

**LAWTON METROPOLITAN AREA AIRPORT AUTHORITY**  
**AIRPORT AUTHORITY MEETING**  
**MINUTES**  
**December 20, 2005**

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

**PRESENT:**

Larry Benson, Chairman  
Carey Johnson, Jr., Vice-Chair  
Steve Gilkeson, member  
Stanley Haywood, Secretary  
Cassandra Lawson-Johnson, Asst. Secretary  
George Moses, member  
John Drenzo, member  
Richard Campbell, member

**ABSENT:**

**ALSO PRESENT:**

Barbara McNally, Airport Manager	Chuck Wade, Airport Attorney
Pat Hurley, Administrative Asst.	Tim Snider, Regional Air
Ray Cunningham, Regional Air	Ed Dzialo, attorney
Kim McConnell, Lawton Constitution	Rick Perrin, Regional Air
Christine Davis, American Eagle	Gary Ward, American Eagle
Bill Tipton, LaSill Aviation	Chris Pittman, LaSill Aviation

The roll call confirmed that a quorum was present.

**OLD BUSINESS**

a) **Minutes** - Benson asked for additions and/or corrections to the minutes of the Airport Authority meeting of November 22, 2005.

**MOTION BY HAYWOOD, SECOND BY LAWSON-JOHNSON** - to approve the minutes of the meeting on November 22, 2005. AYES: Benson, C. Johnson, Haywood, Gilkeson, Lawson-Johnson, Moses, Drenzo, Campbell. NAYES: None. MOTION CARRIED.

## REPORTS FROM MANAGERS OF AIRPORT BUSINESSES

a) **American Eagle** – No report given.

b) **Regional Air**- Snider handed out Regional Air's safety standards that American eagle adopted in their refueling procedures.

Snider said he also wished to address another safety issue, this one concerning the Chinook helicopters last Friday. Snider said six helicopters landed and because the ramp in front of Hangar # 5 was full of trailers they had to be parked on Taxiway A. Snider said it was after dark, overcast and a bit of safety issue since it was difficult to see the aircraft. Snider said they chose to park the fuelers on the grass and fortunately it was dry weather. Snider said had the equipment gotten stuck it would have been a bad situation. Snider said everything went well and "believe me we don't want to have any more pissed off Lt. Col flight commanders". Snider said "they have divert from here on a couple of occasions in the past, these helicopter come through here on a somewhat regular basis a couple times of year and they have been divert from here in the past to Amarillo due to weather". Snider said if they ever get a mission that's not accomplished they will go someplace else.

Snider suggested a couple of solutions to the use of the ramp; one was to park the trailers each night against the building or to park the trailers in the parking lot in front of the hangar.

Snider also distributed a graph depicting fuel sales. This graph showed the increase in jet fuel sales due to the military aircraft. Snider said this was due to the investment that Regional Air made in fuel trucks, even without a contract with the Authority. Snider said there are Authority members that believe they should have invested in rental aircraft instead of the fueling equipment.

Snider said he had a few more comments that he actually prepared, because he hoped to be held responsible for what he says. Snider said this deals directly with operations at the airport.

Snider said "Unfortunately we, Regional Air, missed an important leasing committee meeting at which our proposal was discussed and rated along with another proposal and it would appear that we were not interested enough to attend". Snider said "In fact, Barbara failed notify us of the meeting and so we missed the opportunity to present the committee with information to consider our proposal." Snider said "I can assure you that we take our commitment to the airport and the Lawton-Ft. Sill community very seriously. Snider said" Barbara, we accept your apology and your explanation that this was a simple oversight, however we will not minimize the effect that this oversight has had on our proposal and future of our company and the Lawton Airport and the reason we will not minimize this oversight is these oversights have been numerous". Snider said "There has also been misinformation and outright false information that has circulated among Airport Authority members, our business contacts and the general public that have been detrimental to our ability to carry out our responsibilities to the airport and to present and defend our previous proposal as well as our current proposal to the airport and the committee last week." Snider said he would like to address some specific examples of these issues and he would be open to discussion in order "to make our position perfectly clear". Snider said "you will remember that the majority of the Authority voted against our previous proposal, with three absentions this vote was based on Regional Air's bad attitude and uncooperative spirit". Snider said "the evidence of this that lead to this discussion of the vote was, serious security violations and I understand that all of you are aware in general of these violations and the source of this information is the Airport Manager". Snider said "Regional Air has been notified of three alleged security violations that we have been responsible for, we did our own investigation of two of the incidents and sent a written response to Barbara". Snider said " Larry, in an interview with you some weeks ago you indicated that you had not been made aware of those responses and Colonel Moses I understand through Ed, our attorney, that you had not been made aware of those responses". Snider asked if any of the Authority members had been made aware of the response to the security violations. Snider said "let me briefly run through these, because I want you to know our response." Snider said the first notice from Barbara regarded a gate code printed in pencil on the front of the gate. Snider said "Ray and I looked at and found the numbers 3401 about a quarter of an inch in size; we were puzzled because that was not the gate code". Snider said Ray called the

