

Redline Version of Executed Minutes

McKINNEY AIRPORT DEVELOPMENT CORPORATION

JULY 30, 2015

The McKinney Airport Development Corporation met in special session in the Dowdy Board Room, 5900 S. Lake Forest Drive, McKinney, Texas, on July 30, 2015 at 7:30a.m.

Board members Present: Chairman John Wroten, Board members: Keith Clifton, Kenneth Sipiora, Tom Ferraro, and Terry Johnson. Absent: Steve McCarter, David Vaughan, and Alternate Shqiprim "Doc" Vranici.

Staff Present: Airport Executive Director Ken Wiegand, Management Specialist Cindy Rowe, Assistant Airport Director Mark Jaraczewski, Airport Compliance and Maintenance Manager Eric Pratt, Interim City Manager Tom Muehlenbeck, City Attorney Mark Houser, Deputy City Manager Jose Madrigal, and Council member Chuck Branch.

Chairman Wroten called the meeting to order at 7:30 a.m. after determining a quorum present.

15-728 Chairman Wroten called for Consideration/Discussion/Action on a Resolution Dissolving the McKinney Airport Development Corporation. Board members asked questions regarding the dissolution of the board. **A discussion ensued regarding the proposed Resolution to dissolve the corporation and the need for a certification that the Corporation has fulfilled its purpose and that all obligations and bonds have been fully paid. The followings points and representations were made by City Officials in attendance.**

That this Resolution is presented at the direction of the City Council made in a public meeting, although the minutes of such meeting are not publicly available at this time.

That the corporation has completed its mission.

That the corporation has no known outstanding debts, including bonds or other contractual obligations or contingent liabilities.

That the Corporation has no known obligations in connection with the hiring of Executive Director by the City and all known obligations concerning any funds regarding the runway project have been accounted for or closed.

That the Corporation has no assets and thus no assets will revert to the City of McKinney upon dissolution.

That each member of this Board is fully indemnified from liabilities arising out of Board actions in the proper scope of their duties, now, and after the dissolution.

That the proposed Resolution can be amended to require an appropriate certification from a City official regarding the obligations of the Corporation.

and Member Keith Clifton expressed his concern about abiding by the MADC Bylaws, State Statute and the airport debt, liabilities or obligations of the Corporation. Board members approved the motion by Board member Ferraro, seconded by Board member Johnson, to approve a Resolution Dissolving the McKinney Airport Development Corporation with the following additions: dissolve and wind up the McKinney Airport Development Corporation, including the appropriate certifications regarding no debts, liabilities, or obligations of the corporation, with a vote of 4-1-0, Board Member Clifton voting against.

Member Clifton stated per the Bylaws he wished his dissent to be duly recorded in the minutes. That the Board does not have

sufficient basis to pass such the Resolution in this form. That the Board must first determine either by Council resolution or independently that it has fulfilled its purpose and that all obligations and bonds have been fully paid. Mr. Clifton stated that this may have been met by the representations made earlier today by the City staff. That since the City has control of the books and finances that it has no practical way to make such determination on such short notice.

Immediately following this meeting, pursuant to Article II, Section 5 of the Bylaws, Mr. Clifton forwarded his written dissent to this motion by registered mail to the Secretary and the Executive Director of the Corporation for inclusion in the minutes, the contents of which are as follows:

“July 30, 2015

Keith Clifton
Secretary, McKinney Airport Development Corporation
1550 Bray Central Drive
McKinney, TX 75069

RE: Written dissent – Section 5 of Bylaws

This is a written dissent to the motion to dissolve the corporation that was passed today at the Board meeting and is made pursuant to Article II, Section 5 of the Bylaws of the McKinney Airport Development Corporation. It is not intended as a substitute for the lengthy dissent that I voiced during the meeting itself. It is for the purpose of supplementing and further preserving this dissent for the record. This written dissent along with my verbal dissent made at the meeting should be duly recorded in the historical minutes of the meeting.

To be clear, I am in no way objecting to following any proper process and directive of the City Council to dissolve the corporation. Although it is my personal belief that this Board brings some much needed talent and experience and serves a great public service, I fully realize that this is ultimately the prerogative of the Council.

As I stated in the meeting I do, however, strenuously object to the procedures and methods used in accomplishing such dissolution for the following reasons:

This Board has not had any reasonable opportunity to diligently determine that the purposes of the corporation have been fulfilled and that all obligations have been fully paid. This is clearly required by the very Texas statutes that authorized its creation. While we do have the representations of the City staff and the City Attorney that there are no outstanding obligations it is my belief that the Board

should independently make such a determination. Further, it was represented to us by City staff and the City Attorney that the Council passed a motion on July 21, 2015 directing staff to call this meeting for dissolution. That was nine days before this meeting, however, no corresponding documentation, certifications, or draft resolution was provided to this Board prior to arrival this morning. Consequently, there was no reasonable opportunity to address the differences between the governing Statutes, the Articles of Incorporation, the Bylaws, and deficiencies associated with this process.

Even though I believe it optimal that this Board made such determination for the required certifications (that are not listed nor defined in the current resolution), had the City Council previously made such determination(s), and duly passed a resolution that the purposes for which the Corporation was formed have been substantially met and all bonds issued by and all obligations incurred by the corporation have been fully paid. Then this Board could use this as a basis to act. Article XI B expressly provides that the Council shall execute a certificate of dissolution which states those facts and directs the Corporation be dissolved. To date, the public record does not reflect that any such resolution of the Council has been made.

In addition, it seems highly irregular for the Council to approve minutes and create a record of our meetings without any review by the members who actually held the meeting and took the actions that should be documented by that record.

To fulfill the technical requirements of the Bylaws I am directing this letter to myself, as Secretary. For completeness a copy is being sent Registered Mail to the Executive Director to the Board to assure that this dissent is included in the minutes of the meeting.

Sincerely,

Keith Clifton”

Board members unanimously approved the motion by Board member Johnson, seconded by Board member Sipiora, to adjourn. Chairman Wroten adjourned the meeting at 8:00a.m.

JOHN WROTEN
Chairman

KEITH CLIFTON
Secretary