

MINUTES OF THE MEETING
of
KINGMAN AIRPORT AUTHORITY, INC.
FINANCE COMMITTEE
November 19, 2009

A regular meeting of the Kingman Airport Authority, Inc., Finance Committee was held on November 19, 2009 commencing at 4:00 P.M. in the Airport Authority Conference Room, 7000 Flightline Drive, Kingman, AZ pursuant to duly mailed and posted notice.

COMMITTEE MEMBERS PRESENT WERE: Krystal Burge; Vearl Haynes; Larry Lewis; Richard McDonald.

COMMITTEE MEMBERS ABSENT WERE: Bill Matunas; Kevin Schleeter; Friend Walker.

OTHER MEMBERS PRESENT WERE: Jerry Hawkins; Mike Schoeff.

STAFF PRESENT WERE: Brenda Chastain; Dave French; Del Plumley; Bob Riley.

OTHERS PRESENT WERE: Bob Mollencopf (Z & H Engineering).

The meeting was called to order by the Committee Vice Chair, Vearl Haynes.

On motion by Krystal Burge, seconded by Richard McDonald, the Minutes of the September 17, 2009 Finance Committee were approved as presented.

Old Business: None

New Business:

a) **Employee Health Insurance:** On motion by Larry Lewis, seconded by Krystal Burge, the committee members present voted to recommend the Board of Directors approve the renewal of the employees health insurance with BlueCross BlueShield of Arizona implementing a higher level co-pay on medical visits and prescriptions, and a maximum out-of-pocket annual increase from \$2,000 to \$4,000 per employee, reflecting an overall increase of 6.41% for the FY 2009/10.

b) **Line Item Increase for Employee Health Insurance:** On motion by Krystal Burge, seconded by Larry Lewis, the committee members present voted to recommend the Board of Directors approve a line item increase for employee health insurance by \$7,500, changing the approved FY 09/10 budgeted line item from \$50,000 to \$57,500.

c) **Amendment No. 2 to Authorization of Services No. 21 with Z & H Engineering:** On motion by Krystal Burge, seconded by Richard McDonald, the committee members present voted to recommend the Board of Directors approve Amendment No. 2 to Authorization of Services No. 21 with Z & H Engineering for the North/South Ramp Rehabilitation Project, increasing the contract amount by \$38,900 to cover additional testing required during construction. This amendment was approved for recommendation with the understanding that

the Federal Aviation Administration had already approved the request and that the increase was 100% funded through the ARRA grant providing funds for the project.

d) Review of Prospect Financials: On motion by Krystal Burge, seconded by Richard McDonald, the committee members present voted to go into executive session to discuss Item 6 a) Prospect Financials.

Upon reconvening into regular session, on motion by Larry Lewis, seconded by Krystal Burge, the committee members present voted to recommend the Board of Directors authorize staff to proceed with a request from TriState CareFlight, LLC to lease airfield property for the purpose of providing emergency medical evacuations for the community, more specifically, for the new hospital.

Public Input:

Staff discussed with the committee members present the opportunity for the Airport Authority to have an oil based product placed over that portion of the airfield ramp which had not been reconstructed under the ARRA project. Staff further explained that the approved FY 09/10 Budget included \$25,000 for road/asphalt repairs and that Stockbridge Northwest had quoted a cost of \$7,500 to lay the product which would help preserve the ramp area for another two to three years before an overlay would be needed. General discussion and consensus from the committee members present favored the expenditure.

Staff advised the auditors from Larsen Allen, CPA's had been in the office all week and that material testing had resulted in no findings and there appeared to be only three Auditor Journal Entries that would be required.

There being no further business or discussion, on motion by Krystal Burge, seconded by Larry Lewis, the meeting was adjourned.

Signed: /s/ Vearl Haynes, Committee Vice Chair

Attest: /s/ Krystal Burge, Committee Member