



**SEDONA-OAK CREEK  
AIRPORT AUTHORITY**

**Airport Terminal Conference Room  
Minutes of the Regular Meeting - June 26, 2023  
Pursuant to A.R.S. §38-431.01(B)**

**Directors Present:** President Pam Fazzini, Vice-President David Cooper, Secretary Betty Uhrig, Treasurer Jerry Barber, Director Mike Schroeder, and Director Scott Schroeder.

**Directors Absent:** Director Tim Miller was excused.

**Staff Present:** General Manager Ed Rose, Business Manager Haruko Terada, Assistant Business Manager Patresa Miller, and Operations Manager Mike Dearden.

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

**Agenda Item II. Roll Call.** Roll was called and it was determined a quorum was present.

**Agenda Item III. Presentation by representatives of Haynie and Company, CPAs of the recently completed audit of the SOCAA financial Statements for the year ending December 31, 2022.** Dave Cospers, Partner, and Lisa Dubrow, Senior Auditor, attended via Zoom to present findings of the audit conducted by Haynie and Company. In summary, the audit is an Unqualified Opinion, (the highest, cleanest, and best result) which follows all the U.S. Generally Accepted Audit Standards. The Board is responsible to ensure it is fairly presented. There were no difficulties encountered. There were no uncorrected misstatements. There were no management disagreements. Assets and Liabilities showed a substantial increase, mainly due to the fuel farm and bond. Revenues increased about 9%, due in large part to an increase in rents and fuel prices. Expenses increased due to higher salaries and benefits. Revenue was \$253,000 over expenses. Lease liabilities increased about \$125,000 for the fuel truck. Right-of-use assets were \$92,000. The Board had no questions following the presentation but expressed its appreciation for a job well done and for the extra hours put in by Assistant Business Manager Patresa Miller in working with Lisa Dubrow to get the audit done.

**Agenda Item IV. Presentation by Geoffrey Roth and Reagan Word proposing a panoramic wall installation at the airport overlook area.** Each gentlemen presented his part in creating and installing a 15-foot curved wall made of stone and steel which would serve to point out significant rock formations. This is an artistic upgrade to the signage used in many National Parks. Because there is such a unique view of Sedona and the surrounding red rocks, and the number of visitors who come to the overlook, this useful piece of art will add to the enjoyment of our visitors. Construction of the wall would utilize local contractors at no cost to the airport; costs would be covered by Geoffrey Roth as a donation to the airport. A video simulation of the completed wall was shown. There were a couple of questions about timing and possible disruption to use of the area, but if the project moves forward, Ed Rose will coordinate to minimize disruptions. The President thanked Mr. Roth and Mr. Word for joining us at the meeting, the generous donation, and proposing this project which will be a wonderful addition to the Overlook.

**Agenda Item V. Consent Agenda. Included were** minutes from the Regular Meeting and the Executive Session held on April 24, 2023. Director Jerry Barber moved to approve the consent agenda; the motion was seconded by Director Scott Schroeder and unanimously approved.

