

LAWTON METROPOLITAN AREA AIRPORT AUTHORITY

MINUTES

April 27, 2004

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
John Marco, member
Stanley Haywood, member (arrived late)
Charlie Beller, member
Don Smith, member

ABSENT:

Larry Benson

ALSO PRESENT:

Barbara Whittington, Airport Manager
Chuck Wade, Airport Attorney
Pat Hurley, Admin. Asst.
Christine Davis, American Eagle

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 reconvened meeting of March 23, 2004.

MOTION BY Moini, SECOND BY Benson, to approve the minutes of the reconvened meeting of March 24, 2004. AYES: Shanklin, Moini, Marco, Beller, Smith. NAYES: None. MOTION CARRIED.

REPORTS FROM MANAGERS OF AIRPORT BUSINESSES

1) American Eagle – Davis reported that the load factor is at 68%, which is up from last year this time.

2) Regional Air – Ray Cunningham presented a quarterly report that detailed fuel sales and other activities. Cunningham reported that the flight training with WOSC is going well.

3) Transportation Security Administration – No report.

4) Lawton Air Traffic Control Tower - Not present.

5) Fort Sill Transportation – Not present.

LEASING COMMITTEE (Charlie Beller, Committee Chair)

6) American Eagle Hangar – Beller said the committee met and discussed the sublease of the American Eagle hangar to Regional Air. Beller said this item was tabled until a lease with Regional Air was finalized.

b) Lawton Driving Range (Building lease) – Beller said the committee reviewed the renewal of the building lease for the driving range. It is the committee recommendation to leave the rent at the current rate of \$ 700.00 per month.

MOTION BY BELLER, SECOND BY MOINI, to approve leaving the rent at \$700.00 per month for one year. AYES: Shanklin, Moini, Marco, Haywood, Beller, Smith. NAYES: None. MOTION CARRIED.

c) Lawton Driving Range (Land lease) - Beller said the committee reviewed the land lease and recommended it remain the same at \$ 233.40 per month for one year.

MOTION BY BELLER, SECOND BY MOINI, to approve the land lease for the Driving Range at \$ 233.40. AYES: Shanklin, Moini, Marco, Haywood, Beller, Smith. NAYES: None. MOTION CARRIED.

d) Skycap Contract (Julius Hill) - Beller said the committee recommended entering into a three year agreement with Mr. Julius Hill for skycap services. Beller said the Authority pays for liability insurance for Mr. Hill, he works for tips only.

MOTION BY BELLER, SECOND BY MARCO, to approve entering into a three year agreement with Mr. Hill for skycap services, with the Authority paying for the liability insurance. AYES: Shanklin, Moini, Marco, Haywood, Beller, Smith. NAYES: None. MOTION CARRIED.

e) Local Oklahoma Bank (ATM Lease) - The committee recommended renewal of the ATM lease. Local requested leaving the fee at the current rate since they were in the process of being bought out.

MOTION BY BELLER, SECOND BY HAYWOOD, to approve renew the ATM at the current rate. AYES: Shanklin, Moini, Marco, Haywood, Beller, Smith. NAYES: None. MOTION CARRIED.

f) Airport Gift Shop – Beller said the committee discussed separating the back room from the gift shop lease

and remodeling the gift shop area. Beller said that TSA has expressed an interest in leasing that back room for an office/break room. Beller said that Dallas Howard provided a drawing for the board to see how the area will look. Beller said cost estimates were not available yet. Beller went on to say that we had one estimate for the glass work in the expansion of the shop front from Brady's and we are seeking more estimates. Beller said but before we do anything we will come back to the full Authority to ask for concurrence.

Shanklin asked if we could give the leasing committee the power to approve and move forward. Wade said we would need to give the leasing committee, by motion, the authority to choose the low bidder and authorize the work. Wade suggested getting more bids. Shanklin said the manager was working on that.

Beller said we would like all the members to have the cost before we proceed. Wade suggested notifying all the members of the Leasing committee meeting so they may attend. After some discussion the members decided to authorize the leasing authority.

MOTION BY BELLER, SECOND BY MARCO, to approve giving the Leasing committee the authority to select the low bidder and authorize to enter into the work. AYES: Shanklin, Moini, Marco, Haywood, Beller, Smith. NAYES: None. MOTION CARRIED.

g) ODOT Building – Beller said the committee recommended renewing the ODOT lease at the present rent of \$ 600.00 per month.

MOTION BY BELLER, SECOND BY MARCO, to approve renewing the ODOT at the present rent. AYES: Shanklin, Moini, Marco, Haywood, Beller, Smith. NAYES: None. MOTION CARRIED.

h) FAA Lease - Beller said the FAA has requested a 20 year renewal on the land lease that houses FAA's electronics and equipment building on the airport property.

