

LAWTON METROPOLITAN AREA AIRPORT AUTHORITY

MINUTES November 25, 2003

The meeting was called to order at 9:00 a.m. by the Chairperson, Dorice Shanklin. The agenda along with the time and place of the meeting was posted in accordance with State Law.

PRESENT:

Dorice Shanklin, Chairperson
Hossein Moini, Vice Chair
Charlie Beller, member
John Marco, member
Stanley Haywood, member
Larry Benson, Secretary
Keith Bridges, member

ABSENT:

Don Smith
Mark Davis

ALSO PRESENT:

Barbara Whittington, Airport Manager, Chuck Wade, Airport Attorney, Kim McConnell, Lawton Const., Pat Hurley, Admin. Asst., Jack Tipton, American Eagle, Chris Pittman, Manager, AE Maintenance

The roll call confirmed that there was a quorum present.

OLD BUSINESS

a) Minutes - Shanklin asked for additions and/or corrections to the minutes of the regular meeting of October 21, 2003.

MOTION BY Beller, SECOND BY Moini, to approve the minutes of the regular meeting of October 21, 2003. AYES: Shanklin, Beller, Marco, Haywood, Moini, Benson, and Bridges
NAYES: None. MOTION CARRIED.

REPORTS FROM MANAGERS OF AIRPORT BUSINESSES

a) American Eagle – No report given.

b) Regional Air – Not present.

c) American Eagle Maintenance – Chris Pittman said that the Authority is well aware of the announcement of the closure of the maintenance base. Pittman said the announcement was difficult for all the employees. Pittman said the HR representatives will be here to talk to the employees on December 15th, after that everyone will have a better idea of what the future holds.

Shanklin expressed the Authority's concern and said that the Authority made every effort to head off this decision. Pittman said he knew and appreciated everyone's support.

d) Transportation Security Administration – Not present.

e) Lawton Air Traffic Control Tower – Not present.

f) Fort Sill Transportation – Not present.

FINANCE COMMITTEE (Larry Benson, Chair)

1) FY 2002–2003 Audit – Benson said the Authority received and reviewed an unqualified audit for FY 2002-2003. Benson said that there were some minor recommendations which will be

addressed later in this meeting. Benson said the audit will need to be approved by the board.

MOTION BY Marco, SECOND BY Bridges, to approve the FY 2003-2003 audit. AYES: Shanklin, Beller, Marco, Haywood, Moini, Benson, and Bridges NAYES: None. MOTION CARRIED.

2) Hiring an Accountant – Benson said that in the management letter of the audit, the auditors recommended the Authority consider hiring an accounting firm to assist the airport staff. Benson said that there have been comments for several years concerning the reconciliation of the general ledger produced by the City of Lawton to actual accounts. Benson said the manager received a proposal from Scott Hatch to perform this duty for \$ 400.00 a month. Benson said that he thought that by hiring Hatch, the Authority would be saving on auditing expenses.

Shanklin said that unless you are a bookkeeper or an accountant it is very hard maintain a general ledger when there is another entity involved. Shanklin asked Hatch, about the statement on his proposal that allows for adjusting the \$ 400.00 fee up or down as the work warrants. Shanklin said that for budgeting purposes that is difficult. Hatch said that what he will commit to not increasing his fee this first fiscal year, but will monitor it. Hatch said any adjustments after this year will be discussed with the Airport Manager.

Bridges asked the attorney if we needed to seek other proposals before making a decision. Wade said the Authority was free to contract for professional services.

Beller asked if we hired Hatch to provide the accounting services, would it not behoove the Authority to hire the same firm to provide the audit services. Hatch said the latest revision of the “yellow book”, which provides the standard by which the governmental entities are audited, effective this fiscal year, you can’t audit and do compilation for the same governmental entity.

MOTION BY Bridges, SECOND BY Moini, to approve hiring Hatch and Croake, Associates to provide accounting services for the Airport Authority. AYES: Shanklin, Beller, Marco, Haywood, Moini, Benson, and Bridges NAYES: None. MOTION CARRIED.

Benson said that he wanted to make clear that the auditors did not criticize the airport staff, they do a good job in doing the airport reports.