company that installed the gate, they wrote the numbers on the gate for their employees to get in and out the gate and to test it while it was being installed". Snider said it was their practice to use the locations address and then the owners can set their own gate code. Snider said "at our airport Barbara then sets the gate code, we have no control over this". Snider said "we considered this alleged security violation to be frivolous". Snider said the second notice involved the gate being propped open, "Ray and I were to meet with Ben Casey at our building at 9:00 a.m., this meeting lasted 20 minutes or so and Ben left our office. We got a letter the next day from Barbara, Ben had reported that the gate was propped open when he walked by our area at 8:30 a.m. and Barbara reported basically Ben Casey's report". "He had returned to our office at 8:45 a.m. and the gate was closed, he had not mentioned this incident to us at our meeting with him. Snider said the gate was not open when I drove through about 8:15 a.m. and it was not open when Ray drove through about 8:30 a.m., none of our employees saw it open while they walked across the ramp on numerous occasions. Rick had not seen anyone at the gate and no one had come through using the buzzer." Snider said "additionally there has been no aircraft on the ramp arriving or departing around that time, no aircraft out of our hangars on the ramp." Snider said "we suspect that this alleged security violation may have been fictional". Snider said "I was involved in the third violation and here's what happened, I was manning the phone at the offices while Rick was fueling an American Eagle aircraft late one afternoon, a fuel tanker truck loaded with fuel for American Eagle had pulled up to our parking lot just after Rick left our area, after fueling the aircraft Rick went to the American Eagle office to fill out paperwork. We have a good relationship with the American Eagle employees and many times our crew will spend a few minutes while they stop in to complete the paperwork, American Eagle employees will do the same in our office. Now, the tanker had waited about 20 minutes and I thought it best to let Rick know. I have been in the American Eagle's area many times in the past for various reasons relating to mutual business before Christine had arrived. I have not been qualified as a fueler, but had been out to help Rick and other fuelers with American Eagle aircraft on numerous occasions". Snider said "I had been introduced to Christine on two occasions and sat in one committee meeting with her". Snider said "when she saw me walking across the ramp, she did not recognize me and she ran over and challenged me, as she should." Snider said her words were "Sir, I know you're a pilot from Regional Air but you can't be over here", Snider said "that took me a little by surprise and so my response was actually I'm not a pilot, I'm one of the owners of Regional Air and I need to let Rick know that a load of fuel has arrived". Snider said in Barbara's notice to our office about this security violation she quoted Part 5 paragraph E of the Airport Security Program, "persons authorized in the secured area will be limited to employees of Regional Air that service aircraft." Snider said I'm not trained as a fueler, but I am an owner of Regional Air basically "Christine responded appropriately but we considered this a non-event". Snider said "these are the only security items that we have been notified about, if there are others we would welcome an opportunity to provide a response in an open forum". Snider said that "this is the nature of the serious security violations that Regional Air has been responsible for and it is this that lead to the conclusion that we had a bad attitude and the vote went against us on our last proposal". Snider said "your Authority members voted on your best information but that information was flawed as I hope I have demonstrated, these security violations have been circulated to you, but our response was omitted, these security violations were non events, but had a serious effect on our proposal".

