

REGULAR QUARTERLY MEETING OF THE BOARD OF DIRECTORS

MOHAVE COUNTY AIRPORT AUTHORITY, INC.

Minutes of April 18, 2017

A Regular Meeting of the Mohave County Airport Authority, Inc. (MCAA), Board of Directors was held at 9:00 a.m. MST on April 18, 2017 at the Bullhead Area Chamber of Commerce, 1251 Highway 95, Bullhead City, Arizona.

A. CALL TO ORDER

Director John Hastings, President, called the meeting to order at 9:07 a.m.

B. ROLL CALL

Directors Present

John Hastings, Jim Zaborsky, Brad Belhouse, Lloyd Shires, Mark Clark, Lisa McCabe and Jena Morga.

Members Present

Jim Dykens, Delman Eastes, John Doc Holladay, Joe Kuenen, Ardie Lauxman, Scott Neal, Jennifer Portwood, Lance Ross, Frank Sapp, Mary Schramm, Phyllis Smith, Ron Smith, Tom Sockwell, Terri Sponder, Larry Tunforss and Ray Williams, Jr.

Staff Present

Jeremy Keating, Airport Director; Tim Bannon, Assistant Airport Director; Wendy Brooks, Administrative Assistant.

Guests Present

MCAA applicants Denise Berry and Brett Dennis

C. PLEDGE OF ALLEGIANCE

Director John Hastings, President, led in the reciting of the Pledge of Allegiance.

D. APPROVAL OF MINUTES

A motion was made by Director Lloyd Shires to approve the minutes of the Regular Meeting held on January 10, 2017, seconded by Director Jim Zaborsky; the motion carried unanimously.

E. DISCUSS AND TAKE POSSIBLE ACTION TO APPROVE NEW MEMBERSHIP APPLICATIONS

John Hastings, President, introduced the two people who submitted MCAA Membership applications and asked each to briefly tell about their interest in the Airport.

Denise Berry: Denise has been a member of the community for 18 years. She worked with Lloyd

Shires at the Riverside Resort since moving to the area. She is the new Director of Riverside's Hotel

& Air Program. Denise has a lot of experience with air service and said she knows how valuable air service is to the community. Director John Hastings asked for a verbal vote; the vote by the General Membership in favor of Denise Berry becoming a member was unanimous.

(2) Brett Dennis: Brett also works for Riverside Resort. He has been a member of the Laughlin community for 10 years. Brett has been involved with the Laughlin Chamber of Commerce and was the co-chair for the Laughlin Town Advisory Board Community Development Committee. Brett created a charity group, “Racers 4 Kids” that raises funds for the “Laughlin Metro Shop with a Cop” program, raising over \$40,000 for the program. Brett has been an aviation fan since he was a child. As an aviation photography hobbyist, he has provided several photos to the Airport. Director John Hastings asked for a verbal vote; the vote by the General Membership in favor of Brett Dennis becoming a member was unanimous.

F. COMMITTEE REPORTS

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

The Finance & Planning Committee met on Thursday, March 30, 2017.

a. Year to Date Financial report

The Year to Date Financial report through January indicated that the Airport continues to do well financially. Payroll costs were down due to unfilled positions. The current operating cash is close to \$500,000, not including cash reserve. The Airport continues to be in good shape for both intermediate and long-term projections.

b. FAA Current Projects in Progress

AIP 47 – Runway & Taxiway Extension Construction. This project should be wrapping up in the next month.

c. FAA Projects awaiting grant funding

FAA funding for AIP 48 will be available soon. Advertising for the following projects will go out in the next few months:

- 1) General Aviation Apron Reconstruction
- 2) Commercial Apron Rehabilitation
- 3) Pavement Reconstruction- Airline RON Apron
- 4) Drainage Master Plan

d. ADOT Grant Reimbursement payment deferrals

The next reimbursement from ADOT is expected in a couple of months; followed by payments in July and August.

e. ADEQ Reimbursement Program.

The application for environmental expenses reimbursement was submitted in December. There should be more information at the next Board meeting regarding ADEQ's determination.

f. Other Airport Development/Improvements

1) Acquisition of State Land

The Land appraisal should start soon.

2) North Airport entrance sign

Permits for the project have been attained and the project should start soon.

3) Air Traffic Control Tower radio/communication equipment

The project should start soon.

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

The Real Estate Committee met on Thursday, March 30, 2017.

a. ParkWest Development Status Report

The goal is to put in a big box store and other smaller stores at the Airport Center. However, nothing has changed since the last Board meeting.

b. Environmental Cleanup

The Airport is still waiting for a determination on the risk-based closure request. However, this will not prevent the Airport from working with an interested party to build on that property.

c. ADEQ Reimbursement Program

Reimbursement for the clean-up process was addressed by Brad Belhouse in the Finance and Planning Committee report.

