

Wednesday, December 16, 2015 at 5:31 p.m.

MEETING MINUTES

Lake Havasu City Police Council Chambers
2360 McCulloch Blvd N., Lake Havasu City, AZ 86403

www.lhcaz.gov

1. Call to Order

A quorum being present, Vice Chairman Worthy called the Airport Advisory Board meeting to order at 5:31 p.m.

2. Pledge of Allegiance

Chairman Kelley led the Board in the Pledge of Allegiance.

3. Roll Call

R.N. Mendoza conducted a Roll Call of the Board members:

Regular Members Present: Louis Worthy, Shannon Stebbens, David McNary,
Mark McKenna

Regular Member Absent: Balis Kelley, Jeff Sayre

Alternate Member Present: Bill Boyer

Council Member Present: Cal Sheehy

Staff: Steve Johnston, R.N. Mendoza, Louis Martinez

4. Approval of November 18, 2015 meeting minutes.

Vice Chairman Worthy called for a motion to approve the minutes of the meeting held November 18, 2015. Shannon Stebbens made the motion to approve. Bill Boyer seconded the motion. The motion carried unanimously. Shannon Stebbens asked why an item from the agenda was removed. Staff advised that an item was not on the agenda the board cannot be discussed but it can be discussed by the public on the Call to the Public. Councilmember Sheehy advised that an item that is not on the revised agenda needs to be posted for the public and can be placed on a future agenda item.

5. Call to the Public

Vice Chairman Motion requested a Call to the Public for any comments and issues to address.

Mr. John Finch addressed the board and asked who is the authority that changed the board agenda?

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Ms. Lucy St. George addressed the board. Ms. St. George asked if the insurance discussion will be tabled. Vice Chairman Worthy responded that the board cannot discuss an item that is not on the agenda.

Mr. Tom Stokley addressed the board. Mr. Stokley mentioned he contacted his insurance company, AOPA. Mr. Stokley advised he asked to get an increased insurance coverage over \$1 Million was not available. Mr. Stokley advised the board that his insurance company mentioned that there is no insurance coverage available over \$ 1 Million dollars. Mr. Stokley advised the board that an insurance coverage of over \$1 Million dollars is not available at this time.

Mr. Maurice Martin addressed the board. Mr. Martin mentioned he owns a seaplane business in town for 10 years. Mr. Martin asked why this (insurance requirement) happened. Mr. Martin mentioned if his business is impacted his seaplane is going back to his cottage in Maine. Mr. Martin mentioned that this is over reaching the boundaries of proprietorship and he opposes it.

Mr. Phil Russ addressed the board. Mr. Russ mentioned he is up for an available City Owned-hangar. Mr. Russ stated that he was asked to increase his aircraft liability insurance to \$2 Million. Mr. Russ stated his insurance company will increase his premium by 240% and was only able to get a quote because he is a retired airline pilot with over 25,000 flight hours.

Mr. Ben Strader addressed the board. Mr. Strader stated that it would be fair to discuss and be put on docket regarding a potential insurance liability in the future. Mr. Strader is asking where is the benefit to the City with anyone who uses the airport could cause a potential liability in the future. Mr. Strader also stated is there a clearly defined order and what is to prevent that from happening again in the future (regarding removal of an agenda item).

Councilmember Sheehy responded that the insurance requirement will be on a future agenda in the next meeting on January 20, 2016.

Ms. Cynthia McKenna addressed the board. Ms. McKenna stated she is the administrator for Dorato Jets since 2007. Ms. McKenna stated that the insurance requirement amount is excessive and will result in loss of tenants and turn away many new tenants. Ms. McKenna stated that age discrimination could come into play as many residents are retired and senior citizens and have the industry standard if \$1 million dollars and unlikely will qualify for a higher insurance requirement and a commercial insurance. Ms. McKenna stated that if the City does not stick to the industry standard on insurance requirement, our City and the lake will be empty.