3) Auditor’s Fees – Benson said that when we hired Carlson and Cottrell we agreed to a fee of \$6,000.00 per year with any additional expenses being approved before the work was completed. Benson said that the auditor did additional work to reconcile the general ledger and the bill was for \$10,584.40. Benson said the Finance committee negotiated with them and they lowered their bill by 25% to \$7,938.30. Benson said the committee got a commitment from Carlson that with an accountant’s assistance on the general ledger, they will be able to do the remaining audits for \$6,000.00.

Wade said that on that bill \$834.40 was for “expenses”, which was not provided for in the engagement letter, only the fee of \$6,000.00. Wade said that Carlson was asked for a detail of those expenses, which has not been received. Wade also said that any additional expenses related to the audit work were to be coordinated and approved prior to the work being performed, which it was not. Bridges asked if that request was put in writing, Wade said it was a verbal request. Bridges recommended putting the request for the breakdown of expenses in writing to Carlson. Wade also recommended getting a firm commitment on the cost of future audits, now that the accountant has been hired. Wade said that he thought this could be resolved with a letter or a phone call, that Carlson had been very cooperative. Wade said he is not at all being critical of the services that they have provided, they have done a good job. Shanklin said she wants this in writing.

MOTION BY Bridges, SECOND BY Moini, to table this item until the attorney could send a letter for the requested information and we receive a response from Carlson and Cottrell. AYES:

Shanklin, Beller, Marco, Haywood, Moini, Benson, Bridges. NAYES: None. MOTION CARRIED.

4) Longevity Pay – Benson said that it was the committee’s recommendation that the airport employees received a one time amount of \$300.00 and the airport manager’s receive a pay increase of 5%.

Bridges said that he is not opposed to the increase but wondered if the Authority can approve the manager’s increase without it being specifically on the agenda. Wade said that the agenda item should be more specific and should be brought back in December.

MOTION BY Beller, SECOND BY Moini, to approve tabling the manager’s increase and to approve the longevity pay of \$ 300.00 per employee in December. AYES: Shanklin, Beller, Marco, Haywood, Moini, Benson, and Bridges NAYES: None. MOTION CARRIED.

NOMINATING COMMITTEE (Charlie Beller, Committee Chair)

1) Officers for 2004 – Beller said the committee (Haywood, Smith and himself) met and discussed the slate of officers for 2004. Beller said the committee believed that the leadership was in capable hands and recommends keeping the officers as follows: Dorice Shanklin, Chairperson; Hossein Moini, Vice Chair; John Marco, Secretary; Larry Benson, Asst. Secretary; Stanley Haywood, Asst. Secretary.

MOTION BY Beller, SECOND BY Moini, to approve the slate of officers as presented. AYES: Shanklin, Beller, Marco, Haywood, Moini, Benson. NAYES: None. MOTION CARRIED.

TERMINAL NAMING COMMITTEE (Mark Davis, Committee Chair)

Shanklin reported for Davis, who was absent. Shanklin said that it is the committee’s recommendation to approve the naming of the terminal after Robert S. Johnson. Shanklin said that this project will be turned over to Ray Cunningham and his group. Shanklin went on to say that anything that will be done in conjunction with this project must have the Authority’s approval and at no expense to the Authority. Beller asked for all of Cunningham’s recommendations to be in writing.

Beller said that he still wished that we would have considered some other Lawtonians for this honor, unfortunately he did not think that we did. Beller said that there is still some misunderstanding about what we are naming, some people still think we are renaming the airport. Beller said we are only naming the terminal building, not changing the name of the airport.

Bridges said that he has asked different age groups of people their opinion of this action. Bridges said the older generation was for this honor, the younger generation said “Who is this guy?” Bridges said marketing people expressed concern about changing the name when we were trying to market the “Fly Lawton” idea.

Bridges said he believed that Beller was right about looking at other deserving honorees. Bridges said “This seems to be a bit controversial, should we do anything at all?”

Shanklin said she had quite a few phone calls on this topic and the feeling was it should be named after an aviation person. Beller said he felt that we had already committed ourselves. Beller said when Davis called him, he agreed that Robert S. Johnson would be fine with him, but he also agreed with Bridges that “we should have done our research and our homework and come up with some candidates that were more Lawton connected”. Beller said this gentleman was a hero in 1945 and was very well known in the United States as the Ace in Europe. Beller said his point was that he left Lawton and the only reason he died in Oklahoma was that he was visiting family in Tulsa at Christmas. Beller said that he still thought that Dr. Gilbert Gibson should have been considered for all of his contributions to the Airport.