Snider said the next illustration involves false information, "we know that false information has been disseminated outside of Lawton to our business contacts, to the FAA and the Government fuel office in Washington D.C". Snider said "a parts supplier called our office last week to verify an order that Ray had placed for one of our maintenance customers, he had heard that we were going out of business". Snider said "during the previous RFP period our government fuel office official told us a representative of the Lawton airport, she would not name the person to us, inquiring about transferring the government fuel contract since Regional Air was going to be out of business". Snider said "in our call with her she was calling to confirm that indeed we were still in business and I have to tell you that this military fuel contract can be in jeopardy if there is even a hint of that it will not be serviced or if there is a single incident of nonperformance." Snider said we have dedicated our company to carrying out our responsibilities and so far have an excellent record". Snider said "we bring this up now, because we consider this contact with this official to be a serious breach of our trust in this lease with the Lawton Airport". Snider went on to say "in our conversations with Western State College that allowed them to take over our primary flight training here in Lawton, they had been given information that during our lease period we had neglected the general aviation market and the number of aircraft based in here in Lawton had decreased from 85 to the current 35". "Snider said "this same information showed up several weeks later in Lawton Constitution editorial directed against us during our negotiations with the previous proposal period, the reason this is false information is because the number of aircraft based here in Lawton has always been around 35 to 45, for the forty plus years that Ray Cunningham has been associated with this airport." Snider said the previous

FBO owner contracted with the DEA and the IRS contracted with Jet Away to store aircraft that were being processed for auction. Snider said "none of these aircraft could be considered based here and those aircraft had absolutely nothing to do with general aviation at the Lawton airport, this is the nature of the information that has been given to you members of the Airport Authority. Snider said "given the all the limited and negative information of this type, I would vote against us too." "you have made your best vote, but on incomplete and sometime false information." Snider addressed Stanley Haywood, "I would like to express our appreciation to you for your efforts to temper the inappropriate conclusions against us in the past and your comments over time have shown that you have reserved your judgment and allowed us the benefit of the doubt, I assure you that your trust in us has not been misplaced and your support has been appreciated." Snider said "we have many more examples of oversights and incomplete information from the Airport Manager's office and from other sources." Snider said "I could speak another hour about the our alleged uncooperative spirit and supposed difficult relations with the other airport tenants and management at the Lawton airport, I hope we have an opportunity to discuss in an open forum sometime any concerns that the Airport Authority has about our past performance and ideas of the future, this includes topics such as t-hangars, the compass rose, Hangar 5, and general aviation at the Lawton airport that have not been discussed in this open forum however, in order to participate in this we expect to be allowed the credibility that our extensive experience in the aviation services industry has earned us. " Snider said "now your about to consider the recommendation of the leasing committee and obviously Regional Air did not make the cut, that's fine because we are viable company with a wealth of experience and equipment that allows us to continue to expand our markets in other places, but I will add this, in spite of the fact that the competitive bidder has no experience in the only major market here in Lawton and the fact that this experience is critical to mission at Fort Sill, they are being considered and we are not. In spite of the fact that we are a local company, who's revenues are generated nationally, the other choice to be presented is to go back out for another RFP until an outside company, perhaps a national company can be brought into this community and those revenues of course will leave the Lawton area and I can safely suggest that their primary loyalty will not be to the Lawton community and the Fort Sill mission. Snider said "our attorney will be asking for information regarding the evaluation and selection process and in addition we intend to pursue our lease request to build a separate hangar, we have a responsibility to fulfill our government fueling contract and we look for a timely lease to allow uninterrupted service of that contract." Snider said "now, if someone chooses to offer an alternative motion to the committee recommendation, Regional Air will be available under the following terms: We will continue the present lease which has been in effect on an month to month basis since it expired in 1993 for three years, at the same rate to be adjusted monthly if the fuel sales fall below 50,000 gallons per year and with these other changes, we will consider an offer to buy the portion of the lease that covers Regional Airs leased area of the Hangar 5 ramp, this will free up the area to be leased to Sterling without encumbrances. The portion of the lease payment that is covered by the airport's part of the hangar rent will be put in an escrow account. This will be used for replacement of major components of the hangars that have reached their life expectancy; this will be accounted for and communicated to airport management on a monthly basis. At the end of the lease any excess funds will be returned to the airport or deficits will be billed. Snider also said, one cent of the flowage fees will also be put into the account, this will be available for replacement for major components of the fuel farm. This will be accounted for and communicated to airport management on a monthly basis. At the end of the lease any excess funds will be returned to the airport and deficits will be billed. Snider said a three year term will give the Airport Authority time to formulate long range plans for the Lawton airport, an agreement now will allow the authority to shift gears after a long arduous process and be able to concentrate on future plans. Snider said this lease will allow uninterrupted dependable service and could be signed by January 1<sup>st</sup>.

