

REGULAR QUARTERLY MEETING OF THE BOARD OF DIRECTORS

MOHAVE COUNTY AIRPORT AUTHORITY, INC.

Minutes of January 9, 2018

A Regular Meeting of the Mohave County Airport Authority, Inc. (MCAA), Board of Directors was held at 9:30 a.m. MST on January 9, 2018 at the Bullhead Area Chamber of Commerce, 1251 Highway 95, Bullhead City, Arizona.

A. CALL TO ORDER

Director Jim Zaborsky, Vice President, called the meeting to order at 9:30 a.m. MST.

B. ROLL CALL

Directors Present

Jim Zaborsky, Brad Belhouse, Mark Clark, Joe Keunen, Lisa McCabe, Jena Morga, and Steve Willett.

Members Present

Denise Berry, Brett Dennis, Pat Fordham, John "Doc" Holiday; Michelle Keunen; Meg McDaniel; Casey Mulligan, Scott Neal; Jennifer Portwood, Lance Ross, Mary Schramm, Phyllis Smith, Ron Smith, Terri Sponder, and Larry Tunfors.

Staff Present

Jeremy Keating, Airport Director; Tim Bannon, Assistant Airport Director.

Guests Present

Kate McDonald, Mohave Daily News.

C. PLEDGE OF ALLEGIANCE

Director Jim Zaborsky, Vice President, led in the reciting of the Pledge of Allegiance.

D. APPROVAL OF MINUTES

A motion was made by Director Steve Willett to approve the minutes of the Regular Quarterly Meeting of October 10, 2017; seconded by Director Jena Morga. The motion carried unanimously.

E. DISCUSS AND TAKE POSSIBLE ACTION TO APPROVE A NEW MEMBERSHIP APPLICATION

Director Jim Zaborsky asked John Pynakker to share about his interest in being a member of Mohave County Airport Authority. John said he is the Executive Director of the Bullhead Area

Chamber of Commerce. He is a small business owner and he and his wife have lived in the area for 16 years. John worked with Director Lisa McCabe on the special extended Air Service and Marketing Committee. He is interested in serving on the regular Air Service and Marketing Committee.

A motion was made by Director Brad Belhouse to hold the General Membership vote for John Pynakker to become a member of the Authority; seconded by Director Mark Clark. The vote carried unanimously. Director Jim Zaborsky asked the General Members to vote on John Pynakker's membership; the vote was unanimous.

F. COMMITTEE REPORTS

1. Finance & Planning Committee – Director Brad Belhouse, Treasurer

The Finance & Planning Committee met on Thursday, January 4, 2018.

a. Year to Date Financial report

Both YTD revenues and net income are ahead of budget. The Airport continues to be in a good cash position with an Operating cash balance of \$620,000 and \$1.5 million total cash. The long range cash forecast continues to look good as well.

b. FY 17 Audit Presentation - Gene Newman – Discussion and possible action to accept the FY 17 Audit Report.

Mr. Newman found no significant audit difficulties in the audit for the fiscal year ending June 30, 2017. Only one adjustment was made for the capitalization of an AIP project that was completed.

Financial statement disclosures were the same as in past years. The audit disclosed the long-term debt, liabilities and Passenger Facility Charges. There were no significant difficulties encountered in the financial statement disclosures.

The depreciation schedule for fixed assets was updated. The new depreciation schedule was provided to Brandon Bull of Johnson & Bull, CPAs.

There were no disagreements with MCAA management. Mr. Newman received a management representation letter that contains information on what Airport management has done and will do in the future. Mr. Newman said he appreciated the cooperation he received from Airport management and Brandon Bull.

A motion was made by Director Brad Belhouse to accept the Audit report as presented by Mr. Newman; seconded by Director Lisa McCabe. The vote carried unanimously.

- a. Audit contract for FY18 – Summary review and possible action to accept Mr. Newman’s proposal and authorize the MCAA President to sign the agreement.

The Committee reviewed Mr. Newman’s proposal for the FY18 audit. Mr. Newman’s fee for the 2018 audit will be the same as the 2017 audit. The Committee recommended that the Directors approve the proposal. A motion was made by Director Brad Belhouse to accept the Audit proposal; seconded by Director Joe Keunen. The vote carried unanimously.

- c. FAA Projects status

- 1) AIP 48 - Apron Rehabilitation/Reconstruction of General Aviation, Commercial, and RON Aprons

The project started December 11 and should be completed by the end of 2018.

- 2) AIP 48 - Drainage Master Plan

The project is ongoing and continues to make progress.

- d. FAA Projects awaiting grant funding

- 1) Land Acquisition – AZ State Land purchase application

The land purchase will support future terminal expansion. Mohave County requested an amendment to the Master Lease which will clarify that land purchased by the Airport will become the property of Mohave County.

- 2) Taxiway Alpha & connectors sealcoat project – Discussion and possible action to authorize the Airport Director to enter into negotiations with Mead & Hunt for an engineering services agreement.

The Committee recommended that authority be given to Airport Director Jeremy Keating to enter into negotiation with Mead & Hunt to provide engineering services. A motion was made by Director Brad Belhouse to delegate authority to Jeremy Keating to negotiate with Mead & Hunt; seconded by Director Joe Keunen. The vote carried unanimously.