MOTION BY BELLER, SECOND BY MOINI, to approve renewing the FAA land lease for the building that houses FAA equipment. AYES: Shanklin, Moini, Marco, Haywood, Beller, Smith. NAYES: None. MOTION CARRIED.

DEVELOPMENT COMMITTEE (Dorice Shanklin, Committee Chair)

a) AIP 3-40-0051-20 (Taxiway Reconstruction Project) – Shanklin said he was the only member present for the meeting with the Engineer. Shanklin asked for volunteers for the Development committee. Beller volunteered, Moini was asked to serve.

Shanklin reported the Carl Canizarro, our engineer presented the details of the taxiway project to include a complete reconstruction of Taxiway A south, construction of the run-up apron on the south end of Taxiway A south, replacement of all taxiway lights with end lights, removal of Taxiway D & E and construction of a new taxiway that will be perpendicular to Taxiway A south. The project is estimated at 4.9 million and will be funded 95% federal money and 5% PFC's. Shanklin said the Authority will use 1.7 million of its entitlement money and FAA will be providing the remainder of the 90% out of discretionary funds. Shanklin said the project is expected to take about 4 months. Shanklin said the Authority will need to approve advertising bids for this project and the project will need to be awarded by July 30th in order to meet FAA deadlines.

Whittington said this project also includes much needed drainage improvements to include a retention pond on

the north end of the airport to handle the heavy flow from the residence street during rain and drainage improvements to the golf course to handle the flow of water from the airport.

Moini asked how long it will take to collect the PFC matching share. Whittington said that there is about \$ 90,000.00 in already collect PFC's that can be applied to this project once it is approved. Whittington said that only problem is that this application is still in the process of being approved. Whittington said that PFC's come in at a rate of about \$ 15,000.00 per month, so the line of credit will be used and then reimbursed from the PFC's.

MOTION BY MOINI. SECOND BY HAYWOOD, to approve proceeding with this project as outlined above and approve advertising for bids. AYES: Shanklin, Moini, Marco, Haywood, Beller, Smith. NAYES: None. MOTION CARRIED.

PERSONNEL COMMITTEE (Stanley Haywood, Committee Chair)

Review Preliminary Personnel Wages for FY 05 Budget - Haywood said that he was unable to attend this meeting because of testing at the school. Haywood asked Shanklin to report on the meeting. Shanklin said the committee made recommendations to the Finance Committee on employee wages. Shanklin said the recommendations are in the proposed budget in front of each member.

Shanklin asked for questions or comments.

Moini asked about the deletion of the "other maintenance position". Whittington explained that in last year's budget we had 3 full time and 1 part time maintenance positions. Whittington said currently we have 4 fulltime, so the budget reflects the loss of the part time position and the addition of one fulltime position.

MOTION BY MARCO, SECOND BY HAYWOOD, to approve the personnel wages adjustments as presented. AYES: Shanklin, Moini, Marco, Haywood, Beller, Smith. NAYES: None. MOTION CARRIED.

b) Update to Personnel Policy - Shanklin said each member in their board meeting folder was provided the updates to the personnel policy.

Whittington said the underlined phrases are the new text, the italics phrases are the old. Whittington said the security backgrounds checks have changed with TSA, all employees must have fingerprints submitted through the FBI system. Whittington went on to say that the Employee Assistance Program is no longer available through our insurance, so it has been deleted out of the policy. Whittington said she changed the language concerning the longevity pay, at one time it was based on a percentage of salary and now it is a flat amount for each employee. Whittington said under the "Use of Airport Vehicles", the revised policy reflects the Authority approval of the manager uses the airport car for daily transportation and allows the on call maintenance person the use of an airport vehicle for daily transportation during the on call period.

MOTION BY HAYWOOD, SECOND BY BELLER, to approve the changes to the Personnel Policy as presented. AYES: Shanklin, Moini, Marco, Haywood, Beller, Smith. NAYES: None. MOTION CARRIED.

c) Educational Expenses - Shanklin said a maintenance employee has requested to take Air Conditioner repairs classes at the Great Plains Technology Center. The committee recommended paying tuition and books for employees wishing to take job related courses as recommended by the Airport Manager.

MOTION BY HAYWOOD, SECOND BY MARCO, to approve the Educational Expenses. AYES: Shanklin, Moini, Marco, Haywood, Beller, Smith. NAYES: None. MOTION CARRIED.

FINANCE COMMITTEE (Larry Benson)

a) Review Proposed FY 2005 Budget - Benson was absent, so Shanklin asked Whittington to report on the proposed FY 2005 budget. Whittington directed the members attention to the budget handout. Whittington said that FY 2005 looks to be a very good year. Whittington said the projected income is \$ 532,157.12 with the most significant income increases coming with the new car rental leases and with the Republic Parking. Whittington said FY 2005 Expenses are projected to be \$ 463,602.60, with increases in the budget for personnel wages and related expenses, accounting services, insurance and training.

