

1 AIRPORT PLANNING COMMITTEE

2 Wednesday, July 15, 2015

3 10:30 a.m.

4 Airport Terminal Conference Room

5 1877 Airport Loop Road

6 Kerrville, Texas

7

8 MEMBERS PRESENT:

Kirk Griffin

9 Tom Bowen

10

11 AIRPORT BOARD STAFF PRESENT:

Bruce McKenzie, Airport Manager

Carole Dungan, Executive Assistant

12

13 COUNTY STAFF PRESENT:

Tom Moser, Commissioner Pct. 2

14 Jonathan Letz, Commissioner Pct. 3

James Robles, Assistant Auditor

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16 CITY STAFF PRESENT:

Jack Pratt, Mayor

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

2 MR. MCKENZIE: We put this on the agenda.
3 I was asked to put this on the agenda about six weeks
4 ago. We've added a couple of things to it, and I'll be
5 glad to revisit any of that.

6 The first thing on this agenda is the
7 additional T-hangars that Commissioner Moser wanted on
8 this list. That is certainly something that is in our
9 future. We want them, but prior to that, we need to,
10 again, address our runway and our taxiway, our smallest
11 runway and smallest taxiway, which is 321 and the
12 parallel, as well as Echo, which is this taxiway right
13 here.

14 COMMISSIONER MOSER: I guess my question
15 would be: Where do we stand on being in the queue?

16 MAYOR PRATT: That's my question. Where do
17 we stand on -- why don't you bring us up to date on TxDOT
18 funding?

19 MR. MCKENZIE: I will. I appreciate the
20 question. I will bring this to the board at our meeting
21 Monday. We are going to be -- we're now in the queue to
22 get that fixed. The design stage is next year, which is
23 '16.

24 MAYOR PRATT: Tell us how much we've got in
25 the funds now.

1 MR. MCKENZIE: We have \$150,000 in primary
2 entitlement funds right now.

3 MAYOR PRATT: And that's -- that's
4 earmarked for what?

5 MR. MCKENZIE: That's earmarked for this
6 taxiway project.

7 MAYOR PRATT: Okay.

8 COMMISSIONER MOSER: Just talk about the
9 hangars right now. That's the subject we're on. Where
10 are we on the queue for hangars?

11 MR. MCKENZIE: We're on the queue second --
12 that's second after the taxiway project is completed and
13 the runway. That's the second thing up. So we're in our
14 capital improvement plans.

15 COMMISSIONER MOSER: Talk in --

16 MAYOR PRATT: Talking --

17 COMMISSIONER MOSER: Talk in calendar
18 years.

19 MR. MCKENZIE: Calendar years, we're
20 probably talking three years before we can even address
21 building a new set of hangars.

22 COMMISSIONER MOSER: Three years.

23 MAYOR PRATT: Three years.

24 MR. MCKENZIE: Yes, sir.

25 MAYOR PRATT: The \$150,000 for taxi, that's

1 for '16, right, or is that '15?

2 MR. MCKENZIE: That's money we have now.
3 We'll get another \$150,000 next year. That will all go
4 towards this taxiway, runway rehab.

5 MAYOR PRATT: How much will that pay for
6 that?

7 MR. MCKENZIE: It's going to be about an
8 \$800,000 project.

9 MAYOR PRATT: So we're going to be short
10 \$500,000.

11 MR. MCKENZIE: Well, we'll have to come up
12 with \$50,000. It's a 90/10 project. We've got the
13 \$50,000. TxDOT will pay the 90 percent. We'll pay our
14 10 percent.

15 MAYOR PRATT: So we've got the money there.

16 MR. GRIFFIN: Yes. The project is going to
17 happen.

18 MAYOR PRATT: So that's going to happen in
19 '16?

20 MR. GRIFFIN: Yes, sir.

21 MR. MCKENZIE: The designing phase.

22 MAYOR PRATT: '16.

23 MR. GRIFFIN: Construction will happen in
24 '17.

25 MR. MCKENZIE: '17 or '18.

1 MAYOR PRATT: So the design stage is in
2 '16. Construction '17 or '18. So then we -- then to go
3 back to the T-hangars as Bruce was -- then we've got to
4 do the same thing, kind of, that we've done to this point
5 and since we did our latest set of T-hangars. We've got
6 to get our entitlement funds back on the positive side so
7 that then we can go start that process.

8 COMMISSIONER MOSER: So do we need to -- on
9 the hangars, is there some schedule for applying for that
10 three years out?

11 MR. MCKENZIE: They're putting us now on
12 the CIT right now.

13 COMMISSIONER MOSER: Okay. So we've done
14 all we need to do.

15 MR. MCKENZIE: Yes, sir.

16 MR. GRIFFIN: We're in the queue for it,
17 but it's just the timing.

18 MAYOR PRATT: That was the reason -- Tom,
19 that was the reason for my questioning on the money.

20 MR. GRIFFIN: Right.

21 MAYOR PRATT: When do we get to that
22 T-Hangar?

23 MR. GRIFFIN: The turn on it -- engineering
24 is probably three years.

25 MAYOR PRATT: I'm going to see if we can't

1 back up a little bit. If we've got to go through design
2 stage on that again.

3 MR. GRIFFIN: Right.

4 MAYOR PRATT: Can't we do some of that --
5 spend some of this money now?

6 MR. GRIFFIN: Probably in '16 we could --
7 late '16 we could probably get TxDOT to address it. I
8 don't know. Bruce, what do you think?

9 MAYOR PRATT: So, therefore, we get a year
10 sooner if we --

11 MR. GRIFFIN: Right. Well, we said --
12 after we finished those six months ago, we said it would
13 be a year before we could get going. We got going on
14 this a little bit earlier, so it got back in the queue a
15 little bit earlier.

16 MAYOR PRATT: So let's say -- from a
17 strategic planning point of view, let's see if we can't
18 use some money for design stage to start the process
19 sooner.

