THE SHERMAN MUNICIPAL AIRPORT ADVISORY BOARD MINUTES FROM

Tuesday February 19, 2008

Members Present: Luke Motley, Cody Stapp, Donald Makinson, and Doug Millsap

Members Absent: Ross Richardson (excused), Bob Nunn (excused)

City Staff Present: Jeff Miller, Director of Public Works; Jessica Perkins, Project Coordinator

Airport Staff Present: John Hooker, Owner of J&S Aviation

1. Call to Order: Chair, Luke Motley, called the meeting to order at 5:30pm; quorum present.

2. Approve Minutes: The minutes from the last meeting, January 10, 2008, were approved on motion from Don Makison and seconded by Doug Millsap . All members were in favor of the minutes as written.

3. Update on Airport Projects
   a. Fuel System: Jeff Miller reported that city staff found an alternative to an above ground 12,000 gallon tank that meets TCEQ standards. Jeff Miller shared that city staff has been working with a consultant, LTRC Inc., out of Plano, Texas. The consultant recommended to city staff the purchase of a second 6,000 gallon underground tank. The tank is a double-walled tank steel on the inside and fiberglass on the outside. Additionally, LTRC Inc. completed a Phase II Environmental Assessment of the existing tank and found no contamination and determined that the existing tank still has some life left. Therefore, to move forward with the project, the city would need to purchase the tank for approximately $11,000 and contract with LTRC Inc. to install the new tank which is approximately $46,000.
      Jeff Miller entertained a variety of questions. Luke Motley asked whether 6,000 gallons was enough. John Hooker informed the board that a regular truck load of fuel is approximately 8,000 gallons so with an additional 6,000 gallon tank the city would be able to receive a full load and not have to pay a fee to split the load. Don Makison asked if the contractor was licensed to do the work and Jeff Miller confirmed that LTRC Inc. is a TCEQ certified contractor. Member, Cody Stapp, inquired whether there was going to be down time for fueling operations during the scope of the project. Mr. Miller reported that he anticipates minimal to no downtown. Jeff Miller continued stating that he was looking for a formal recommendation from the board of the LTRC Inc. proposal to go before the City Council to seek their approval to move forward with the project and the contract with LTRC Inc. Jeff Miller added that this proposal fits nicely with the Airport's plan to have a second fueling station out on the ramp one day. Mr. Miller entertained a few more questions before the formal motion.
      Luke Motley inquired about the location of the tank which will be parallel to the existing tank closer to the building. John Hooker asked whether a valve would be included in

order to shut off one tank in case of an emergency. Jeff Miller said it was a good question and directed city staff member, Jessica Perkins, to inquire about it. Cody Stapp inquired about the possibility of using grant funds to fund a portion of the project. Mr. Miller stated, yes, it was possible to turn the invoices in to TxDOT Aviation for up to $50,000. Mr. Miller reminded the board that the grant funds can also be used for other airport maintenance needs.

Chair, Luke Motley, then addressed the board seeking a formal motion to accept the proposal from LTRC Inc. and seek approval from the City Council to contract with LTRC Inc. and move forward with the new fuel tank project. Doug Millsap started the motion with the first and Cody Stapp seconded the motion and all members were in favor.

b. T-Hangers: Jeff Miller reported that there is not any new information. City Staff Including, Robby Hefton, CFO for the City of Sherman, is in favor of the City building T-Hangers. Jeff Miller is waiting on Mr. Hefton to see how to finance the T-hangers. John Hooker reported that he has received interest from two parties to build T-Hangers. Mr. Don Makinson shared that he did some research of private companies who are in the metal building business. There were a lot of comments that there is always a lot of interest so hopefully something will work out soon. A few comments circulated over rental cost and what would be ideal.

4. Report on Airport Operations

a. Fuel Sales: Mr. Miller reported that the month of January was down a bit from the previous year. Mr. Hooker shared that sales are down due to the economy not being so great.

b. Other Operational Issues: Mr. Miller shared that the City took bids for mowing of the airport. A contractor out of Whitewright beat out other local vendors. His annual cost is $2,000 under budget. The contract is set up for renewal options.

5. Board Member Comments:

a. Location of New Jail: The City of Sherman is supporting hiring of a consultant to look at options for a new jail. One of the options is on Ida Road. Right now City Staff does not know much else. Mr. Miller stated that he personally feels that if Ida Rd. becomes the location for the new jail that it could only help airport operations.
b. Update on Unattended Vehicles on the Runway: Jeff Miller updated the members on unattended vehicles on the runway. Mr. Miller stated that he intended to have a letter sent out with the December bill. Mr. Miller said he found out that a letter did not go out in December's bill and he called finance to see if the letter was put in the January statement but was unable to confirm it. Mr. Hooker who is a tenant stated that a letter was in his January bill. All tenants are now on notice. Mr. Miller commented that sanctions could take place if someone violates the rules, possibly eviction. Current tenants are on a month-to-month lease so eviction should be simple, however, that may change because the City Attorney wants a long term lease for hanger rental. Member, Cody Stapp, inquired whether a warning or different type of sanction could be enforced before people get evicted. Mr. Hooker commented that he has spoken to tenants about the rule of no parking on the runway and Mr. Miller has sent letters in the past, but with some tenants the behavior persists. Therefore, having a contract for the hanger rental

instead of month-to-month will give the City the authority it needs to take care of habitual violators. Mr. Miller told the board that he would invite the City Attorney to a board meeting to discuss the topic in detail.

c. Set Airport Board Calendar of 2008: The board decided that the second Tuesday of each month would be the regular meeting day. Cody Stapp made a motion to set the calendar and it was seconded by Don Makinson; all were in favor.

d. Helicopter Company Update: Cody Stapp asked if there was an update on the Helicopter Company's plan to locate at the Airport. Jeff Miller shared that he has no new information.

e. Vacancy: Jeff Miller reminded the board that the board has a vacancy, but that there are no applications on file. Mr. Stapp asked if there was a residency requirement. Jessica Perkins stated that she thinks there is a one year residency requirement.

9. Set Agenda for Next Meeting:
Update on Fuel Tank Replacement
Monthly Fuel Sales Report
Helicopter Company update

10. Set Date for Next Meeting: The next meeting is for Tuesday, March 11, 2008

11. Adjournment: The meeting was adjourned at 6:12pm, on a motion by Don Makinson and a second by Doug Millsap.

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Airport Board Chair

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Jeffrey R. Miller, Director of Public Works

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Jessica J. Perkins, Project Coordinator