Snider said he's covered a lot of ground and "described briefly examples of oversights and misinformation that has served to discredit Regional Air, our 12 ½ year record at the Lawton airport shows that this has been unjustified, this bad attitude toward Regional Air is unwarranted." Snider said "we have many more examples and some of a serious nature, but the main point is this misinformation has served to bog down the Authority and its committees in a process that has gone on nearly three years, we are no further along than when we started this and this smear campaign has caused the Authority to be paralyzed." Snider said "first they produce Minimum Standards and follow up with an RFP, then the standards get revised and a new RFP is sent out." Snider said "we were the candidates chosen, then the terms got changed when all parties reached agreement, they chose not to honor the agreement and the Authority voted along with them." Snider said "they came up with different terms still and a new RFP and a lot of work went into an evaluation tool to fairly and objectively choose a candidate and this supposedly objective and fair process chose a candidate that has no experience in the business that they are competing for". Snider said "somewhere in business school I'm sure they teach something like bad input equals bad output. Snider said "I'm here to say that Regional Air has been your best source of

information and your best partner in this airport, we have solved your problems for 12 years, yet we've been accused of causing them, just like those helicopter last week who bought 10, 000 gallons of fuel from you instead of Amarillo, they didn't know there was a problem with their position on the ramp, they just knew their mission was accomplished."

Snider said "some of you are not familiar with the example of the pissed off Lt. Col flight commander, ask some of the other Authority members or some of the previous Authority members, some of them don't believe our account, well, you can either believe them or believe us." Snider said "It took a capable experienced crew with the financial backing and the leadership of the President of Regional Air, Ray Cunningham, with his 40 plus years of experience of solving problems in all areas of aviation, not just the smaller area of aviation, that has helped bring this airport into the 21<sup>st</sup> century." Snider said "all you have heard is the manufactured bad news from airport management and the misinformation from some of your committee members regarding general aviation which we would be happy to debate in an open forum and update you Authority members anytime. Please let us know soon if you would like us to stay around".

**c) TSA – No report given.**

**d) Lawton Air Traffic Control Tower-** Frank Herndon said this was the first he had heard about the problem on the ramp and their being a problem. Snider said "let me clarify the pissed off Lt. Col. was about two years ago with the med evac flights". Moses asked what Snider was talking about. Snider said "the DC-9 med evac flights use to come into Lawton and for years they did not take any fuel, then one day we got a call that they needed fuel, then little by little they started taking on fuel and it got to the point that every time they were in, they taking on fuel, it was a market that we developed because of our availability and capability of fueling them". Snider said then they switched over to C130's which don't require fuel, they still came in here, they had a Lt. Col flight commander that came in the building through security, got a sandwich, turned around and tried to go back out to the ramp and they wouldn't let her out. "Snider said "Rick am I telling this right?". Beazer said "you are telling it absolutely correctly and rightfully so, that Colonel knew better." Snider went on to say that she went around and climbed the fence back to her aircraft. Beazer said "at that point she should have been put in handcuffs and hauled to jail". McNally said TSA regulation does not allow anyone but ticketed passenger to access the ramp through the security checkpoint. McNally said there are procedures in place to assist pilots that needed access to their aircraft. Snider said "this was a bad situation, she should have been hauled away, the problem was she probably called her flight dispatcher and said Sgt. we won't have anymore flights going into Lawton and he said yes, ma'am." DiRenzo said clearly she had a judgment problem if she climbed the fence. Snider agreed that she had a judgment problem, but said "it affected the airport because they don't come in here anymore, they go to Fort Sill." Beazer said that Lt. Col doesn't have the authority to make that change Air Force wide. Beazer said part of the influence of whether they come to Lawton or Ft Sill was based on the fact that they changed to C130's and it is an easier trip to the hospital from Henry Post. McNally said she confirmed this with the head of Reynold's Army Hospital, the decision was made purely based on the proximity of the airfield to the hospital. Beazer said he believed that eventually that the med evac will start using an aircraft that will not be able to use Henry Post and we will see them back at Lawton.

Snider said "this is a complicated issue, the pissed off Lt. flight Col commander was not the whole issue and I don't mean to present it that way, the deal is you don't want to get any pissed off Lt. Col flight commanders and we avoided that situation with those helicopters, we got them fueled on time and in a safe manner, that's what we do over here". Snider said "this Lt. Col flight commander business is very complicated and that is not the only thing to consider, I only want to use that as an example of we did not have pissed off flight commander at this last operation, we could have and another operator would not have known how to handle it." Snider said he wanted to make it clear he was only making a point about, we don't want to get anyone pissed off at us and in fact our clients, our customers are the ones that count for this Lawton airport and they are very happy. We had nothing to do with the med evac flight and the problem there". Benson said we want to keep those Lt. Colonels happy, but not at the risk of breaking the law. Snider said "our job is to solve problems and that was a problem we heard about, in fact she chewed out Rick". DiRenzo said the Colonel's behavior was totally unacceptable.