20 MR. MCKENZIE: That's what I've done.

21 MAYOR PRATT: Okay.

22 MR. MCKENZIE: That's what I've done. I
23 pushed it. Push it is not a good word, but I have
24 advanced this process as far as I can.

25 MR. GRIFFIN: We've opened the doors with

1 the 90/10 TxDOT money as soon as we could.

2 MAYOR PRATT: Okay.

3 COMMISSIONER LETZ: The hangars will be
4 90/10, also?

5 MR. MCKENZIE: Yes, sir.

6 COMMISSIONER LETZ: Is there -- if the City
7 and the County put up some -- could we expedite it by
8 budgeting some money to do some of the work?

9 MR. GRIFFIN: Oh, sure.

10 MR. MCKENZIE: It won't expedite it. It
11 will help pull the pressure off of TxDOT with their
12 funding. I don't know that we can push it forward any.
13 We've still got to be in the --

14 COMMISSIONER LETZ: I wouldn't want to
15 spend the money unless it's going to push it.

16 (Multiple speakers.)

17 MAYOR PRATT: I agree. If we could spend
18 the money to speed up the process and get it sooner than
19 '17 or '18, hey, I'm for that. But if it's not going to
20 do it, I don't want to spend the money.

21 COMMISSIONER LETZ: I agree.

22 MR. MCKENZIE: And if I could interject
23 this: We're in a good position with these hangars right
24 now because we've got 10 people on a waiting list right
25 now. That's a good place to be. We don't have 12. We

1 have 10 that are on a waiting list right now and I know
2 I'm going to lose two of those.

3 COMMISSIONER MOSER: But don't forget when
4 we started the last project, there was a lot of
5 apprehension. We've looked at --

6 MAYOR PRATT: People don't have them --

7 COMMISSIONER MOSER: -- and we said BS, you
8 know.

9 MR. MCKENZIE: We'll --

10 COMMISSIONER MOSER: Look at
11 Fredericksburg.

12 MR. MCKENZIE: I just want y'all --

13 MAYOR PRATT: I think we're all on the
14 positive side here rather than the negative side. And
15 that is that we've got people on the list. It's going to
16 fill up when we build it.

17 MR. MCKENZIE: Yeah, it will. I just
18 wanted to make that -- we've got ten right now.

19 COMMISSIONER MOSER: I think Jack is right.
20 I don't think there's any doubt.

21 COMMISSIONER LETZ: And the process would
22 be the same as last time with the City and County doing
23 some of the dirt work and some of that?

24 MR. MCKENZIE: If both owners agree, that's
25 the way we'd like to do it. It gets done a lot --

1 COMMISSIONER MOSER: We can plan it three
2 years in advance.

3 MR. GRIFFIN: And, actually, to kind of go
4 back to what happened in San Marcos, TxDOT loved what
5 happened with that, you know, because everybody had a
6 piece of the pie, essentially.

7 MR. MCKENZIE: It worked. They were very
8 pleased with the ownership.

9 MR. GRIFFIN: I have a feeling if we go
10 forward again and they've got 90/10 money available and
11 we say, Hey, our owners are willing to do the same thing,
12 I think they'll stand up and salute it awful fast.

13 MAYOR PRATT: Okay. I think we're all on
14 the same wavelength here. Let's move on to the paint
15 hangar plans.

16 MR. MCKENZIE: I have a gentleman that is
17 interested in leasing that paint hangar for the purpose
18 of working on airplanes. I had the fire marshal, the
19 assistant fire marshal and the chief building inspector
20 out here last week. We all looked at that building. The
21 chief building official, Danny Batts, said he would have
22 to go back and do a little research, but initially he
23 didn't see an issue with it. But, here again, he said, I
24 need to research this a little bit.

25 COMMISSIONER MOSER: And I can tell you

1 what also he said. He said he needs to see the plans for
2 the purpose of the thing.

3 MR. MCKENZIE: He never told me that. He
4 never asked for that.

5 MAYOR PRATT: Well, we need to have --
6 unless Mooney has got some, I don't have any.

7 MR. BOWEN: I don't.

8 MR. MCKENZIE: I don't know if Tom's got
9 any or not.

10 MR. BOWEN: No.

11 MAYOR PRATT: But you can't determine what
12 needs to be done from -- under the ordinance, you've got
13 to know what the purpose is.

14 MR. MCKENZIE: Well, he hasn't asked me for
15 that, so I'll see if I can contact Danny and see.

16 COMMISSIONER MOSER: I think the guy that
17 wanted to lease it, just he wanted a positive position
18 that the airport board would say yea verily. It was
19 receptive to the idea. And he just didn't want to create
20 a lot of documentation. I think what Jack is saying is
21 right. The building inspector has to say yes or no to
22 something.

23 MAYOR PRATT: It can't just be nothing.

24 MR. MCKENZIE: I've been through this
25 before.

1 MAYOR PRATT: But if you get them to
2 present some plans, then the City can look at it, but
3 until we get plans, we really can't give anything.

4 COMMISSIONER LETZ: Do they need to be full
5 construction plans or concept plans?

6 MAYOR PRATT: I think right now concept
7 would help.

8 MR. MCKENZIE: And if we don't have any?

9 COMMISSIONER LETZ: I mean, if they have a
10 business plan, they've got to have a concept plan, how
11 they're going to lay it out.

12 MR. MCKENZIE: Does that mean that the
13 airport board has got to go spend money --

14 COMMISSIONER LETZ: No. No.

15 MAYOR PRATT: No.

16 MR. MCKENZIE: -- to go draw up a set of
17 plans like --

18 COMMISSIONER MOSER: No.

19 MAYOR PRATT: No.

20 MR. BOWEN: I think you're talking about
21 two different plans. I think you're talking about a
22 building construction plan and they're talking about a
23 business plan.

