

MID-WAY REGIONAL AIRPORT JOINT AIRPORT BOARD MINUTES

A regular meeting of the Mid-Way Regional Airport Joint Airport Board was held on Thursday, July 14, 2011, at 4:00 p.m., in the Administrative Conference Room, at Midlothian City Hall, 104 West Ave E, Midlothian, Texas.

Members Present: Paula Baucum, Chairman
Gary Richter, Vice Chairman
George Kent
Ray Barksdale
David Box
Kyle Ballard

Members Absent: Kent McGuire, Secretary

Others Present: Andy Biery, Airport Manager
Tammy Bowen, Airport Operations
Ray Brindle, Airport Tenant Liaison
Ken Lantz, Partner, Southern Star Aviation
Don Stout, Airport Attorney

Opening: Chairman Paula Baucum called the meeting to order and George Kent gave the invocation.

Board Announcements: Paula Baucum introduced Norman and Hester Pender. Paula told the Board that they are here to film some of the Board meeting as a part of a video that they will be putting together for the Airport. The video will be used on the Airport's website to promote the Airport. The City of Midlothian has graciously volunteered to pay for the video.

Executive Session: The Board adjourned into Executive Session to meet with attorney Don Stout to discuss contemplated or pending litigation as permitted by Texas Local Government Code 551.071, in regards to eviction proceedings, at 4:04 pm.

Regular Session: The Board reconvened to Regular Session at 4:21 pm.

Gary Richter moved to approve proceeding with eviction proceedings, including suit, for tenant in Hangar #14, contingent upon the approval of the City of Midlothian for the cost of the suit; second by Ray Barksdale and carried by a vote of 5-1 with David Box voting in opposition.

Minutes:

Gary Richter moved to approve the Minutes of June 9, 2011 as presented; second by Kyle Ballard. All Ayes.

Financial Report: Andy Biery reported that the Airport is now 75% thru the budget FY cycle. Eighty percent of total planned revenues have been collected. There will be a few of additional sources hit prior to the year end. The old AvGas fuel truck was sold at auction last month for \$1,700, which is not yet reported as income. A reimbursement from TXDOT was received this month in the amount of \$4,900 for RAMP eligible projects, and an insurance reimbursement in the amount of \$4,785 was received for the wind damage. Expenses year to date are 83% of plan, including the \$150,000 contribution to TXDOT for the terminal renovation fund. When that amount is backed out, our total budget is reduced from \$558,000 to \$408,000. Comparing that to expenditures, our total of \$455,000 minus \$150,000 is \$305,000. \$305,000 divided by \$408,000 = 75% spent of planned annual expenditures.

Managers Report:

- a. Operations Report: Andy Biery reported Airport Operations for the month of June.
- b. FBO Report: Ken Lantz reported that they sold a total of 9,380 gallons of fuel in June. Business has started picking back up, with a fair amount of Corporate visitors flying in.

- c. Tenant Liaison Report: Ray Brindle reported that he did not receive any phone calls or emails in June.
- d. Balloon Festival and Air Show: Andy Biery reported that he spoke with Debby Standefer last week and she is close to being finished with her planning, which she will be dropping off the final plans for the event by early next week. Paula Baucum said that she is concerned about fire danger. Andy told the Board that the grass will be cut short, and Debby had said that the Fire Departments will be on site at all times. Ken Lantz said that Southern Star Aviation will be donating three hundred gallons of fuel for the air show, and they will be giving the performers a reduced rate on their fuel.
- e. Terminal Renovation: Andy Biery reported that the Airport has submitted the final drawings to the FAA with Notice of Construction. Construction is scheduled to begin on August 1st. The general contractor met with the tenants of the terminal this morning to begin coordinating the work within spaces that are occupied, and address any concerns. The final GMP (Guaranteed Maximum Price) which falls within our budget was submitted to TXDOT this month by Scott Tucker.
- f. FBO RFP Timeline: Andy Biery reported that July 29th is the deadline for submission of proposals. During the first 3 weeks of August the Economic Development Committee will need to meet regularly to screen and review the proposals. Andy explained that it will not be a public bid opening. The bids will be organized into packets, and submitted to the Airport Selection Committee (Economic Development Committee). It was suggested by David Box that for the sake of transparency, the entire Board and City Managers be invited to attend the opening of the proposals. The Board agreed on a date of Tuesday, August 2nd, to meet at the City of Midlothian for the opening of the proposals. Andy said that he would check with the City to make sure the date works for them, and will get back to the Board with a time.
- g. Potential Restaurant Operator: Andy Biery told the Board that a catering company has expressed interest in the possibility of building out and operating a restaurant at our Airport. Andy said that they are the same people that are currently running the restaurant at Lancaster Airport. The Board agreed that they need to wait until the terminal building construction is complete before moving on to the restaurant plans.
- h. Lease Status for GAST, Bill Ervin: Andy Biery reported that Southern Star Aviation and Bill Ervin have been negotiating the terms of a lease agreement. Andy said that he spoke with Bill, and he indicated that he and his attorney will be working up a draft lease to present to Southern Star. Ken Lantz said that they have some questions, and would like to meet with the Terminal Renovation Committee. Ken said that the questions do not have anything to do with the actual space, but where the money for the lease will be going, etc. Andy told Ken that if the questions are not related to how the building is being built, then the questions should be presented to the Economic Committee.
- i. Receipt of two retired cruisers from Midlothian PD for courtesy cars: Andy Biery reported that the Midlothian City Council approved appropriation of two of their retired cruisers to the Airport for the use as a courtesy car and Airport Operations.
- j. Airport Maintenance: Andy Biery reported that the PAPI's have been repaired and are operational. Pilot controlled lighting is functioning normally. The AWOS needed new bearings for the wind speed and direction indicator this month, at a cost of \$350.