## **Agenda Item VI. Reports.**

- a.** President: President Fazzini explained there would not be two board vacancies coming up as both Vice-President David Cooper and Director Scott Schroeder agreed to serve another term. Therefore, there is no need for a Selection Committee now. The names of these two members will be submitted to Yavapai County for approval as stipulated in SOCAA's Bylaws. Two budget workshops are scheduled August 10 and 17 at 2:30 p.m. All members are encouraged to attend. The two public outreach sessions to present and discuss the possible Runway Safety Area installation were lightly attended, informative, well done: overall, a good start for a massive project.
- b.** Vice-President: None.
- c.** Secretary: None.
- d.** Treasurer: None.
- e.** General Manager:
  - i)** Aerozona is now compliant with prior deficiencies and will be granted a 12-month lease.
  - ii)** Suggestions have been made to the attorneys regarding our FAA Corrective Action Plan.
  - iii)** We have transitioned to using the new fuel farm; the old fuel farm has been removed. The condition of the existing Mogas tanks is such that the cost of inspection, cleaning, and recertification makes replacement more cost effective.
  - iv)** The runway construction activity is now complete. There is still some work to be done in September on the taxiway.
  - v)** The five-year Capital Improvement Plan is being drafted with the County and engineers. The plan will identify projects and their estimated costs as well as possible sources of funding.
  - vi)** The Airport Advisory Committee is continuing with meetings to review and discuss airport projects, both present and future. The Deputy City Manager has been asked to cut back vegetation encroaching on Airport Road. Numerous press releases on projects have been disseminated.
  - vii)** The ASU Energy Audit was performed June 16. Results will aid in identifying resource conservation actions. Funding may be available for recommended improvements.
  - viii)** We have been providing meeting space for the Red Rock OHV Conservation Crew.
  - ix)** Negotiations continue with Sky Ranch Lodge and the County regarding fire suppression water, a new lease, and development agreements. The County prefers no easement be granted; now SOCAA must coordinate with the City.
  - x)** We continue to track progress of Venue on the Mesa regarding the use permit and scheduled events. We have been collecting some revenue, and they have more events scheduled throughout the summer.
  - xi)** We are working with the engineers to identify cost-saving measures to help meet projected funding for the AWOS replacement.
  - xii)** First Aid training was made available to the staff on June 7.
  - xiii)** Work continues with the insurance claim adjuster for wind damage to the hangars. The roofing material is readily available, and bids will go out for repair. The missing/damaged door must be manufactured.
  - xiv)** An annual review and update is under way for our Snow and Ice Control Plan.
- f.** Business Manager: The CPA audit was finalized at the end of May. The Audited Financial statements were timely sent to Yavapai County and Northern Bank of Arizona. The Directors and Officers (D&O) and Employee Practice Liability Insurance (EPLI) policies are set to expire on July 12, 2023. Only one quote has been received to date, and Haruko is requesting to spend up to \$35,000 for said policy. This will be addressed under New Business.

**Agenda Item VII. Unfinished Business: None.**

**Agenda Item VIII. New Business:**

- a. Acceptance of the audit of SOCAA's financial statements for 2022. Director Scott Schroeder moved to formally accept the financial statements from the audit. Treasurer Jerry Barber seconded, and the motion carried unanimously.
- b. Proposal to erect a panoramic wall at the Airport's Overlook. Director Mike Schroeder moved to accept donation of a panoramic wall from Geoffrey Roth. Treasurer Jerry Barber seconded, and the motion carried unanimously. General Manager Ed Rose was directed to work with Mr. Roth and Mr. Word to coordinate construction and installation of the project.
- c. Aerozona Lease and Rate Increase. The Aerozona Lease and License has been reviewed by the attorneys and DocuSigned. Vice-President David Cooper moved to approve as presented; Director Scott Schroeder seconded, and the motion carried unanimously.
- d. Renewal of D&O and EPLI Insurance. Director Scott Schroeder moved, and Treasurer Jerry Barber seconded to approve spending up to \$35,000 for renewal of the D&O and EPLI Insurance with the same limit and coverage as the current policy. The motion carried unanimously.
- e. Submittal to the County of the Names of Two Board Members Desiring to Serve Second Terms. SOCAA Bylaws require names of current Board members whose first term is expiring and who wish to serve a second term be submitted to the County Board of Supervisors for review and approval. David Cooper's and Scott Schroeder's first terms expire in August and September, respectively. Each has indicated a willingness to continue to serve on the Board. Director Mike Schroeder moved to submit their names and Director Scott Schroeder seconded the motion. Motion carried unanimously.

**Agenda Item IX: Call to the Public:** No one came forward to address the Board.

**Agenda Item X. Call for Vote to Move to Executive Session:** At 3:30 p.m. Vice-President David Cooper moved to convene into Executive Session; Director Scott Schroeder seconded. The vote carried unanimously.

The meeting reconvened back to public session at 4:30 p.m.

**Agenda Item XI:** Vice-Present David Cooper moved to authorize legal counsel to begin proceedings to appeal to the 9th Circuit Court regarding our FAA Part 16 issue; Director Scott Schroeder seconded. The vote was carried unanimously.

**Agenda Item XII:** At 4:35 p.m., Treasurer Jerry Barber moved to adjourn the regular meeting; Secretary Betty Uhrig seconded the motion. The vote was unanimously approved, and the regular meeting was declared adjourned.

**Certified as Accurate and Correct:**

Dated this 28<sup>th</sup> day of August 2023.

BY:   
Pamela Fazzini, President  
SOCAA Board of Directors

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

**GERALD BARBER, TREASURER**