24 MR. MCKENZIE: So we just need --

25 COMMISSIONER MOSER: The concept on how

1 you're going to use --

2 MAYOR PRATT: No. The concept on how the
3 building is going to be utilized.

4 MR. MCKENZIE: From the lessee's
5 perspective.

6 COMMISSIONER MOSER: Right. That ball is
7 in his court.

8 MR. MCKENZIE: The other part of this
9 equation is the fire marshal and the assistant fire
10 marshal said the building needed to be brought up -- the
11 electrical code needed to be brought up the current
12 standards.

13 MAYOR PRATT: As well as the fire.

14 MR. MCKENZIE: And he said the onus -- he
15 looked at me and said, The onus is on you to see what
16 that is. I have a meeting tomorrow at -- I think it's
17 10:00 -- with Guadalupe Electric, and we're going to walk
18 through the building and then we'll see what he says it's
19 going to take to bring that building up to code.

20 COMMISSIONER LETZ: How old is that
21 building?

22 MR. MCKENZIE: It's over 40 years old, I'm
23 reasonably sure. Wouldn't you think so?

24 MR. BOWEN: Yes.

25 MAYOR PRATT: I tell you what. In my

1 opinion, for whatever it's worth, it's a tear-down
2 building.

3 MR. GRIFFIN: Actually, the structure is
4 good. The structure is sound.

5 COMMISSIONER LETZ: It depends how you use
6 it.

7 MR. MCKENZIE: The doors are all shot.

8 MAYOR PRATT: I mean, it's pretty bad
9 shape.

10 MR. MCKENZIE: The building structure
11 itself is solid.

12 MR. GRIFFIN: It's solid.

13 MAYOR PRATT: You could use the steel
14 frame, but you'd have to take everything else off.

15 MR. BOWEN: Especially for maintenance
16 because the way the bays are constructed --

17 MR. GRIFFIN: Well, the cinderblock adds an
18 issue.

19 MR. MCKENZIE: It's four pieces of pie is
20 what it is.

21 COMMISSIONER MOSER: So where are we
22 stand -- where are we with Mooney on that building?

23 MR. BOWEN: We have no plan at this time.

24 COMMISSIONER MOSER: Okay. So you would be
25 willing to give that back to the airport?

1 MR. GRIFFIN: It's already ours.

2 COMMISSIONER MOSER: It's ours. That's my
3 question.

4 MR. MCKENZIE: We got it last March.

5 COMMISSIONER MOSER: Okay. That's what I
6 didn't remember.

7 MR. MCKENZIE: 17 and 18 are ours.

8 MAYOR PRATT: Although they have first
9 right.

10 MR. GRIFFIN: Yeah.

11 MAYOR PRATT: They have first right, and we
12 always have to remember that.

13 MR. GRIFFIN: Tom, everything outside of
14 their fence on our property -- there's three buildings
15 over there, we essentially own those. They gave them
16 back to us last year.

17 COMMISSIONER MOSER: 17, 18 and 19.

18 MR. GRIFFIN: Yes, sir.

19 COMMISSIONER MOSER: Okay.

20 MR. GRIFFIN: They're 17, 18 and 19.

21 MAYOR PRATT: Can we agree that we've
22 talked about paint hangar? I'm trying to move this on so
23 she can get out of here.

24 Alamo Community College.

25 MR. MCKENZIE: That lease expires one year

1 from almost today. I have, for the record, seen minimal
2 activity at that structure.

3 MR. GRIFFIN: Since we've re-signed the
4 lease, I've seen one day.

5 MAYOR PRATT: I've kind of had some
6 conversations on a very minimal, like passing thing. The
7 lease is of no expense. It's a free lease if you get
8 that --

9 MR. MCKENZIE: It's a dollar.

10 MAYOR PRATT: Yeah, it's a dollar. So
11 they'll -- they're willing to keep the lease. But on
12 this other side of the coin, if we have somebody that is
13 a true economic development, then we need to consider
14 terminating the lease, which we can do anytime, for
15 somebody who's going to bring in jobs.

16 That was -- that lease was originally
17 established for a welding school and other types of
18 training. And Fox Tank is not using that welding school,
19 will probably never use it because since they've got
20 their certification, the welding school doesn't teach
21 welding to pass those certifications tests. So I think
22 you have to ask why is it there.

23 COMMISSIONER LETZ: Right.

24 COMMISSIONER MOSER: One thing we don't
25 want to do is do like we did on the Mooney facility is

1 ignore it and let it go to hell in a hand basket.

2 MAYOR PRATT: Yeah.

3 COMMISSIONER MOSER: So somebody --
4 somebody has got to be responsible for looking at the
5 roof is leaking or whatever. Is that Alamo College or is
6 that ourself?

7 MR. MCKENZIE: They do watch it. I watch
8 it as well. They maintain it. I've watched them over
9 there fixing things. They mow. They fix the doors.
10 They just spent --

11 COMMISSIONER MOSER: So we've got the
12 right -- you, the airport board, has the right to go in
13 there and look at any --

14 MR. MCKENZIE: I do.

15 MAYOR PRATT: So you ought to go in there
16 every six months and take a look.

17 MR. MCKENZIE: I do. I do. Absolutely, I
18 do.

19 MAYOR PRATT: How about Mooney roof
20 repairs?

21 MR. MCKENZIE: Do you want to speak to
22 that, Tom, or do you want me to?

23 MR. BOWEN: I don't have a lot of detail.

24 MR. MCKENZIE: They've moved along
25 expeditiously since they started about seven weeks ago.

1 They've done a lot of work. There's a printout on that.

2 MAYOR PRATT: What's the percentage at now?

3 MR. MCKENZIE: They're probably 35 to
4 40 percent complete right now.

5 MAYOR PRATT: Okay. And that's in how many
6 days?

7 MR. MCKENZIE: They've been there seven
8 weeks. They've probably been there 55, 50 days.

9 MAYOR PRATT: So I'm just trying to prorate
10 that out.

11 MR. GRIFFIN: We're looking at a quarter --

12 MAYOR PRATT: So about another 14 weeks.

13 MR. GRIFFIN: They're about a quarter --

14 MR. MCKENZIE: We're looking at
15 Thanksgiving.

16 MAYOR PRATT: Thanksgiving.

17 COMMISSIONER MOSER: To be finished?

18 MR. MCKENZIE: It's like always. We're
19 looking at Novemberish to get them out of Tom's way.

20 MAYOR PRATT: Tom, I've got question for
21 you. You may not have the answer. Are they within,
22 under budget, over budget?