Receive Report from the Budget Committee Chair, Kyle Ballard, on recent activities of the Sub-Committee: Kyle Ballard said that the Committee met once, and they did a preliminary walk thru of the upcoming budget. The Board agreed that the budget should be reviewed and approved by the City Councils. Kyle said that the Budget Committee will make final review of the Airport budget before the August Board meeting, so that it can be submitted to the Cities by September.

Receive report from the Terminal Renovation Committee Chair, David Box, on recent activities of the Sub-Committee: David Box said that on June 23rd the Committee met with Jeff Giles. The Committee reviewed the approved guaranteed maximum price bids. The amount that they submitted was less than what was projected in the original bid. However, in order to accommodate Mr. Bill Irvin, money will be spent to build out the additional lease space. David said that there was some discussion regarding the possibility of moving the wall in the kitchen area in order to extend the office beside it, and asked the Board to give it some thought.

Receive report from the Economic Development Committee Chair, Gary Richter, on recent activities of the Sub-Committee: Gary Richter said that in two to three weeks we should be receiving the notice to proceed for Kaufman and Associates to start working on the Airport Development Plan.

Auction of the Chevy Lumina, Airport Courtesy Car:

Gary Richter moved to approve the auctioning of the Chevy Lumina, Airport courtesy car; second by George Kent. All ayes.

Proceeds of insurance settlement received for wind damage from the 4/11/11 storm: Andy Biery said that the totals were \$4,450 for the sign, \$3,370 for the door, and \$3,000 for the roof vents. Minus a \$2,500 deductible, and depreciated value, the total payment was \$4,785. Andy said that the insurance company pays the Actual Cash Value first, and then upon proof of repair, disperses the depreciated amount. Andy told the Board that the door on the terminal building has already been repaired at a cost of \$3,370. David Box asked Andy to check with the insurance company to see if there are any time restraints for getting the depreciated amounts.

Budget Amendment for items 5431 and 5740 expense accounts:

George Kent moved to approve the transfer \$3,370 from line item 4950-03 (Misc. Revenue - Insurance Reimbursement) to 5431 (Building Maintenance) to cover the cost of the door replacement on the terminal building; second by Gary Richter. All Ayes.

Options for entry signage: Andy Biery told the Board that he would like to have a temporary sign built to be placed in the open space of the damaged sign. This would allow us to attach a banner in that space, which would look professional and meet the code. Andy said that Debby Standefer would like to attach a banner there for the Hot Air Balloon Festival. The cost would be approximately \$150 for the temporary sign. The Board agreed it is a good idea.

Andy Biery updated the Board on the use of the CNB sign. Andy said that to put the sign up in the air where people could see it, the Airport would be required to follow the Beautification of Texas Highways Act. There is a hundred page document of what is required, and it also wouldn't meet Midlothian's codes. Kyle Ballard said that the expense of ongoing operation and maintenance would need to be considered. Kyle told the Board that he spoke with the vendor that will be taking the sign down, and he said that it could cost in the neighborhood of \$5,000 or more to relocate the sign to the Airport. The Board agreed that it would not be cost effective to use the sign. After further discussion on this item, the Board decided to continue looking at other options.

Recent Press Coverage: Andy Biery placed a copy of a couple of news articles in the Board packets. One article from the Waxahachie Daily Light "Shuttle Commander Leads Teachers in Space Program at Mid-Way Airport" and the other from the Dallas Business Journal "Contracts Available for Mid-Way Re-Do".

Public Comments: There were no public comments.

Adjournment: There being no further business,

Ray Barksdale moved to adjourn; second by George Kent. All Ayes.

Respectfully submitted,

Tammy Bowen
Airport Operations