

VIRGINIA HIGHLANDS AIRPORT AUTHORITY

REGULAR MEETING

Members Present: Mark Nelson
Anthony Lambert
Kenny Hobbs
Marty Large
Frank Buchanan, III
David Matlock

Members Absent: Stephen Lowe

Guest Present: None

The Virginia Highlands Airport Authority Board of Directors met on Wednesday, October 15, 2008 at 6:00 P.M. in Conference Room "A" of the Terminal Building. Mr. Nelson, Chairman, determined that a quorum of the Board was present and called the meeting to order. Also present were Mickey Hines, Airport Manager, and Ms. Ruth Denton Canter, Airport Secretary.

Mr. Nelson called for approval of the Minutes of the Regular Meeting of September 8, 2008.

Mr. Lambert moved to approve the Minutes of the Regular Meeting of September 8, 2008. Mr. Large seconded the motion and the motion carried unanimously.

Mr. Nelson called for approval of the Minutes of the Special Called Meeting of September 22, 2008.

Mr. Hobbs moved to approve the Minutes of the Special Called Meeting of September 22, 2008. Mr. Lambert seconded the motion and the motion carried with Mr. Large abstaining.

Mr. Nelson called for the Financial Report.

The Financial Report was received.

Mr. Large gave the Financial Report and moved to approve the Operations bills. Mr. Hobbs seconded the motion and the motion carried unanimously.

Mr. Nelson called for the Manager's Report.

The Manager's Report was received.

Discussion ensued.

Mr. Nelson referred the review of fuel prices to the Operations Committee as well as the review of the T-Hangars

Mr. Hobbs moved that the Highlands Union Bank loan on T-Hangar Group IV should be paid in full. Discussion ensued. Mr. Lambert seconded the motion and the motion carried unanimously.

Mr. Nelson called for the Operations Committee Report.

Mr. Lambert stated the Operations Committee had met in regards to the Rules and Regulations and the Minimum Standards so that they should not contradict each other. The Board members where asked to review both documents and present any corrections at the next regular meeting.

Mr. Hines stated that he is not a qualified person for giving certificates for self-fueling permits and on fire training courses, these needs to be done by the Fire Marshall or someone from the Virginia Highlands Community College, who has the resources to conduct the training.

Mr. Nelson called for the Development Committee Report.

Mr. Buchanan stated that the Development Committee had not met.

Mr. Nelson asked Mr. Hobbs to report on the Audit Committee.

Mr. Hobbs stated that the Audit Committee had met and stated that there were three (3) items that the auditors, Hicok, Fern, Brown & Garcia, CPA's suggested that action be taken in regards to the bookkeeping practices of the following:

1. To establish a separate legal expense account on the monthly financial statement for each AIP grant,
2. Principal payments for debt be posted to the liability account and not the expense account as it has been in the past so that the true principle balance of the debt was outstanding,
3. The monthly balance sheet and income statement will be updated related to the AIP funds so that the Board would know what had been spent and what was outstanding.

Mr. Nelson called for Unfinished Business.

None

Mr. Nelson called for New Business.

None

Mr. Nelson called for Public Comments.

No visitors were present.

Mr. Nelson called for Closed Session.

Mr. Elliott read the motion that the Virginia Highlands Airport Authority conduct a Closed Session pursuant to Code of Virginia Section 2.2-3711 for the purpose of consultation with legal counsel pertaining to actual litigation, where such consultation in open meeting would adversely affect the negotiating or litigating posture of the Authority.

Mr. Large moved to enter Closed Session as stated for such items that were stated by Mr. Elliott. Mr. Hobbs seconded the motion and the motion carried unanimously.

Mr. Nelson called for an amendment for entering Closed Session.

Mr. Elliott read the motion that the Virginia Highlands Airport Authority conduct a Closed Session pursuant to Code of Virginia Section 2.2-3711 for the purpose of discussion of the assignment, appointment, promotion, performance, demotion, salaries, disciplining or resignation of specific public officers, appointees or employees.

Mr. Hobbs moved to enter Closed Session in accordance with those items that were stated by Mr. Elliott. Mr. Buchanan seconded the motion and the motion carried unanimously.

Mr. Elliott took a roll call vote to determine that no matter was discussed in Closed Session other than those that were included in the motion to go into Closed Session and no other votes were taken within Closed Session other than to go out of Closed Session.

Mark Nelson – I so certify.

Kenny Hobbs – I so certify.

Marty Large – I so certify.

Frank Buchanan – I so certify.

David Matlock – I so certify.

Anthony Lambert – I so certify.

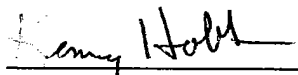
Mr. Large moved to authorize and reimburse Mr. Elliott's and his law firm for the costs and expenses that they have advanced on the prosecution of the litigation before the Virginia Supreme Court and that these costs and expenses are not to be counted toward the capped fee amount that had been agreed upon for that prosecution. Mr. Hobbs seconded the motion and the motion carried unanimously.

Mr. Large moved to appropriate a Two Thousand Dollar (\$2,000.00) one-time performance bonus to the Airport Manager in recondition of his performance during his first few months as Airport Manager and that the Minutes reflect that

the Authority is satisfied very highly with his performance and that bonus is in recognition of that performance. Mr. Lambert seconded the motion and the motion carried unanimously.

Mr. Large moved to dispense with the Board of Directors Christmas Party in view of the present economy situation. Mr. Matlock seconded the motion and the motion carried unanimously.

Mr. Lambert moved to adjourn. Mr. Matlock seconded the motion and the motion carried unanimously. The meeting adjourned at 7:25 P.M.


Kenny Hobbs, Secretary


Mark Nelson, Chairman