- e. Other Airport Development/Improvements

- Air Traffic Control Tower radio/communication equipment replacement.

The project will be advertised within the next couple of weeks and will get underway soon.

- The new airport sign has been installed at the North entrance.

2. Real Estate Committee – Director Jim Zaborsky, Vice President

The Real Estate Committee met on Thursday, January 4, 2018.

a. ParkWest Development Status Report

Tom Pancrazi, the new Realtor working with ParkWest and Mohave County Airport Authority, attended the Committee Meeting. ParkWest hopes to have information at the April or July Board meeting regarding businesses interested in the Airport Center. Currently the biggest drawback is that companies want to build on their own land rather than on leased land.

b. Environmental Cleanup

A recent test on the last well showed another drop in contamination levels. An application for a risk-based closure has been submitted to ADEQ. It will take 30-60 days to hear back from them.

3. Air Service Development & Marketing Committee – Director Lisa McCabe

Director Jim Zaborsky read a portion of Director Lisa McCabe's resignation letter effective January 9, 2018. Lisa was presented with a plaque to express the Authority's appreciation for her service as a member of the Board of Directors and her many contributions to the Airport and the Authority from 2000 to 2018.

a. American Airlines ending service February 14.

The special Air Service and Marketing Committee has met monthly to support the Airport staff's efforts to increase awareness of American Airlines' air service. The meeting for this month was canceled after the announcement that American will no longer be providing services after February 14.

b. SCASDP Grant/Air service account status – Airport Director Jeremy Keating

The Airport will most likely use all of the grant money by the end of American's air service in February. Jeremy Keating encouraged people to continue to use American's

service while they can. The data gathered from this year of air service will help the Airport in the future.

- c. Volaire air service conference - March 14-16 – Airport Director Jeremy Keating Board President John Hastings and Airport Director Jeremy Keating have the opportunity to attend the air service conference in South Carolina. Attending the conference will help the Airport stay in contact with airlines and consultants for future air service.

Director Jena Morga asked if the Airport could apply for another grant. Jeremy Keating said yes, but the grant application cannot be for the same areas that the Airport applied for previously. The Airport previously had a grant for air service to L.A., and the current grant is for Phoenix or Denver; consequently, any future grant application cannot be for service to Los Angeles, Phoenix or Denver.

G. AIRPORT DIRECTOR REPORT – JEREMY KEATING, AIRPORT DIRECTOR

1. Airport staff update

- d. New Office Manager - Rebecca Saling

The current Office Manager, Donna McFarland, gave 6 months' advance notice of her retirement, giving the Airport the opportunity to hire a new Office Manager for Donna to train before she retires. Becky Saling began training on January 8th.

- e. New custodian - Patty Badilla

The Airport hired Patty Badilla for the open custodian position. Patty is a good fit for the existing custodial staff.

2. Young Eagles event being planned for late March/early April

The Kingman EAA chapter plans to hold a Young Eagles event here again in late March or early April.

3. Operational Activity Report – Tim Bannon, Assistant Airport Director

The American Airlines flights created a 22% increase in Commercial Landings and a 12% increase in both Enplanements and Deplanements. Jet A Fuel Flowage and Airport Operations were both down because the U.S. Navy did not train here last winter. Café revenue was up 14% due to the American Airlines flights.

H. PRESIDENT’S REPORT – DIRECTOR JIM ZABORSKY, VICE PRESIDENT

1. Discuss and take possible action on an Amendment to the Bylaws, which decreases the number of Board of Directors from 9 to 7.

The Directors were presented with the Bylaws amendment prior to the Board Meeting. A motion was made by Director Steve Willett to amend the Bylaws; seconded by Director Mark Clark. The vote carried unanimously.

2. Nominating Committee appointment for April Director elections – Nominations must be submitted by February 28.

The 3-year terms of Directors Jena Morga and Jim Zaborsky expire in April. The Nominating Committee will be comprised of Board President John Hastings and two Directors, Mark Clark and Joe Keunen. Director Jim Zaborsky asked if any General Members wanted to volunteer to be on the Committee. Jennifer Portwood volunteered. Director Zaborsky said if anyone else is interested in being on the Nominating Committee, please let John Hastings know.

Nominations for the two open Director seats must be submitted by February 28th. The Nominating Committee will select who will be listed on the ballot.

I. CALL TO PUBLIC – DIRECTOR JIM ZABORSKY, VICE PRESIDENT

Director Zaborsky asked if there were any questions or comments from the General Membership or guests. There were no other questions or comments.


J. NEXT REGULAR BOARD MEETING – DIRECTOR JIM ZABORSKY, VICE PRESIDENT

The next Regular Board of Directors meeting is scheduled for Tuesday, April 10, 2018 at 9:00 a.m. (MST), at the Bullhead Area Chamber of Commerce. The Annual General Membership meeting will immediately follow the Regular meeting.

K. ADJOURN REGULAR BOARD MEETING

The meeting was adjourned at 9:26 a.m.

SIGNED: /s/ Steven Willett, Secretary



4/10/18
(Date signed)
