your money back, we'll
4 cut you guys a check. We don't --

5 COMMISSIONER LETZ: I just -- my preference is to
6 leave it at the airport, or at least leave it in the airport
7 in a fund.

8 MR. MOSER: For C.I.P., for capital improvements.

9 COMMISSIONER LETZ: Yeah. But that's just my
10 preference. Once we get a breakdown, and Jeannie's given the
11 breakdown, basically, you need the City to agree to it,
12 E.I.C. to agree to it, and then we can take it to
13 Commissioners Court and --

14 MR. MOSER: The County needs to let us know on
15 that.

16 MR. KING: Yeah. So, are we good on that, Mike?

17 MR. ERWIN: Okay, I'll take that back.

18 MR. KING: We really -- please -- I mean, I send
19 y'all these e-mails, and they just fly out the window. I
20 don't know where they go. I send them -- send them to Todd;
21 I send them to you. Somebody just send me back an e-mail
22 going, "I'm working on it." And -- you know, it's just so
23 flipping rude that we don't get an e-mail back from anybody.
24 I'd just like to get an e-mail back that says, "We're working
25 on it." If you're working on it, then I think somebody's

15

1 working on it. But when -- it's like I'm talking to my kids.
2 (Laughter.) So, we could just get -- I mean, I just want to
3 get this thing settled and done, but I want to do it right
4 the first time so that --

5 MR. LIVERMORE: Not the next.

6 MR. KING: Not the next. I don't want it next
7 month coming back, and we're doing it again. So, please -- I
8 mean, I'll call Gregg. I'm going to get Gregg's number.
9 I'll call Gregg.

10 MR. MOSER: Jeannie, thanks. Good summary.

11 MS. HARGIS: Thank you.

12 MR. KING: Never had so much trouble giving
13 people's money back to them. Please.

14 MR. LIVERMORE: Usually it's pretty easy.

15 MR. KING: Okay. Sponsors' approval, parking

16 lot -- new parking lot, Item 2C.

17 MR. McKENZIE: At the Airport Board meeting, we

18 discussed this project, and it was all positive.

19 MR. MOSER: The board? Or the planning --

20 MR. McKENZIE: No, this was Airport Board, in

21 April. April Airport Board meeting. It was all very

22 positive. We moved forward, but it was said at that meeting,

23 as I gleaned from the minutes of that meeting, that they

24 would discuss it yet further at the Airport Planning

25 Committee on the 27th of April, and they did. So, I'm -- I'm

16

1 taking from that that both parties are amenable to this

2 project. So, my question to the board is, do we still need

3 to go to both entities yet again, or further, and ask

4 permission? Since we've had these now three meetings on it,

5 and everybody seems to be agreeable that the parking lot is

6 something we need.

7 MR. KING: Where's the money coming from?

8 MR. McKENZIE: We're paying for the materials.

9 They're -- they're providing -- "they" being the City and the

10 County, are providing the manpower and equipment.

11 MR. MOSER: \$30,000 in materials?

12 MR. McKENZIE: Oh, it's going to be about 60,000 in

13 materials.

14 MR. MOSER: 60,000? Wasn't that RAMP grant?

15 MR. McKENZIE: Yes, sir, that's RAMP grant, half of

16 it.

17 MR. MOSER: RAMP grant, and the City's doing part,

18 the County's doing part, and we're providing the -- with RAMP

19 grant funds, the material.

20 MR. McKENZIE: Correct.

21 MR. MOSER: All right.

22 MR. McKENZIE: So, the question is, do we need to

23 -- does this board need to go to the -- I'm kind of throwing

24 this out to this body. Do we need to still go to them and

25 ask for permission to do this, or are we --

1 MR. KING: I think we do.

2 MR. MOSER: Yeah, you do.

3 MR. KING: What do you think, Jonathan?

4 COMMISSIONER LETZ: I don't know that you need to
5 come make a presentation, but I think the Commissioners Court
6 needs -- I think -- I know we've been advised of it, or I've
7 mentioned it, or Guy; one of us had mentioned it, but it's a
8 little bit -- it's -- the whole thing, I think, needs to have
9 court approval so it's clear.

10 MR. McKENZIE: Okay.

11 COMMISSIONER LETZ: From us, but I don't think
12 y'all need to be there to make a presentation. I'll just put
13 it on the agenda. I might need some backup from our
14 standpoint.

15 MR. KING: How about the City?

16 MR. McKENZIE: Probably the same, yes. Yeah. If
17 you're getting it from one owner, I suppose it's best to get
18 it from the other owner.

19 COMMISSIONER LETZ: That way we're all clear.

20 MR. KING: Put it on both their agendas to -- I
21 mean, it should be fairly easy.

22 MR. McKENZIE: Is it a consent agenda item, Mike?

23 MR. KING: Carson's seen it.

24 MR. ERWIN: You just need to submit something to
25 Brenda, and you and her and Todd make a decision whether

1 it'll be consent or not consent.

2 MR. McKENZIE: Okay.

3 MR. LIVERMORE: How long does it take to get it on
4 there?

5 MR. ERWIN: As soon as we get it -- as long as we
6 get it by Friday, it can be on the next agenda.

7 MR. KING: Do we need to send y'all an e-mail, or
8 come down and talk to y'all?

9 MR. ERWIN: Let Bruce and Brenda talk.

10 MR. McKENZIE: I can put it on the agenda.

11 MR. KING: Just put it on the agenda, okay.
12 That'll work.
13 MR. ERWIN: If you'll get ahold of Brenda.
14 MR. MOSER: Just do the same presentation you did
15 at the planning -- okay.
16 MR. KING: That'll work. Okay, we'll do that, and
17 we'll come talk to you guys.
18 MR. McKENZIE: Jonathan, you're going to put it on
19 y'all's?
20 MR. KING: That's a good idea, 'cause maybe -- you
21 know, Carson knows about it, and David knew about it. So, at
22 least we'll -- we'll inform the rest of the Council, you
23 know, in case no one got told about it. Okay, good. All
24 right.
25 MR. McKENZIE: Thank you.

19

1 MR. KING: Is that okay? Can you give me some
2 financials on that? Give me a sheet -- a sheet with some
3 financials on it. When we send it to them -- when we send it
4 to the City and the County, Bruce, let's have the financials
5 on it so we know what --
6 MR. McKENZIE: Sure, what it's going to cost.
7 MR. KING: What it's going to cost. And I'd like
8 to get those guys to sign off if they're going to actually
9 participate in it.
10 MR. McKENZIE: I understand.
11 MR. KING: So when it comes around to it, that
12 everybody's on the same page, okay?
13 MR. McKENZIE: Yes, sir.
14 MR. LIVERMORE: Once we get that from both -- both
15 owners, --
16 MR. KING: Yeah.
17 MR. LIVERMORE: -- how long is it before we can --
18 MR. KING: Actually, we're not --
19 MR. McKENZIE: Not till October.
20 MR. KING: We're not going to work on this until
21 October, just because of the scheduling situation with the
22 City and the County and their paving machine -- the paving

23 machine. Is that right?

24 MR. McKENZIE: Yes, sir, and our -- and our new

25 RAMP grant funding comes available.

20

1 MR. KING: Throw this all in on the back of the

2 City's paving deal.

3 MR. McKENZIE: The money this year is spent.

4 MR. KING: So when they're out paving, this will,

5 like, be one of the projects that the -- probably have to

6 start on base and everything. We can get the base and

7 everything, get all that done, 'cause that's -- the County's

8 doing that. Okay. All right, Item 2D. We need to go in

9 executive session for about five minutes for -- under Section

10 51, Section 51.074 under personnel matters. And it's related

11 to the budget. We got to approve a budget here today, and we

12 need to discuss personnel matters in executive session for

13 just a few minutes. So, I'll --

14 MR. LIVERMORE: Do you need a motion for that, or

15 is that something --

16 MR. MOSER: No.

17 MR. KING: No, we're going to go into recess for

18 about five minutes.

19 MR. MOSER: Say the time.

20 MR. KING: Nine -- at 8:56, we'll go into executive

21 session.

22 (The open session was closed at 8:56 a.m., and an
executive session was held off the record.)

23 -----

24 MR. KING: Okay, we're back out of executive

25 session at 19 after. We don't need to take a vote on that, I

21

1 don't believe.

2 MR. MOSER: No.

3 MR. KING: Okay. All right. We --

4 MR. McKENZIE: We're going to -- Laurie will print

5 everybody a copy; it'll take about three or four minutes.

6 MR. KING: Okay, yeah. Where's the budget? Do we

7 have a copy of the budget here?

8 MR. McKENZIE: She's going to give us the number to
9 talk about, but she's printing a whole budget out.

10 MR. KING: Okay. Okay. We have to vote on that?

11 (Low-voice discussion off the record.)

12 MR. COWDEN: I need some of these just to work on.

13 Do we -- does everybody have a copy?

14 MR. KING: Yeah. Can you print us a copy of that
15 budget? We're going to go down line by line.

16 MS. DEJOHN-ERMEY: Right. If you give me the
17 numbers, I'll put them in there.

18 MR. KING: It doesn't matter. Just print me a copy
19 of the one you got, 'cause we're going to make a couple
20 changes anyway.

21 MR. McKENZIE: She can do that; it'll take a couple
22 of minutes.

23 MR. MOSER: Keep going. We'll go to the next item.

24 MR. KING: All right. Let's go to the next item
25 while she's printing that out. Item 2F, proposed T-hangars

22

1 and T-hangar working group.

2 MR. MOSER: Okay.

3 MR. KING: That's you, Tom.

4 MR. MOSER: Here's what the deal is. Pass these
5 around. This is the same thing that you've seen before. We
6 know what the estimated cost of construction is for 30
7 T-hangars. We know what the operating expenses are for the
8 30 T-hangars, and the estimated net income per year is, like,
9 \$56,000. I'm going to go through this real quick. So, that
10 gives a pretty good return on equity. We know what the
11 layout is, 'cause that's in our master plan. We know the
12 market is there because of what's going on in Fredericksburg.
13 They have 70 T-hangars, and they have a waiting list, and
14 they've never been without a waiting list. So, the purpose
15 of this discussion is to move forward on this thing and
16 establish a -- have a finite plan to go back to the City and
17 the County by October the 1st with a -- with a request of
18 constructing the T-hangars, with either Option A, B, or C.
19 A, City and County build the hangars and run them, or we use

20 some sort of private source or some sort of combination.
21 So, what I would propose, and what I'd like to
22 accomplish today is -- is to identify a project manager, and
23 I think that ought to be Bruce, be the project manager.
24 Establish a detailed plan. Establish the real market and the
25 needs, okay. And this would be composed of Bruce and members

23

1 of the board and a consultant. Refine the costs and -- and
2 with that, use the working group from the City, the County,
3 and a consulting engineer and Airport Board Manager. And
4 then apply for -- for TexDOT for 90/10 cost share on the
5 horizontal construction. And that has already been done; is
6 that correct, Bruce?

7 MR. McKENZIE: Yes, sir.

8 MR. MOSER: And then present options and
9 recommendation to the Airport Planning Committee in October.

10 So, we've done it. We've done all this preliminary work.
11 Now we need to put a finite proposal together, go back to the
12 planning committee, and then to the City and the County with
13 the way we move forward, and do that about October. We've
14 talked about it. And it may be that we don't want to do
15 anything. That's -- that's an option.

16 MR. LIVERMORE: Tom, it's a good plan.

17 MR. MOSER: Okay.

18 MR. LIVERMORE: Do we need to have discussions?

19 Should we -- would you like to make a motion?

20 MR. MOSER: Yeah, I want to make a motion that we
21 establish a plan for defining the options for constructing
22 T-hangars on the west side of the airport, with the project
23 manager -- with the Airport Manager being the project
24 manager, to execute a detailed plan, a marketing analysis,
25 refine costs, and to take that to the planning committee in

24

1 October of 2012.

2 MR. LIVERMORE: I second the motion.

3 MR. KING: Okay. And in that motion, you're going

4 to -- we're going to define the different options --

5 MR. MOSER: Right. With funding, right. That's
6 correct.
7 MR. KING: Private.
8 MR. MOSER: Private.
9 MR. KING: Government/private.
10 MR. MOSER: You got it. The whole --
11 MR. KING: Different ways of doing it.
12 MR. MOSER: Probably three different options,
13 right.
14 MR. KING: Good.
15 MR. MOSER: And define what the market is, and
16 define what the costs are.
17 MR. KING: Okay.
18 MR. MOSER: Okay?
19 MR. LIVERMORE: Good way to proceed.
20 MR. KING: I think that's a good idea.
21 MR. MOSER: Okay.
22 MR. KING: Okay.
23 MR. MOSER: Motion made and seconded.
24 MR. LIVERMORE: Is this yours?
25 MR. KING: No.

25

1 MR. LIVERMORE: Maybe I got Corey's.
2 MR. KING: Okay. Item --
3 MR. MOSER: No, we got to vote.
4 MR. KING: Oh, we have to vote. Okay. Got a
5 motion and second. Any discussion on it? All in favor?
6 (The motion carried by unanimous vote, 4-0.)
7 MR. KING: Four-zero.
8 MR. MOSER: Thank you.
9 MR. KING: Okay. Let's go back to Item 3E -- or --
10 COMMISSIONER LETZ: I was wondering if I missed 3E.
11 MR. KING: No, we haven't got there yet. 2E.
12 COMMISSIONER LETZ: 2E, I'm sorry.
13 MR. KING: She's printing that out. Let's get into
14 information/discussion. Board member applications. Try to
15 move this along. What's the deal on that?
16 MR. McKENZIE: To-date, we have received three

17 requests, and we put it in the paper, and as well as I called
18 the League of Women Voters and informed them. They would
19 like to have an applicant as well. The three applicants thus
20 far have been Kirk Griffin, Bill Wood, and Brandon Sapp.
21 That's the three individuals that have shown interest in
22 sitting on this board.
23 MR. KING: Okay.
24 MR. LIVERMORE: Mr. Wood is here today.
25 MR. McKENZIE: Mr. Wood is here today.

26

1 MR. KING: Thank you, Bill, for showing up. And so
2 at this point, we have one opening?
3 MR. McKENZIE: Yes, sir, we have one opening. That
4 is, of course, Mark. And at this time --
5 MR. KING: Okay.
6 MR. MOSER: Did Corey agree to stay on?
7 MR. KING: He hasn't agreed to quit yet.
8 (Laughter.) I try not to bring it up. Okay. So, how do
9 y'all want to proceed on that? Do you want to --
10 MR. LIVERMORE: Well, we're -- do we need to set up
11 interviews?
12 MR. KING: That's right, we should.
13 MR. LIVERMORE: We've closed applications now?
14 Or --
15 MR. KING: We can't take any action.
16 MR. McKENZIE: The application process is closed.
17 MR. LIVERMORE: It is closed, okay.
18 MR. McKENZIE: And two of these individuals --
19 well, one of those individuals was interviewed before,
20 Mr. Griffin.
21 MR. COWDEN: Two.
22 MR. McKENZIE: Well, y'all, one at a time, just
23 happened to visit with Brandon when he was in the pilot's
24 lounge one day.
25 MR. KING: No, we actually interviewed him.

