

Sedona-Oak Creek Airport Authority

Airport Terminal Conference Room Minutes of the Special Meeting/Workshop – April 9, 2025 Pursuant to A.R.S. §38-431.01(B)

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

Directors Absent: Scott Schroeder

Staff Present: General Manager Ed Rose and Special Projects Coordinator Mark Allen

Agenda Item I. Call to Order. The meeting was called to order by President Fazzini at 1:00 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. Special Business.

- a. Presentation by Ryan Leick (Ascension Group Partners (AGP)) and Steve Osit (Attorney, Kaplin, Kirsch) with a review of the recently completed Rates and Charges Study and applicable FAA regulations. AGP was contracted to look at market rates and recommend adjustments SOCAA could adopt to meet future obligations. Prior to the start of the presentation, Treasurer Barber asked if sources other than the implementation of landing fees are available. Ryan Leick replied any or all options in the report may be implemented if needed. Ryan Leick proceeded to go through the report. He emphasized SOCAA is self-sufficient for operations but does not generate enough revenue to cover the five-year Airport Capital Improvement Plan (ACIP). Federal grants provide funding equal to approximately 90% of eligible projects in exchange for obligations to uphold FAA Grant Assurances. SOCAA's 10 percent match is expected to be offset by grants from the Arizona Department of Transportation equal to about half of the required match. The Sponsor participation of capital projects is approximately 5% of federally eligible projects, 10% of state funded projects, and 100% of locally funded projects (Figure 13). All Sponsor contributions are reimbursed by SOCAA under the terms of the existing lease agreement. Not all capital projects are eligible for federal and/or state funding. SOCAA currently has a healthy reserve, but much of that is encumbered. Additionally, physical assets may not be hypothecated per SOCAA's lease with the County. SOCAA is currently building cash reserves, but \$3.3M is obligated to pay off the fuel farm construction project. Estimated costs of capital projects in the ACIP total about \$56M.

The options identified in the study to raise revenue are:

1. Defer non-critical locally funded projects, and/or get an RFP to utilize private funds for development of projects such as the proposed hangars.
2. Establish hangar ground lease origination/transfer fees.
3. Establish a commercial non-aeronautical recovery fee for off-airport operators.
4. Remove landing fee waivers for fuel purchase for transient aircraft over 8,000 MTOW (maximum take-off weight.)
5. Explore contracting landing fee collection to a third-party agency. Perhaps defer implementation of this for a year or two to allow for examination of cost vs gain.
6. Standardize monthly aircraft parking rates at five times the nightly rate. SOCAA presently has too many categories (nine) and it is recommended to bring this down to five which in line with peer airports.

7. Establish a daily rate for exclusive use of aeronautical facilities on proportional use. This will help standardize the rates for the US Forest Service or any other entity that may wish to use space on the airport.

All these recommendations are transparent, fair, consistent, and non-discriminatory.

b. Presentation by General Manager Ed Rose pertaining to the Airport Capital Improvement Plan and the plan's relationship to the recently completed Rates and Charges Study and to the Airport's Master Plan.

1. 25.1 Taxiway "A" repair/partial reconstruction. Awaiting Phase 2 construction, total estimated cost - \$190,000, out to bid. ADOT funding.

2. 25.2 Infield Drainage Improvements - \$3,500,000 – CatEx under review. NPE/Discretionary funding. (Non-Primary Entitlement)

3. 25.3 Helipad 6 pack – Total Estimated Cost - \$120,000. This may be covered by the Bi-Partisan Infrastructure Law (BIL). Scheduled as prior year's project but had insufficient funding.

4. 25.4 Split taxi lane for airside development. (near Sky Ranch Lodge proposed development). Total Estimated Cost - \$120,000. BIL

5. 26.1 Environmental Assessment for runway 3-21 RSA Improvements and Taxiway "A" Extension – 25% Design – Total Estimated Cost \$550,000. NPE/Discretionary funding.

6. 26.2 Helipad 6 pack from prior year – mill & overlay – Total Estimated Cost \$450,000. BIL

7. 26.3 Equipment storage/maintenance building. Design a permanent building to replace aging interim soft-sided structure. Total Estimated Cost \$200,000. BIL

8. 26.4 Runway strengthening - design and geotech. Coring shows 3 inches of relatively good structure on top of 4 inches of failing aggregate base. Not sure on which side of the runway the added 25' width is located or what's under that area; cores were taken from center of runway. Total Estimated Cost - \$500,000. ADOT funding.

9. 27.1 Runway 3-21 Runway Safety Area improvements and Taxiway A extension for runway 3. Design only. Total Estimated Cost - \$1,500,000. NPE/Discretionary funding.

10. 27.2 Replace current taxiway and runway lighting with LED lighting. New cables, regulators, transformers, and a standby generator would be required. Total Estimated Cost - \$1,500,000. NPE/Discretionary funding.

11. 27.3 New maintenance/equipment storage building - construction. Total Estimated Cost - \$1,800,000. ADOT funding.

12. 27.4 New Taxiway "H" and "I" extensions for runway access at approach end of runway 3. Design and construction. Total Estimated Cost - \$850,000. ADOT funding.

13. 28.1 Runway Safety Area improvements and Taxiway "A" Extension - site preparation, earthwork, and drainage. Phase 1 construction – Runway 3 end. Total Cost \$20,000,000. NPE/Discretionary funding.

14. 28.2 Forest service land acquisition through Townsite Act for Runway Safety Area, taxiway extension, and emergency access. Total cost - \$175,000. ADOT funding.

15. 28.3 Apron/Taxi Lane K and L Rehabilitation. Design and construction. Total Estimated Cost \$1,100,000. NPE/Discretionary funding.

16. 29.1 Runway strengthening. Construction. Total Estimated Cost \$5,000,000. NPE/Discretionary funding. NPE/Discretionary funding.

17. 29.2 Taxiway "A" extension, construction Phase 2 - Paving, electrical, signage and lighting. Total Estimated Cost - \$1,750,000. NPE/Discretionary funding. ADOT funding.

18. 29.3 Airport Master Plan update - last updated in 2017. Total estimated cost - \$600,000. ADOT funding.

19. 30.1 Runway 3-21 Runway Safety Area and Taxiway "A" extension - Phase 3 construction – Site preparation, earthwork, and drainage on Runway 21 end. Total estimated cost \$15,000,000. NPE/Discretionary funding.

For FY25 locally funded projects include hangar development (\$8.75M), water system (\$300K), terminal standby generator (\$200K), and a landscape rake (\$4500). FY26 locally funded projects include the water line extension to hangars (\$2.5M), taxiway "M" (\$400K), and replacement of rotating beacon (\$15K). FY27 locally funded projects include hangar development (\$8.75M), mower replacement (\$26K), and expansion of the terminal parking lot (\$10K).

Agenda Item IV: Executive Session not called.

Agenda Item V: Adjournment. The meeting was adjourned at 3:08 p.m.

Certified as Accurate and Correct:

Dated this 23rd day of June 2025
Sedona-Oak Creek Airport Authority

BY: Pamela A. Fazzini
President Pamela A. Fazzini
SOCAA Board of Directors

BY: David M. Cooper
Vice-President David Cooper
SOCAA Board of Directors