

# REGULAR QUARTERLY MEETING OF THE BOARD OF DIRECTORS

## MOHAVE COUNTY AIRPORT AUTHORITY, INC.

### Minutes of January 14, 2020

A Regular Meeting of the Mohave County Airport Authority, Inc. (MCAA), Board of Directors was held at 9:30 a.m. MST on January 14, 2020 at the Bullhead Area Chamber of Commerce, 1251 Highway 95, Bullhead City, Arizona.

#### A. CALL TO ORDER

Director Steve Willett, Interim President, called the meeting to order at 9:30 a.m. MST.

#### B. ROLL CALL

##### Directors Present

Steve Willett, Interim President; Joe Keunen, Treasurer; Jena Morga, Interim Secretary; Arden Lauxman; Blake Segal.

##### General Members Present

Denise Berry; Patricia Fordham; John "Doc" Holladay; Jon Jones; Michelle Keunen; Meg McDaniel; John Pynakker; Lance Ross; Frank Sapp; Mary Schramm; Ronald Smith; Phyllis Smith; Terri Sponder; Jeff Tipton; Larry Tunforss; Ray Winslow.

##### General Members Absent:

Brett Dennis; Casey Mulligan; Scott Neal.

##### Staff Present

Jeremy Keating, Airport Director; Becky Gardner, Manager of Airport Administration and Finance; Wendy Brooks, Administrative Assistant.

##### Guests Present

Gene Newman, Accountant; Terri Harber, Mohave Daily News.

#### C. PLEDGE OF ALLEGIANCE

Director Steve Willett, Interim President, led in the reciting of the Pledge of Allegiance.

#### D. APPROVAL OF MINUTES

##### 1. Regular Meeting Minutes of October 8, 2019

A motion was made by Director Ardie Lauxman to approve the minutes of the Regular Quarterly Board of Directors Meeting of October 8, 2019, seconded by Director Jena Morga; the motion carried unanimously.

E. COMMITTEE REPORTS

1. Finance & Planning Committee – Director Joe Keunen

The Finance & Planning Committee met on January 2, 2020.

a. Year to Date Financial report

The YTD net income was \$188,000 which was an increase from last year. Total cash is \$993,000. Overall the budget is in good shape.

b. **\*\*Action Item\*\*** FY19 Audit Presentation - Mr. Gene Newman – Discussion and possible action to accept the FY19 Audit Report

Mr. Newman found no significant audit difficulties in the audit for the fiscal year ending June 30, 2019. There was a change in the Standards report which required that pensions be listed as a liability, so the net position was reduced by \$1,002,133 to reflect the change in the statement. Even with this change in liability, the Airport's net position still increased.

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

The total net position increased by \$4,654,614. The Authority's net income increased by \$220,690 over the prior year. The Authority's operating expenses decreased by \$141,460 in 2019. No AIP projects were capitalized this year. There was a small increase in Capital assets this year from \$89,234,938 to \$94,577,592.

A motion was made by Director Joe Kuenen to approve the FY19 Audit Report, seconded by Director Ardie Lauxman; the motion carried unanimously.

c. **\*\*Action Item\*\*** Audit contract for FY20 – Summary review and possible action to accept Mr. Newman's proposal and authorize the MCAA President to sign the agreement.

Mr. Newman's fee for the proposed FY20 audit is up slightly due to more requirements from the federal government for audit reporting. A suggestion was made to request a 2-year addendum to make the contract cover three years instead of one. Mr. Newman is

looking to merge with another company. If the merger goes through, he will speak with his partners about an addendum, and if they are in agreement, the addendum will be drawn up and presented to the Board of Directors at the April 2020 Board Meeting.

A motion was made by Director Joe Kuenen to approve the one-year FY20 Audit Contract proposal with a request for an addendum that will add two more years to the contract if approved in April, seconded by Director Ardie Lauxman; the motion carried unanimously.

d. Investment Portfolio Report

The \$400,000 investment netted \$5,764 in interest this year, compared to last year's savings account interest of \$900. The investment has matured, and a new investment opportunity was signed yesterday.

e. Capital Expenditures

1) New Terminal sign - partial payment – \$9,985

The Airport made a partial payment of \$9,985 for the new Laughlin/Bullhead International Airport John R. Hastings Memorial Terminal sign.

2) ARFF replacement air bottles – \$6,285

This was required due to the age of the air bottles.

3) ARFF Truck tire replacement – \$7,087

This was due to normal wear and tear on the tires.

f. Amendments to the Airport's Rates, Charges, & Fees Schedule

1) **\*\*Action Item\*\*** Discuss and take possible action on Resolution 2001-01 - Adjustment of the Commercial Terminal Use turn fee from \$620 to \$520 effective Jan. 1, 2020

The original fee is being reduced to a break-even fee which will be in effect as of January 1, 2020. A motion was made by Director Joe Kuenen to approve the new turn fee, seconded by Director Jena Morga; the motion carried unanimously.

2) **\*\*Action Item\*\*** Discuss and take possible action on Resolution 2001-02 - Adjustment of Rental Car CFC (Customer Facility Charge) fee from \$2.00 to \$3.00 per car rental per day effective March 1, 2020

A motion was made by Director Ardie Lauxman to approve the new Rental Car CFC fee, seconded by Director Joe Keunen; the motion carried unanimously.

g. Airport Rental Car RFP

The Request for Proposal (RFP) will go out soon.

h. Airport Café RFP

The RFP will go out this week.

i. Current FAA & ADOT projects

1) FAA AIP 50 - Terminal Access Road design – in process

2) FAA AIP 51 - Airport Master Plan – in process

This will take a couple of years to complete.