MOTION BY Marco, SECOND BY Moini, to approve naming the terminal building after Robert S. Johnson. AYES: Shanklin, Beller, Marco, Haywood, Moini, Benson, Bridges. NAYES: None. MOTION CARRIED.

CHAIRPERSON'S REPORT (Dorice Shanklin)

American Eagle Maintenance Facility - Shanklin said Bridges asked to address the Authority. Bridges said that there are some people that he would like to thank publicly. Bridges thanked the Mayor Cecil Powell and the Lawton City Council for giving us the money to modify the American Eagle Hangar. Bridges said without that modification we would not have been able to at least compete and may save us in the future. Bridges also thanked the Lawton Ft. Sill Chamber of Commerce and Industry, who also invested in the hangar modification and has allocated money to promote the airport. Bridges said that the Comanche County Industrial Development Authority was standing by to help us in need. Bridges also thanked the County Commissioners.

Bridges said on the State level, he wanted to thank the Department of Commerce and Secretary Cathy Chambers that was working on some political issue. Bridges thanked Governor Brad Henry and Don Davis for their support. State Representatives Clay Poe, Dan Boren, Don Armes and Joe Dorman who came to Lawton and offered their assistance after touring the facility. Bridges also thanked Steven Bentley and Bill Burgess for their local help.

Bridges said that our federal legislators Tom Cole and Senator James Inhofe were supportive of our efforts. Finally, Bridges thanked the Great Plain Technology Center for allowing him to work on the American Eagle project for the last 2 ½ years. Bridges thanked his board Dr. George Bridges, Nat Grantham, Clark Smith, Lon Park and the late Laxton Malcom for allowing him the opportunity to work on this hangar issue. Bridges also thanked Super indent Jim Neasbitt and his immediate boss Dr. Tom Thomas for their support.

Bridges thanked the members of the Airport Authority and especially Dorice Shanklin and Hossein Moini for their ideas.

Bridges said lastly he would like to thank Chris Pittman and the employees of the American Eagle Maintenance Facility for their patience.

Shanklin said that she was sure everyone had heard the announcement concerning the hangar closure. Shanklin said the announcement made by Peter Bowler, President of American Eagle did not come as a surprise. Shanklin said that the economics of converting this to a regional jet facility did not make sense, since we don't have regional jets here.

Shanklin said that we will be marketing the available hangar in the near future. Shanklin asked Wade about conducting an inspection prior to American Eagle pulling out. Wade recommended hiring an engineer to conduct an inspection and evaluate the building. Wade said American Eagle is required to maintain the building in good condition with reasonable wear and tear. Shanklin asked if we needed to solicit proposals for an engineer. Wade the Authority could solicit proposals, but did not need to for professional services.

AIRPORT MANAGER'S REPORT (Barbara Whittington, Airport Manager)

1) Operations Report – Whittington said that she was providing the schedule of meetings for 2004. There was some discussion concerning the need for board approval. Whittington said she would see that the meetings were posted in time for the December 15, 2003 deadline and would bring this back for board approval at the December meeting.

Haywood asked how often the Authority was required to meet. Wade said there was no guide line that requires how often a board meets. Whittington said the board needed to meet monthly

to approve the bills.

2)Financial Reports – Whittington reported that the closing balance of Fund 61 was \$159,086.03 and Closing balance (Imprest fund) \$1,461.18, Interest \$171.39, Deposits for the month \$38,360.27 for a total of \$199,078.87. Projected Expenses were Purchase Orders submitted \$25,754.33, Wages/FICA/Insurance \$12,000.00, Outstanding checks \$5,871.97, for a total of \$43,626.30 in expenses, leaving a projected balance of \$155,452.57.

Capital Improvement expenses totaled \$ 9,300.00. The total was paid out of FAA/PFC funds.

MOTION BY Moini, SECOND BY Haywood, to approve the financial reports as presented.
AYES: Shanklin, Beller, Marco, Haywood, Moini, Benson, Bridges. NAYES: None. MOTION CARRIED.

NEW BUSINESS

There being no other business, the meeting was adjourned.

Dorice Shanklin, Chairperson