27

1 MR. COWDEN: Did we have him in here?

2 MR. McKENZIE: No, two of y'all at a time went into

3 the --

4 MR. MOSER: Steve and I interviewed him.

5 MR. KING: Yeah. We need to talk to him again,
6 though. We need to talk to him, and -- we just need to talk
7 to all three of these guys.

8 MR. McKENZIE: Okay.

9 MR. KING: We need to -- to be sure that nothing's
10 changed in their lives. We'll just talk to all three of
11 them. Let's do that.

12 MR. McKENZIE: At the next board meeting, the June?

13 MR. KING: That'll be fine. When is the -- what
14 day is that?

15 MR. LIVERMORE: Should we set a regular -- this is
16 something we would do in a special meeting?

17 MR. KING: We did it at the meeting last time.

18 MR. McKENZIE: 18th, Steve.

19 MR. KING: Right. I'm gone.

20 MR. MOSER: What part of the world are you going to
21 now?

22 MR. KING: Ukraine.

23 MR. MOSER: There's only two countries left.

24 MR. KING: I know. I'll be in Ukraine.

25 MR. LIVERMORE: Going to North Korea to speak to

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1 their leader.

2 MR. COWDEN: Been to China two or three times.

3 MR. KING: All right. Well, I can -- I can meet
4 with him. I can meet with him before then, okay?

5 MR. LIVERMORE: I love a good, warm budget.

6 MR. McKENZIE: Pick a date.

7 MR. LIVERMORE: Like a hot breakfast.

8 MR. McKENZIE: Would the whole board like to visit
9 with him, or just --

10 MR. KING: Well, y'all can meet with him at the
11 meeting if you want to.

12 MR. McKENZIE: And you can meet with him prior to.

13 MR. KING: I'll meet with him prior to, and give my

14 opinion. Okay. Is that cool? All right.

15 MR. MOSER: But then -- so, procedure, we're going
16 to interview them by some process, and then at the next
17 meeting, we'll make the recommendation.

18 MR. KING: That's fine.

19 MR. LIVERMORE: I will not be here, I don't -- I'm
20 certain I won't be here in July.

21 MR. KING: I'll be here in July.

22 MR. MOSER: This is in June.

23 MR. LIVERMORE: I know, but if it drags out for a
24 decision or something, I won't be here in July.

25 MR. KING: Okay. All right.

29

1 MR. MOSER: So we need to do that, unless we can
2 talk Mark into staying.

3 MR. KING: Item 2E. Okay.

4 MR. LIVERMORE: Which? Okay.

5 MR. KING: Okay. I think we -- we need to go over
6 this proposed budget. We kind of -- Jonathan --
7 Commissioner, and Mike, what we'd like to do on this thing
8 is, we're going to approve a budget. We're going to approve a
9 budget today, and it's going to be a budget with a management
10 contract -- with a management contract in it. I know there's
11 been some discussion at the planning meeting that I attended
12 about not having -- you know, removing -- removing the
13 management contract from the budget, and this is something
14 that -- for the rest of -- by the way, we have our
15 Mayor-elect here in the audience here. Jack, thanks for
16 joining us today. Appreciate it.

17 MR. LIVERMORE: Appreciate it.

18 MR. KING: We've discussed this in the past about
19 the management contract, and the management contract is
20 something that's kind of -- it's been in the interlocal
21 agreement for a long time, and it's -- it's been with the
22 City; it's been with the County, and it's a fee for providing
23 services. H.R. services, accounting.

24 MR. MOSER: All administrative.

25 COMMISSIONER LETZ: Some Road and Bridge.

1 MR. KING: Road and Bridge and stuff like that.
2 And we try to define those different skills and stuff, and
3 the different stuff we need. And then the -- and then
4 somebody bids on it, and we get a number for it. Well, the
5 County's had it for the last -- three years?

6 MS. HARGIS: Two.

7 MR. KING: Two years. They've had it for the last
8 two years. And Jonathan -- Commissioner Letz came up with an
9 idea a while back, though, the possibility of eliminating the
10 management contract and -- and having the airport basically
11 take those duties on. And then the H.R. and the -- the
12 County has volunteered to provide -- to continue to provide
13 H.R. and employment -- employee services and stuff like that,
14 and everything that we can't do for a very, very good fee of
15 zero. They'll provide it with no cost. No cost to the City,
16 no cost to the airport, no cost to anybody. And there's
17 been -- there have been some discussions as to the amount of
18 savings we think can be brought in from that, from
19 eliminating the management contract. It's about 30,000 a
20 year, \$30,000 a year from our budget. And so we've
21 encouraged both parties to get together, both the City and
22 the County to get together and at least look at that option,
23 and come back to us and tell us what they think about it,
24 because I think they got to get their hands around it.

25 Mike, you've looked at it a little bit, haven't

1 you? Todd -- Todd I know has looked at it.

2 MR. ERWIN: Todd looked at it.

3 MR. KING: And so we need for both the parties to
4 get their hands around it and say, "Yes, we want to try to
5 save \$30,000," or, "No, we don't want to save \$30,000." Or,
6 "No, there's no savings to be made."

7 MR. MOSER: It's actually 40,000.

8 MR. KING: I'm trying to be conservative.

9 MR. MOSER: Yeah.

10 MR. KING: Trying to be conservative. And so we

11 just kind of need to find out from both our owners how we're
12 going to go down there. I wanted to get this done before we
13 submitted a budget, 'cause I wanted to be able to submit a
14 budget with a management contract or without a management
15 contract, hopefully without a management contract. But the
16 meetings never showed and never came to fruition as I was
17 hoping they would.

18 COMMISSIONER LETZ: Steve, can I make a comment on
19 that?

20 MR. KING: Yeah.

21 COMMISSIONER LETZ: The reason the meetings didn't
22 is for good reason. I mean, the -- because of the mayor
23 election, David didn't want to meet -- Carson and David were
24 supposed to meet with Guy and myself, and we said -- well,
25 David didn't want to meet; he wanted to wait till after the

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1 election, I think. Now that the election's taken place, I
2 would think that meeting could go forward with the new mayor
3 and Councilman Conklin.

4 MR. KING: Yeah.

5 COMMISSIONER LETZ: And it can be resolved in one
6 meeting. I think it will be resolved pretty quickly, either
7 yes or no.

8 MR. PRATT: I have one question on that. On the --
9 on the contract, is legal included in that?

10 MR. KING: Is what?

11 MR. PRATT: Legal.

12 COMMISSIONER LETZ: No, because it's a -- and the
13 feeling is, from the County's standpoint, which is different
14 than the City's interpretation, it's a conflict of interest.

15 MR. PRATT: Okay.

16 COMMISSIONER LETZ: For the -- in our opinion, for
17 the City Attorney and for the County Attorney, because --

18 MR. KING: Yeah.

19 COMMISSIONER LETZ: -- of the relationship.

20 MR. PRATT: The way it is currently right now,
21 legal is not provided?

22 MR. KING: We provide our own.

23 MR. LIVERMORE: We have a lawyer of our own.
24 MR. PRATT: Okay. I wanted to get some clarity.
25 It's such a big deal, administrative.

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1 MR. KING: A while back, Jack, they -- Mike told us
2 that he didn't want to represent us any more, and we
3 understood. I mean, he didn't want to represent us. He used
4 to represent us, Mike Hayes with the City. But he said he
5 felt like it was -- not --

6 MR. PRATT: Conflict.

7 MR. KING: Conflict of interest. And so the County
8 Attorney --

9 COMMISSIONER LETZ: Agreed.

10 MR. KING: He agreed, and so we hired our own. We
11 have it in our budget; we have legal services. We hired our
12 own attorney. We have Ilse Bailey, who will sit in on us and
13 make decisions, or help us with counsel on different matters
14 and stuff, and it will continue to be that way. All we're --
15 what we're basically wanting to do, or what Jonathan is
16 wanting to do is just -- there's a lot of costs in the
17 management contract which are -- they have to be there in the
18 contract, because if we were to have some problem out here,
19 we would need to have those services.

20 MR. LIVERMORE: Like engineering.

21 MR. KING: Well, like -- not --

22 COMMISSIONER LETZ: Really more -- it's more of a
23 thing like if there's a road -- say the airport road fails
24 for whatever reason. That's something that, in the contract,
25 the County's obligated to go fix it.

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1 MR. KING: Yeah.

2 COMMISSIONER LETZ: My feeling is that if Airport
3 Loop failed, basically, there's a -- a figure there to do
4 that every year, whether it's used or not.

5 MR. MOSER: And the County gets that money.

6 COMMISSIONER LETZ: Well, we -- in the past, we
7 haven't billed them, but we may have to change based on how

8 we go forward on this. We haven't been billing those costs
9 if we didn't spend them, but if we are actually -- our
10 feeling is that if the road fails, the owners should be
11 responsible for fixing the road; that it shouldn't be a
12 contingency number that one of us has to bear the cost of.
13 So, you know, our feeling is that you don't -- it's more
14 accurate to not have a management contract.

15 MR. LIVERMORE: Just do it all as needed.

16 COMMISSIONER LETZ: And just -- it may mean you
17 have to put a little more -- if there's 40,000 in savings,
18 maybe you put 10,000 more in contingency.

19 MR. MOSER: Right.

20 MR. KING: Right.

21 COMMISSIONER LETZ: You may want to, 'cause there
22 is a possibility that some of that can be used. But if you
23 look at it, you know, if, say, a tornado was to hit, well,
24 that's under insurance. There's -- I guess the deductible's
25 there. But the things like that, to me, it's the owners'

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1 responsibility if big events happen.

2 MR. KING: And we have money in our budget for --
3 like when lightning struck the runway a couple weeks ago,
4 blew a big hole in it, Bruce, we had money to fix that. I
5 mean, we went out and fixed it within --

6 MR. McKENZIE: Two hours.

7 MR. KING: -- two hours. We had somebody out there
8 fixing the runway and everything like that.

9 MR. McKENZIE: The County did it.

10 COMMISSIONER LETZ: I mean, you have a little --
11 probably the more important thing with the management
12 contract is right now, the County's on call. If there's a
13 problem out there, Bruce calls the County and they come out
14 and fix it. If there's not a management contract, there's
15 nobody on call, per se, but I don't see why you couldn't do
16 what we do right now at the county. We don't have a plumber
17 on our staff, so we do a contract every year, and the low bid
18 is the first person we call, and it just comes out of a
19 budget line item. So, I mean, money's being spent one way or

20 the other. There's services available. They could -- for,
21 you know, for plumbing services, they can call a plumber. If
22 they use electrical service, they can call an electrician.
23 If there's a -- you know, lightning hits the runway, there's
24 a hole in the runway, they'll either have an agreement with
25 the City and/or the County or a private contractor.

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1 MR. MOSER: Right.

2 COMMISSIONER LETZ: The person has to respond
3 within an hour, whoever it is.

4 MR. KING: What I told the Mayor and Councilman
5 Conklin and the Commissioner, if we try it for one year --
6 let's try it for one year, okay? If we -- after one year, if
7 you guys agree, "Hey, it's more cumbersome" -- if we decide
8 it's more cumbersome, if we don't like it, then we'll go back
9 and we'll rebid the management contract. The City and the
10 County and any third party will have their shot at it, and
11 they can do it. They can -- we can do it. But, I mean, I
12 just -- when there's a possibility of saving \$30,000 to
13 \$40,000, and it -- it seems very simple to me, that I don't
14 see why, in this time of budget constraints, that we
15 shouldn't take the opportunity to try to save the County and
16 the City 15,000 a piece. I mean, it's just -- it looks like
17 a really easy way to do it, to give it a shot. And it's kind
18 of grown over the years with this thing. It's gotten to the
19 point where I think it's very, very feasible to do right now.
20 And -- and so, you know, that's what I'm hoping. So what the
21 gist of all that is, we're going to submit a budget today
22 with a management contract in it, okay? It's going to be
23 Budget A, okay? We are going to also submit a budget as an
24 optional budget for you guys.

25 MR. MOSER: Alternative.

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1 MR. KING: An alternative budget. We're going to
2 submit it without a management contract for you guys to
3 have -- at least have a look at it and everything. And that
4 way, you can make your decision based on what -- you know,

5 what's -- what the circumstances are at the time, okay?

6 MR. MOSER: 'Cause we have to submit it by June the
7 1st, and that's the only way to do it.

8 COMMISSIONER LETZ: Yeah.

9 MR. KING: So I just don't think we're going to
10 have enough time.

11 MR. MOSER: That's pretty standard operation at
12 submission. When you submit a proposal, submit an alternate
13 to be considered.

14 MR. KING: Sure. Let's go over this budget real
15 quick here.

16 MR. MOSER: Let's do it.

17 MR. KING: Okay. Start out on salaries and
18 benefits. We --

19 MR. MOSER: You're on Page 2?

20 MR. KING: On Page 2. Well, income -- I can't --

21 MR. LIVERMORE: Yes.

22 MR. MOSER: Income is no problem.

23 MR. KING: Can't do much about revenue. Okay. On
24 salaries and benefits, we proposed -- we're proposing a 2 and
25 a half percent cost-of-living raise for our Airport Manager

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1 and the staff, Laurie, 2 and a half percent.

2 MR. MOSER: So that's going to be a plus from
3 what -- this page we have here.

4 MR. KING: Plus two.

5 MR. MOSER: Yeah.

6 MR. LIVERMORE: That's going to raise those items
7 about \$2,700.

8 MR. KING: Up by -- goes up by six -- 626. Okay.

9 And then FICA, that pretty much is what it is. Well, it's
10 going to go up a little bit, actually, isn't it?

11 MR. COWDEN: That number gets adjusted; is that
12 right?

13 MR. KING: Which one?

14 MR. COWDEN: The FICA and all these others. The
15 Social Security, FICA. They all need to be adjusted, too.

16 MR. KING: Yeah. It'll be -- it will be minimal,

17 but it will go up a little bit. Workmen's comp is based on
18 salary, so it will go up just a tiny bit. Let's go to
19 professional development. We had 6,000 in there in 2012.
20 MR. MOSER: Wait, I have a question of Bruce or
21 somebody -- no, I don't. I answered my own question. Forget
22 it. Keep going.
23 MR. KING: Okay.
24 COMMISSIONER LETZ: Can I make a comment, just
25 about --

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1 MR. KING: Go ahead. And you -- Mike or anyone in
2 the audience, if you have a comment on this budget, let's --
3 as we're going through it, let's bring it up now.
4 COMMISSIONER LETZ: Jack, the big difference on the
5 management contract, with or without the employees, the
6 employees out here are county employees, and we just assign
7 them full-time out here. There's a little bit of issues
8 Ilse's had and the County Attorney's had, that they really
9 don't work for the -- for a county person, 'cause Bruce is
10 not a county employee. And there's a little bit of -- when
11 you get on worker's comp insurance, and all that employee
12 stuff is another reason we'd like to get rid of the -- but,
13 you know, we can live with it, because we are an owner out
14 here, so we can -- we can force it through. But that's one
15 of the big reasons, is -- you know, and it came up to be a
16 cumbersome issue this year, because Bruce wanted to change
17 their classifications a little bit and go to a part-time,
18 kind of redo their two people. So, what we did -- he
19 couldn't do that; he had to come to the County, and the
20 Commissioners had to go and change jobs descriptions so he
21 could just do what he should be able to do, in my mind. But,
22 anyway, that's one of the big items in the management
23 contract, are employees. And, you know, it makes it more
24 flexible if there's not a management contract, 'cause under
25 airport employees, then the Airport Board can do what they

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1 want with them. For example, if you wanted to -- even on

2 termination-type things, something like that, it's

3 cumbersome. Because, I mean, they can't do anything; they

4 have to come to us to do it.

