



SEDONA-OAK CREEK
AIRPORT AUTHORITY

Airport Terminal Conference Room
Minutes of the Regular Meeting – October 26, 2020
Pursuant to A.R.S. §38-431.01(B)

Directors Present: President Pam Fazzini, Vice-President David Cooper, Secretary/Treasurer Scott Schroeder, Director Timothy Miller, Director Mike Schroeder, and Director Elizabeth “Betty” Uhrig (seated at this meeting.) Attending via telephone: Director David Palm.

Staff Present: General Manager Ed Rose, Business Manager Nelson Durkee, Assistant to the Business Manager Patresa Miller.

Agenda Item #I. – The meeting was called to order by President Fazzini at 2:30 p.m. immediately followed by the Pledge of Allegiance.

Agenda Item #II. – Consent Agenda.

The Consent Agenda included the minutes of the August 24, 2020 Regular Meeting and Executive Session, the minutes of the September 30, 2020 Budget Workshop, and the minutes of the October 12, 2020 Special Meeting. President Fazzini noted an error on the Agenda and Meeting Notice which incorrectly identified the date of the Budget Workshop as October 5, 2020; the minutes themselves reflect the correct date. Vice-President Cooper moved to approve the Consent Agenda as corrected; Director Scott Schroeder seconded. The motion carried unanimously.

Agenda Item #III. – Reports by:

President: Ms. Fazzini was sad to report the passing on October 20 of Paul Shankland, husband of former Sedona Airport General Manager Amanda Shankland as well as the sudden death of Ms. Fazzini’s cousin in his airplane on the same day.

Vice-President: No report.

Secretary/Treasurer: Deferred to the Business Manager’s report.

General Manager: Mr. Rose provided a summary of his detailed September/October 2020 report which is included as an attachment to these minutes. Items on which he reported included the Airport Drainage Master Plan, the Airport Water Master Plan, the Stormwater Pollution Prevention Plan, (the first two of which are to be addressed under Old Business), the “D” Apron Rehabilitation which is proceeding on schedule and under budget, negotiations on the Sedona Fire Department communications tower (to be addressed under New Business), progress on delivering a Runway 21 RNAV approach, the enlistment of Mr. Al Comello to assist with posting airport-related events to social media, and employment of new Line Techs. Mr. Rose also reported he

continues to work on an RFPs for hangar development and for development of the former Masonic Lodge building and site. The AWOS has been serviced and the phone card will be replaced to facilitate better “call-in” service and ability to update. Additionally, the 2021 Budget, approved by the SOCAA Board at the October 12th Special Meeting has been timely submitted to the Yavapai County Board of Supervisors and is on their November 18th agenda. Contracts have been executed for design of the Fuel Farm Replacement Project and preliminary meetings have been held to discuss layout schemes.

Business Manager: The Business Manager, Mr. Durkee, was pleased to report, due to increasing fuel sales, Airport revenues are up in spite of income from tenants still being down due to impacts of the pandemic.

Agenda Item #IV. – Old Business:

- a. **Adoption of the Finalized Airport Drainage Plan** – tabled from the August 24th meeting. The finalized report was posted on Dropbox for review by Board members immediately following the August meeting. Director Mike Schroeder moved to approve the finalized plan; Director Miller seconded. There was no discussion and the motion carried unanimously.
- b. **Adoption of the Finalized Water System Master Plan** – tabled from the August 24th meeting. The finalized report was posted on Dropbox for review by Board members immediately following the August meeting. Vice-President Cooper moved to adopt the finalized plan; Secretary/Treasurer Scott Schroeder seconded the motion. There was no discussion; the motion carried unanimously.