Moini asked about the American Eagle Hangar income increase of \$ 16,469.70, Whittington explained that the committee made a mid year adjustment and reduced AE rent when the hangar closed. Whittington said that AE continues to pay their rent and now we have a prospective tenant at the same rate so the amount was added back in. Moini asked about the increase to the parking rent. Whittington said the Authority approved a couple of month ago a new lease that guarantees us \$ 80,000 per year. Moini asked about the increase in American Eagles landing fee. Whittington said this increase is built into the lease agreement from .58 for per 1,000 pounds to .60 per 1,000pounds.

Moini asked about keeping the Vehicle and Equipment at \$ 18,000 with the vehicle purchase on the agenda. Whittington explained that last year we were paying on a tractor/mower, a car and acopier. Whittington said the tractor and mower is paid off and the car will be paid off in August of this year. Whittington said the committee recommended leaving the same amount to updatevehicle and equipment in 2005.

MOTION BY BELLER, SECOND BY HAYWOOD, to approve accepting the FY 2005 budget as presented. AYES: Shanklin, Moini, Marco, Haywood, Beller, Smith. NAYES: None. MOTION CARRIED.

b) Audit Engagement Letter - Whittington said the committee discussed the Carlson and Cottrell engagement letter in the amount of \$ 6,180 plus expenses not to exceed \$ 350.00 for a total of \$ 6,530.00. Whittington said it is the committee recommendation to approve the engagement letter. Moini asked if we should be paying the same amount as last year if we hired an accountant to "clean up the books." Wade reminded the members that Carlson billed the Authority for the additional work last year, that \$ 6,000.00 was the amount of the regular audit.

Moini asked if we should ask for another bid based on the accountants work. Whittington said she thought this was a fair amount since during the last bids Stanfield and O'Dell's fee was at \$ 10,500.00. Whittington also said if we opted to bids out, we are running out of time this fiscal year.

Marco asked if Whittington had contacted anyone with Stanfield and O'Dell, Whittington said she had not spoken to them. Shanklin asked if we needed to go out for bids. Marco said he believed we did. Beller said we went through this when we got the bid from Stanfield and O'Dell which was high and Carlson's was low and even adding in the accountants fees we were about the same as Stanfield and O'Dell's bid.

Beller said he believed that we committed ourselves when we entered into the agreement with Carlson. Beller said he believed that Hatch's fees were incidental to this. Wade reminded the members that Hatch's fee also includes all check writing and payroll responsibilities in addition to the general ledger.

Smith asked if Hatch could do the audit. Whittington said that it would be a conflict for our accountant to do the

audit.

After some discussion, the members decided to renew with Carlson.

MOTION BY HAYWOOD, SECOND BY MOINI, to approve executing the engagement letter with Carlson and Cottrell. AYES: Shanklin, Moini, Marco, Haywood, Beller, Smith. NAYES: None. MOTION CARRIED.

A) Purchase of a Vehicle - Shanklin said it is the recommendation of the committee to seek bids for the purchase of a new pick up truck to replace the 1972 truck. Shanklin said final bids will be brought back to the Authority for approval.

A) Purchase of Commercial Riding Mower – Shanklin asked Haywood if the airport was on the City CIP. Haywood said when he talked to the City Manager he said the building repairs were eligible, Haywood said he was not sure about the eligibility of equipment. Shanklin said that she was told that the City may have equipment that Airport could have. Whittington asked if we wanted used equipment. Whittington said her recommendation to the committee was to purchase one mower this fiscal year and one after July 1st. Whittington said the current mower are over 10 years old and are used heavily 9 months out of the year. Shanklin said before we purchased the second mower that she would like Haywood to check to see if the City has equipment we could have. Whittington said that the maintenance supervisor has requested that the Authority consider purchasing the Woods mower from Construction Ag. **MOTION BY MARCO, SECOND BY BELLER**, to approve purchasing the Woods mower from Construction Agriculture Supply. AYES: Shanklin, Moini, Marco, Haywood, Beller, Smith. NAYES: None. MOTION CARRIED.

a) AIRPORT MANAGER'S REPORT (Barbara Whittington, Airport Manager) Financials – Purchases orders from the operating account totaled \$ 26,143.97. Purchase orders from Funds 71 were \$ 66,883.44 which included a payment to Horizon Engineering (\$ 56,460.00) and TSA (\$10,423.44). Bank Balances were Fund 61 (operating account) \$ 59,382.89, Money Market \$ 161,203.03, Imprest Fund \$ 800.61, Passenger facility account \$ 93,687.13 and Fund 71 (capital improvement) \$ 15,511.93. **MOTION BY MOINI, SECOND BY HAYWOOD**, to approve the financial reports as presented. AYES: Shanklin, Moini, Marco, Haywood, Beller, Smith. NAYES: None. MOTION CARRIED.

NEW BUSINESS

There being no further business, the meeting was adjourned.

Dorice Shanklin, Chairperson