5 MR. KING: Okay. All right.

6 COMMISSIONER LETZ: Not that anyone's going to be

7 terminated.

8 MR. KING: In professional development, we had

9 6,000 last year. We have 6,000 in the budget for this year.

10 Local meeting expense, zero. Zero professional services. We

11 had 95 in the budget last year; we have 95 this year. We've

12 used \$73 dollars, Bruce?

13 MS. DEJOHN-ERMEY: Those numbers are at the end of

14 February.

15 MR. MCKENZIE: That's two months ago.

16 MR. KING: Okay.

17 MR. LIVERMORE: What are those?

18 MR. KING: Professional services is defined as?

19 MR. MOSER: Also known as special -- it's also

20 800-304.

21 MR. MCKENZIE: When we have to do -- F & W comes

22 out here and works on our lights. Environmental services and

23 fees, appraisal fees, analysis, inspection fees, et cetera,

24 et cetera, et cetera.

25 MR. KING: Okay. Why -- why, with no management

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1 contract, why are they so high? What's the -- what's the

2 difference between -- why is it \$30,000 with no management

3 contract and 9,500 with a management contract?

4 MR. MCKENZIE: We went back to like we had it

5 previously, before the previous management contract. It was

6 up that high, and we could use more funding if we needed to.

7 We just backed up -- we just backed up and used it. It was

8 successful before, so we put money back in it, and we still

9 saved \$45,000 at the end of the day. That's -- there was no

10 rhyme or reason. We're still --

11 COMMISSIONER LETZ: It could come in, like, for

12 roads, if a road problem develops.

13 MR. KING: Would that be under professional

14 services?

15 COMMISSIONER LETZ: It could be. I mean, I don't
16 know. You know, it's based on if none of the other line

17 items, like buildings and structures --

18 MR. KING: I don't understand.

19 MS. HARGIS: It's contracts. If you can contract
20 it with someone, it could be legal, engineering --

21 MR. KING: So, instead of professional services, it
22 might be professional and contracted services.

23 MS. HARGIS: It can be contracted services. Some
24 people look at it that way.

25 MR. KING: Got to be some rhyme or reason for going

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1 to \$30,000.

2 MR. McKENZIE: I needed some more cushion, because
3 it's close now. And when we changed it without the
4 management contract -- that was your question, with no
5 management contract. I put that back in there to give --

6 MR. MOSER: But if you go all --

7 MR. LIVERMORE: You said it's close. What's
8 "close"? Because as I read this, we've only spent \$73.

9 MR. McKENZIE: But in years previous -- because,
10 see, look here; we spent 30,000. Another year we spent
11 17,000.

12 MR. LIVERMORE: Okay.

13 MR. MOSER: See? Look at look to your left. No,
14 look to your left under actuals.

15 MR. KING: Haven't spent anything in 2010.

16 COMMISSIONER LETZ: For example, on the T-hangars.
17 Do those things -- architect costs are going to come out of
18 that line item.

19 MR. KING: I agree.

20 COMMISSIONER LETZ: All right. Unless you roll it
21 into a capital item.

22 MR. MOSER: Yeah, that should be under a capital
23 item, I think.

24 COMMISSIONER LETZ: That's why it was real high
25 this year. The sewer -- it was the sewer stuff.

1 MR. KING: Okay. Next item is office supplies,
2 with 1,500 in the budget. We've had 11. We spent 1,138,
3 2,821, 1,000. And we spent 278 -- 1,000 in last year? And
4 we spent \$278 so far.

5 MR. MOSER: But in a previous thing that Laurie
6 gave us -- or Laurie and Bruce and Jeannie, the average of
7 it's been \$1,951.

8 MR. KING: Okay.

9 MR. MOSER: So that looks reasonable.

10 MR. KING: Okay.

11 MR. HENNEKE: Tools and equipment, 5,000 in the
12 budget; we spent a grand.

13 MR. McKENZIE: So far.

14 MR. KING: So far.

15 MS. HARGIS: But a lot of that, keep in mind, we've
16 been supplying some of that.

17 MR. KING: Yeah.

18 MR. MOSER: On average, previous years have been
19 1,500, so let's cut that.

20 MR. KING: I think we could probably cut that a
21 little bit.

22 MS. DEJOHN-ERMEY: Which one?

23 MR. KING: Small tools and equipment. I look --

24 MR. MOSER: Cut that by 2,000.

25 MR. KING: Okay.

1 MR. MOSER: Down to three, 'cause we've never spent
2 three.

3 MR. KING: Okay.

4 MR. MOSER: Let me -- let's go back to professional
5 services, okay? The average in all the years has been
6 18,000, and it's proposed 30,000. Bruce probably couldn't
7 argue about making that 25, and giving him --

8 MR. LIVERMORE: I've got it circled, same question.

9 MR. MOSER: Yeah.

10 COMMISSIONER LETZ: I think when I look at the

11 budget, I think what was done here, I know that -- and
12 Jeannie may be able to correct this. There's stuff under the
13 management contract -- and I say "stuff." It could be
14 plumbing; it could be repair in here that we have to budget
15 in there, and this is where the savings is. It's things that
16 have to be done by the County. That's where all -- the
17 adjustment for those services had to go somewhere, 'cause
18 work does get done a lot, and that's where it went, Bruce.
19 But originally, whoever did it put it under professional
20 services, looks like.

21 MR. KING: Okay.

22 COMMISSIONER LETZ: I mean, it may be too high
23 still. I'm not saying that. I'm just saying that that's
24 why --

25 MR. MOSER: I move that we make that 25,000.

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1 MR. LIVERMORE: Let's go through it, and I've got
2 it marked.

3 MR. MOSER: Why don't we do it now?

4 MR. LIVERMORE: Because we may find something else
5 we want to discuss later on.

6 MR. MOSER: Well, but I want to discuss that line
7 item now. What it amounts to is we're talking about
8 professional services, and historical -- 18,000 historically,
9 and we're saying we're going to increase it to 30. I don't
10 buy that.

11 MS. DEJOHN-ERMEY: But how many years have we had a
12 management contract?

13 MR. KING: We've always had one, since at least
14 '06.

15 MS. DEJOHN-ERMEY: Without one, we don't have that.

16 COMMISSIONER LETZ: You can put the money in --
17 Bill said you can put the money in contingency. That may be
18 a better spot to put that excess.

19 MR. KING: Okay.

20 COMMISSIONER LETZ: So --

21 MR. KING: I think we have enough money in the
22 budget. We have enough money our cash accounts. We did this

23 one year. I think we have enough money to cover in -- it's
24 going to be a little bit of a growing deal. If we decide to
25 do this, we're going to have to figure it's going to have to

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1 find out what actually happens and, you know, what we
2 actually have. I think you're going to have to do one of
3 those deals where you kind of have to shift -- we have some
4 extra money our cash account, where I think we have -- we can
5 move some money back in. Okay. I want to make it realistic.
6 The chemical/medical supplies --

7 MR. MOSER: What are we going to do, leave it
8 alone?

9 MR. KING: No.

10 MR. MOSER: Take five out.

11 MR. KING: I took a thousand off of the current,
12 with the management.

13 MR. MOSER: Okay, good deal.

14 MR. KING: I come up with 85.

15 MR. MOSER: Okay.

16 MR. KING: Okay. Chemical. Chemicals, medical
17 supplies. Bruce?

18 MR. McKENZIE: That's for Roundup and Sahara.

19 MR. KING: How come we didn't spend any yet?

20 MR. McKENZIE: We always do it at the end of the
21 year.

22 MR. KING: Do it at the end of the year?

23 MR. McKENZIE: Yes, sir.

24 MR. KING: I can see that, 'cause I see 4,000 you
25 spent. Okay, you spent 4,000 in '11, 39, 25 -- all right, I

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1 can live with that. Fuel oil and supplies, \$4,500. You went
2 up by \$500.

3 MR. McKENZIE: Yes, sir.

4 MR. KING: What do we put in fuel oil and supplies?
5 Is this lawnmowers?

6 MR. McKENZIE: All the lawnmowers, all the
7 chainsaws, string trimmers, pickups.

8 MR. KING: We spent 2,000?
9 MR. MOSER: That's through --
10 COMMISSIONER LETZ: February.
11 MS. DEJOHN-ERMEY: And through April, it's
12 basically 2,400.
13 MR. KING: Okay.
14 MR. MOSER: And price of fuel's gone up.
15 MR. KING: 500. Okay, I can live with that. I can
16 see that. Food supplies, we don't have anything any more.
17 Janitorial supplies, 2,200. Explain to me what janitorial
18 supplies are. I guess I'm a little confused on that. Where
19 -- I thought Joey supplied our -- we supply the supplies?
20 MR. MCKENZIE: Joey supplies everything that goes
21 in the bathroom; hand towels, toilet paper, things like that.
22 What this is, all these mats that you see around the
23 building, and our pilot's lounge, we supply the towels for
24 the pilots from when they shower, things like that. That's
25 what that -- goes in this line item.

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1 MR. KING: That goes under that line item?
2 MR. MOSER: Average has been 1,657, so leave it
3 alone.
4 MR. KING: Okay. All right. Wearing apparel,
5 nothing. Postage, 200?
6 MS. HARGIS: No, wearing apparel, that's the one
7 thing we are paying for.
8 MR. KING: Oh, wearing apparel?
9 MS. HARGIS: That's the uniforms.
10 MR. KING: You guys are actually paying for that?
11 If we got out of the management contract, that would have
12 to --
13 MS. HARGIS: Yeah. It's about -- I think it's \$25
14 a person.
15 MR. KING: Okay, I see that. Thank you very much,
16 Jeannie. Postage, 200. We've spent that. Computer
17 upgrades, zero. Computer software -- why are we spending
18 nothing on that? We just -- we use that out of contingency?
19 MR. MCKENZIE: Right now we're fine.

20 MR. KING: Okay. Okay.
21 MS. HARGIS: And we may have all that now.
22 MR. KING: The other good -- one thing I want to
23 bring up here on this management/non-management contract. If
24 you're ever going to do a non-management contract, this is a
25 great time to do it, because everything is brand-new out here

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1 and it's not broken yet. You know, the terminal's fairly
2 new. All the runways are brand-new. The taxiways are new.
3 Everything's --

4 MR. LIVERMORE: That road that's going to wash out
5 is new.

6 MR. KING: Exactly. I mean, it's got -- we have
7 very few -- very few costs that are -- that are, you know,
8 depreciate -- the dilapidated stuff we're going to have to
9 keep fixing, so that's a good point. Okay, we're down to --
10 next item is buildings -- oh, is land. I guess that's
11 mowing. What have we spent so far, Bruce?

12 MR. McKENZIE: We've mowed twice, and he started
13 this weekend on his third mowing.

14 MR. KING: How much is it each time?

15 MR. McKENZIE: \$7,700 a cycle. This is the last
16 cycle we're going to be able to mow.

17 MR. MOSER: How much?

18 MR. McKENZIE: \$7,500 a cycle.

19 MS. DEJOHN-ERMEY: We've spent 15,250. We have
20 9,750 left.

21 MR. MOSER: Has he already started the mowing?

22 MR. McKENZIE: Yes, sir, he started Friday night.

23 MR. MOSER: And the average for all the years has
24 been 26,000. I think we're low. We're just low there,
25 period.

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1 MR. KING: Didn't know it was going to rain; messed
2 up there. My bad. I don't know. I mean, the two options
3 there, you can leave it at 25, take it out of contingency if
4 it does rain. If we -- I mean, we can't --

5 MR. MOSER: I think you -- I think you

6 realistically have got to increase that amount.

7 MR. KING: By one cycle?

8 MR. MOSER: Yeah.

9 MR. KING: Let's add one cycle to it, and then

10 we'll see.

11 MR. PRATT: Can I ask a question? Is that by

12 contract?

13 MR. KING: That's by contract.

14 MR. PRATT: When was the last time it was bid out?

15 MR. McKENZIE: It was bid out about a year and a

16 half ago, and it's a seven-year contract.

17 MR. PRATT: Seven-year contract?

18 MR. KING: And we looked at it -- Jack, we looked

19 at the County doing it and the City doing it. We -- I mean,

20 we asked the -- either the County or the City, and the County

21 has the mowers to do it.

22 MR. MOSER: We got multiple bids.

23 MR. KING: But they don't want to do it. I mean,

24 it's -- they said they don't think they could do it for what

25 he does it for.

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1 MR. PRATT: I was just -- my question was based on

2 whether you rebid it, whether you could drop the price.

3 MR. KING: We rebid it -- how many? We had three

4 people bid on it?

5 MR. McKENZIE: Three or four, yes, sir.

6 MR. KING: Three or four bid on it. Corey was the

7 low bid.

8 MR. McKENZIE: Corey was the low bidder.

9 MR. LIVERMORE: I just heard someone here in my

10 left ear make a comment that I've actually thought about

11 saying. What about haying it?

12 MR. McKENZIE: No, never. No. And I understand --

13 MR. KING: Why is that?

14 MR. LIVERMORE: I've seen people do it.

15 MR. McKENZIE: Because then you've got multiple

16 people on the airport with multiple equipment, and haying --

17 F.A.A. and TexDOT frown on it. The F.A.A. frowns on it. I
18 know they do it. I know they do it. That stuff out there is
19 no good for that.