**e) Fort Sill Transportation** – Beazer said over the past several years we have had the opportunity to expose a lot of senior military leaders to the Lawton airport. Beazer said over and over he's heard what an excellent, cooperative relationship we have with the Lawton airport.

Beazer said the last outbound flight for the year will occur tomorrow and there will be some redeployment in January. Beazer said he also wanted to publicly thank Regional Air for their assistance.

#### **LEASING COMMITTEE (Carey Johnson, Committee Chair)**

**a) ATM RFP** - Johnson said two proposals were received and evaluated by the committee. Johnson said it is the committee recommendation to recommend IBC bank at 50 cents per transactions, which will double the per transaction fees we are currently getting from the ATM.

**MOTION BY GILKESON, SECOND BY HAYWOOD**, to approve awarding IBC Bank the ATM lease and accept the term proposed. AYES: Benson, C. Johnson, Haywood, Gilkeson, Lawson-Johnson, Moses, Drenzo, Campbell. MOTION CARRIED.

**b) Lawton Golf Center** – Johnson said this lease has expired and the attorney is working on combining the lease. Johnson said the committee will consider the new lease at its next meeting.

**c) American Eagle** – Johnson said this lease expires on January 31, 2006. Johnson said the committee is recommending a three year extension at the current terms and conditions. Wade said he has been in contact with Jess Hall from American Eagle who is agreeable to staffing this recommendation through the proper American Eagle channels for final approval.

**MOTION BY MOSES, SECOND BY HAYWOOD**, to approve proposing a three year extension at the same terms and condition to American Eagle. AYES: Benson, C. Johnson, Haywood, Gilkeson, Lawson-Johnson, Moses, Drenzo, Campbell MOTION CARRIED.

**d) Interactive Hotel Solutions (IHS)** - Johnson said this company proposed linking to our website and paying the Authority 6% of all booking through our website. Johnson said this request led to a discussion about the use of our website and a more marketing based approach, which is something we will address in the future. Johnson said in the meantime as long as their contract allowed us a short cancellation period, it's the committee recommendation to approve this contract.

**MOTION BY GILKESON, SECOND BY DIRENZO**, to approve entering into an agreement with IHS and proposing a three year extension at the same terms and condition to American Eagle. AYES: Benson, C. Johnson, Haywood, Gilkeson, Lawson-Johnson, Moses, Drenzo, Campbell MOTION CARRIED.

**e) SITA/AIRCOM request** - Johnson said this company provides a data link service to the airlines subscribe to. And they have requested space in the terminal for their equipment. Johnson said it is the recommendation of the committee to approve this request for \$ 250.00 per month with a 2% annual escalator. Moses said we also expect that this company will abide by the FCC regulations for this equipment. Johnson said this is an international company with thousand of sites, so they are not new to this.

**MOTION BY MOSES, SECOND BY C.L. JOHNSON**, to approve entering into an agreement with SITA/AIRCOM proposing \$ 250.00 a month with a 2% annual escalator. AYES: Benson, C. Johnson, Haywood, Gilkeson,

Lawson-Johnson, Moses, Drenzo, Campbell MOTION CARRIED.

**f) CCIDA LOAN OFFER** – Johnson said at the last meeting we did not have all the terms and conditions, which we now have. Johnson said we are still investigating how those funds could be put to best use for the tenant in Hangar # 5. Johnson said at this time there is no recommended action.

**g) Hangar Repairs** – Johnson said there is an inspection list of hangar repairs recommended by our engineer in August 2004. Johnson said the inspection included all of the large hangars and some of the T-hangars that were not locked. Johnson said that inspection generated action items for maintenance. Johnson said there was some question during the negotiations with Regional Air as to whether those maintenance items were due to deferred maintenance that they were responsible for or for some other reason that we would be required to do it. Johnson said due to the on going negotiations with Regional Air and now the RFP process, the committee asked the manager to undertake those maintenance items on the part of the Authority and just getting them fixed. Johnson said many of these items are a safety concern and there has been an incident in the past of a door falling and injuring someone and we don't want that to happen. Johnson said some of these items have and can be done in house with our maintenance crews, like the ADA compliant public bathrooms. Johnson said some items will need to be contracted out and the estimates for those repairs are about \$ 20,000.00. Johnson said the estimates are the maintenance repairs are separate from the roofing repairs which the Authority will need to undertake at a later time. Johnson said we are asking for approval in an amount not to exceed \$ 20,000.00 to continue with the hangar repairs. McNally said the maintenance budget was \$ 40,000.00 for the year for the entire airport and with these hangar repairs we are requesting an additional \$ 20,000.00.

