

**LAWTON METROPOLITAN AREA AIRPORT AUTHORITY
AIRPORT AUTHORITY MEETING
MINUTES
April 21, 2009**

The meeting was called to order at 3:00 p.m. by the Chairman, George Moses. The agenda along with the time and place of the meeting was posted in accordance with State Law.

PRESENT:

Steve Gilkeson, Vice-Chair
David Aubrey, Asst. Secretary
Ray Friedl, Asst. Secretary
Stanley Haywood, Member
Carey Johnson, Member (arrived late)
Toney Stricklin, Member
Cassandra Lawson-Johnson

ABSENT:

George Moses, Chairman
Richard Campbell, Secretary

ALSO PRESENT:

Barbara McNally, Airport Manager
Chuck Wade, Airport Attorney
Christine Davis, American Eagle

Pat Hurley, Administrative Asst.
Kim McConnell, Lawton Constitution
Chris Pittman, La Sill Aviation

The roll call confirmed that a quorum was present.

OLD BUSINESS

(a) Minutes – Moses asked for additions and/or corrections to the minutes of the Airport Authority meeting of March 24, 2009.

MOTION BY FRIEDL, SECOND BY LAWSON_JOHNSON- to approve minutes of the March 24, 2009.
AYES: Gilkeson, Aubrey, Friedl, Haywood, Stricklin, Lawson-Johnson. NAYES: None. MOTION CARRIED.

REPORTS FROM MANAGERS OF AIRPORT BUSINESSES

a. American Eagle (Christine Davis) – Davis said May 15 thru May 29 American Eagle will be adding an additional flight to accommodate military movement.

b. LaSill Aviation (Chris Pittman) – Pittman said the fuel sheet has been provide and May 21, 2009 LaSill will be hosting a business after hours with the Chamber of Commerce.

c. Lawton Air Traffic Control Tower (Frank Herndon) – Not present.

d. Fort Sill Transportation (Jim Beazer) – Not present.

e. Fort Sill Army Radar Approach Control (Buddy Thornton) – Thornton told the Authority that a recent proposed construction of windmills would have adversely effected the approach to Fort Sill’s runway. Thornton said they were able to negotiate with the owners of the wind farm to lower their windmills and keep them out a three mile radius. Thornton said the State needs to come up with standards for building wind farms. McNally said the place to start is with the Oklahoma Aeronautics Commission. McNally said she would find out their position and report back to the Authority.

f. TSA (Larry Kettler) – Not present.

PROPOSED EXECUTIVE SESSION – Proposes Executive session for confidential communication between the Authority and its attorney concerning a pending investigation, claim or action, pursuant to Title 25, OS Section 307B.4.

a. Vote to go into Executive Session – MOTION BY HAYWOOD, SECOND BY C. JOHNSON, Stricklin, Lawson-Johnson, Friedl, C. Johnson, Aubrey, Haywood, Gilkeson. NAYES: None. MOTION CARRIED.

b. Vote to return to Open Session – MOTION BY AUBREY, SECOND BY LAWSON-JOHNSON, Friedl, Aubrey, Gilkeson, Haywood, Stricklin, C. Johnson, Lawson-Johnson. NAYES: None. MOTION CARRIED.

Statement of Executive Session Minutes – Wade said the Authority convened at 9:18 a.m. and returned to open session at 9:38 a.m., during that time they discussed the agenda item in executive session to allow members of the Authority confer on matters with the attorney as authorized by 25 O.S. 307B.4

DEVELOPMENT COMMITTEE (Ray Friedl, Committee Chair)

a. Fuel Facility Expansion – Friedl asked Johnson to report. C. Johnson said the tank arrived and was built according to the specifications requested. C. Johnson said it was built according to the standards in place when we did our RFP, since then there has been an update to one of the standard documents in January 2009, which is ATA 103, which calls for there being no welds inside the tanks. C. Johnson said this regulation is set out by the airline industry and we want to be in compliance with the airlines requirements. C. Johnson said after some discussion with Hall Tank Company they have offered to remove the existing welds in the new tank at no additional cost. C. Johnson said the tank is sitting outside the fuel facility and once Hall is finished with the inside, the installer will set it in place. C. Johnson said after it is in place and the mechanical work is complete, there will be a soak test, if all goes well, the tank will be put into service.

b. Security Upgrade (Fence Bid and Security Systems) – Friedl said project is complete with all systems in test mode. Friedl said once TSA approves the new Airport Security Program the systems will be fully activated.

c. 2009 AIP Projects

1) Replacement of Failed Panels on Taxiway A and B – Friedl said the bids are due on Thursday, April 23rd, 2009.