20 MR. KING: They do it at Wiley Post.

21 MR. MOSER: Good for mulch. Anybody in the nursery
22 business can use it for mulch.

23 MR. McKENZIE: Thistles are not -- they kind of
24 don't want the thistles.

25 MR. KING: I always wondered about that. Wiley

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1 Post does it. They have a contract for --

2 MR. LIVERMORE: In Oklahoma City, they hayed both
3 airports. They can drill oil wells on them out there.

4 MR. KING: I wondered about that.

5 COMMISSIONER LETZ: Generally, most of our soil is
6 so bad, you're not going to grow much hay in it. I mean,
7 this part right here is probably --

8 MR. COWDEN: We need to increase it by 5,000?

9 MS. DEJOHN-ERMEY: 7,500 is a mowing cycle.

10 MR. COWDEN: All right. But you're going to have a
11 little left over on your current.

12 COMMISSIONER LETZ: 5,000 would do it.

13 MR. KING: I see what you're saying.

14 MS. HARGIS: Four times would be 30,000.

15 MR. COWDEN: It needs to be 30,000.

16 MR. MOSER: Yeah, so up 5,000.

17 MR. KING: Yeah, let's go up by 5, make it 30.

18 MR. MOSER: Okay.

19 MR. LIVERMORE: That's -- which line item is that?

20 MS. DEJOHN-ERMEY: 201.

21 MR. MOSER: 800-201.

22 MR. KING: 203, buildings and structures. \$15,000
23 we have in there. We had 15,000 last year. We've spent
24 actually pretty average.

25 MR. MOSER: Average is 20,000. Average is 20,000.

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1 MR. KING: Okay. So that's probably okay. That's

2 probably going to be closer.

3 MR. MOSER: But the reason the average is high is

4 because there were a couple years that just really jumped up.

5 That's, like, air conditioning and that kind of stuff.

6 Bruce?

7 MR. McKENZIE: It was that, and we redid the

8 building back up here that we use for our shop now.

9 MR. MOSER: Yeah.

10 MR. McKENZIE: Pretty expensive.

11 MR. MOSER: So 15,000 is lower, but that's -- that

12 ought to work.

13 MR. KING: Okay. The next line item, office

14 equipment, \$1,500 we have in the budget. We spent \$102 this

15 year.

16 MS. HARGIS: Again, we provide that.

17 MR. KING: You provide that?

18 MS. HARGIS: Mm-hmm.

19 MR. KING: So, under the management contract.

20 Without a management contract -- you provide what, now,

21 Jeannie?

22 MS. HARGIS: If they need office equipment, they go

23 through us.

24 MR. KING: They go through you; y'all pay for it?

25 MS. HARGIS: The computer stuff too, as well. We

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1 just bring it out. You're on our schedule.

2 COMMISSIONER LETZ: We pay for computers. We just

3 do the I.T.

4 MR. KING: What if we need a computer software

5 upgrade? Like, let's say we go from Windows XP to Windows 7.

6 MS. HARGIS: That's already included. We have a

7 software -- huge software maintenance line item, and he

8 does --

9 MR. KING: In what, the management contract?

10 MS. HARGIS: And he does the licenses for all, and

11 y'all are included. In fact, we've got the 10; everybody's

12 supposed to get it by the end of this year.

13 MR. PRATT: The reason for that, I think, is

14 because if you licensed everybody yourself, it would be much
15 more. If you license on a bulk issue with the County, it's
16 much less.

17 MS. DEJOHN-ERMEY: When we had the management
18 contract with the City, we had to pay for the computers and
19 pay for any office equipment and the software, but with the
20 County we don't.

21 MR. KING: Okay. What about -- so what if we go
22 for non-management contract? We're going to have to have
23 some more money for that, aren't we? You're saying we're
24 going to have to start paying for it if we have no management
25 contract? We're going to have to start paying for that?

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1 COMMISSIONER LETZ: Yes.

2 MR. KING: Yes?

3 COMMISSIONER LETZ: Yes.

4 MS. DEJOHN-ERMEY: But I know I.T.'s right now
5 looking at replacing our computers, just to get them more up
6 to date. There's nothing wrong with them; they're just
7 slower.

8 MR. KING: Okay.

9 MS. HARGIS: We have everybody on a three-year
10 program; every three years the computers get changed. So,
11 it'll probably be on a three-year program, and then keep them
12 on our licensing. Because, again, just like Jack said,
13 that's cheaper to be on ours.

14 MR. KING: Yeah.

15 MS. HARGIS: That's one of those things where you
16 need to still be in our system.

17 MR. KING: Okay.

18 MS. HARGIS: You can pay us a small amount.

19 MR. KING: Maybe we just pay y'all something to be
20 in your system. We probably need to put something in there
21 for computer upgrade and software, don't we, on the
22 non-management side?

23 MS. HARGIS: You're going to be upgraded to 10.
24 Other than that, I don't think there will be anything else.

25 MR. LIVERMORE: Well --

1 MS. HARGIS: 'Cause we've already paid for 10.

2 We've already paid for 10; you're on the schedule.

3 MR. KING: I see. Let's put 500 in each one of
4 those.

5 MR. LIVERMORE: Which one are you increasing?

6 MR. KING: I think we need to go back up to
7 computer upgrade and software; sounds like we're going to
8 have to pay something. Put 500 in each one.

9 MS. HARGIS: Where?

10 MR. KING: Up on 111 and 109. Sounds like we're
11 going to have to have some cost in there, even when we go
12 with you guys' system.

13 MS. HARGIS: Right, there will be some cost.

14 MR. KING: So, I mean, if it's over that, we'll
15 take it out of --

16 MR. LIVERMORE: And on office equipment, you want
17 to go up 500 there? Or not?

18 MR. KING: No. No.

19 MR. LIVERMORE: Okay.

20 MR. KING: Then on instruments and apparatus,
21 Bruce, we spent -- we spent a lot of money in the past, but,
22 you know, we didn't spend but \$67 this year. What for?

23 MR. McKENZIE: We're about to spend some more on
24 that, 'cause we're upgrading our radios on the AWAS, but we
25 used that -- it was just the maintenance, that we just didn't

1 have any maintenance thus far this year. But that's for the
2 PAPI calibrations, the VHF radios, the AWAS maintenance,
3 UNICOM --

4 MS. DEJOHN-ERMEY: Last year, we replaced the
5 UNICOM.

6 MR. McKENZIE: Replaced the UNICOM last year.

7 MR. MOSER: Average has been nine -- 8,000 is
8 pretty good.

9 MR. KING: Traffic control devices, what are those?
10 Cones or something?

11 MR. McKENZIE: Barricades. Low-profile barricades.
12 MR. KING: All right. We haven't used any this
13 year. We have any more construction going right now?
14 MR. McKENZIE: But we bought -- last year we
15 bought -- we think we bought an ample supply.
16 MR. KING: So we have them.
17 MR. McKENZIE: We have them this year.
18 MR. KING: So, why do we need them? What's the
19 \$1,000?
20 MR. McKENZIE: That's --
21 MR. KING: Are we going to buy some more?
22 MR. McKENZIE: In case we have more construction or
23 we need more cones or whatever. That's just a cushion.
24 Safe -- it's a safety.
25 MR. MOSER: Make it zero. Take it out of

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1 contingency.
2 MR. KING: Zero. If we need them, we'll buy them.
3 We already got some.
4 MR. McKENZIE: Okay.
5 MR. MOSER: Right.
6 MR. KING: All right. General repairs, 2,500. I
7 don't know what those are. General repairs?
8 MR. McKENZIE: Just anything; equipment,
9 maintenance, just any general repairs of anything on the
10 airport.
11 MR. KING: Okay. All right. So, you spent --
12 that's probably going to end up being \$2,000, then. Okay, I
13 can live with that. Liability insurance. We don't have that
14 any more? We have to add it back in, I see.
15 MS. DEJOHN-ERMEY: Right.
16 MR. KING: Property insurance, we have to add it
17 back in. Okay. And liability insurance, we have to add it
18 back in on the non-management contract deal. With you guys,
19 it's included. Okay. Equipment rental, \$2,500. We've got
20 980. What are we renting? I forgot what -- is that when we
21 rent lights or something? What did you tell me?
22 MS. DEJOHN-ERMEY: That's the Pitney Bowes machine,

23 and that's the water machine -- the water thing.

24 MR. McKENZIE: What that is --

25 MS. DEJOHN-ERMEY: For the Culligan.

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1 MR. MOSER: Average has been 900 over all the
2 years. One year it was -- it's been as low as 72, 276. We
3 ought to cut that.

4 MR. KING: Cut it by 500. How's that?

5 MR. MOSER: Okay.

6 MR. KING: Is that okay?

7 MR. MOSER: Mm-hmm.

8 MR. KING: Are we using any machines? Is the
9 County supplying any machines that's going to change during
10 the non-management deal, or is that all our stuff? Okay.
11 All right. Advertising. That's for those Airport Manager --
12 airport positions. Board positions, probably, isn't it?

13 MR. McKENZIE: Yes, sir, when we have to advertise.

14 MR. LIVERMORE: If you guys quit quitting, we
15 wouldn't have to spend that money.

16 MR. McKENZIE: And the yellow pages, too.

17 MR. MOSER: Yes.

18 MR. LIVERMORE: That's a board-related cost.

19 MR. KING: Make that a part of your deal. If you
20 get on the Airport Board, if you quit -- if you quit, you got
21 to pay for the ad to get somebody to replace you.

22 MR. COWDEN: You hear that, Bill?

23 MR. KING: Yeah. So, it's a part of the job.

24 Okay, management contract. 158 -- that's the same as last
25 year, right?

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1 MS. HARGIS: Mm-hmm.

2 MR. KING: A big zero would be on the other side.

3 MR. WOOD: What about if you have an event at the
4 airport and things like that?

5 MR. LIVERMORE: Have a what?

6 MR. WOOD: As far as your advertising cost.

7 MR. McKENZIE: Whoever puts the event on will pay

8 for the advertising. That's the way we've been doing it,
9 like when the Warbirds are here, things like that. The
10 Mooney fly-in, they always foot the bill for all the
11 advertising.

12 MR. WOOD: So the airport itself is not going to be
13 a sponsor of any kind of events that we might want the public
14 to come to? Or --

15 MR. McKENZIE: That's --

16 MR. KING: Usually we provide the facility.

17 MR. McKENZIE: We provide the airport.

18 MR. KING: That's usually something that people
19 have trouble providing. What about legal services? How are
20 we doing on that? We got 5,000 in this year. We used 2,250.
21 We used 79 -- why did we use so much in 2010?

22 MS. HARGIS: Mooney stuff.

23 MR. KING: Mooney stuff.

24 MR. MOSER: Yeah.

25 MS. HARGIS: And I think the TexDOT -- I mean the

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1 T.C.E.Q. thing.

2 MR. LIVERMORE: I think we ought to leave that
3 alone, because we never know what's going to come up with
4 Mooney.

5 MR. MOSER: You know, 5,000 seems to be working.

6 MR. KING: Okay.

7 MR. LIVERMORE: Till now.

8 MR. MOSER: In the proposed no-management contract,
9 I think we ought to leave that at 5,000 also.

10 MR. KING: Okay.

11 MR. COWDEN: We spent about 31.

12 MR. KING: Leave it at 5, and not 75. You think --
13 Jonathan, you think we'd have more legal expenses if we
14 didn't have a management contract than if we did have a
15 management contract?

16 COMMISSIONER LETZ: I think it would be the same
17 either way, because I think there's -- like, Mooney, I
18 wouldn't really budget for that, because the City and the
19 County are going to have to be involved in that one, so the

20 City Attorney and the -- so, I mean, y'all -- that's not
21 going to be y'all's own deal.
22 MR. KING: I know this is a discussion -- that's a
23 discussion I had with David during one of the budget
24 presentations, was budgeting for things you think might
25 happen.

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1 COMMISSIONER LETZ: Yeah.
2 MR. KING: It's hard -- what do you call that where
3 y'all -- you don't -- I mean --
4 MR. MOSER: Contingency.
5 MR. KING: Yeah. You can't really budget 'cause
6 you think something bad might happen. I mean, you got to
7 budget on what it's been in the past. You can't --
8 COMMISSIONER LETZ: You have contingency, and if
9 something bad happens, you go back to the owners. And if
10 it's something, you know --
11 MR. LIVERMORE: Contingent liability.
12 MR. MOSER: Let's make that five.
13 MR. KING: We made it five. Phone service, 900.
14 MR. LIVERMORE: Looks like this works.
15 MR. KING: That works, okay.
16 MR. MOSER: Yeah.
17 MR. KING: Water and sewer, 750.
18 MS. DEJOHN-ERMEY: What did we change to five?
19 MR. MCKENZIE: Contingency.
20 MR. MOSER: The legal, no-management.
21 MS. DEJOHN-ERMEY: Okay.
22 MR. MOSER: From 75 to 5,000.
23 MR. KING: Water and sewer, 750. We had 750 last
24 time. It was 686 in 2011. Okay, we can live with that.
25 Light and power. Light and power, 12,000. We've used 5,000.

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1 That's about halfway through the year?
2 MR. MOSER: Well, used more than that.
3 MS. DEJOHN-ERMEY: Right now we're at 7,000.
4 MR. KING: Okay.

5 MR. LIVERMORE: Better leave that.
6 MR. KING: Better leave that.
7 MR. LIVERMORE: We're running about a thousand a
8 month, then, right?
9 MS. DEJOHN-ERMEY: It runs over a thousand a month.
10 MR. McKENZIE: Little over.
11 MR. MOSER: It's been 1,000, huh?
12 MS. DEJOHN-ERMEY: Anywhere from 1,100 to 1,500.
13 COMMISSIONER LETZ: You might be low.
14 MR. MOSER: We may be low, is what I think.
15 MR. PRATT: Steve?
16 MR. KING: On the internet provider -- yeah?
17 MR. PRATT: If there's no management contract, is
18 that going to incur a cost?
19 MR. KING: What are we doing?
20 MS. HARGIS: You're under our contract.
21 MR. KING: Under y'all's contract, so we're going
22 to have to pay you guys something for that.
23 MS. HARGIS: I'll find out what that is. I don't
24 know. He's got it all broken out by department.
25 MR. MOSER: Just ballpark, what do you think it is?

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1 COMMISSIONER LETZ: 500.
2 MR. KING: 500. We put 500 in it, okay.
3 MR. LIVERMORE: 500 for internet, plus 500 --
4 MR. KING: I really think we ought to take that
5 light and power to 13.
6 MR. MOSER: I do too.
7 MR. LIVERMORE: All right. 13 at least. She said
8 it runs between what, 1,100 and 1,500?
9 MS. DEJOHN-ERMEY: Yes. It's been going down each
10 month, but it's fixing to start going back up.
11 MR. KING: I can tell you why.
12 MR. LIVERMORE: So we're going to take that to only
13 13.
14 MR. KING: Hopefully it goes back up. Certificates
15 and awards, et cetera, zero. Dues and subscriptions, 750.
16 Explain to me what that is. That's probably the National

17 Airport --

18 MR. MCKENZIE: N.B.A.A. -- we dropped N.B.A.A.;

19 that was too expensive, but that's -- yeah, that's what it's

20 for. Texas Airport Association, Texas Airport Management.

