

Minutes of the
GILLESPIE COUNTY AIRPORT ADVISORY BOARD
Monday, October 17, 2016

MEMBERS PRESENT:

Mike Roberts
Gary Stehling
David Smith
Tim Lehmborg
Steve Allen
Keith Keller

STAFF PRESENT:

Roger Hansen, Manager
Calvin Ransleben, County
Liaison
Bobby Watson, City
Liaison

GUESTS PRESENT:

See Atch 1

CALL TO ORDER

The meeting was called to order at 1:30 PM by Chairman Mike Roberts.

APPROVAL OF MINUTES

Minutes of the regular September 19, 2016 meeting were approved.

AIRPORT MANAGER'S REPORT

The next event is November 17- 20, 2016 and is a Bonanza formation clinic.

The Military Bunch for Lunch program remains at \$195.22.

There were no Commissioners Court items at the last regular meeting.

The County T hangars are full.

NEW BUSINESS

Rick Berger of AARC Environmental Inc., presented a brochure on their services for Storm Water Management & Spill Prevention, Control and Countermeasures (SPCC) Planning. See brochure. At attachment 4.

Dick Estenson presented his Airport Proposal for Hawk LLC. Several discussion items took place, Attachment 2 has the details of discussion.

OLD BUSINESS

The advertising for our CIP has begun and the Pre-Bid meeting will be October 19, 2016.

REPORTS

The FBO commented that fuel demand, both Avgas and Jet A, have continued the slowdown from the previous months. The north fuel pump continues a normal sales rate while the

midfield Avgas pump has slowed indicating we may not be seeing as many visitors as we have in the past. Two new large hangar rentals have begun. Rental car use is at record levels and the relationship with Avis is good. The covered parking project is to begin soon. The lawsuit is still pending.

August adjusted sales receipts show a positive growth for both the City and the County. The adjusted receipts page attempts to dampen the wild changes that take place when a company pays taxes forward.

COMMENTS

The manager discussed the above ground power line in the business park and the cost associated with putting the line in the ground and then adding the extension for the Texas A&M Forest Service site. The cost will be split among 3 entities, CTEC, Texas A&M Forest Service and the County.

The manager announced his retirement plans and Attachment 3 has the comments for this discussion.

Next meeting will be November 21, 2016.

ADJOURNMENT

The meeting was adjourned at 3:30 PM.

Attachment 1

List of Visitors:

Rick Berger

Beverly Smith, Ethan Crane, Dennis Neffendorf

Dick Estenson, John Klein, Adam Sheffield, Kel Ireland, Lucas Walker, Courtney E. Walker

Attachment 2

HAWK #1 LLC
CONSIDERATIONS FOR DEVELOPMENT OF LEASE PROPOSAL
Gillespie County Airport Advisory Board
Meeting of Oct. 17, 2016

Management Summary

- Develop a detailed Business Plan to include Pro Forma financial projections (P&L and Balance sheet) from start-up date to probable year of stable business performance (say 8 years).
- Develop an Investment Plan that shows how the business will be financed.
- Consider how the business will be organized. Partnership, Corporation, LLC?
- Who will be the investors and principals? Who will manage the business?
- Output: Detailed Lease Proposal for the review and action of the Airport Advisory Board and Commissioners Court (Airport Sponsor).

General Considerations

- If the business is organized in some form of limited liability company, the Airport Sponsor may require prior approval of change of control.
- Leases are not assignable. No sub-leases without prior approval of Sponsor.
- If sub-leasing of improvements is part of the Business Plan, the Sponsor may require a percentage participation as part of the rent consideration.

Detail Considerations

- The Airport Sponsor's objective for lease-hold improvements are to maximize value to our Airport, the County and City, and our community at large. Typical questions to be addressed:
 - What benefits does the proposed Business Plan bring to us?
 - Does the Investment Plan adequately support the Business Plan?
 - Who are the principals in the business? Who will the Sponsor be dealing with?
 - Will the proposed business be a long-term contributor to our community?
 - Under Grant Assurances the airport must consider financial sustainability
- Lease Proposal details (suggest model on Proposal Number 2004.14, Airport Site Lease for the FBO)
 - Sufficient land to support Business Plan. Likewise, sufficient road access and car park area.
 - Sponsor must insure that lease-hold improvements continue to be used to support Aviation services. Therefore, Sponsor requires prior approval of Sub-lease Agreements.
 - Time Line for construction and development of the business.
 - How will aircraft deliveries be made to the building, is there enough space for big containers?
- In broad terms, the sum of income streams as rent to the Sponsor should be defensible in relation to Fair Market Value of the amount of land in question and its location on the Airport.

Attachment 3

AIRPORT MANAGER SELECTION PROCESS Gillespie County Airport Advisory Board Meeting of Oct. 17, 2016

Key Steps of Process

- Advertise opening; invite applications (Resp: County Offices)
 - County has standard job Application Form
 - Include Job Description
- Receive and evaluate applications (Resp: Selection Committee)
 - Anticipate 24 or perhaps more applications
 - Read ALL applications and reduce to a short list of about 4
 - Must use defined and consistent criteria for evaluations. This process is inherently discriminatory, but it will be legal as long as the criteria are legal and applied consistently.
 - Avoid discrimination complaints. Never apply illegal criteria. Examples:
 - Gender, or sexual preference
 - Race
 - Creed
 - Age
 - Physical Disability
 - Others
- Interview short list of candidates (Resp: Selection Committee)
 - Evaluate and score against previously defined criteria.
 - Select Primary Candidate for recommendation to Commissioners Court
- Introduce Primary Candidate to Commissioners and Judge (Resp: Chair Selection Committee)
 - Anticipate informal discussions with the Candidate.
- If the Commissioners and Candidate conclude with agreement, Finished. If not, present back-up candidate to Commissioners and Judge. (Resp: Chair Selection Committee)

Likely Time Line

- Advertise 3 x weeks in local newspaper. Weeks of Nov 21, Nov 28 & Dec 05.
- Deadline for receipt of applications – Jan 10
- Selection Committee reviews applications and develops Short List – Week of Jan 16 and Jan 23
- Selection Committee interviews Short List candidates. Agree on Primary and back-up candidates - Week of Jan 30
- Present Primary candidate – Week Feb 06.
- Be prepared to present back-up candidate – Week Feb 13.
- New Airport Manager starts March 01, 2017