- 2) **Design Phase of Overlay 2400 ft. of Runway Project** – Friedl said the geotechnical testing on the runway is complete. Friedl said the engineer's are working on scope work and the engineer's estimate which will determine the engineer's fee for this design work.

Friedl said the Authority will be paying the 5% matching share on AIP 24 and it will be reimbursed out of PFC's on the next application.

LEASING COMMITTEE (Carey Johnson, Committee Chair)

- a) **Airport Gift Shop Concession**- C. Johnson said we received one bid on the Gift Shop RFP and we have done back ground checks on the applicant, everything seems to be in order. C. Johnson said it is the committee's recommendation to lease the Gift Shop to Troy Martin for the bid amount of \$ 475.00 per month, plus a percent of the utilities, for a term of three years.

MOTION BY FRIEDL, SECOND BY HAYWOOD, to approve leasing the Gift Shop to Troy Martin for \$ 475.00 per month plus a percent of the utilities, for a three year term. AYES: Gilkeson, Stricklin, Friedl, Haywood, C. Johnson, Lawson-Johnson, Aubrey. NAYES: None. MOTION CARRIED.

- b) **Lawton Golf Center** – C. Johnson said the building known as the Lawton Golf Center and Driving Range has received a proposal to be leased again as a golf center and driving range. C. Johnson said this proposal was from LaSill Aviation, they are proposing to make significant improvements to the facility. C. Johnson said LaSill has a pretty impressive business plan for turning it into a profitable operation. C. Johnson said the committee recommends leasing the building and land for seven years for \$ 950.00 per month with an escalator of 1% in year 4 and 2% each following year.

MOTION BY LAWSON-JOHNSON, SECOND BY HAYWOOD, to approve leasing the building and land to LaSill Aviation for seven years for \$ 950.00 per month with an escalator of 1% in year four and 2% each following year.

- c) **ATM RFP** – C. Johnson said the committee is still negotiating terms with the proposers.
- d) **Parking Service RFP** – C. Johnson said the Parking RFP has not been completed. C. Johnson said it should be complete next month.
- e) **La SiLL Aviation's request to sublease Hangar #5** – C. Johnson said LaSill Aviation has requested to sub-lease a portion of Hangar #5. C. Johnson said the lease we have with LaSill allows them to sub-lease with our approval. C. Johnson said there is a company which stores vehicles for military stationed overseas. C. Johnson said the company wants to use a portion of Hangar # 5 for prep work. C. Johnson said it is the recommendation of the committee to allow LaSill to sub-lease a portion of the Hangar # 5.

MOTION BY FRIEDL, SECOND BY HAYWOOD, to approve LaSill Aviation sub-leasing a portion of Hangar # 5. AYES: Aubrey, C. Johnson, Stricklin, Friedl, Gilkeson, Lawson-Johnson, Haywood. NAYES: None. MOTION CARRIED.

FINANCE COMMITTEE (David Aubrey, Committee Chair)

- a) **Revenue Guarantee to Delta** – Aubrey said Delta's first year revenue guarantee of \$ 525,000.00 is due on May 8, 2009. Aubrey said since this is a reimbursable grant, the Authority will need to pay it and then be reimbursed by DOT for the amount. Aubrey said the Authority has \$ 79, 810.33, leaving a balance of \$ 445,189.67 that is needed. Aubrey said this is the committee's recommendation to borrow the balance from Arvest Bank and repay the loan in 45 to 60 days as soon as the grant payment is received. After some discussion a motion was made.