23 MR. BOWEN: They're projecting to be over
24 budget right at this point.

25 MAYOR PRATT: Okay.

1 MR. BOWEN: I believe you and Barry have
2 had that conversation.

3 MR. MCKENZIE: We've had that conversation,
4 and I made it clear in that meeting with all parties,
5 including the contractor, present that the City and the
6 County have pushed their million dollars. They're all in
7 the middle of the table. We're done. If they go over,
8 it's -- the onus is on Mooney.

9 MAYOR PRATT: Is the overage because of
10 change orders?

11 MR. MCKENZIE: There's been no change
12 orders yet.

13 MR. BOWEN: I don't believe so. I believe
14 they're finding --

15 MAYOR PRATT: They're finding more --

16 MR. BOWEN: -- deteriorated -- there's more
17 deteriorated structure.

18 MAYOR PRATT: Which is adding more to the
19 cost.

20 MR. MCKENZIE: Yeah.

21 MAYOR PRATT: That's a change order.

22 MR. MCKENZIE: That hasn't been -- nobody
23 has approved anything yet. They're still working within
24 the confines of the contract.

25 MAYOR PRATT: That was my question.

1 COMMISSIONER MOSER: Let me -- from my
2 perspective, and Tom can weigh in on this, but if they
3 bump up against that million and a half, as the owners of
4 that building, okay, and to our tenants, I'm not -- I
5 don't agree with the onus is on Mooney.

6 MR. MCKENZIE: Okay. Well, I didn't have
7 that authority to tell them --

8 COMMISSIONER MOSER: I know. I just
9 said -- we've got to come back to the table on that.

10 MR. MCKENZIE: Okay. And that's true.

11 COMMISSIONER MOSER: And see what it is.
12 And, in all fairness, I think it's our building.
13 They've -- I think it's -- I think we need to look at
14 that jointly if --

15 MR. MCKENZIE: And we will.

16 COMMISSIONER MOSER: Right.

17 MR. MCKENZIE: Absolutely.

18 COMMISSIONER MOSER: But don't take the
19 attitude, from my perspective, that it's up to Mooney.

20 MR. BOWEN: Well, that was my next
21 question. If it's up to us, then what authority do we
22 have.

23 COMMISSIONER MOSER: Right.

24 MR. BOWEN: Can we exclude a building or
25 part of a building to meet the budget requirements?

1 MAYOR PRATT: That was in the original --
2 or the -- I won't say the original, but the last
3 discussions of the contract was that you could make the
4 decision on --

5 MR. BOWEN: We, Mooney.

6 MAYOR PRATT: You make the decision on
7 where to cut to meet the budget.

8 COMMISSIONER MOSER: I think you've got the
9 flexibility.

10 MR. BOWEN: And we're prepared to do that.
11 I just don't want to go outside of what you expect --

12 MAYOR PRATT: You have that authority to do
13 it.

14 MR. BOWEN: We'll inform you every step of
15 the way.

16 COMMISSIONER MOSER: I think if you've got
17 a change, you're going to eliminate a building or
18 something, you've got to come back to the City and
19 County.

20 COMMISSIONER LETZ: I think, you know, at
21 probably the 75 percent point we need to have a really
22 good discussion as to where they are.

23 COMMISSIONER MOSER: Right.

24 COMMISSIONER LETZ: Because until you get
25 to that point, they may come in under a little bit

1 somewhere. Doubtful, but...

2 COMMISSIONER MOSER: Right. Or there may
3 be some options. So let's see, when would you that be,
4 ballpark?

5 COMMISSIONER LETZ: September.

6 MR. MCKENZIE: September.

7 COMMISSIONER MOSER: September.

8 MR. GRIFFIN: September.

9 COMMISSIONER LETZ: I mean, a pretty
10 detail --

11 MR. GRIFFIN: They're going to know pretty
12 good by September where they stand.

13 COMMISSIONER MOSER: So we'll say review in
14 September. Okay. Good.

15 MAYOR PRATT: How about future capital
16 improvements? I've got something to add to that.

17 MR. MCKENZIE: Sure. Go right ahead.

18 MAYOR PRATT: The -- we're always -- let me
19 just say this: If there was an empty building out here
20 on the property of the airport that was, say, 40,000
21 square feet, I think today we could find somebody to
22 lease it. So from a strategic planning point of view,
23 are we willing to say, Okay, maybe we need to look at
24 building a building on the airport that's -- and I'm just
25 throwing out numbers, don't hold me to it -- 40,000

1 square feet to build a building and then go out and try
2 to market it sort of like we did the T-hangars.

3 MR. GRIFFIN: You know, a thought that I've
4 bounced around with some other folks over time and some
5 of it at other airports -- and maybe this is where we
6 attack versus putting -- versus a structure, Mayor. One
7 of the -- one of the things that holds us from developing
8 the rest of the west side of the airport north of
9 Mooney's facilities is the infrastructure piece, getting
10 the power and the water and the sewer in there.

11 To be quite honest, with some discussions
12 that I've had with people and that kind of stuff, if we
13 had that infrastructure in, if we had -- you know, if we
14 could get the underground services taken care of, I think
15 we could lease footprints for buildings very easily.