21 MR. KING: Okay. All right, contingency, 10,000.

22 MR. LIVERMORE: It ran way high, double in '10.

23 MR. KING: Yeah.

24 MR. LIVERMORE: Of what it was in '11.

25 MR. KING: I don't know.

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1 MS. HARGIS: Can we can back to electricity?

2 'Cause I don't think that's enough.

3 MR. KING: You don't think 13,000 is enough?

4 MS. HARGIS: If you take the average -- that 5,248

5 was four months. If you multiply that out times 12, it comes

6 out 15,744. I think you need closer to 16,000 in there.

7 MR. MOSER: Well --

8 MR. COWDEN: But that's wintertime, and so wouldn't

9 that be less? I don't know.

10 MR. LIVERMORE: I don't think 13 is going to make

11 it, because just based on what Laurie said --

12 MS. HARGIS: If you take the 5,248, divide that by

13 four, that's your winter months. Times four, and then

14 multiply times 12; that's 15,744. So, 16,000 is barely going

15 to cover it with the summer months.

16 MR. MOSER: But what have we been averaging,

17 Laurie?

18 MS. DEJOHN-ERMEY: Runs anywhere from 1,100 to

19 1,500.

20 MR. MOSER: Okay, so that can be 18,000.

21 MR. KING: You can turn those thermostats down.

22 MR. MCKENZIE: They're set. We put locks on them.

23 MS. DEJOHN-ERMEY: They're on 73 or 74; I can't

24 remember.

25 MR. KING: 73 or 74?

66

1 MS. HARGIS: It comes out to 18,000 if you

2 multiplied.

3 MS. DEJOHN-ERMEY: We've -- Bruce had the steel
4 plate put in the chimney.

5 MR. KING: I know. I know.

6 MS. DEJOHN-ERMEY: To help that.

7 MR. MOSER: That will help a bunch in the winter.

8 MR. KING: All right. Hate to do that. Go to 15?

9 MS. HARGIS: 16.

10 MR. KING: Let's go to 15. Turn the thermostat up
11 to 75.

12 MR. MOSER: 78 is where mine is.

13 MR. KING: I know. No one said you had to be
14 comfortable while you're in here. (Laughter.) They're not in
15 here that long. Go outside. It's like 90 outside. Come
16 back in here; 75 is like you're in a refrigerator.

17 MR. MOSER: Okay. We're at contingency.

18 MR. KING: Leave it at 68.

19 MR. MOSER: We're on the contingency.

20 MR. KING: I think that 10,000 actually -- I mean,
21 if we haven't used any of it, I think that works. Okay
22 there. I'm not sure about the contingency on the
23 non-management contract.

24 MR. LIVERMORE: Any thoughts on that, Jeannie?

25 MS. HARGIS: Well, you've already cut everything

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1 depending on contingency, so I think you better leave it at
2 20,000.

3 MR. MOSER: I agree with it. Leave it at 10 and
4 20.

5 MR. KING: Okay. All right, that's fine.

6 MS. HARGIS: Pretty tight.

7 MR. MOSER: What's the new one, capital -- is there
8 a new one on there, capital equipment?

9 MS. HARGIS: Yes, the 5,000 for that. I'm assuming
10 that that's to replace equipment, 'cause once you get away
11 from us --

12 MR. KING: Yeah. We own -- what's the deal? Are
13 y'all going to give us that equipment?

14 MS. HARGIS: We gave it to you.
15 MR. KING: Y'all gave it to us already? So, that's
16 ours, so lawnmowers --
17 MR. MOSER: This is the lawnmowers, weed-eaters.
18 MR. KING: When those lawnmowers break, we got to
19 fix them.
20 COMMISSIONER LETZ: Going to fix them if they
21 break?
22 MR. MOSER: \$5,000? But it's \$5,000.
23 MR. LIVERMORE: We have the new one.
24 MS. DEJOHN-ERMEY: Annually.
25 MR. MOSER: Yeah, I know, but 5,000 -- I mean, how

68

1 much -- how -- what's the value of all the equipment we have,
2 ballpark?
3 MR. KING: Well --
4 COMMISSIONER LETZ: 20,000, 25,000.
5 MR. MOSER: Is it that much?
6 MR. KING: Those lawnmowers are about 7,500 a
7 piece.
8 MR. MOSER: 5,000 is a good deal.
9 MR. KING: Well, we got two lawnmowers --
10 MR. MCKENZIE: Plus the pickup.
11 MS. DEJOHN-ERMEY: That includes both the trucks.
12 MR. MOSER: Okay. Okay, 5,000. Leave that number
13 alone.
14 COMMISSIONER LETZ: The trucks probably need --
15 they're going to last quite a while.
16 MR. KING: We have two trucks.
17 COMMISSIONER LETZ: You can get six, seven years
18 out of them, probably.
19 MR. MOSER: So, there's 45,000. That's 10 percent;
20 that's a good number.
21 MR. KING: Somebody add these up real quick.
22 MS. DEJOHN-ERMEY: Did you leave the contingency at
23 20?
24 MR. MOSER: Yeah.
25 MS. DEJOHN-ERMEY: And is the next page okay to

1 leave it where it is? And I'll plug the numbers in.

2 MR. KING: We didn't look at it. This is the

3 terminal supplies. Good lord.

4 MR. LIVERMORE: So we're adding --

5 MR. KING: Man, we use a lot of electricity. Time

6 out. That electric bill you were telling me was 1,500 a

7 month, what's that for?

8 MS. DEJOHN-ERMEY: That's everything. That

9 includes the terminal, so between both of them --

10 MS. HARGIS: Oh, that's confusing, then.

11 MR. KING: That is confusing. So --

12 MS. HARGIS: How much is it just -- well, because

13 if you -- if you take the 5,248 and divide it by four, --

14 MR. KING: Right. Right.

15 MS. HARGIS: It's still -- that -- that's a good

16 number. But this is the terminal. It should be --

17 MR. KING: You want to have a separate meter on

18 this? The terminal's metered separately?

19 MS. DEJOHN-ERMEY: We have, like, 13 or 14

20 different meters.

21 MR. KING: You're telling me everything is about --

22 MS. DEJOHN-ERMEY: 1,100 to 1,500 total for the

23 whole electric bill.

24 MR. KING: About 15,000 for everything. Let's call

25 it 16,000.

1 MS. DEJOHN-ERMEY: Okay.

2 MR. KING: 16,000 for everything.

3 MS. HARGIS: How can that be, Laurie? For both?

4 If you don't add them together, that's what I get.

5 MS. DEJOHN-ERMEY: It comes on our bill together,

6 and our bill runs anywhere from 1,100 to 1,500 a month.

7 MS. HARGIS: It's split here.

8 MS. DEJOHN-ERMEY: It's split, 'cause we have to

9 split out the terminal.

10 MS. HARGIS: I know. But if you divide the 5,248

11 by four months --

12 MR. COWDEN: It's five months, isn't it? October,
13 November, December, January, February.

14 MS. HARGIS: October's in the last year. Full
15 accrual.

16 MR. COWDEN: Okay.

17 MR. KING: You're telling me we had 23,000 in the
18 budget?

19 MS. DEJOHN-ERMEY: Year-to-date on the terminal,
20 we've spent 4,800.

21 MR. KING: Year-to-date?

22 MS. DEJOHN-ERMEY: Year-to-date, as of the end of
23 April.

24 MS. HARGIS: So, that's --

25 MR. KING: Do you have a breakdown of what all the

71

1 rest of the meters are?

2 MS. DEJOHN-ERMEY: We have a breakdown for each
3 one. We can pull the electric bills on them.

4 MS. HARGIS: It's still \$9,600 for the terminal
5 alone. If you take --

6 MR. KING: Okay, I'm thinking that other one, we
7 didn't need to increase it to 15,000. What I'm getting at.

8 MS. HARGIS: Well, based on what's in there, yes,
9 you did. I mean, if that's four months, divided by -- 5,248
10 divided by four --

11 MR. KING: I think she's telling you that that
12 number is for everything.

13 MS. HARGIS: Yeah, but the number that we've got
14 split in the deal, I still have to use those to go by,
15 regardless of what she's saying. They're split in the G.O.

16 MR. KING: I know. What I'm saying is, we have --
17 the way we have this is we have \$23,000; we would now have
18 \$26,000 budgeted for electricity.

19 MS. HARGIS: Hang on a second. I brought my --

20 MR. KING: Seems like a lot of electricity.

21 MR. LIVERMORE: We put more in than we've taken
22 out.

23 MR. KING: That's what I'm getting at. I didn't
24 realize there was 11 more back here on the terminal. There's
25 11,000 more in the terminal.

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1 MR. LIVERMORE: What page are you on?

2 MS. HARGIS: Okay. Now, on the terminal, which is
3 801-301, --

4 MR. KING: Yeah.

5 MS. HARGIS: Okay. We spent 1,168 for the month of
6 October. The month of November, 889. Then 720, 542, 500,
7 490, 409. So, in the summer months, it's \$1,168, so you get
8 six months of about 1,168, and the other six at an average
9 probably here of about five and a half, 'cause you got one
10 month at 720. So --

11 MR. KING: Okay.

12 MR. LIVERMORE: That looks like 14,000, doesn't it,
13 roughly?

14 MR. KING: That's about 11,000. That's about
15 11,000, but okay. Okay. I can live with that. But let's go
16 back to this other deal.

17 MS. HARGIS: Okay, just a second.

18 MR. KING: And what is it over there?

19 MS. HARGIS: Hang on a minute.

20 MR. LIVERMORE: Steve, I was doing my own ciphering
21 here, and I really lost track of where you are.

22 MR. KING: Page 3.

23 MR. LIVERMORE: Page 3?

24 MS. DEJOHN-ERMEY: We're back on 406.

25 MR. KING: Back on 406. 9,000. November,

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1 December, January, February; that's four months. Used 9,000
2 over four months. That's 20 -- that's a lot. 9,000 over
3 four months, that would be 27,000.

4 MS. HARGIS: Okay, here we go. The month of
5 October was -- was a thousand. The month of November was
6 949, then 1,254, 1,035, 1,000, 967, 824. So, it bumps up
7 when you -- you know, December -- we had that big event, I

8 think, in December.

9 MR. KING: It's about --

10 MS. HARGIS: Right now it's 824, but that's for the
11 month of March.

12 MR. KING: So, a thousand a month? 1,100 a month?

13 MS. HARGIS: At least 1,100 a month. So, 1,100 a
14 month.

15 MR. KING: 13 -- 14. Okay, let's leave it -- let's
16 leave it at -- I think it's going to be close to about 13,5
17 on that.

18 MR. LIVERMORE: Rather than 15?

19 MR. KING: Yeah. Y'all object to that?

20 MR. LIVERMORE: So we're going up \$1,500.

21 MR. KING: Yeah.

22 MS. HARGIS: We've already spent 7,039. You've got
23 one, two, three, four, five, six, seven --

24 MS. DEJOHN-ERMEY: It's averaging 1,005.

25 MR. KING: How much?

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1 MS. DEJOHN-ERMEY: \$1,005.

2 MR. KING: Okay. Leave it 13,5. We'll work that
3 out. Okay, go back over here to the next page, supplies --
4 phone services. What do these cost? These are regular
5 phones?

6 MS. DEJOHN-ERMEY: That's the terminal phone and
7 the fire alarm monitor.

8 MR. KING: Okay. 2,091 we've spent. Why? I'm
9 confused. Why are we spending -- we spent \$75 so far this
10 year. We got budgeted 2,191 last year. In '11, we spent 33.
11 In '10, we spent 575, 572, 1,131.

12 MS. DEJOHN-ERMEY: Those numbers came from John
13 Trolinger, the I.T. -- head of I.T. for the County. The 75
14 is quarterly monitoring for the fire alarm, so 300 is ours.
15 The rest -- the other part of that number was given to us by
16 John Trolinger.

17 MR. KING: For?

18 MS. DEJOHN-ERMEY: For the terminal phones. I
19 don't know when they take that out.

20 MR. KING: Who's paying for the terminal phones?
21 MS. DEJOHN-ERMEY: We're paying for the service.
22 MR. KING: How come we're not paying \$75?
23 MR. MOSER: We've had that discussion before.
24 MR. McKENZIE: We haven't been billed for that;
25 they haven't pulled anything out.

75

1 MS. HARGIS: We pay all of our phone bills for all
2 of our departments through our I.T. Department.
3 MR. KING: So, are y'all paying this for us?
4 MS. HARGIS: Mm-hmm.
5 MR. KING: Good deal. Appreciate it.
6 MR. MOSER: But I still don't see why it goes from
7 an average of 900 up to 2,200.
8 MS. HARGIS: Because we don't give you the bill.
9 COMMISSIONER LETZ: We've been paying it.
10 MR. KING: Looks like to me we're going to have
11 this -- over here on the 2013 proposed no-management, we're
12 going to have some costs over there.
13 MS. DEJOHN-ERMEY: That would be how much we'd have
14 to end up paying the County.
15 MR. KING: But I think on this other one over here,
16 I don't know why we couldn't have --
17 MR. MOSER: Same thing.
18 MR. KING: How much, 2,191?
19 MR. WOOD: With-management ought to go down, and
20 no-management would be --
21 MR. MOSER: Precisely.
22 MR. KING: Should be 900 at the most.
23 MR. LIVERMORE: Half.
24 MR. MOSER: That's average.
25 MR. LIVERMORE: Take 1,200 off the 2,191?

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1 MR. MOSER: Yeah.
2 MR. KING: I think it's 900 at the most. I don't
3 see how -- it's based, you know, on the -- see, they're going
4 to have to start paying that, so I think we -- you got to put

5 the 2,191 back in there and see what it is for one year.

6 Okay. Light and power, we've already discussed that.

7 Propane and gas.

8 MR. LIVERMORE: Well, I'm still kind of confused on
9 this light and power thing.

10 MR. KING: There's two different light and powers.

11 MR. MOSER: Yeah, there's terminal and other.

12 MR. KING: Terminal, and then 13 other meters.

13 MR. LIVERMORE: So the one we're paying 13,00 for
14 is over here on --

15 MR. KING: Yeah, that's --

16 MR. LIVERMORE: -- Item 406.

17 MR. KING: -- runway lights, --

18 MS. DEJOHN-ERMEY: AWAS.

19 MR. KING: -- lights on buildings and stuff.

20 That's 13,000.

21 MR. LIVERMORE: Then this other is this building.

22 MS. DEJOHN-ERMEY: Just the terminal.

23 MR. KING: Just the terminal. And -- okay.

24 Propane and gas.

25 MR. LIVERMORE: Let me ask that question just a

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1 minute. You said runway lights. Do our runway lights go
2 off?

3 MR. KING: No.

4 MR. LIVERMORE: For a pilot that hits their
5 button --

6 MR. McKENZIE: Only time the runway lights go off
7 is if there's no radio activity within 15 minutes of any
8 given time in a 24-hour day, the lights will go down,
9 including the REILs. But the first time the mic is keyed
10 three times, the lights will come back on, even in the
11 daylight. But at night, they're on a photo cell, and they're
12 going to -- they automatically come on, all the PAPIs.