MOTION BY HAYWOOD, SECOND BY C. JOHNSON, to approve borrowing \$ 445, 189.67 from Arvest Bank for 45 to 60 days to pay the Delta revenue guarantee until the DOT reimbursement is received. AYES: Stricklin, Haywood, C. Johnson, Aubrey, Gilkeson, Lawson-Johnson, Friedl. NAYES: None. MOTION CARRIED.

b) Upcoming Expenses – Aubrey said we have projects of about \$ 150,000.00. Aubrey said we have an updated list of upcoming expenses as attachment #1.

AIRPORT MANAGER'S REPORT (Barbara McNally)

a. Airport Operations –

1) Fuel Tank Repair – McNally said Bassco has submitted a quote for \$ 27,150.34 for the repair of one jet fuel tank. McNally said this includes removing all tank equipment, sand blasting the surface to remove all epoxy and getting surface ready for recoating, applying two coats of epoxy to the interior of the tank, having the new coating tested to MilSpec, then reinstalling the equipment and starting up the tank to test for leaks. McNally said this repair needs to be made as soon as the new tank is in service. C. Johnson suggested seeking another bid, but approving an amount not to exceed the requested amount.

MOTION BY C. JOHNSON, SECOND BY FRIEDL, to authorize the Airport Manager to enter into a contract to resurface the inside of one fuel tank in an amount not to exceed \$ 27,150.34. AYES: Aubrey, Gilkeson, Haywood, Stricklin, Lawson-Johnson, C. Johnson, Friedl. NAYES: None. MOTION CARRIED.

2) MASCAL 2009 – McNally said the full scale mass casualty exercise will be conducted tomorrow at the airport. McNally said a press release has gone out to alert the public that this is only an exercise.

3) OAOA Conference – McNally reminded the members that she will attend the OAOA conference in Stillwater next week.

b) Financial Report –

Purchase Orders - Purchase Order's to be approved from the Operating Account total \$ 44,389.55.

Purchase Order's from the Capital Improvement Account totaled \$ 1,363.46 which is the TSA rent.

Bank Balances - The reconciled balance of the * Money Market Account (10976043) is \$ 356,935.50, the reconciled balance of the Operating Account (10375822) is \$ 110,441.23 which includes \$ 79,810.33 of the City's and CCIDA funds for the matching share on the SCASD grant), the reconciled balance of the Imprest Fund (10704778) is \$ 1,153.32. For a total cash on hand less committed \$ 468,530.05.

Investment include the Arvest Management account \$ 114,480.76 which a portion is committed to the fuel facility project.

The reconcile balance of the restricted asset accounts are as follows: PFC (Passenger Facility Charges-9014251) \$ 207.68, Capital Improvement Account (114030) \$ 39,636.59 of which \$ 26,880.12 is restricted interest from the CD for the Air Mobility Complex.

Line of Credit - The line of credit that was approved to fund the PFC projects, the current balance due is \$ 39,948.72 which will be paid off by the accumulated PFC's. The only project currently being funded is the Security/Fence project.

Income and Expense Budget Tracking - Incomes for the month totaled \$ 93,931.75, YTD incomes total \$ 702,099.07 which is 92% of the total budgeted amount of \$ 761,178.30.

Expenses for the month totaled \$ 44,553.07, YTD expenses total \$ 565,691.63 which is 81% of the total

budgeted amount of \$ 700,544.22

Collateralized Accounts - Arvest has pledged \$ 500,000 above the FDIC limit. City National has pledged \$ 1,750,000.00 above the FDIC limit. These amounts have been confirmed with the Federal Reserve Bank.

MOTION BY C. JOHNSON, SECOND BY LAWSON-JOHNSON, to approve the financials and purchase orders as presented. AYES: Gilkeson, Aubrey, Friedl, Haywood, C. Johnson, Stricklin, Lawson-Johnson. NAYES: None. MOTION CARRIED.

NEW BUSINESS

There being no further business, the meeting was adjourned.

Steve Gilkeson, Vice-Chairman