16 MAYOR PRATT: That's my point.

17 MR. GRIFFIN: Well, and so --

18 MAYOR PRATT: And there is a lot of
19 infrastructure already out here.

20 MR. GRIFFIN: There's a bunch -- what we
21 need to do is extend it north from where it is.

22 MAYOR PRATT: But you have to be careful.
23 You can extend it, and we're willing to do that, but then
24 you got to know what you're going to extend it to to know
25 what size piping you're going to do.

1 MR. GRIFFIN: Right. And that's kind of --
2 you know, we're kind of -- but as opposed to investing
3 \$500,000 into a large building and then having to put the
4 infrastructure in as well, I think there may be some
5 options where we put the -- we establish what our -- kind
6 of our design load would be for all those services and
7 get that infrastructure put in, so that then somebody
8 could privately fund an effort that's --

9 COMMISSIONER MOSER: Well, I think it's --
10 I don't disagree with Jack, but I think --

11 MR. GRIFFIN: Yeah. I think --

12 COMMISSIONER MOSER: -- if somebody has a
13 potential -- let me finish -- if somebody has a potential
14 need for something out here, then we say, What's your
15 need?

16 MAYOR PRATT: Here it is.

17 COMMISSIONER MOSER: Then you look at the
18 options. Do you do a land lease? Do you do a --

19 MR. GRIFFIN: Well, in --

20 COMMISSIONER MOSER: Let me finish -- build
21 to lease, or do we have some joint project? It's kind of
22 like -- and we'll get to it here in a minute -- the new
23 Mooney facility. It's the same thing. There's an idea
24 that they want to do something, well now, we've got to
25 look at, you know, how viable is that plan that Mooney

1 has and what are the options for us? Build it ourself?

2 Does Mooney build it? It's complicated.

3 MR. GRIFFIN: To answer a little piece,
4 we've got an area right now that has all the services
5 that's ready to go in between Styrene's and --

6 MAYOR PRATT: And I'm not talking about
7 runway space. I'm talking about --

8 MR. MCKENZIE: All this behind --

9 MR. GRIFFIN: No. That's -- exactly. I
10 mean, we've got a place right now that somebody could
11 come in and put a 60-by-100 foot building.

12 MR. MCKENZIE: 150-by-150.

13 MR. GRIFFIN: Yeah. Literally tomorrow.
14 And it's got services right there.

15 MAYOR PRATT: That's my point.

16 MR. GRIFFIN: That one is ready to go.
17 That area is ready to go.

18 MAYOR PRATT: And I think if we -- from a
19 strategic planning point of view, we need to look at that
20 because I think if you look at all that's going on right
21 now in Kerrville, in the county, lots of construction,
22 more is coming.

23 MR. GRIFFIN: Oh, yeah.

24 MAYOR PRATT: And the more we're prepared
25 for it, the better off we are.

1 COMMISSIONER MOSER: Well, does the master
2 plan fit your need there of saying here's some sites?

3 MAYOR PRATT: Well, I mean, the master plan
4 says here's some sites. What I'm saying is, Hey, let's
5 build something on the site.

6 COMMISSIONER LETZ: You're talking about --
7 we're talking about that area primarily back over here.

8 MAYOR PRATT: Yeah.

9 COMMISSIONER LETZ: Non-aviation use.

10 MAYOR PRATT: Yeah. It can be anything.

11 COMMISSIONER LETZ: One of the things to me
12 that is relatively cheap is road access. I mean, coming
13 around the way you have to come right now -- have we ever
14 looked at how you can tie in off of Al Mooney, Peterson
15 Farm to get up over to there without -- because roads --
16 we can do those --

17 MR. GRIFFIN: Right.

18 COMMISSIONER LETZ: Plan them and they're
19 relatively inexpensive, and it's going to be a cost at
20 some point to get access into those areas.

21 MAYOR PRATT: Well, you make a good point
22 and you're exactly right and I agree with you. I think
23 the thing that we need to look at is -- one of the first
24 things is can the county pave Peterson Farm Road and get
25 it up to standard because it's not a good road right now.

1 COMMISSIONER LETZ: Well, Peterson Farm is
2 not the access to me. The access should be off Al
3 Mooney.

4 MAYOR PRATT: Right. Well --

5 COMMISSIONER LETZ: And I'm saying that
6 because Peterson Farm is -- we can widen it, but it's
7 still not a -- from a commercial standpoint, we need to
8 get from there to 27.

9 MAYOR PRATT: And let me throw something
10 out at you that may change that thinking. There's
11 88 acres that's on there, on Peterson Farm Road. And
12 there's a strong possibility that maybe we might be
13 building something there soon.

14 COMMISSIONER LETZ: Is it on the
15 property --

16 MAYOR PRATT: The old USDA.

17 COMMISSIONER LETZ: USDA property?

18 MAYOR PRATT: Yeah.

19 COMMISSIONER LETZ: Okay.

20 MAYOR PRATT: And so the Peterson Farm Road
21 needs to be repaired to make that more accessible.

22 COMMISSIONER LETZ: I don't know that
23 Peterson Farm Road needs work, but I think even for that
24 property, to me the primary -- and it may not -- it may
25 cost so much to get to 27 without using Peterson Farm.

1 It may not be viable, but I think we should look at it
2 from an engineering standpoint is that if you could cut
3 through there, boy, it would sure make all that
4 Peterson -- a lot of that property at the end of Peterson
5 Farm much more developable to me.

6 MR. GRIFFIN: We already own both sides of
7 that.

8 MAYOR PRATT: I just think that --

9 COMMISSIONER LETZ: There's some creeks
10 that are pretty -- Silver Creek is pretty --

11 MAYOR PRATT: That's a good point, but then
12 the question is how about the expansion of Mooney?

13 COMMISSIONER LETZ: Right.

14 MAYOR PRATT: You know, they need space,
15 and if that expansion ever occurs, we don't want to
16 jeopardize it. And I think when the -- if the
17 18-wheelers are needed, you're going to need Peterson
18 Farm Road. Al Mooney is not going to be the road to use.