13 MR. LIVERMORE: Do they go down to the low level,
14 or do they go off?

15 MR. McKENZIE: No, they go down to the low level.

16 MR. KING: So, if I key the mic right now, these

17 lights will come on?
18 MR. McKENZIE: Mm-hmm.
19 MR. KING: Let's turn that off. Why do we need
20 lights on in the day?
21 MS. DEJOHN-ERMEY: If it's foggy.
22 MR. McKENZIE: Then somebody's got to watch it.
23 And plus, I mean, at larger airports, you're going to see the
24 lights on too. So --
25 MR. KING: But they go down to the lowest level,

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1 right?
2 MR. McKENZIE: That's correct. That's correct.
3 MR. KING: Very low.
4 MR. McKENZIE: We have three that will go to the
5 lowest.
6 MR. KING: Lowest, okay.
7 MR. MOSER: How about all these lights on the
8 aprons and that kind of stuff that we're --
9 MR. McKENZIE: We don't have lights --
10 MR. MOSER: Are they all on at night?
11 MR. McKENZIE: Kerrville Aviation pays for the
12 lights on those buildings.
13 MR. MOSER: Do they?
14 MR. McKENZIE: We just pay this one.
15 MR. KING: It's pitch black out here at night. If
16 you're taxiing in out here, it's like --
17 MR. MOSER: I know from my house, I can see big
18 lights on all night long, but they're paid for by Kerrville
19 Aviation. Is that what you're saying?
20 MR. McKENZIE: Yes, sir, everything but this
21 building.
22 MR. LIVERMORE: Is there any impact from our new
23 enhanced security on the electric?
24 MR. McKENZIE: We haven't -- it hasn't been -- we
25 haven't had it but about three weeks.

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1 MR. KING: Are those cameras working?

2 MR. McKENZIE: Yes, sir.
3 MR. LIVERMORE: That can't be drawing much.
4 MR. MOSER: It's minimal.
5 MR. KING: Okay, good.
6 MR. MOSER: Okay.
7 MR. KING: Propane gas.
8 MR. MOSER: What did we do on light and power?
9 MR. KING: We just left it at 11.
10 MR. MOSER: Okay.
11 MR. KING: 5,000 on propane gas. What are y'all --
12 MR. MOSER: Looking historically, that's right.
13 Average has been 4,500, and it's going to go up. It's going
14 to go up, as opposed to down.
15 MR. KING: We need to really, really, really -- I
16 mean, using the fire out there, letting that fire burn out
17 there, it's a waste of time.
18 MR. MOSER: Out here?
19 MR. KING: Sometimes they leave it on, like -- just
20 all the time. They shut it off after the night, don't they?
21 MR. McKENZIE: Absolutely.
22 MS. DEJOHN-ERMEY: Usually by mid-morning or by
23 lunchtime, it's off.
24 MR. KING: Is it?
25 MR. McKENZIE: If it's cold.

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1 MR. KING: Is it esthetic?
2 MR. McKENZIE: No, it puts out a lot of heat.
3 MR. MOSER: Really?
4 MR. KING: I notice, like, the City doesn't run
5 their waterfall when there's, like, bad droughts, stuff like
6 that. You know, like out there, that picture of Kerrville
7 right there by the Peterson Plaza, you have that waterfall
8 there. They turn that off, don't they?
9 MR. MOSER: I'd say leave it at 5,000. If you
10 start approaching it, turn off the thing.
11 MR. KING: Yeah, turn it off.
12 MR. MOSER: Turn it off and manage it, right. Stay
13 within five.

14 MR. McKENZIE: Propane's expensive. \$2.50 a gallon
15 is pretty expensive.
16 MR. MOSER: Okay.
17 MR. KING: Okay. Water and sewer, 2,750. That
18 looks pretty good.
19 MR. MOSER: Average has been 3,500, so that's
20 probably low.
21 MR. KING: Why don't we add that up, see where
22 we're at?
23 MR. McKENZIE: She's going to plug them in right
24 now.
25 MR. KING: We don't need no stinking workshop.

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1 That's good.
2 MR. LIVERMORE: This is the workshop.
3 MR. KING: That was good.
4 MR. MOSER: That's what we decided; this is the
5 workshop.
6 MR. KING: Yeah. I think if we did that
7 no-management contract, we'd probably have to have a caveat
8 on the deal that we might have to do some adjusting after the
9 first year, up or down. We're not --
10 MR. MOSER: It's only for one year anyway.
11 COMMISSIONER LETZ: Put in the budget -- you've got
12 an additional 25,000 into contingency or professional
13 services.
14 MR. KING: Yeah.
15 COMMISSIONER LETZ: You're budgeting 25,000 for the
16 unknown, and that's under -- what we would do is, like, for a
17 backhoe or dirt, a crew of two or three --
18 MR. KING: Or work on your trucks.
19 COMMISSIONER LETZ: That's what you're doing.
20 MR. KING: If a maintenance truck comes out here
21 to --
22 MR. McKENZIE: The other day, they had two guys out
23 here.
24 COMMISSIONER LETZ: There are always two.
25 MR. KING: Was that working on that runway?

1 MR. McKENZIE: The lightning that knocked a hole in
2 the runway.

3 MR. KING: We have to just contract for that. Say,
4 "Okay, you guys are going to charge us \$65 an hour for that."
5 Is that how we do that under the non-management contract
6 deal?

7 COMMISSIONER LETZ: Either that, or -- I mean, in
8 reality, some of that, you probably would never get charged
9 for it.

10 MR. KING: I just don't see how we could lose on
11 that deal. Seems so simple.

12 COMMISSIONER LETZ: I mean, you hit it earlier.
13 Everything's new.

14 MR. KING: I know.

15 MR. MOSER: Right.

16 MR. KING: Yeah. And if we get a big problem, if
17 there's a big -- a big disaster out here, you have to fix it.

18 COMMISSIONER LETZ: You go to the owners and
19 address it.

20 MR. KING: Not as if you're going to go, "Oh, we
21 can't fix that."

22 MS. HARGIS: We've got to pull it out of our
23 budgets, too. So, that just -- kind of like you talking
24 about the -- the terminal -- I mean the hangar thing. If you
25 come to us in October, you got to wait a year.

1 MR. KING: Got what?

2 MS. HARGIS: You got to wait a year.

3 MR. KING: I agree.

4 MR. LIVERMORE: Jeannie, do we have insurance on
5 these buildings?

6 MS. HARGIS: Yes. We have the --

7 MR. LIVERMORE: In the event of fire or whatever?

8 MS. HARGIS: Yes. Well, we had the lightning
9 strike and the fire in the electrical panel. That was our
10 insurance we carry. The property, the City carries the

11 liability, because our carrier won't pick up the liability.

12 Their carrier will, so that's the reason why it's split.

13 MR. LIVERMORE: Good idea.

14 MS. HARGIS: It's two different -- I mean, they're

15 both pools, but one pool will, one pool won't. 'Cause cities

16 are more accustomed to having liability on airports than the

17 County was, so --

18 (Low-voice discussion off the record.)

19 MR. KING: I want to go back in executive session.

20 We discussed the salaries of our personnel, and I think we

21 need to make -- I think as I -- if I'm correct, if we make a

22 decision in executive session, we have to vote on it outside

23 of executive session; is that correct?

24 MR. LIVERMORE: Correct.

25 COMMISSIONER LETZ: But if you --

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1 MS. HARGIS: If you put it in the budget --

2 COMMISSIONER LETZ: If you put it in the budget,

3 that's voting for it.

4 MR. MOSER: Is it?

5 MR. KING: Okay. I just want to be --

6 MR. MOSER: Okay.

7 MR. KING: -- be clear on that. We're not supposed

8 to take any action in executive session.

9 COMMISSIONER LETZ: Right.

10 MR. MOSER: Okay.

11 MR. KING: But we are going to vote on it, so it

12 will be --

13 MS. HARGIS: So if you vote on this budget, you're

14 basically voting on it.

15 MR. KING: Okay. All right.

16 COMMISSIONER LETZ: One of the things I think would

17 be helpful is if -- and it may delay getting it. We have a

18 couple weeks still. If you could get the most current

19 financials to pass along, just on the historical page, what

20 Laurie's updating, kind of. I know last year, it looked --

21 it didn't look good, the fact that there was -- you spent --

22 there were so many categories; we only had four months worth.

23 If you could get at least, you know --

24 MR. MOSER: Right.

25 COMMISSIONER LETZ: But if they could get it --

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1 MR. KING: I agree.

2 COMMISSIONER LETZ: -- as current as you could
3 possibly get it.

4 MR. KING: I agree with that. I have a problem
5 when you go to Council or Commissioners, and they say, "You
6 have a \$5,000 budget; why'd you only spend \$462?" You know.
7 Well, we actually have spent more than that. It's just
8 not --

9 MS. HARGIS: We'll pay the last bills on the 29th,
10 so she should be able to plug those in on the morning of the
11 30th and go.

12 COMMISSIONER LETZ: That way you get May bills in
13 there, which that would help a lot.

14 MR. KING: That would be good. Okay.

15 MS. HARGIS: It may be crazy in my office on the
16 29th and the 30th.

17 COMMISSIONER LETZ: Something's going on?

18 MS. HARGIS: Especially when I got two people
19 running for the same position. One's not going to be happy,
20 and the other one is.

21 MR. LIVERMORE: That's right.

22 MR. MOSER: I don't get rid of old budgets.

23 MR. KING: You don't?

24 MR. MOSER: No, I keep them.

25 MR. MCKENZIE: This is Steve's.

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1 MR. KING: This is kind of like waiting for the
2 winner of a beauty contest.

3 (Discussion off the record.)

4 MR. LIVERMORE: Can I have one, please?

5 MR. COWDEN: We all have to look at one.

6 MR. MOSER: It wasn't going --

7 MR. LIVERMORE: I did a little quick calculation.

8 Looked like to me we're going the wrong direction. Well,
9 some of it.

10 MR. KING: What was the old one? Did y'all get a
11 copy of that yet? Mike?

12 MR. MOSER: No, none of us did.

13 MS. HARGIS: You should be in the black, though, on
14 the -- on the management, 'cause you reduced the phone bill.

15 MR. MOSER: We were plus --

16 MR. KING: I thought we had more pluses.

17 MR. COWDEN: About 3,000, looks like.

18 MR. McKENZIE: About 500 bucks.

19 MR. KING: That we increased over last year?

20 MR. McKENZIE: Yes, sir.

21 COMMISSIONER LETZ: You can probably reduce
22 professional services some more.

23 MR. KING: Huh?

24 COMMISSIONER LETZ: Take it out of professional
25 services.

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1 MR. LIVERMORE: Hmm?

2 COMMISSIONER LETZ: I said take it out of
3 professional services. That's still too high.

4 MR. KING: That's kind of unknown.

5 MR. LIVERMORE: Professional services.

6 COMMISSIONER LETZ: I mean, there's no --

7 MR. MOSER: Professional services, 800-010. Are we
8 up 30,000? We have 10,000 and --

9 COMMISSIONER LETZ: I thought it was reduced to 25.

10 MR. KING: We did.

11 COMMISSIONER LETZ: You can probably reduce it to
12 20.

13 MR. MOSER: We took out five, took out --

14 COMMISSIONER LETZ: Or leave it. Doesn't make any
15 difference.

16 MS. HARGIS: I have nothing to look at.

17 MR. KING: The side we really need to look at is
18 with the management contract.

19 MR. LIVERMORE: Oh, they're -- okay, I got it.

20 Well, we took --

21 MR. MOSER: Took 5,000 out of no-management and
22 1,000 out of the with-management.

23 MR. LIVERMORE: We took five out of the
24 no-management, right. Yeah, Jonathan's probably right.
25 Probably take -- take 10 out of the no-management, and then

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1 if we need engineering for the hangars, it'll just be part of
2 the -- part of the capital improvement.

3 MR. KING: Look at the side of the management
4 contract. No management. We went up on the no-management
5 side. We're up by --

6 MR. MCKENZIE: Page 4.

7 MR. KING: -- \$4,000 -- 3,000 -- how much did you
8 go up by, 3,000?

9 MR. COWDEN: 3,500.

10 MR. MCKENZIE: On Page 4, \$3,400.

11 MR. COWDEN: 3,468, on Page 4.

12 MR. LIVERMORE: Wait a second, okay? This Page 4
13 of 6, that's the -- the bottom number, right?

14 MR. MCKENZIE: Yes, sir.

15 MR. LIVERMORE: Okay. Both of them are down.

16 MS. DEJOHN-ERMEY: No, with the management is up by
17 7,233.

18 MR. KING: Why did we -- oh, we went up on the
19 mowing.

20 MR. COWDEN: That's 5,000 on the mowing.

21 MR. MOSER: 7,500.

22 MR. KING: That mowing contract hurt us.

23 MR. COWDEN: That's a big number.

24 MR. KING: I think we could go down on professional
25 services, on the -- with the management contract a little

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1 bit.

2 MR. LIVERMORE: Let me ask something, Bruce. What
3 is the criteria of when we need to mow? What --

4 MR. MCKENZIE: Well, it gets to be a situation

5 where it harbors wildlife; fox, both red and gray, which we
6 have out here, skunks, armadillos, and birds. The main
7 concern are those and bird strikes, and we have to keep it
8 mowed to a significant level just to keep -- and it's --
9 esthetically, it looks terrible if you don't keep it, and you
10 can't. It's a safety issue because you can't see the
11 directional signs out here, and you can't see the runway
12 lights, and you can't see the PAPIs, and you can't --

13 MR. LIVERMORE: Well, does he trim around those
14 lights?

15 MR. MCKENZIE: We do that. We do that, but -- you
16 can even string-trim around the lights, but if the foliage is
17 up too high and it's in a low airplane such as your Bonanza,
18 you still can't see.

19 MR. LIVERMORE: Right.

20 MR. COWDEN: When you want to mow, do you
21 call Corey?

22 MR. MCKENZIE: He works over here. I tell him,
23 "Corey, mow."

24 MR. COWDEN: Well, but the big guy --

25 MR. LIVERMORE: What are you working on?

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1 (Multiple conversations.)

2 THE REPORTER: I can't tell who to write down.

3 MR. LIVERMORE: And it doesn't help when we mumble.

4 Tom, tell us where you are.

5 MR. KING: We're trying to get there. We're going
6 to -- on item -- on professional services, we're going to
7 drop that to \$8,000, on the management contract side. We
8 spent \$73. I mean, that's going to be -- that's one of these
9 deals, it's hard to defend in a budget meeting at a Council
10 meeting or a Commissioners Court meeting when they ask you
11 why you spent 73, and you got 95 budgeted.