**MOTION BY MOSES, SECOND BY C.L.JOHNSON**, to approve repairs to the hangars in an amount not to exceed \$ 20,000.00. AYES: Benson, C. Johnson, Haywood, Gilkeson, Lawson-Johnson, Moses, Drenzo, Campbell MOTION CARRIED.

**h) Regional Air Expansion** – Johnson said Regional Air submitted a proposal in October to build a new hangar and office facility to undertake business on the airport. Johnson said we responded with some questions for clarification and the committee met to discuss this request in December. Johnson said this proposal has a lot of issues that we need to discuss in several different committees having to do with future development and where to put some of the other development we foresee on the airport, in addition to this potential development. Johnson said we believe that this request will have some ramifications with the current FBO RFP Johnson said Regional Air has said that they want to proceed with this regardless of the outcome of the RFP process, but we feel like there are something we want to learn and research before making a decision. Johnson said building a new building and fitting it in the plan for the future is a rather large thing. Johnson said the committee will continue to work on this request.

**i) Fixed Base Operator Proposals** – Johnson said the Authority formed a subcommittee of the leasing committee to evaluate the FBO proposals. Johnson said two proposals were received and the committee comprised of Johnson, DiRenzo, Gilkeson and Moses has spent the last month in the evaluation process. Johnson said the subcommittee used a formal approach using a checklist with numbered responses to dozens of questions that all the evaluators used. Johnson said each proposer was also interviewed and a formal evaluation was made of that procedure. Johnson said the full committee discussed at great length all of the options before them and unfortunately the sub committee was able to bring a single recommendation or a consensus. Johnson said the recommendation was split, two and two. Johnson said Plan A is that we accept the LaSill Aviation proposal. Johnson said Plan B is that we reject both proposals, rewrite the RFP and advertise out again.

Johnson said Dr. Snider was very concerned about stories of alleged security violations from the past. Johnson said the security stories and the based aircraft count didn't enter his mind during the evaluation process. Johnson said all the information that he used in the evaluation process was based on what he observed in the proposals, what he observed in the interview and what he observed over seven years of being Regional Air's

customer and none of it was filtered by anyone. Johnson said he did not observe or hear any smear campaign or misinformation directed at Regional Air, his decision was based on a structured approach, using the available information.

DiRenzo agreed with Johnson and said the committee had a very fair evaluation process in place, wrote a very formal methodology to evaluate and that he was not influenced by anybody in making this decision. DiRenzo also said the committee agreed that they would support the decision the Authority made today, regardless of the direction. DiRenzo said "we are a team".

DiRenzo said the committee agreed that in the comparison between the two proposals that LaSill Aviation won. DiRenzo said however when the committee took a look at the larger issue of the vision is for the airport, where Lawton/ Ft. Sill is going, the mission of Lawton/ Ft Sill, the committee disagreed. DiRenzo said he felt the three year lease was not sufficient to get the kind of bids we thought we ought to get. DiRenzo said that he talked to Christensen Aviation and was told if the lease term was longer they would have submitted a proposal because they were considering expanding their leasing operations into SW Oklahoma. DiRenzo said the question is, do we want to replace the current FBO with another like operator or are we looking to grow Lawton/ Ft Sill, looking at the future and looking at going out for a nationally established Fixed base Operator that can help us achieve our vision.

Moses said he agreed with DiRenzo, the vision of what is expected to be, figured strongly in the evaluation process. Moses said he also used the written proposals in the interviews. Moses said concerning Dr. Snider's comments, which he did not believe that the specific incidents that he addressed earlier were considered by anyone in the evaluation process. Moses said but he did believe that views can be colored by experiences in the past.

Moses went on to say the proposals, while good people, were weak for the future that we see. Moses said he believes we need a national organization that has the resources available to pull into this airport.

Johnson said he wanted to remind that group why we used the terms we did in the RFP. Johnson said in writing this RFP we used this vision for the future in developing the three year lease. Johnson said we all recognize that the current facilities have some major flaws dealing with access and the appearance that need change. Johnson said that idea was to build a new facility in the next three years but having a lessee in place could pose a problem.