19 COMMISSIONER LETZ: I think what I'm saying
20 pretty much is it would make sense, probably, to do some
21 sort of a survey study from a more geography standpoint,
22 than anything else, and traffic standpoint, as to how do
23 we -- what's the best way to improve that whole area. I
24 mean, there's some other properties that, you know,
25 likely could be bought out of Castlecombs to connect --

1 get on the other side of Silver Creek and go right
2 through because the Abel property I bet will be on the
3 market because Danny Abel died. I mean, his sons, you
4 know, they keep a warehouse there.

5 MAYOR PRATT: Danny?

6 COMMISSIONER LETZ: Big Dan. Or older Dan.
7 Whatever you want to call him.

8 MAYOR PRATT: Danny is the father. Dan's
9 the son.

10 COMMISSIONER LETZ: Yeah, I know.

11 And I'm -- you know, there's some -- and
12 there's other options. I think we need to look at that
13 whole corner and say how do we develop this.

14 MAYOR PRATT: I think you're right. I
15 guess we need to take that to the board and say, Hey, we
16 need to do something about this.

17 COMMISSIONER LETZ: I don't know if
18 that's -- I'm not sure that's totally an airport board
19 issue. I think it's almost a joint --

20 COMMISSIONER MOSER: Right.

21 COMMISSIONER LETZ: -- City/County
22 function.

23 COMMISSIONER MOSER: I don't think it's
24 airport board.

25 MAYOR PRATT: No, but the Peterson Farm

1 Road would be more County.

2 COMMISSIONER LETZ: Right. But I'm talking
3 about to develop a plan as to how you get better access
4 into this corner.

5 MR. GRIFFIN: It's the economic development
6 piece of that property versus how we implement that idea.

7 COMMISSIONER LETZ: I think we could -- you
8 know, who's your development -- who's your county
9 engineer or city engineer? Get whoever you all have and
10 Charlie Hastings together to say, Hey, you're two
11 engineers. How do you develop this area. Come up with
12 some options.

13 MAYOR PRATT: I'll tell our people. Are
14 you going to tell Charlie?

15 COMMISSIONER LETZ: We'll tell Charlie.

16 MAYOR PRATT: Get them together.

17 COMMISSIONER LETZ: They can just work it
18 out and we can meet with them or show them kind of what
19 we're talking about. It doesn't cost anything. It's not
20 a high priority, but it's something that needs to be
21 done.

22 COMMISSIONER MOSER: It has some concepts.

23 MAYOR PRATT: Anything else?

24 COMMISSIONER MOSER: On future capital
25 improvements, you got anything to share?

1 MR. BOWEN: Am I allowed to pass this stuff
2 out?

3 COMMISSIONER MOSER: Sure.

4 MR. BOWEN: Okay. I didn't know what the
5 rules were. This is a concept that we've developed --

6 COMMISSIONER MOSER: Let me interrupt. We
7 were talking about developing that, I know that Tom
8 shared -- that's probably what this is. What's the
9 inference to Mooney.

10 MR. BOWEN: Yeah. I have a large format as
11 well.

12 So this is a concept for a new
13 all-composite manufacturing facility which squares out at
14 about 100,000, but it -- some of the major features that
15 you'll see is that it resets the entrance to Mooney with
16 an actual visitor customer access point with a real lobby
17 and a real reception area. And then that is backed up
18 into a production facility, a high bay production
19 facility with mezzanine level offices.

20 And right now at the back of it, we show a
21 small -- we show a paint facility. I'm not sure that's
22 going to make the final cut, but that was one concept to
23 how we solve our paint problem.

24 COMMISSIONER MOSER: Where do you show it?
25 Oh, I see it, prep paint.

1 MR. BOWEN: Prep paint. The major features
2 of this building -- like I said, it's high bay. It also
3 is going to have to be climate-controlled because it is a
4 composite facility. So it will be a four- or five-zone
5 climate-controlled system. It will only do composite
6 fabrication and bonded assemblies. The bonded assemblies
7 from that point will exit that southwest wall and go over
8 to the present final assembly line.

9 Our concept there would be to turn the line
10 around so we complete airplanes from right to left
11 instead of left to right, and then we would exit about
12 mid-building and use that roadway between the preflight
13 and machine shop to access preflight. And then continue
14 our operations out of preflight.

15 Now, what you can see here is that
16 Building 17, of course, would have to be -- and I believe
17 it's appropriate to demolish 17.

18 COMMISSIONER MOSER: Right.

19 MR. BOWEN: We would actually put a barrier
20 beside the Building 18, and then we'd flip the museum
21 over to have a different presentation. Before, you know,
22 the reception center was to the southwest. Now, it's to
23 the northeast or northwest. So I'll let you absorb that
24 a little bit.

25 MR. GRIFFIN: Yeah.

1 MR. MCKENZIE: This is good. This segues
2 right into our paving situation.

3 MR. GRIFFIN: Yeah.

4 MR. BOWEN: Right.

5 MR. GRIFFIN: Definitely helps.

6 MR. BOWEN: I didn't want it to get to the
7 point where -- if you want a larger format. I didn't
8 want it to get to the point where we're going to have to
9 take a step backwards with the whole paving issue.

10 MAYOR PRATT: That's -- paving is the
11 issue -- is the next item on the agenda, so why don't we
12 just throw it in there.

13 MR. BOWEN: Can I just bring up a couple of
14 things about this?

15 MAYOR PRATT: Sure.

16 MR. BOWEN: This is a combined plan, a
17 master plan for us, as you can imagine, for the museum
18 piece and the composite construction piece. Now, these
19 are separate issues because the museum is its own
20 corporation. It's a 501(c)3 and it is funded separately
21 and not under the management control -- or will not be
22 under the management control of Mooney International.