12 MR. LIVERMORE: So, you're going to 8,000, so we're
13 taking 500 more out.

14 MR. KING: Yeah, 500 more out, and we're going to
15 drop the other side to 20.

16 MR. PRATT: Which one is that, Steve?

17 MR. KING: That's on the professional services.
18 MR. PRATT: Okay.
19 MR. KING: And on that non-management side, I don't
20 know what it's going to be over there. I mean, that's kind
21 of one of those deals where I think we're going to have to
22 work through it. But I -- I don't -- I just don't know what
23 those costs are going to be. I don't know how they're going
24 to be -- but we'll put it at 20 over there.
25 MS. DEJOHN-ERMEY: Under professional services,

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1 change --
2 MR. KING: Change that to 8,000 and 20,000.
3 MR. McKENZIE: Oh.
4 MR. KING: And then on the instruments and
5 apparatus, Item 205, drop that to six.
6 MR. LIVERMORE: On both of them?
7 MR. McKENZIE: On both?
8 MR. KING: Yeah. We spent \$67 so far. I think
9 that's one of these deals that falls under an emergency
10 situation. If something gets hit by lightning out there, we
11 got to fix it anyway, but I don't know if you can plan on
12 having to fix it. I can't plan on lightning striking. And
13 we -- we've spent money in the past on it, but I think six
14 would probably cover it. What is -- say 2,500.
15 MR. COWDEN: That's 200.
16 MR. KING: That's 3,000. Two --
17 MR. COWDEN: 2,500.
18 MR. KING: 2,500.
19 MS. HARGIS: On one side. More on the other side.
20 MS. DEJOHN-ERMEY: 7,000 on the other.
21 MS. HARGIS: What about the building?
22 MR. KING: Building and maintenance?
23 MS. HARGIS: Building and structures.
24 MR. KING: Where are we on that?
25 MS. HARGIS: 202.

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1 MR. LIVERMORE: 202?

2 MR. KING: That's a question.

3 MS. DEJOHN-ERMEY: We've spent, through April,

4 7,100.

5 MR. KING: Really, what are we spending that on?

6 What --

7 MS. DEJOHN-ERMEY: Any repairs or anything --

8 MR. KING: What did we do out there that was --

9 MS. DEJOHN-ERMEY: Our quarterly air conditioning

10 maintenance.

11 MR. KING: Right.

12 MS. DEJOHN-ERMEY: Any air conditioning repair

13 comes out of that.

14 MR. McKENZIE: Pest control, flood lights, fire

15 alarm, replace the sprinkler heads, carpet cleaning, light

16 bulbs, et cetera, et cetera, et cetera.

17 MR. KING: Okay. Well, okay, we spent 7,500 --

18 7,000 to when?

19 MS. DEJOHN-ERMEY: 7,100 through the end of April.

20 MR. McKENZIE: April.

21 MR. KING: None of those were, like, major

22 expenses? None of those were, like, something -- did you not

23 have an air conditioner break?

24 MR. McKENZIE: Had an air conditioner go down two

25 Sundays ago.

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1 MR. KING: That's not in there. Okay.

2 MS. DEJOHN-ERMEY: And another one we had to have

3 repaired, like, a week before that.

4 MR. McKENZIE: We had lost a water line in the

5 bathroom in there, twice.

6 MR. KING: Okay.

7 MR. McKENZIE: Had to replace it.

8 MS. HARGIS: I thought you spent 15,000.

9 MR. LIVERMORE: I beg pardon?

10 MR. McKENZIE: And also the water fountain went

11 out. I mean --

12 MS. DEJOHN-ERMEY: Yeah. We're waiting to fix that

13 right now.

14 MR. KING: Yeah.
15 MR. LIVERMORE: So you think we better leave that
16 alone?
17 MR. KING: Yeah, I think so.
18 MR. McKENZIE: If we can.
19 MR. KING: I know one thing we can do if we have
20 to. I hate to do it. We can turn off the propane.
21 MR. LIVERMORE: You're really hung up on that
22 propane being off.
23 MR. MOSER: Heat's just going straight through the
24 ceiling.
25 MR. KING: It goes to waste. Turn the heaters off.

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1 COMMISSIONER LETZ: You can only do it on special
2 holidays.
3 MR. KING: Yeah, special occasions when we have
4 dignitaries.
5 MR. McKENZIE: Turn the fireplace off?
6 MR. KING: Yeah.
7 MR. McKENZIE: Sure, we can leave it off.
8 COMMISSIONER LETZ: Just cut it back.
9 MR. KING: What else are we using for propane?
10 MR. McKENZIE: The water heater for the pilot's
11 lounge, all the lavatories, and all the heaters upstairs are
12 propane.
13 MR. KING: Oh, that's a bad idea.
14 MR. McKENZIE: That thing's not using -- I don't
15 use a nickel.
16 MR. KING: Who spec'd this out? That propane
17 heating's a bad deal.
18 MR. McKENZIE: That was before my time.
19 MR. LIVERMORE: I didn't.
20 (Discussion off the record.)
21 MR. MOSER: 2,500 and 7,000.
22 MR. KING: Put an electric one in. When it goes
23 out, we'll drop it to 4,500 on propane.
24 MR. McKENZIE: 45?
25 MS. DEJOHN-ERMEY: On both sides.

1 MR. KING: How's that?
2 MR. LIVERMORE: What line item is that?
3 MR. KING: The last page.
4 MS. DEJOHN-ERMEY: Page 4.
5 MR. WOOD: You can turn the thermostats down on the
6 hot water heaters.
7 MR. McKENZIE: Just got one, yeah.
8 MR. KING: What are we using hot water -- you know,
9 what are y'all using hot water out here for?
10 MR. LIVERMORE: Wash my hands.
11 MR. KING: Just washing hands and the sinks.
12 MS. DEJOHN-ERMEY: And the pilot's lounge.
13 MR. McKENZIE: People coming in and using the
14 shower.
15 MR. KING: Who takes a shower there? How many
16 people take a shower in that thing?
17 MR. McKENZIE: Several.
18 MR. KING: Other than people that just need a place
19 to take a shower? Vagrants or something showing up out here.
20 MR. COWDEN: Homeless.
21 MR. KING: The one time that it went out, it got a
22 little raucous in my office.
23 AUDIENCE: Plus we use the hot water to mop.
24 MR. KING: How much is that?
25 MS. DEJOHN-ERMEY: They use hot water to mop, too.

1 MR. COWDEN: A few thousand. We're back where we
2 started, aren't we?
3 MR. KING: We need 750 bucks.
4 MR. MOSER: Is that all?
5 MR. KING: Just don't know where we can get it.
6 MR. LIVERMORE: You can work the revenue side.
7 MR. MOSER: I'll tell you where. 102, small tools
8 and supplies. Average has been 1,500. We cut it 2,000,
9 okay. The average over all the years is 1,450.
10 MR. KING: What did we have?

11 MR. MOSER: And we're at three, aren't we?
12 MS. HARGIS: 35. Five and 35.
13 MR. KING: I cut it to three.
14 MR. MOSER: Yeah, I thought we cut it to three.
15 That's what we said first go-round.
16 MS. HARGIS: No, she's still got it at five.
17 MR. KING: You never cut that?
18 MS. DEJOHN-ERMEY: No, we didn't cut it.
19 MR. MOSER: Take two out of that.
20 MR. KING: We did we cut it before.
21 MR. MOSER: Yeah, change it to three.
22 MS. DEJOHN-ERMEY: I didn't have it on mine, sorry.
23 MR. KING: Woo-hoo.
24 MS. HARGIS: Four or three?
25 MR. COWDEN: Cut it to three.

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1 MR. KING: We changed it to three earlier.
2 MS. HARGIS: It should be positive now.
3 MR. LIVERMORE: I've got us taking 2,000 out of it.
4 MS. DEJOHN-ERMEY: I didn't have it.
5 MR. LIVERMORE: Okay.
6 MS. HARGIS: I didn't have it either.
7 MR. MOSER: The people with the calculator didn't
8 have it, okay.
9 MR. KING: Hold on one second. We better -- why
10 don't we -- I think we ought to go back up to 3,500 on that
11 propane. I'm kind of worried. I'm afraid those heaters -- I
12 didn't realize you run those heaters on those things. What
13 did we start -- what have we used so far on propane this
14 year?
15 MS. DEJOHN-ERMEY: We've used 3,235. So, 3,200.
16 MR. KING: In seven months?
17 MS. DEJOHN-ERMEY: And it's summer.
18 MR. KING: It's just heat, right?
19 MR. LIVERMORE: Going to leave it at five, I think.
20 MR. KING: 45. I bet we can make it work. You
21 shouldn't use any the whole summer. Turn those thermostats
22 to 120. A lot of people have those things way up.

23 MS. HARGIS: Those bills have been pretty high.

24 511.25 --

25 MR. KING: Lately?

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1 MS. HARGIS: Mm-hmm.

2 MR. MOSER: Probably just refilled the tanks.

3 MR. KING: Some of that's when they refilled that
4 tank.

5 MR. MOSER: That's right, and they refilled it
6 because of the winter -- the cold stuff.

7 MR. PRATT: I thought there was an adjustment made
8 on land for the new --

9 MR. KING: We went up on land for the mowing. We
10 went up to 30. Is that on the new one?

11 MR. PRATT: No, it's not.

12 MR. COWDEN: On the new one, it is.

13 MR. MOSER: We had five.

14 MR. KING: Land is 30.

15 MR. MOSER: So that does it for us.

16 MR. KING: Put those in, Laurie, and print that
17 out.

18 MS. DEJOHN-ERMEY: Okay, I'll be right back.

19 MR. LIVERMORE: We got land at 30.

20 MR. KING: That should get us under.

21 MR. LIVERMORE: We might get lucky -- well, that's
22 the wrong word; we don't get lucky -- with a good rain.

23 MR. MOSER: Right.

24 MR. LIVERMORE: But if it did go up, we might beat
25 that.

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1 MR. KING: All right.

2 MR. LIVERMORE: Well, we've got the main thing.

3 MR. KING: No, I think -- I think those are good
4 numbers.

5 MR. LIVERMORE: We haven't even gone through all of
6 the capital stuff.

7 MR. MOSER: This is operating. This is operating

8 budget.

9 MR. LIVERMORE: It's hard to budget this stuff.

10 MR. MOSER: Yeah. So, you got your --

11 MR. LIVERMORE: Bruce, if we have -- someone told
12 me that we had a big -- large plane out here.

13 MR. McKENZIE: There was a G-IV out here, but
14 that's -- that's it.

15 MR. LIVERMORE: G-IV? Someone thought there was a
16 757.

17 MR. McKENZIE: No. No.

18 MR. LIVERMORE: Well, we can take a 737, but not --

19 MR. McKENZIE: 737 occasionally. The weightbearing
20 capacity is the determining factor.

21 MR. LIVERMORE: We have had 737's in, and with the
22 new taxiway, that's no problem.

23 MR. McKENZIE: We have 70,000-pound dual wheel on
24 the new taxiway, one part of the new runway. But the other
25 part, the weightbearing capacity is not there.

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1 MR. PRATT: Weightbearing is not going to make it.

2 MR. COWDEN: What about single-wheel?

3 AUDIENCE: Single-wheel is 25. It's 15,000 pounds
4 on the little runway, 25,000 on the big one.

5 MR. LIVERMORE: That'll take care of me.

6 MR. MOSER: Yeah.

7 MR. LIVERMORE: By a factor of 15. You already got
8 the new one?

9 MR. KING: No, too many changes.

10 COMMISSIONER LETZ: Mark, what are you going to do
11 with all your free time?

12 MR. LIVERMORE: How do the County and City do this?
13 Do they go through, like, this same thing?

14 COMMISSIONER LETZ: We do a lot of workshops. We
15 meet -- usually in the month of July, we'll meet three times
16 a week.

17 MR. LIVERMORE: Same process.

18 MR. ERWIN: Detail everything out on the
19 submission; present that to Council so they can look at it.

20 COMMISSIONER LETZ: And then the departments and
21 Jeannie -- they've been working on it pretty much full-time
22 for two months now, trying to get everything inputted.
23 MR. LIVERMORE: I'll tell you, it's really helpful.
24 I mean, in this discussion today, it would have been really
25 difficult without the City, County, and Jeannie here. It's

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1 very helpful. It isn't about the money; it's the money.
2 COMMISSIONER LETZ: You were talking about mowing.
3 There's been some years -- if we get a wet year, we're going
4 to have to do five cycles.
5 MR. McKENZIE: We've done five cycles before.
6 COMMISSIONER LETZ: 'Cause you've got the cycle --
7 you're going -- you have to do one in October/November, kind
8 of an ending week. And then you're going to have to always
9 do one probably in August or September, 'cause that's when
10 all the Kc summer grasses start blooming. You have to do a
11 spring one every year for when winter grasses start putting
12 up their seeds.
13 MR. McKENZIE: Absolutely.
14 COMMISSIONER LETZ: You always -- three is if you
15 don't really -- you know, in a dry year. Any kind of rain,
16 you're going to need four.
17 MR. KING: You think it would do any good next year
18 to spray for thistles?
19 COMMISSIONER LETZ: Yes.
20 MR. KING: With that big machine?
21 MR. MOSER: Do you know what David Gregory went in
22 on? They did a spray with an herbicide that did kill it. It
23 was a good herbicide.
24 MR. KING: Behrens did too; he had that same guy.
25 COMMISSIONER LETZ: There are some; I would say not

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1 much. It's up to you. Some of them -- the highway
2 department, they use a very selective herbicide, 'cause they
3 can kill a thistle and not kill much else.
4 MR. MOSER: Even the broadleaf?

5 MR. LIVERMORE: Not kill the what?
6 COMMISSIONER LETZ: Wildflowers.
7 MR. MOSER: Even the broadleaf it doesn't kill; is
8 that right?
9 COMMISSIONER LETZ: Looks like that to me. I'm not
10 much up on that stuff, but it used to be it killed all the
11 stuff, but now I think it's much more selective on thistles.
12 MR. LIVERMORE: Does thistle die after the -- does
13 it --
14 COMMISSIONER LETZ: Yeah.
15 MR. LIVERMORE: -- die back after the first -- when
16 the head goes up?
17 COMMISSIONER LETZ: Yeah.
18 MR. MOSER: Depends on the seeds.
19 COMMISSIONER LETZ: They start reseeding in
20 December-January, or regrowing.
21 MR. MOSER: Right.
22 COMMISSIONER LETZ: Like a rosette on the ground.
23 MR. LIVERMORE: I've been knocking them off on my
24 property. In fact, this afternoon I'm going to go knocking
25 thistles off.

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1 COMMISSIONER LETZ: That doesn't help. Well, you
2 got -- once they're going, you got to use a grubbing hoe to
3 get them out. If you cut them off, they'll keep growing.
4 MR. LIVERMORE: Just killing time. I'm cutting
5 them off on the lot above me. That guy lives somewhere else
6 and doesn't mow.
7 MR. PRATT: Need to have a catcher when you cut
8 them off so they don't reseed.
9 MR. LIVERMORE: The little seed head, even if it's
10 still purple?
11 COMMISSIONER LETZ: They keep on growing, a lot of
12 them.
13 MR. MOSER: If it's purple, if you cut them --
14 COMMISSIONER LETZ: Kind of depends, but if they're
15 starting to -- if they've already been germinated, or
16 pollinated, they'll usually go ahead and ripen on the ground.