Agenda Item #V. – New Business:

- a. **Request for a second 30-day extension to the current tower lease with Sedona Fire Department to allow for continued good-faith negotiations and/or mediation.** General Manager Rose requested the 30-day extension be amended to a 40-day extension to allow for finalization of a new agreement to coincide with presentation at the next Board meeting on December 7, 2020. Director Mike Schroeder moved to extend the current communications tower lease with the Sedona Fire Department for forty days to allow for continued good-faith negotiations and/or mediations. Vice-President Cooper seconded. Director Palm questioned whether negotiations addressed revenues lost to SOCAA through breach of the expired lease. Mr. Rose offered to address Director Palm’s questions after the meeting. The vote was taken, and passage was unanimous.
- b. **Seat approved Nominee to fill vacancy on SOCAA Board.** President Fazzini confirmed Ms. Uhrig’s nomination was approved by the Yavapai County Board of Supervisors’ at their October 21st meeting and approval was confirmed via email. Ms. Uhrig was welcomed to the SOCAA Board. She confirmed she has completed required training on Open Meeting Laws.

- c. **Adoption of procedures to elect 2021 SOCAA Officers at the December Annual Meeting.** The procedures, basically the same used in recent years, were posted with dates amended to reflect this year's calendar. Vice-President Cooper moved, and Director Miller seconded the motion to approve the Election Procedures as posted. There was no discussion; the motion was unanimously approved.
- d. **Presentation by Grant Hamill, Managing Director, Stifel, Nicolaus & Company, Inc. regarding funding for the Fuel Farm Replacement Project.** Mr. Hamill offered a profile of Stifel Nicolaus and its extensive experience with municipal/government financing in Northern Arizona. He outlined options to pursue funding for the \$2.1 million Fuel Farm Replacement Project and provided examples of the various options. He outlined the estimated steps that would be followed to procure financing. He noted several deficiencies with existing SOCAA documents which will need to be remedied prior to pursuing financing, and recommended an experienced, reputable Bond Counsel to assist the Authority. Cost of Issuance is estimated at \$50,000. Approximately half of that amount (\$25,000) would be for Bond Counsel and half (\$25,000) for Stifel, Nicolaus & Company for acting as Placement Agent. Since these costs have not been included in the recently submitted 2021 SOCAA Budget, an amended Budget would need to be prepared and re-submitted to the SOCAA and Yavapai County Boards for approval.
- e. **Authorization for the Board to contract with Stifel, Nicolaus & Company, Inc. as Underwriters/Placement Agents to issue Municipal Securities to finance the Fuel Farm Replacement Project.** Vice-President David Cooper moved to table any action to authorize the Board to contract with Stifel Nicolaus as Underwriters/Placement Agents to secure funding until after today's Executive Session. Director Scott Schroeder seconded, and the motion carried.

Agenda Item #VI. – Call to the Public. No members of the public came forward to address the Board.

Agenda Item #VII. – Call for Vote to Convene Executive Session pursuant to A.R.S. §38-431.03(A)(3). Director Mike Schroeder moved, seconded by Director Palm, to convene the Executive Session for consultation with attorneys regarding on-going legal action. The motion passed unanimously. The Board convened the Executive Session at 3:20 p.m. Attorneys for the Airport Authority joined the session by telephone. The Board convened back into Open Session at 4:17 p.m.

Agenda Item #VIII. – Possible Action on Items Discussed in Executive Session:

- a. **Previously tabled New Business Item D authorizing the Board to contract with Stifel, Nicolaus & Company.** Vice-President Cooper moved to authorize the Board President to retain Bond Counsel as recommended by Mr. Hamill to review and amend documents, as necessary, in preparation for proposed future

financing. Secretary/Treasurer Scott Schroeder seconded, and the motion carried unanimously.

- b. Motions/Possible Action/Votes on items discussed in Executive Session.**
No other action was taken on items discussed in Executive Session.

Agenda Item #IX. – Adjournment. There being no further business to come before the Board, President Fazzini requested a motion to adjourn. Director Mike Schroeder so moved, and Director Miller seconded to adjourn the meeting. The meeting was adjourned at 4:23 p.m.

Certified as Accurate and Correct:

Dated this _____ Day of _____ 2020
Sedona Oak-Creek Airport Authority

Minutes Approved

BY: _____
Pamela Fazzini, President
SOCAA Board of Directors

BY: _____
David Cooper, Vice-President
SOCAA Board of Directors