23 So a couple of questions -- or one major
24 question is if we want to -- because I know there's been
25 some inquiries about that building. If we want to tie up

1 that building --

2 COMMISSIONER MOSER: Which building are you
3 speaking to?

4 MR. BOWEN: Building 18, 19. The horseshoe
5 static test, if you will.

6 MR. GRIFFIN: Right.

7 MR. BOWEN: And then the land adjacent to
8 it, you can see we've excluded the paint shop and the
9 fence. How do we go about securing the rights to that
10 property and put them underneath the museum education
11 foundation?

12 COMMISSIONER LETZ: 17 and 18?

13 MR. BOWEN: 17 and 18. And what is going
14 to have to be parking.

15 COMMISSIONER LETZ: The plan doesn't
16 enlarge the footprint.

17 MR. BOWEN: Yeah. Would that be a separate
18 lease? I imagine --

19 MR. GRIFFIN: My take on it, as far as the
20 board would go, is however you guys want to set it up.
21 Since your museum is a separate entity, we probably -- it
22 may be cleaner to write them up as separate pieces when
23 you've got the museum development along -- that far
24 enough along to do that.

25 In the meantime, I'm willing to just deal

1 with this and say, Okay. We'll just take this footprint
2 out of any ideas on the west side of the airport until we
3 define it in the lease with the museum corporation -- for
4 no better term.

5 MAYOR PRATT: From the City's point of view
6 or from my point of view, I'm willing to take the museum
7 and just throw it into the lease.

8 MR. GRIFFIN: I'm just wondering if it's
9 cleaner for them. That's where I -- that's the only
10 reason I --

11 MAYOR PRATT: I don't know because --

12 MR. BOWEN: It's easier to throw it into
13 the lease, but is that the right thing.

14 MAYOR PRATT: I think that it makes it
15 cleaner because it's going to bring -- it's a museum.
16 It's going to bring visitors.

17 MR. GRIFFIN: It's just a different
18 corporation. That was my only -- however, we've just got
19 to get through the legalese piece, but since the museum
20 is a separate corporation from Tom's piece.

21 MAYOR PRATT: Yeah.

22 MR. GRIFFIN: I don't know if...

23 COMMISSIONER MOSER: Tom, on the -- this is
24 on the composite fabrication and engineering and all,
25 that's like 100,000 square feet?

1 MR. BOWEN: If you take the line from,
2 basically, where it says receiving dock.

3 MR. GRIFFIN: Right.

4 MR. BOWEN: If you take that horizontal
5 line and go forward through the reception area, that's
6 100,000 square feet.

7 COMMISSIONER MOSER: Okay.

8 MR. BOWEN: The paint facility is in
9 addition.

10 COMMISSIONER MOSER: Okay. And then what
11 you have in the front, this shaded area, that's a
12 reception?

13 MR. BOWEN: The shaded area that looks like
14 the Mooney tail is landscaping.

15 MAYOR PRATT: That's just raw land.

16 COMMISSIONER MOSER: Okay. That's
17 landscaping.

18 MR. BOWEN: Yeah. That's creative license
19 by --

20 COMMISSIONER MOSER: And then there's the
21 reception there where you show it in the building itself.

22 MR. BOWEN: Yes. So as you can see, it
23 actually extends up to and just beyond building -- the
24 northwest wall of Building 9, which means it covers
25 the --

1 MR. GRIFFIN: Existing.

2 MR. BOWEN: A large part of the existing
3 employee parking area, the gravel parking area.

4 COMMISSIONER MOSER: It looks pretty
5 exciting.

6 MR. GRIFFIN: Yeah, it does. And, like I
7 said, I think we can take this, as an airport board, and
8 block that space out and start dealing with coming up
9 with other ideas now to help.

10 MAYOR PRATT: Let's don't try to keep
11 trying to lease out 17.

12 MR. GRIFFIN: Nobody has been trying to.

13 MR. BOWEN: And that's why when I heard
14 19 -- there was something legitimate working for 19,
15 that's why I had Peter Lewis draw a boundary because
16 we're totally okay with that.

17 The only thing I would say about
18 Building 19 is that I would hate to see it modified to
19 the point where if you lost a tenant in the future and we
20 had an opportunity to rehab it as a paint facility or as
21 something else, that it would be so far modified that we
22 couldn't make a reasonable effort.

23 COMMISSIONER MOSER: I think that's a
24 really good point as we look at something, just not
25 preclude the long term.

1 COMMISSIONER LETZ: Would that mean to keep
2 it -- I guess for future use for paint or something, that
3 you'd want to leave the partitions inside or is it better
4 to have the partitions --

5 MR. MCKENZIE: Those are load-bearing
6 walls, I think, Commissioner.

7 MAYOR PRATT: I think you just leave them
8 there.

9 MR. GRIFFIN: No, those aren't.

10 MR. MCKENZIE: The four inside are not
11 load-bearing?

12 COMMISSIONER MOSER: No.

13 MR. GRIFFIN: No.

14 MAYOR PRATT: You just leave them there
15 because you don't know what the use is going to be.

16 COMMISSIONER LETZ: I guess my question
17 would be would you want those in there for future
18 painting?

19 MR. BOWEN: Well, there's several aspects.
20 The configuration lays out rather well. The way the
21 ventilation is done, albeit it has to be completely --

22 COMMISSIONER LETZ: Redone.

23 MR. BOWEN: -- upgraded. There's also
24 hydraulic lifts in the floor and I would hate to see
25 those hydraulic lifts taken out.

1 in Commissioners' Court on Monday was grate it, blade it,
2 okay, pack it.

3 COMMISSIONER LETZ: Leave it.

4 COMMISSIONER MOSER: Leave it, okay? But
5 fix it for your employees as quickly as possible. And I
6 think your engineer and Charlie met yesterday.

7 MAYOR PRATT: What we came up with was sort
8 of what you said, but if you grade it too much, you're
9 down to dirt and now you got more problems than you
10 started with.

11 COMMISSIONER MOSER: Right. Right.

12 MAYOR PRATT: So we just want to kind of
13 make it where it drains and fill in the -- I want to use
14 the term potholes. They're not potholes.