3) ADOT Westside RSA drainage improvements design – in process

The design will take some time to complete.

4) ADOT General Aviation Wash Rack design & construct – design will start soon

2. Real Estate Committee – Director Steve Willett

There was no Real Estate Committee Meeting this quarter and there was no report.

3. Air Service Development & Marketing Committee – Lance Ross, Chair

There was no Air Service & Marketing Committee Meeting this quarter.

a. Air Service Update

The discussion for a scheduled air service contract is ongoing. The airline that is still interested in providing scheduled air service at the Airport has put the project on hold while it acquires another airline.

b. Small Community Air Service Development Grant Program update

There is no information on the grant program yet. Jack Penning, Volaire Aviation, believes the announcement will be made soon.

Airport Director Jeremy Keating will attend the Volaire Aviation Air Service Conference in the Spring.

The Airport's Facebook page is updated with various items about the airport. Lance Ross and another Authority Member, Scott Neal, have been addressing comments and concerns from people on Facebook.

F. AIRPORT DIRECTOR REPORT

1. Staff update

- Assistant Airport Director search update

Interviews will be held on Thursday. Airport Director Jeremy Keating hopes to offer the position soon after.

2. Summer Internship opportunity

The Internship opportunity was published recently. The Airport is looking for a student interested in coming here for the summer to learn about different airport departments.

3. Airport Ambassador volunteers

The Airport invited the Laughlin Chamber of Commerce VIPs to become Airport Ambassadors again. They will help the Airport welcome and assist arriving passengers. If anyone is interested in becoming an Airport Ambassador, please contact the Laughlin Chamber of Commerce about becoming a VIP member and Airport Ambassador.

4. Operational Activity Report

As of November 30, 2019, landings were down slightly this year. Jet A Fuel Flowage was down from last year, probably because of less military training at the Airport this year. Café Revenue and Rental Car Revenue are up from last year. Airport Operations were down slightly.

5. General Aviation Report

There are no hangars available at this time; however, one hangar will be available soon. There is currently a waiting list for hangars. The Lease agreement for hangars is being updated with input from the GA community and the Airport's attorney.

An ad that was placed in an Aviation magazine for several months to boost GA activity offered a coupon for the Riverside Resort Casino, but it did not yield many results. Signature Flight Support offers a \$.50 per gallon discount on weekends and weekend GA activity has been busier.

The General Aviation Committee (GAC) met November 13, 2019 and several local pilots participated. The GA wash rack project will begin soon. Hangar tenants can now recycle their used airplane oil at the Airport. The next GAC meeting will be in March or April.

G. PRESIDENT'S REPORT – Director Steve Willett, Interim President

Director and Interim President Steve Willett said that he was impressed by airport staff support and their excellent communication.

H. APPOINTMENT OF TWO VACANT BOARD POSITIONS – Director Steve Willett, Interim President

1. Board seat expiring April 2020

The two Directors who resigned from the Board of Directors were Mark Clark, whose term expires in April 2020; and Jim Zaborsky, whose term expires in April 2021. The five candidates for the vacant Board of Director seats were Larry Tunforss, Ray Winslow, Denise Berry, Jeff Tipton, and Michelle Kuenen. Each candidate shared why they wanted to be on the Board of Directors.

Director Steve Willett asked three times if anyone else wanted to be considered for the Board of Directors. No others were interested at this time.

When the Board of Directors voted to fill the vacant seat that expires April 2020, Ray Winslow was selected from the five candidates.

2. Board seat expiring April 2021

The Board of Directors held another vote to choose someone from the remaining four candidates to fill the seat that expires April 2021. Denise Berry was selected to fill that seat.

I. CALL TO THE PUBLIC

During the call to the public, Authority General Member Frank Sapp asked about the By-Law rules regarding how many employees from the same entity could hold seats on the Board of Directors. Director Steve Willett explained that the By-Laws were changed so that no more than two employees from the same entity could be on the Board of Directors.

J. NEXT REGULAR BOARD MEETING

- April 14, 2020 at 9:00 a.m. (MST), at the Bullhead Area Chamber of Commerce.

General Members and guests were dismissed at 10:21 a.m. and Director Steve Willett invited them to return when the Regular meeting was reconvened.

K. EXECUTIVE SESSION

1. Hangar 37 Lease
2. Elite Airways
3. Discussion of personnel

L. RECONVENE REGULAR BOARD MEETING

The Regular Board meeting was reconvened at 11:11 a.m. and General Members returned.

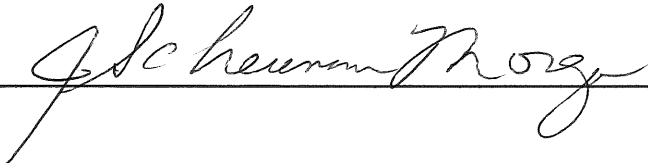
- Discuss any action to be taken

No action was taken regarding the subjects of the Executive Board of Directors Meeting.

M. ADJOURN REGULAR BOARD MEETING

The meeting was adjourned at 11:12 a.m.

SIGNED: /s/ Jena Morga, Interim Secretary

  
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(Date signed) July 14, 2020