Johnson said his personal opinion was that he was glad to see that both proposals were local. Johnson said the partners in LaSill Aviation are local people and Chris Pittman has done business on the airport since 1981 and rose through the ranking at American Eagle until he became the Manager of the facility. Johnson said has talked to persons that have done business with Pittman and had nothing but good things to say about his business practices. Johnson also said that LaSill's partners started a very significant aviation business 10 years ago and has gone through a start up of a new business.

Gilkeson said he approaches this decision two ways, one as a private pilot who's aircraft has been serviced well by the current provider, but as an Authority member looking to the future of the airport. Gilkeson said we operate to often on a "crisis of the day" mode, rather than looking at the long term growth and having a plan. Gilkeson said from the stand point of answering to the citizens, we should maximize our revenues.

DiRenzo said he wanted to address the idea of building a new facility in three years. DiRenzo said we allocated today \$ 20,000.00 for hangar repairs and all the other expenses like the fuel farm, projects that we have no way to fund. DiRenzo asked "What makes us think we will have the money to rebuild?" DiRenzo said he believed we needed to partner with a national company in a long term lease to rebuild the facilities. DiRenzo said he believed we needed to do the work to get it right. DiRenzo said he was very impressed with their "great attitude and can

do spirit” but they lacked the experience.

Beazer said that his experience with national companies is that they could care less about Lawton, America, they are concerned with the dollar. Beazer said he did not think the term of this lease was in sync with industry standards. C.L. Johnson asked what the average term of an FBO lease. DiRenzo said 10 years. Beazer said 20 years. Johnson said the term of the lease is commensurate with the investment that we are asking for, fueling equipment is leased and we are not asking for any investment in the facility. DiRenzo said there is equipment that calls for a capital expenses like tools, air starts, tugs.

C.L. Johnson said it sounded like the industry standard was a longer lease which allowed for us to invest in the company and the company to invest in the airport.

Haywood asked why we accepted Regional Air’s proposal in 1993. McNally said Regional Air bought out other operator Jet Away. McNally said the Authority did not go out for RFP’s, it was a business deal between the two companies. Haywood asked for more information, Wade said Southern Aviation went out of business, the Authority operated the FBO for a while, then Jet Away that was eventually bought out by Regional Air in 1993. Haywood asked if it was in Regional’s RFP to remodel, Wade said there was no RFP. Haywood asked if they were told that they needed to keep the hangars up to par. Wade said in the lease with Jet Away that was assumed by Regional Air maintenance of the facilities was their responsibility except for the structural portions which was ours. Haywood asked if we kept up our portion up. Wade said the Authority has acknowledged their responsibility concerning the roofs, we have made repairs and patched them, but it’s a matter of us finding the money to contract this work out. Wade said the Authority also assumed responsibility for the A/C system in an amendment to the original lease. Haywood said “in other words, we are at fault too in some of this, as well as Regional Air”. Haywood thanked Snider for his comments and said “but, I represent the City of Lawton on this board”. Haywood said he believes in the local people and that it can be done locally, but expressed concern about LaSill’s lack of experience.

Pittman addressed the Authority, he said that there were no minimum requirement in the RFP for financials, he said they estimated what it would take to put down and he believes they have enough to get started. Pittman said on day one, they will be ready to start fueling military aircraft, it will not be a problem. Pittman said they have selected a supplier that is the second largest supplier of military fuel in the country. Pittman said he has been in aviation for 25 years and believes it’s important that it is a local bid. Pittman said the demands of airline fueling are more difficult than the military part. Pittman said when he worked for American Eagle fueling was his responsibility so none of this is new to him and he has been working with American Eagle on current requirements. Haywood asked if Pittman had worked with Mr. Beazer before, both said yes. Haywood said he has had people approach him about this decision and he feels like “if it’s not broken, don’t fix it.”

Benson said he appreciates that both proposals are local, but is concerned that there was not more response.

Snider said this is what Regional Air’s is proposing with their alternate plan, three years to allow the Authority to plan the future then, go out nationally for a long term lease.

Johnson said he wanted to clarify that Regional Air has talked about a new proposal today, but currently facing the Authority is Regional Air’s proposal under the RFP versus the LaSill’s proposal. Johnson said the committee is recommending one of two things, accept the LaSill’s proposal or go back out for RFP’s.