17 MR. KING: Okay. So, getting back to the budget.
18 MR. LIVERMORE: Wish I hadn't talked to you about
19 that. Disappointing.
20 MR. KING: Are you telling me they came out
21 exactly?
22 MS. DEJOHN-ERMEY: On Page 4, I went ahead and
23 calculated that on there. If you leave it -- they didn't
24 give you a new one?
25 MR. LIVERMORE: No.

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1 MR. KING: Here it is right here. I got yours.
2 MR. LIVERMORE: Okay. Keep me in the dark.
3 MS. DEJOHN-ERMEY: With the changes, with the
4 management contract, it increases 2,233. Without it, it
5 decreases 51,112.
6 MR. KING: So how come we -- we went -- we're still
7 over, then? \$2,000.
8 MS. DEJOHN-ERMEY: Yes.
9 MS. HARGIS: Well, you're --
10 MR. KING: Positive.
11 MS. DEJOHN-ERMEY: Well, we went up. We increased
12 it.
13 MS. HARGIS: She's saying you increased it from
14 last year. You really need to look at your 1,532 and your
15 54. She's just telling you what you did over last year,
16 those figures at the bottom.
17 MR. KING: I know. I know. But we're over on --
18 MS. HARGIS: You're only -- you're positive 1,532,
19 even with the increase.
20 MR. MOSER: Right.
21 MR. KING: Positive. Revenue over --
22 MR. LIVERMORE: What's that mean, Jeannie? We need
23 to cut more?
24 MS. HARGIS: No. No, sir, you're good.
25 MR. PRATT: You're good.

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1 MR. MOSER: We're good.

2 MS. HARGIS: She just tried to give you two things.
3 One, you're positive for the current budget, and you went up
4 2,233 over last year, but you're still positive over this
5 year. So, she just wanted to show you the difference between
6 last year's budget and this year's budget.

7 MR. MOSER: Got it.

8 MS. HARGIS: And the bottom line.

9 MR. MOSER: Right.

10 MR. KING: So, where it says -- that line item says
11 total expenses --

12 MS. HARGIS: That's less.

13 MR. KING: That's what --

14 MS. HARGIS: You've got revenue of 46,903, so you
15 got positive.

16 MR. KING: Yeah, right.

17 MR. MOSER: We got more revenue than we got
18 expenditures.

19 MR. KING: But our total expenses versus last
20 year --

21 MS. HARGIS: Are up 2,233.

22 MR. KING: Up \$2,000.

23 MS. HARGIS: 'Cause you went up on the mowing
24 and --

25 MR. KING: Okay. Okay.

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1 MR. LIVERMORE: We had a proposed budget of 437,
2 and now we're at 435. We started today.

3 MR. KING: So, you're saying okay. On the -- on
4 the items on that first page -- actually, Page 3, our
5 proposed -- our approved last year was 276,124. And the
6 proposed with the management contract, exactly the same?

7 MS. HARGIS: No, it's 162.

8 MR. KING: No, with the management contract.

9 MS. HARGIS: The 276 -- on that particular -- on
10 those items.

11 MR. KING: Okay.

12 MR. MOSER: I think the important thing, too, is
13 the difference between management and no management is

14 \$53,000.
15 MR. KING: Yeah. Okay.
16 MS. DEJOHN-ERMEY: My calculation may be wrong.
17 MS. HARGIS: It was 280, Steve.
18 MR. KING: It was?
19 MS. HARGIS: Yes.
20 MR. KING: 280?
21 MS. HARGIS: It was 280.
22 MR. MCKENZIE: She's going to run it again. Hang
23 on just a second.
24 MR. KING: I just thought it was kind of strange;
25 it was exactly the same.

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1 MR. WOOD: You made some changes between 2012
2 approved and 2013 proposed.
3 MS. HARGIS: Originally started at 276,624, and it
4 went to 280,624.
5 (Discussion off the record.)
6 MR. MOSER: Here's the key thing. We go down to
7 382 --
8 MR. KING: Right. Right.
9 MR. MOSER: So that's a big reduction.
10 Whichever -- well, I'm looking at what we started with on
11 Number 1. I think we're okay. That's the way it looks to
12 me. Isn't that what you're saying, Jeannie?
13 MS. HARGIS: She's going to run those just to make
14 sure, because it is a little odd that it would come out the
15 same.
16 MR. WOOD: You took 500 out, but you added 1,500
17 in, so they ought to be 1,000 different.
18 MR. KING: But it's kind of strange that we added
19 an odd number to Laurie's -- her number is, like, an odd
20 number. It's -- we increased that by \$626, and then I don't
21 know where we were able to cut or add \$628 to get an even
22 number. You understand what I mean?
23 MR. MOSER: Mm-hmm.
24 MR. KING: Kind of strange that it would come out
25 276,124. It's an odd number. Hold on.

1 MR. LIVERMORE: Where -- I'm sorry.

2 MR. KING: Page 2. All the expenses except for the

3 terminal expenses.

4 MS. HARGIS: It's right. The formula's right, so

5 it's just -- that's about what you took out. You took out

6 25, put in -- so if you look down, you can --

7 MR. WOOD: Just coincidence?

8 MS. HARGIS: Yeah, it is.

9 MS. DEJOHN-ERMEY: The increase that's still on

10 there is probably coming from the salary.

11 MS. HARGIS: The 276 is only --

12 MS. DEJOHN-ERMEY: Only the --

13 MS. HARGIS: It's only from.

14 MS. DEJOHN-ERMEY: -- professional development.

15 Well, it's just the airport part, total airport.

16 MR. KING: So, that formula's right?

17 MS. DEJOHN-ERMEY: Mm-hmm.

18 MR. KING: I don't see an odd number in there. I

19 don't see -- I don't see an odd number, and Laurie's is an

20 odd number. You subtract what we added to Laurie --

21 MS. HARGIS: No, salary's not included in the 276.

22 MR. KING: Ah. Well, then, that's right.

23 MS. DEJOHN-ERMEY: That's just the airport portion.

24 MR. KING: Okay, then that would be right. Okay.

25 All right. Can everybody live with that?

1 MR. MOSER: Yep.

2 MR. KING: All right. Motion to approve?

3 COMMISSIONER LETZ: Wait. Question before you go

4 there.

5 MR. KING: What?

6 COMMISSIONER LETZ: Where are the salaries without

7 the management contract for the workers -- for Roy?

8 MS. DEJOHN-ERMEY: Right here, 40.

9 COMMISSIONER LETZ: Okay. 40, okay. I just wanted

10 to make sure it was in there somewhere. Does that have a

11 part-time in there?
12 MS. DEJOHN-ERMEY: For 31 weeks.
13 COMMISSIONER LETZ: Okay.
14 MR. KING: So it's in there, okay.
15 MR. LIVERMORE: 40,000.
16 MR. KING: Okay.
17 MR. WOOD: Why does the workman's comp go up
18 double?
19 MS. DEJOHN-ERMEY: Because the two employees right
20 now are not under ours, and when we switch it to no
21 management, they come under ours, so it increases everything.
22 MS. HARGIS: That's an estimate. They haven't
23 actually gone up on our premium on workman's comp. The way
24 that our pool was working is they gave us this big credit
25 back, and now they're not going to do that any more. They're

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1 just going to keep -- give us a real premium, so we really
2 don't know what ours is going to be in this year's.
3 MR. PRATT: I thought --
4 MR. MOSER: Though we're still going to be county
5 employees.
6 COMMISSIONER LETZ: Not if there's no management
7 contract.
8 MR. MOSER: Not for no management.
9 MS. HARGIS: You'll pay for them, but they'll be
10 under our system. They'll be under our workman's comp, our
11 retirement, and our FICA.
12 MS. DEJOHN-ERMEY: Then we pay y'all.
13 MR. MOSER: Right.
14 MR. PRATT: Yeah, but since they'll be under you,
15 would that change the pool for the unemployment or the
16 workman's comp?
17 MS. HARGIS: No, it would stay the same.
18 MR. PRATT: Should stay the same?
19 MS. HARGIS: No, because we now pay --
20 COMMISSIONER LETZ: We'll be billing out on a
21 per-employee basis.
22 MR. PRATT: Okay.

23 MR. KING: The workman's comp is based on labor --
24 workman's comp is based on salary. Okay, any questions?
25 Mike, look okay to you? All right. Any questions of you,

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1 Commissioner?
2 MR. MOSER: Motion made.
3 MR. KING: Future mayor?
4 MR. LIVERMORE: Second.
5 MR. KING: Discussion?
6 COMMISSIONER LETZ: I think the only thing -- just
7 a comment. When these are presented, it's low in a couple of
8 areas, like computer. That's nothing to do with the
9 management contract, really. It's just that there's --
10 everything's new out here.
11 MR. KING: Right.
12 COMMISSIONER LETZ: And the computers are new. The
13 truck -- I mean, at some point in a couple years, it's likely
14 that some of these line items are going to go up. This is
15 going to be a low year, because everything's new. And we're
16 buying brand-new computers right now; they're in the
17 management contract. So, just -- you know, just remember
18 whenever you're doing historical looking back, that there's a
19 reason this year's probably going to be lower.
20 MR. KING: Mike?
21 MR. ERWIN: How about your C.I.P.?
22 MR. KING: C.I.P. You need to approve that too?
23 MS. DEJOHN-ERMEY: Yeah, 'cause it's part of the
24 budget. It's on the first one -- the first budget that I
25 gave you. It's the very last page.

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1 MR. KING: Okay. We hope -- the other part of your
2 question there, Commissioner, was we hope to raise revenue
3 out here in the next year or two. So --
4 MR. MOSER: Two.
5 MR. KING: -- we'll be able to offset some of those
6 expenses. I don't even know where it is --
7 MR. LIVERMORE: I'm on the wrong one.

8 MS. HARGIS: Just budgeting for RAMP; is that
9 correct?
10 MR. LIVERMORE: I marked mine 1, 2, and 3. Okay,
11 we're going to --
12 MR. KING: It's in the original packet.
13 MS. DEJOHN-ERMEY: Yes.
14 MR. LIVERMORE: The very last page, 6 of 6.
15 COMMISSIONER LETZ: 1 of 1.
16 MR. PRATT: 1 of 1.
17 MS. DEJOHN-ERMEY: It's the very first one you had.
18 MR. MOSER: Yeah.
19 MR. KING: Okay.
20 MS. DEJOHN-ERMEY: Here you go, Ed.
21 MR. LIVERMORE: I didn't get it.
22 MR. KING: Is that it?
23 MR. MOSER: I pulled that up and put it away.
24 MR. McKENZIE: Want me to make a quick copy?
25 MR. KING: Is it attached to this?

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1 MS. DEJOHN-ERMEY: The first one. It's the very
2 back page of the first one.
3 MR. LIVERMORE: Oh, there it is. Okay, thank you.
4 MR. McKENZIE: Want me to make you a copy, Steve?
5 MS. DEJOHN-ERMEY: Here, he can just have mine.
6 I'll use yours.
7 MR. McKENZIE: Here you go.
8 MR. KING: This is my original packet.
9 MS. HARGIS: No, it wasn't on that.
10 MR. KING: Okay, thanks. Okay, C.I.P.
11 MS. HARGIS: The 2013 stuff is going to have to be
12 moved to 2014.
13 MR. KING: Yep. Slide both of those over, do you
14 think?
15 MS. HARGIS: Yeah, because you're not going to
16 present it to us until October 1. It can't go in this year's
17 budget.
18 MR. KING: I understand. All right, we'll slide
19 both those over.

20 MR. MOSER: What are you saying?
21 MR. KING: Saying we're going to have to slide the
22 625 and 625 over to '14-'15.
23 MR. MOSER: Oh, yeah. Okay.
24 MR. KING: Right?
25 MR. MOSER: Because -- yeah, we're not going to get

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1 funds in '13 anyway.
2 MR. LIVERMORE: So the 625 from '13 really goes
3 over to '15.
4 MR. MOSER: Right.
5 MR. KING: New taxiways at airport, possible TexDOT
6 funding. How possible is that, Bruce?
7 MR. COWDEN: That's what --
8 MR. MCKENZIE: 2014, maybe, the hangars.
9 MR. KING: We'll move it over.
10 MR. LIVERMORE: The 120 is going to where, '14?
11 MS. DEJOHN-ERMEY: '14.
12 MR. KING: Yeah. RAMP grant stays. Site
13 preparation for hangar development, that gets moved over.
14 MS. HARGIS: Has to.
15 MR. MOSER: Yeah, it would.
16 MR. KING: Yeah, 'cause we have to present it.
17 Okay. What about -- and the RAMP grant's okay?
18 MR. MCKENZIE: Yes, sir.
19 MR. KING: Okay. That look okay? Anybody have
20 questions?
21 MR. MOSER: Hmm-mm. Looks good.
22 MR. KING: Okay. Motion to approve?
23 MR. LIVERMORE: Both together?
24 MR. KING: Both the C.I.P. and the budget.
25 MR. MOSER: So moved.

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1 MR. LIVERMORE: Second.
2 MR. KING: Discussion? All in favor?
3 (The motion carried by unanimous vote, 4-0.)
4 MR. KING: Four-zero. And the budget to be

5 presented, we will present the proposed budget with the
6 management contract with an Option B budget with no
7 management contract.

8 MR. LIVERMORE: Is that included in your motion,
9 Tom?

10 MR. MOSER: Yes.

11 MR. KING: Yeah, I think we should. So, that
12 motion that Tom made is to approve the budget with the
13 management contract to be presented, with an Option B of a
14 proposed budget --

15 MR. MOSER: Just with an option.

16 MR. KING: -- with no management contract, and both
17 of those budgets would be approved by the Airport Board. Is
18 that okay?

19 MR. MOSER: Correct.

20 MR. KING: All right. Anything else? Motion to
21 adjourn?

22 MR. MOSER: So moved.

23 MR. LIVERMORE: All in favor? Adjourned.

24 (Airport Board meeting adjourned at 11:01 a.m.)

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1 STATE OF TEXAS |

2 COUNTY OF KERR |

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

4 Texas, do hereby certify that the above and foregoing is a
5 true and complete transcription of my stenotype notes taken
6 at the time and place heretofore set forth.

7 DATED at Kerrville, Texas, this 25th day of May, 2012.

8 _____
9 Kathy Banik, Texas CSR # 6483
10 Expiration Date: 12/31/12
11 Official Court Reporter
12 Kerr County, Texas
13 700 Main Street
14 Kerrville, Texas 78028
15 Phone: 830-792-2295
16

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