3. Air Service Development & Marketing Committee – Director John Hastings, President

There was no Air Service Committee Meeting this quarter.

a. Visit to the American Airlines Reservation Center in Dallas/Fort Worth, TX

Airport Director Jeremy Keating, Jack Penning, the Airport's marketing consultant, and Meg McDaniel from LVCVA went to the reservation center in Dallas, Texas, to meet with AA reservation agents. Many people have called the Airport for assistance in booking a flight, stating that American agents were unable to find IFP in their reservation system. Jeremy, Jack and Meg talked to over 300 agents, distributing IFP promotional items as a way to introduce them to IFP. About 75% of the agents they talked to had not heard of IFP. Our airport was one of only two airports in the last six years to meet with agents, promoting their airport. Another trip is planned for August to meet with more reservation agents.

b. AAAE National Airport Economic Development Conference

Director John Hastings and Jack Penning from Volaire Consultants went to the American Association of Airport Executives meeting to make a presentation on economic development. The presentation included the history of IFP's attempts and eventual success in securing scheduled air service.

c. American Airlines update

1) Progress Report, First Quarter 2017

a. Marketing Efforts

The grant requires that the Airport spend \$220,000 on advertising. The Airport is relying on the Casinos for out-of-the-area marketing. The Airport is offering booking incentives for the casinos to market American's flights. There are 48 cities with good round trip

connections to IFP through Phoenix. Director Brad Belhouse said that Harrah's is targeting cities with the most convenient connection times.

Digital marketing pop-up ads are now out in certain areas now. Targeted internet ads for Portland, Denver and Minneapolis will be pushed out soon.

b. Current Performance

On average, the flights have been 48% full. The goal is to have 78% of the seats filled, which is 55 passengers per flight.

c. Future Bookings

Most passengers book their flights 14-30 days out. The number of tickets being sold has been 300-400 per week; the target is 675 per week.

2) Minimum Revenue Guarantee

Based on the first six weeks of ticket sales it does not appear that there will be adequate passenger count to cover the minimum revenue guarantee required by American Airlines for the first quarter. The Airport has not received a bill from American Airlines yet.

G. AIRPORT DIRECTOR REPORT – Jeremy Keating

1. Airport staff update

a. Assistant Airport Director Tim Bannon received his Accredited Airport Executive (A.A.E.) designation. It is a grueling process to get this designation. Jeremy invited everyone to congratulate Tim for his accomplishment.

b. New airport custodian - Brianna Hernandez

Brianna is a former employee of MCAA who moved out of state. She and her husband moved back to the area and the Airport was able to re-hire Brianna to fill an open position.

c. Airport Fire Fighter/Operations

The ARFF department has one position open and that position will be filled within the next few months.

d. Airport Ambassadors

The VIP group from the Laughlin Chamber of Commerce has about 40 people who are Airport badged volunteering as Airport "Ambassadors" for American Airlines passengers. They assist departing and arriving passengers and answer the many questions passengers have. The VIPs are a great help to the Airport.

2. EAA Young Eagles event

The event was held March 25th. Eighty-five kids got plane rides from the Kingman EAA group.

3. Upcoming airport event

Air Power History Tour, B29 and company, will be here April 26-30. There is a \$10 entrance fee for adults; rides are available for an additional cost.

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

Enplanements and deplanements were up slightly. The Jet A fuel Flowage was down 85% from last year due to the Navy not conducting training at IFP this year, as was Rental Car Revenue and Airport Operations numbers.

H. PRESIDENT'S REPORT – Director John Hastings, President

Elizabeth and Melissa from the Airport's marketing team came to meet with the casinos to find a way of gathering zip code data. This data will help the marketing team analyze where people are coming from to stay in Laughlin.

John read an email he received from Toby Cotter, City manager for the City of Bullhead City, in which Toby thanked Jeremy Keating, Tim Bannon and the MCAA staff for accommodating the many meetings held by Bullhead City and DOT Foods, as well as the Airport's assistance with the DOT Foods groundbreaking ceremony. Toby said that the Governor's trip in and out of the Airport was flawless. He added that the Airport staff should take pride in having a hand in bringing DOT Foods to Bullhead City.

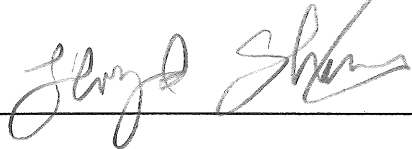
I. NEXT REGULAR BOARD MEETING

The next MCAA Board meeting is scheduled for Tuesday, July 11, 2017 at 9:00 a.m. (MST), at the Bullhead Area Chamber of Commerce building.

J. ADJOURN REGULAR BOARD MEETING

Director Jim Zaborsky motioned to adjourn the meeting; seconded by Director Lisa McCabe. The meeting was adjourned at 10:21 a.m.

SIGNED: /s/ Lloyd Shires, Secretary



July 11, 2017
(Date signed)