DiRenzo said we went through a fair process to evaluate both proposal and LaSill won that process. DiRenzo said the Authority can disregard our work, and decide we are going to start all over again. DiRenzo said “This is key, we have to be fair here, they won, we did a fair job of rating and they won”.

Haywood asked "Who won the first RFP process?" DiRenzo said "Regional Air, and several of us were not on the Authority then, we know the history, but that's not where we are at today. Today, we had two proposals put in front of us and we did a good job of rating these people and one was the clear winner". DiRenzo said you can't throw out the entire process and consider an alternate proposal.

**MOTION BY JOHNSON, SECOND BY MOSES**, to approve accepting LaSill Aviation proposal. AYES: C. Johnson, Gilkeson, Moses, Campbell, Benson. NAYES: DiRenzo, Haywood: ABSTAIN: Lawson-Johnson. MOTION CARRIED.

#### **DEVELOPMENT COMMITTEE (Cassandra Lawson-Johnson, Committee Chair)**

1) **AIP 21 - Drainage Project** – Lawson-Johnson said the drainage project was proceeding well. Johnson asked about the dirt that was being moved from the drainage area to behind the T-hangars. McNally said this was to level that area for future construction.

#### **CHAIRMAN'S REPORT (Larry Benson)**

a) **Memorandum of Agreement with Fort Sill** – Benson said he and Johnson have been working with Beazer on formalizing an agreement with Fort Sill for the use of the Lawton Airport. Johnson said he has made some minor changes that Beazer is reviewing. Johnson said this memorandum of agreement will be key to formalizing the future developments with Fort Sill. Johnson also said there is a 60 day cancellation notice.

Wade suggested revising the language discussing past attempts at an agreement, the language concerning providing fuel and hangar space, since that it is not actually provided by the Authority, but rather a third party.

**MOTION BY JOHNSON, SECOND BY CAMPBELL**, to approve entering into a Memorandum of Agreement with Fort Sill with the changes as suggested. AYES: Benson, C. Johnson, Haywood, Gilkeson, Lawson-Johnson, Moses, DiRenzo, Campbell. MOTION CARRIED.

#### **AIRPORT MANAGERS REPORT (Barbara McNally)**

1) **Airport Operations** – McNally said she wanted to make a comment on the misinformation comments from Dr. Snider. McNally said the Airport Operator is held responsible for safety and security at the airport by the Transportation Security Administration and the Federal Aviation Administration. McNally said the first two incidents were brought to her attention by TSA and the last was brought to her by a tenant. McNally said all three incidents had to be addressed and were addressed, there was no misinformation. McNally said in all three cases, it was a problem brought to Regional Air's attention and the intention was to clarify the Airport Security Program to them. McNally said she hated that this information was presented as misinformation when the intent was to clarify Regional Air's responsibility to them.

Johnson asked about the lighting problem. McNally said maintenance has been dealing with this intermittent runway lighting problem which has been almost impossible to isolate. McNally said over the weekend we lost the runway and taxiway lights and the taxiway lights are on separate circuits, separate transformers, the only common denominator for those lights is line that runs from the block house to the control tower in order for the tower to control the lights at night. McNally said when the electrician tested the line it was getting half the voltage it should and that is the problem. McNally said the lights are being manually operated until it can be repaired. McNally said that this will be a costly repair, but because our last project included electrical work, the grant was still open and there were funds available, this could be funded federally.

**2) Financial Reports** – McNally directed the members of the financial statement on the right side of the folder. Purchase Orders were in the amount of \$ 16,707.38 from the operating account and \$ 82,895.25 in Capital Improvements. Account balances were as follows: Operating Account balance (Per reconciliation) \$ 28,459.51, Money Market Account (per reconciliation) \$ 221,179.55, Invested in c.d., \$ 150,000.00 plus accumulating interest, Imprest Fund (per reconciliation) \$ 1,021.18, PFC's (per reconciliation) \$ 106,166.85, Capital Improvements (per reconciliation) \$ -3,221.12.

**MOTION BY MOSES, SECOND BY C.L.JOHNSON**, to approve the purchase order expenses and the financial reports as presented AYES: Benson, C. Johnson, Haywood, Gilkeson, Lawson-Johnson, Moses, Drenzo, Campbell. NAYES: none. MOTION CARRIED.

## **NEW BUSINESS**

C. Johnson thanked Benson for his tenure as Chairman and presented him with the Chairman's plaque.

There being no further business, the meeting was adjourned.

Larry Benson, Chairman