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Mr. Gary Scott addressed the board. Mr. Scott stated he is a shadeport tenant since 2008 and he mentioned that in the past that the financial responsibility used to be \$50,000 per person, \$300,000 total. Mr. Scott stated that he is back with a new airplane as a new renter he is required at \$2 Million dollars. Mr. Scott stated that he checked the City Code stated that the requirement of \$300,000 is unchanged. Mr. Scott stated that his insurance will not underwrite the \$2 Million dollar requirement and that the requirement is in violation of the City Code. Mr. Scott stated that the Feds have money in the airport that there is discrimination going on and that they (the Feds) will not approve of that. Mr. Scott stated he cannot get a \$2 Million dollar policy.

Mr. Jeff Gardner addressed the board. Mr. Gardner stated that he is the general manager of operations at Desert Skies. Mr. Gardner stated that it will put hardship on their business and everyone else. Mr. Gardner mentioned their operation is almost a 24 hour business and he has 100-200 people that he serves on a daily basis. Mr. Gardner stated that the insurance requirement used to be at \$300,000 and should stay at industry standard not \$2 Million dollars.

Mr. Perry Rutan addressed the board. Mr. Rutan stated that when the Airport Advisory Board was established it was to report directly to the City Council and served at the pleasure of the City Council because of the problems that was happening in the past. Mr. Rutan stated that he is concerned that somebody has determined what will be or what will not be discussed by the Board. Mr. Rutan is requesting that somebody should research what the Board is supposed to be doing and who it should be reporting to.

6. Council Action Update

Vice Chairman Worthy requested a Council Action Update. Councilmember Sheehy mentioned that he has been talking with City staff regarding the insurance requirement. Councilmember Sheehy mentioned that once it is ready he will bring it to the Board for full discussion.

7. Chairman Report

Vice Chairman Worthy stated there is none to report at this time.

8. Airport Supervisor Report

- Friday December 11, 2015, 90 Kindergarten students from Starline Elementary School came out to visit the airport. Airport tenants brought out their airplanes and there were City vehicles out on display as well.
- The SOQs for Engineering and Planning is being advertised and the deadline for the packets is early January 2016 for evaluation.

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- Staff received paperwork from the FAA for the Categorical Exemption which is an environmental document for upgrading the Electrical Vault.
- Staff is working on billing issues for some of the airport accounts.
- Staff is working on letters for the Private Hangars accounts for the 5% increase.
- Royal Canadian Air Force will be here in January 2016.

9. Discussion Items & Possible Action

a. **“Wings, Wheels & Waves” ~ March 5, 2016** – *review of event*

There will be a meeting at the airport Thursday, December 17, 2015 at 5:30 p.m. The fly in aircraft from Planes of Fame in Chino, California and Commemorative Air Force out of Mesa, Arizona. Staff also mentioned that there is grading on the north ramp to put tie-downs to move aircraft during the event.

b. **Recognition of Local Aviation Contributors** – *discussion*

Staff mentioned to table the item. Shannon Stebbens requested staff to research the Hangar Way street be renamed to George Molitor Way if it is feasible.

c. **Commercial Air Service** – *discussion*

Staff will contact the PED (Partnership for Economic Development) to get their comment. Staff requests the board to table the item.

d. **Airport Addressing** – *discussion & presentation*

Staff mentioned that the Private and City Hangars have signage outline hangar numbers for Fire Department response. Staff is proposing that similar signage will be placed throughout the Airport. It will be alpha or numeric for all buildings at the airport, blue background, white letters and reflective. Addresses will not be changed. Staff will bring more details and the plan in the next meeting.

10. Future Agenda Items

a. **“Wings, Wheels & Waves” ~ March 5, 2016** – *review of event & discussion*

b. **Recognition of Local Aviation Contributors** – *discussion & possible action*

c. **Insurance Requirement for Aircraft and Ground Vehicles** – *discussion & possible action*

d. **Board Agenda Requirements** – *discussion & possible action*

11. Future Meeting Date – Wednesday, January 20, 2016 @ 5:30 p.m. Council Chambers

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12. Adjournment

Vice Chairman Worthy asked for a motion to adjourn, Bill Boyer made the motion to adjourn and David McNary seconded the motion and was unanimously approved. The meeting adjourned at 6:10 p.m.