

## **McKINNEY AIRPORT DEVELOPMENT CORPORATION**

**MARCH 20, 2014**

The McKinney Airport Development Corporation met in regular session in the Dowdy Board Room, 5900 S. Lake Forest Drive, McKinney, Texas, on March 20, 2014 at 8:00 a.m.

Board members Present: Frederick Mowery, John Wroten, Steve McCarter, Keith Clifton, Kenneth Sipiora, Tom Ferraro, Terry Johnson, and Emeritus Member Harry McKillop.

Other City/Staff/Guests present: Councilman Roger Harris, Deputy City Manager Jose Madrigal, Darrek Ferrell, Rodney Rhoades, Dave Roesch, Jim Wehmeier, Cayti Stein, Adam Wilbourn, Ken Wiegand, Mark Jaraczewski, Eric Pratt, and Cindy Rowe.

**14-286** Minutes of the McKinney Airport Development Corporation Meeting of February 20, 2014.

Board members unanimously approved (5-0) the motion by Board member Frederick Mowery, seconded by Board member Tom Ferraro, to approve and refer the minutes. Note: two members arrived after the vote.

**14-287** Financial Report – Chairman Wroten stated that Member Sipiora met with Rodney Rhoades to discuss presenting a different report to show the airport's operational income statement. Rodney addressed the February 2014 financials and stated that he is also working with Mark Jaraczewski to make a graphic fuel sales report. Councilman Harris reminded members of growing the business and keeping in mind the real estate investment. Rodney explained that the FY14 budget is skewed in that the FBO began operating one month after the beginning of the FY14 (November 1, 2013); therefore, the FBO's revenue and expense actuals are one month behind disbursement and collection. Airport Administration and Airfield Operations are on a 12-month cycle and the FBO is on an 11-month cycle. He further explained that in November 2014 we will have historical data to use in future budgeting. Ken Sipiora suggested that the staff begin month-to-month budgeting. Both

Chairman Wroten and Councilman Harris encouraged staff to focus on hangar leases.

**14-288** Board Chairman Report – Chairman Wroten briefed members on his and Ken Wiegand’s presentation to the Fairview Town Council on March 5, 2014. He asked Fritz Mowery to brief members on the TIRZ 2 annual report given at City Council on March 4, 2014.

**14-289** Liaison Updates:

- City – Jose Madrigal stated that the City’s development is moving forward and that they received a good response from the public Town Hall meeting last week in District 1. Councilman Harris stated that the City Manager position/transition was also going smoothly and that everyone was working well together.

- MEDC – Jim Wehmeier stated that he would report in closed session. Cayti Stein reported that the airport will be featured on a billboard near the Dallas North Tollway and Maple (Addison area) street. The billboard will be displayed during the NCAA finals and for the next four weeks in addition to 30 kiosks.

- MCDC – Cayti Stein updated members on the major projects that would be voted on at the board meeting next week. Other projects such as the aquatic center, sport facility and promotional grants were discussed briefly.

**14-290** Airport Executive Director Report – Ken Wiegand stated that FAA will officially change the name of the airport on May 29, 2014. The FY15 budget is due April 4, 2014 to Finance. The airport’s strategic plan will also need to be completed and attached to the budget. Members will receive the final copy for approval at the April 17 board meeting. The apron project that KSA is designing will require about \$2.5 million more (\$250,000 in City funds) for the apron expansion parking spaces. A retrospective appraisal has been ordered for 36 acres of land acquired from VTCR in an effort to receive full reimbursement from TxDOT

Aviation, which should take approximately 45 days.

- Airfield Operations Report – Eric Pratt reported that his staff is gearing up for mowing season. The one-year warranty on the runway is about to expire and the contractor is repairing several concrete cracks. After running some tests, staff found that LED lighting does not work on the airport's airside. Eric is working to identify the water and electric meters on several of the hangars that Cutter Aviation managed.

- McKinney Air Center Report – Mark Jaraczewski presented a PowerPoint presentation updating members on self-service fueling, pilot awards survey, hangars, an upcoming air show in October, new software, contract fuel programs and the terminal renovation. Currently, there are only three (3) 60 ft. T-hangars available. Jet-A fuel was up in February even though aircraft operations were down due to the weather.

**14-291** Consider/Discuss/Act on Airport Minimum Standards & Rules and Regulations Changes. Committee Chairman Steve McCarter gave each member a copy of the proposed changes/updates to the Minimum Standards. Members discussed the changes needed and the reasoning behind them. Eric Pratt, Operations Manager, discussed current violations that he has observed with some of the hangar tenants. He described a plan for “spring cleaning” where the airport would provide dumpsters to help tenants clear out unwanted and illegal items in their hangars that are in violation of the minimum standards. Eric provided pictures of some of the worst offenders. Hangar tenants (T-box & Box) will receive notices and flyers next week. Chairman Wroten summed up the process by stating that the changes would be made to the document and returned to MADDC at the April 17 meeting for approval, then forwarded to City Council for final approval in June after legal review.

**14-292** Consider/Discuss/Act on Remote Perimeter Access Privilege – Eric Pratt explained the current access program and discussed the problems with it as it relates to security and liability to the City. Staff and the Security

Committee agreed that the program must end and set an effective date of July 1, 2014. The change will affect approximately 25 hangar tenants. Board members unanimously approved the motion by Board member Tom Ferraro, seconded by Board member Terry Johnson, to terminate the Remote Perimeter Access Privilege effective July 1, 2014.

Chairman Wroten recessed the regular meeting at 10:21 a.m. and members convened into Executive Session. In accordance with the Texas Government Code: A. Section 551.072. Deliberations about Real Property: Land development from FM 546 to US Hwy. 380 to Hwy. 5 New Hope Road, B. Section 551.087. Deliberation Regarding Economic Development Matters: Project 09-03, 2. Project 10-03, 3. Project 12-05, and 4. Project 13-01.

Members reconvened into open session at 11:00 a.m. with no action resulting from the executive session. Vice Chairman Steve McCarter announced the upcoming Challenge Air event at the airport on Saturday, May 10, 2014, weather permitting. He invited everyone to attend.

A motion was made by Vice Chair McCarter to adjourn the meeting at 11:01 a.m. The motion was seconded by Member Clifton and unanimously passed 7-0.

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JOHN WROTEN  
Chairman