

SPECIAL MEETING

CITY COMMISSION

HARLINGEN, TEXAS

NOVEMBER 29, 2010

A Special Meeting of the Harlingen Elective Commission was held on Monday, November 29, 2010 at 5:30 p.m. in Town Hall, City Hall, 118 E. Tyler Street, Harlingen, Texas. Those in attendance were:

Mayor and City Commission

Mayor Chris Boswell
Gustavo C. Ruiz, Commissioner Place 1
Robert Leftwich, Commissioner Place 2
Kori Marra, Commissioner Place 3
Jerry Prepejchal, Commissioner Place 4

Absent:

Joey Trevino, Mayor Pro Tem

Staff Present:

Carlos Yerena, City Manager
Gabriel Gonzalez, Assistant City Manager
Roxann P. Cotroneo, City Attorney
Sylvia R. Trevino, City Secretary

Other Interested Parties:

Michael Browning, Director of Aviation
Bryan Wren, Assistant Director of Aviation
Gene McCullough, Airport Attorney
David Moran, (Attorney) Jackson Walker

Mayor Boswell called the meeting to order and asked for a motion to go into Executive Session.

Commissioner Leftwich made a motion to go into Closed/Executive Session pursuant to Chapter 551, Subchapter D., *V.T.C.A. Government Code*, (Section 551.071) to discuss contemplated or pending litigation and to seek legal advice from the City Attorney, Valley International Airport Attorney, and outside legal counsel regarding a Federal Aviation Administration, Texas Airports Development Office complaint filed by Sun Valley Aviation, Inc. against the City of Harlingen, Valley International Airport.

Commissioner Marra seconded the motion and it carried unanimously.

CLOSED/EXECUTIVE SESSION PURSUANT TO CHAPTER 551, SUBCHAPTER D., V.T.C.A. GOVERNMENT CODE, (SECTION 551.071) TO DISCUSS CONTEMPLATED OR PENDING LITIGATION AND TO SEEK LEGAL ADVICE FROM THE CITY ATTORNEY, VALLEY INTERNATIONAL AIRPORT ATTORNEY, AND OUTSIDE LEGAL COUNSEL REGARDING A FEDERAL AVIATION ADMINISTRATION, TEXAS AIRPORTS DEVELOPMENT OFFICE COMPLAINT FILED BY SUN VALLEY AVIATION, INC. AGAINST THE CITY OF HARLINGEN, VALLEY INTERNATIONAL AIRPORT.

(Commissioner Ruiz arrived at 5:50 p.m.)

The Executive Session convened at 5:31 p.m. and concluded at 7:16 p.m. with no action taken in closed session. Those present in Executive Session were: Mayor Boswell, G. Ruiz, R. Leftwich, K. Marra, J. Prepejchal, C. Yerena; G. Gonzalez; R. Cotroneo; M. Browning; G. McCullough; D. Moran, C. Cuellar, Dr. de la Rosa Villarreal; S. Trevino.

ACTION TABLED TO APPROVE A RESOLUTION APPROVING VALLEY INTERNATIONAL AIRPORT'S AMENDED CAPITAL BUDGET FOR FISCAL YEAR 2010-2011.

Returning back into open session, Commissioner Leftwich made a motion to table approval of a resolution approving Valley International Airport's amended capital budget for fiscal year 2010-11.

Commissioner Prepejchal seconded the motion and it carried unanimously. Mayor Boswell commented that this same item was also on the agenda for Wednesday's meeting.

At this time, David Garza asked that the Commission allow his representative to make some comments before adjourning the meeting.

Commissioner Leftwich made a motion to reconsider the item and Commissioner Prepejchal seconded the motion, which carried unanimously.

Mayor Boswell was called back in to the meeting due to the absence of the Mayor Pro Tem in order to have a quorum available.

With everyone present (at 7:20 p.m.) Jeff A. Kohlman, principal with Aviation Management Consulting Group, made reference to a letter addressing the letter that was sent from the Federal Aviation Administration. He stated that they agreed with the letter from FAA and it is very clear on its direction to the Airport Board that it does need to negotiate in good faith with Sun Valley Aviation. Mr. Kohlman stated that in all of their presentations, both verbal and written communication that they and Gulf Aviation have made to the Airport Board, is about process. Never once have they made the statement not to allow Sun Valley Aviation to be a competitor. All they have asked for is a fair, open process that follows state laws, FAA grant assurances and follows the Airport's policies. They believe that not any of these three have been followed. What he finds interesting is that the Commission is faced with a budget amendment for an expenditure that would be focused on a business that does not even have a negotiated lease agreement. As of now communications with the Airport management through information requests is that there is an incomplete agreement with changes that Gulf Aviation has not accepted yet. Why are we asking for a budget amendment? Mr. Kohlman referenced a RFP that the McAllen Airport solicited where only one proposal was submitted-McCreery Aviation. He commented that if Sun Valley Aviation has a good business plan they could also be successful at the McAllen Airport. He would have encouraged them to propose to McAllen Airport that has an existing hangar and existing apron.

Mr. Kohlman encouraged the Commission to focus on the process---the minimum standards that require submittals of certain information relating to prospective operators there. Mr. Kohlman noted that some past actions throughout the years that have been outlined in a letter to both the City Commission and the Airport, reflect that there has been a lot of inconsistencies with following both Airport policies and FAA grant assurances. He encouraged the Commission to encourage the Airport Board and Airport management to follow state laws, airport policies and grant assurances.

Mayor Boswell recalled that Mr. Kohlman had done a presentation before to the City Commission when a motion was made to issue COs to build a building at the Airport.

Mayor Boswell reminded the Commission that a motion had previously been made. Commissioner Leftwich repeated his original motion to table action on this item. Commissioner Prepejchal seconded the motion and it carried unanimously.

There being no further business the meeting adjourned at 7:22 p.m.

Special Meeting
11/29/10

Chris Boswell, Mayor

Attest:

Sylvia R. Trevino, City Secretary