15 COMMISSIONER MOSER: They're lakes.

16 MAYOR PRATT: Yeah. So fill those, grade
17 it and mash it down.

18 COMMISSIONER LETZ: And might bring some
19 base in.

20 MAYOR PRATT: Huh?

21 COMMISSIONER LETZ: Bring some base in.

22 MAYOR PRATT: We may need some base to
23 fill --

24 COMMISSIONER LETZ: Just to rehab it a
25 little bit.

1 MAYOR PRATT: Yeah. To rehab it. You
2 don't want to blade it.

3 COMMISSIONER LETZ: It would be probably
4 cheaper to build up a little base than to cut down.

5 MAYOR PRATT: That's right.

6 MR. MCKENZIE: Here's what's going to
7 happen moving forward. This happened Monday afternoon
8 and then last night about 7:00 in a preempted meeting.
9 The City has agreed to come in there and fix that just so
10 everyone knows.

11 COMMISSIONER MOSER: Like we talked about.
12 Fix the potholes.

13 MR. MCKENZIE: Fix it and try to help the
14 drainage. As to what we're going to do, Tom -- I've
15 already talked to Barry this morning and Mike Jenschke
16 twice. Within the next week and a half to two weeks, the
17 City is going to bring some equipment in there, probably
18 a blade and a roller, and we're going to bring millings
19 in there that were milled off -- you know, asphalt
20 millings, which are great, fill all the low places up
21 with those. That's free to -- basically free. And fix
22 all that --

23 MAYOR PRATT: Not free, but it's not going
24 to cost anything.

25 MR. MCKENZIE: Blade it and try to get you

1 guys out of the water, like Commissioner Moser said.
2 It's horrible. And then hold right there. Get you guys
3 up and out, and then let's see how this works for
4 everybody.

5 In the next couple of weeks -- and I talked
6 to Mike this morning and Barry both, and they said it was
7 all right to move people around here next week to this
8 parking -- let them park over here, so we need that
9 parking lot clear while this equipment is out there. We
10 will move forward with it. Just so you'll know, in the
11 next couple of weeks, you should see that happening.

12 MR. BOWEN: So the fence will move and the
13 gate?

14 MR. MCKENZIE: Well, we haven't addressed
15 the fence yet. I'm going to address that at the meeting
16 Monday.

17 MR. GRIFFIN: We're going to talk about
18 that Monday.

19 MR. BOWEN: Okay.

20 MAYOR PRATT: We can do this without moving
21 that fence.

22 MR. GRIFFIN: What we're saying is move all
23 your folks over into here, and then do the blade work to
24 the existing.

25 MR. BOWEN: Okay. I thought you meant next

1 Building 17 and use that parking area.

2 MR. MCKENZIE: No.

3 MR. GRIFFIN: No. Use the parking --

4 MR. MCKENZIE: Where the grass is.

5 MR. GRIFFIN: -- to the west on the grass
6 on the side of the hill there.

7 MR. MCKENZIE: That's the plan.

8 MR. BOWEN: Realizing we still have to have
9 employees walk in that area.

10 MR. GRIFFIN: Absolutely.

11 MR. MCKENZIE: And it will be -- and I'm
12 sorry for the inconvenience, but for two or three days
13 they're going to have to walk a couple of hundred yards.

14 MR. BOWEN: Part of the company health
15 incentive.

16 MR. GRIFFIN: There you go.

17 COMMISSIONER MOSER: We apologize for you
18 having to live through that stuff.

19 MAYOR PRATT: What I said at the city
20 council meeting on Tuesday night was that we, the City,
21 because of our paving program because of the rain, we're
22 behind, that we may hire it out rather than do it
23 ourselves, but it will get done.

24 MR. BOWEN: Okay.

25 MAYOR PRATT: We may use -- and we gave the

1 city manager the authority to go out and use a third
2 party, if necessary, to keep from interrupting our paving
3 program because I didn't want to -- that's too important
4 for us right now.

5 COMMISSIONER MOSER: Well, I think it's
6 another good example of Bruce and the city engineer and
7 county engineer look at this thing and understanding the
8 need because of the ponds that are out there. So tell
9 Mooney International we're fixing it.

10 MAYOR PRATT: All right.

11 COMMISSIONER MOSER: And the City is taking
12 the lead on that part so that's fantastic.

13 MAYOR PRATT: So we're down to resolutions,
14 the last one.

15 MR. MCKENZIE: We spoke about -- we
16 addressed that earlier at the top when we talked about
17 the taxiways and the runway. I'll bring the
18 resolution -- we'll have the resolutions ready for the
19 board to approve at our August meeting, and then the next
20 week I'll bring it to the City and the County for your
21 approval and signatures. I have to get that back to
22 TxDOT promptly in a timely fashion because we're going to
23 take that to the Texas Transportation Commission
24 September the 9th.

25 COMMISSIONER MOSER: Tom, is this --

1 MAYOR PRATT: The City has a budget
2 workshop on August 4th.

3 MR. MCKENZIE: Yes.

4 MAYOR PRATT: So I need you to get the
5 dollars to us before that workshop.

6 COMMISSIONER MOSER: In other words, we're
7 not -- that's to stay within this room. Everybody hear
8 that? This is to stay within this room.

9 MR. MCKENZIE: Oh, yes.

10 MR. GRIFFIN: I really appreciate that.

11 (Various conversations.)

12 MAYOR PRATT: We got you out of here at
13 11:15.

14 (Meeting adjourned at 11:15 a.m.)
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1 STATE OF TEXAS

2 COUNTY OF KERR

3

4 I, Sharon L. McDonald, deputy official reporter for
5 Kerr County, Texas, do hereby certify that the above and
6 foregoing is a true and complete transcription of my
7 stenotype notes taken at the time and place heretofore
8 set forth.

9

DATED this 3rd day of August, 2015.

10

11

12

/s/ Sharon L. McDonald
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