

## McKINNEY AIRPORT DEVELOPMENT CORPORATION

OCTOBER 16, 2014

The McKinney Airport Development Corporation met in regular session in the Dowdy Board Room, 5900 S. Lake Forest Drive, McKinney, Texas, on October 16, 2014 at 8:00 a.m.

Board members present: John Wroten, Fritz Mowery, Keith Clifton, Kenneth Sipiora, Tom Ferraro, Steve McCarter, and Terry Johnson.

Other Council Liaison/City/Staff/Guests present: Alternate David Vaughn, Mayor Pro Tem Travis Ussery, City Manager Tom Muehlenbeck, Deputy City Manager Jose Madrigal, Trevor Minyard, Jim Wehmeier, Cayti Stein, Sandy Hart, Mark Houser, Adam Wilbourn, and Airport staff Ken Wiegand, Mark Jaraczewski, and Eric Pratt.

The meeting was called to order at 8:02 am by Chairman Wroten.

**14-012** Oaths of Office – City Secretary Sandy Hart administered the oaths of office to David Vaughn, Tom Ferraro, Ken Sipiora, and Terry Johnson.

**14-013** Election of Officers – A ballot prepared by staff was handed out. Chairman John Wroten respectively withdrew his name from the ballot for any office. Fritz Mowery also requested to remove his name from the ballot. Member Sipiora asked if the voting had to be done today. Mark Houser answered that the vote could be delayed as long as current members are still on the ballot. Several members agreed that they would like some time to think about it and talk to other members (one-on-one) to see who would be interested in an officer position. Member Sipiora made a motion to table the item and vote at the next meeting in November. It was seconded by Member Johnson and the motion passed 6-1 with Member McCarter voting not to table the vote.

**14-014** Open Meetings Act Review – City Attorney Mark Houser reviewed the open meeting act guidelines stressing the need to stay on topic and be specific. Mark mentioned that the MADC By-Laws were changed by City Council last year to be more advisory. Items in closed session should relate to what MADC's mission is and/or what advisory charge was given to MADC by City Council. Any items relating to real property, economic development or personnel should have a specific item listed and you should stay on topic. If

you have a legal item listed, you must have an attorney present in closed session. Members cannot vote in closed session.

Chairman Wroten stated that there is confusion about what goes on the agenda and who has final approval. Member Sipiora asked that if the board has a relevant item they want on the agenda, how they can be certain it will be discussed. Mark Houser stated that based on these questions there needs to be more clarification from City Council on what they want MADDC to advise on. Member Ferraro asked what their role is. Member Clifton referred to the October 14, 2013 minutes in which it incorrectly stated that the airport director reported to the board. Tom Muehlenbeck stated that the question to be answered is how what is written in the minutes compares to what is written in the By-Laws. Travis Ussery stated that he would relay the question to the Mayor and provide clarity. Members also had questions regarding the approval of the airport budget. Mr. Ussery stated that he would also ask the Mayor for clarity on this topic. Mark Houser addressed the policy on emails to/from board members. He clarified the role of the alternate board member.

**14-015** Minutes of the McKinney Airport Development Corporation Meeting of September 18, 2014 – A motion was made to approve the minutes and refer them to City Council by Member Sipiora and seconded by Member Ferraro. The motion passed 6-0 with Member Clifton arriving after the vote.

**14-016** Financial Report: FY14 September – Financial Analyst Trevor Minyard reviewed the preliminary September financial reports. He stated that airport staff has done a really good job as revenues are up and the expenses came in under budget. Member Mowery congratulated staff. Trevor also handed out a FY2015 Monthly Budget Analysis to show members the revenues and expenses by month (Oct-Sep) that will be used to compare with the previous year. Member Sipiora asked if the City's transfer amount which was included in the Revenues could be taken out. Trevor stated that he could show an analysis with and without the transfer at next month's meeting. Mark Jaraczewski discussed the importance of keeping the fuel margins in line. He

was asked if fuel customers were happy and Mark replied yes.

**14-017** Liaison Updates: Travis Ussery spoke of the City's number one rating and Tom Muehlenbeck spoke of the chief of police search. Jose Madrigal stated that the dedication of the transient hangar had been moved to December with the date to be announced.

MEDC – Jim Wehmeier discussed the master development of the Gateway project. MCDC – Cayti Stein updated members on various projects including the My McKinney campaign.

**14-018** Airport Director's Report – Ken Wiegand briefed members on his written report attached to the board packet. He also discussed the upcoming aircraft parking apron reconstruction and expansion project.

**14-019** Airport FBO Report – Mark Jaraczewski also briefed members on his written report. He was asked about new tenants, increased fuel sales and the need for more hangars. Fuel flowage reported 888,025 gallons for the FY14 compared to last year at 853,010 gallons.

**14-020** Operations Report – Eric Pratt briefed members on his written report. Air traffic for the FY14 totaled 97,630 compared to 88,605 last year.

**14-021** Consider/Discuss/Act on Hangar and Terminal Planning Options and Priorities. Ken Wiegand and Mark Jaraczewski discussed several options on the Airport Layout Development Plan which was included in the board packet. Priorities include buying land, building corporate box hangars as needed, if a big corporate tenant comes, locate them on the south end. Additional parking is needed in the passenger terminal area. One option is moving the FBO and administrative offices to the east end of the Corporate III facility. Another option is building a new terminal facility with a parking garage. Chairman Wroten asked for a list of needs along with costs.

**14-022** Consider/Discuss/Act on Airport Preliminary Marketing Plan – Ken Wiegand included a marketing update report in the board packet. He discussed several marketing options including various trade shows, developing business relationships, and flight planning websites. There will be an airfield naming

dedication ceremony to BB Cope next month (November 10, 2014) which will bring out the media, plus Congressman Sam Johnson. There will be other ground breaking ceremonies. Ken stated that the airport's marketing plan is part of the City's comprehensive marketing plan and a copy was included in the board packet. Member Sipiora asked for an active prospect list. Ken stated that there were no prospects to discuss right now.

**14-026** Consider/Discuss/Act on the Transient Aircraft Hangar – Mark Jaraczewski discussed staff recommendations and presented clarification on the location for the hangar. A layout plan, Option 2, was distributed for discussion. Mark stated that the new hangar was already 35% filled with aircraft. A motion was made by Member Clifton to forward staff's recommendations for the common hangar to City Council. It was seconded by Member Ferraro and the vote was passed 6-0 as member Sipiora had stepped out.

Citizen/Board comments – Alternate David Vaughn stated that staff has performed well and thinks the board should focus on long-term planning. He believes that the board shouldn't second guess staff on prospective tenants as he considers this as micromanaging. The future of the airport is bright and the board should help in an advisory capacity. Staff and the board should focus on branding the airport and not end up like the Addison Airport. Steve McCarter questioned waiting another month would help in determining officers. In response, Chairman Wroten mentioned that the board is waiting for clarification on their responsibilities from the Mayor.

The regular meeting recessed at 10:12 a.m. and members convened into Executive Session in accordance with the Texas Government Code: A. Section 551.072. Real Estate: Land development from FM 546 to US Hwy. 380 to Hwy. 5 New Hope Road; B. Section 551.087. Economic Development: Project 09-02.

Members reconvened into open session at 10:19 a.m. with no action resulting from the executive session. Chairman Wroten adjourned the meeting at 10:19 a.m.

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JOHN WROTEN  
Chairman