# ***Minutes – Pryor Field Airport Authority (10/10/2023)***

* **Present (Authority, Staff):** Nathan Fowler,John Scherff, Faith Hooper, Larry Hall, Roger Minor, Adam Fox (Airport Manager), Natalie Hobbs, PE (GMC), Kimberly Wilcox (Insurance Agent), Jimmy Adams (Legal)
* **Present (Guests):** Judith Burleson, Alfred Wright, Patrick Bramlett, Suzanne Johnson, Don Hull, Jordan Smith
* **Mr. Nathan Fowler, Chairman, called the meeting to order at 5:00PM**

**Open Session:**

* Mr. Fowler presented the board with the minutes from the last meeting for approval. **Mr. Hall motioned. Seconded by Mr. Minor. The vote was carried unanimously.**

**Discussion Items:**

* Mr. Fowler presented the Airport Director’s contract renewal for a term of two years starting on October 10, 2023, going through October 2025. He stated the base salary was $110,000 with three performance base measures for bonuses that included every 50,000 gallons of Jet A sold, every 50,000 gallons of AVGAS sold, and every $100,000 in FBO/Airport service fees collected. Mr. Fox followed up with that the contract was the same contract that I was currently under with the exception of the address, title, and compensation. Mr. Minor and Mr. Scherff mention that they have issues with the section that mentions employer’s termination and how it states that if the Authority terminates the Airport Director’s employment without cause that they would have to pay out the salary for the full term. Mr. Minor mentioned that he does not do this with his employees and that the word “cause” is subjective. Mr. Fowler asked Mr. Adams for his legal opinion. Mr. Adams stated that most contracts provide a definition for the cause. Mr. Fox asked the board to follow along as he read the paragraph above “Employer’s Termination”. It read, “Employer shall not terminate Employee’s employment unless Employer has “cause”. “Cause” for the purpose of this Agreement means that Employer has reasonable belied that Employee breached this Agreement, committed a crime, engaged in fraud or theft, misappropriated money or property, falsified records, or engaged in threatening or harassing behavior.” Mr. Fowler asked if that satisfied Mr. Adams. He stated it did. Mr. Minor stated he still did not support the contract. **Mr. Fowler asked for a motion. First by Mr. Hall. Second by Mrs. Hooper. Mr. Minor opposed. Mr. Scherff opposed.** **The motion carried.** Mr. Minor mentioned that he believes Mr. Fox is doing a good job.
* Mr. Fox presented the Directors and Officers Insurance renewal as expiring with the annual premium being $5,181 which was a $597 increase over last year. Mr. Fox explained that he talked with the insurance company to get information on why there has been a steady increase in insurance premiums over the last couple of years. He read and explained from the insurance agent’s email that it has been linked to the perfect storm of inflation, strained supply chain and climate events. He also explained that the insurance premiums would continue to rise another 15-25%. **Mr. Fowler motioned, second by Mr. Hall. The vote was carried unanimously.**
* Mr. Fox gave an update on 1.5 acres needed to provide access across the Shaw Trust Land off of Airport Road to gain access for the company developing on the southeast side of the airport. He stated that after months of communication that he finally received the price of $60,000 per acre making the total $90,000. He explained that he met with the Pryor family and asked them to donate the land for tax purposes. He explained that he tried to leverage the improvements we are bringing to the area to support not only the airport but any future non-airport expansion. He also explained that he mentioned the Airport Road paving that would benefit them as well. Mr. Minor mentioned that he was unaware that we had to purchase land for Acquisition Integration’s project on the southeast side of the airport. Mr. Fox explained that last year it was talked about during the Master Plan study and that behind the board room table was the original foam board showing the plans to come across the Shaw Land Trust property with an access road. Mr. Fox explained that he was not finished working on solutions or negotiations at this time.
* Mr. Fox requested the closing of several of the Authority’s bank accounts with Regions Bank as they were not active accounts anymore. They included the Authority’s fuel account, money market, and airport manager expense account. **Mr. Fowler motioned. Mr. Scherff seconded. The vote was carried unanimously.**
* Mr. Fox mentioned that this line item was being brought back before the board from the previous meeting. Mr. Fox requested an out-of-budget purchase for a 2024 Kia Soul in the amount of $24,850. He mentioned that last month the board wanted to know specifically which vehicle he wanted to purchase instead of doing a not to exceed amount. Mr. Fox explained that originally he talked about buying a used car but he found a new Kia Soul for under the original amount that the board was comfortable with. Mr. Minor mentioned that the Kia is a great car and that he has recently purchased several of the Kis Souls for his company but that he was not in favor of spending the money. Mr. Scherff agreed. Mr. Minor asked if there were other assets at the airport such as tugs that we could sell to make the revenue. Mr. Fox explained that the financial position of the airport was in a good position and that later under the “FBO by the numbers report” that he would explain where the airport was since his tenure. Mr. Minor asked if Mr. Fox reached out to the entities asking for them to donate vehicles. Mr. Fox explained that the two cars we currently have are not in good shape and need to be in the shop, but the airport cannot afford to not have these vehicles as we compete with other airports that have nicer amenities. He also explained that the pilots are the people using the vehicles most of the time as the passengers usually get a rental car and that the pilot usually determines the location to fly into and that there is a need for better vehicles at Pryor Field to compete with neighboring airports. He explained that some regular customers have asked not to use one of the cars as they feel like they won’t make it back to the airport due to it breaking down. Mr. Scherff and Mr. Minor stated that they were not in favor of spending the money. Mr. Fox explained that he would continue to loan out his personal vehicle to get customers into town for their business in order to continue the success of the airport. He also explained that the Mr. Scherff was in favor of purchasing a used Tahoe last board meeting and that he explained to him that he could not purchase that type of vehicle for $25k with low miles. Mr. Hall mentioned tabling the discussion until the next board meeting.
* Mrs. Hobbs discussed the current airport projects and their current state. She explained that the NW Taxiway and access road project was underway and that they would be working for the next several weeks on moving dirt. She mentioned that the contractor would most likely close the existing taxiway at A2 going north on October 30th. She mentioned that her team was wrapping up the design for the sewer project to support the SE developments. She mentioned that they are working to slowly complete the design of the taxiway for the SE as well.
* Mr. Hall presented to the rest of the board his annual Secretary Report that included the board member’s attendance for the previous year.
* Mr. Fox presented to the board By-Law updates that included how to select Officer positions annually. Mr. Scherff and Mr. Minor mentioned that they were not in favor of a coin toss to break a tie. Mr. Scherff stated that the board could start the process of officer selection early or when the full board is represented. Mr. Scherff mentioned that they could adopt the By-Laws as is and clean up the language at a later date. Mr. Fowler also requested that the board adopt Robert’s Rule as the official guiding document for the Authority. **Motion by Mrs. Hooper, Seconded by Mr. Hall. Mr. Minor and Mr. Scherff opposed. Mr. Fowler voted yes. The motion carried.**
* Mr. Fowler explained that it was time to select new officers for the board because he has served his full term and then some due to taking over for the previous chairperson. Mr. Fowler asked for nomination for Chairman. Mr. Minor nominated Mr. Scherff. Mr. Hall nominated Mrs. Hooper. Roll call vote for Mr. Scherff as Chairman was as follows: Minor-yes, Scherff-yes, Mr. Hall-no, Mrs. Hooper-no, Mr. Fowler-no. Roll call vote for Mrs. Hooper as Chairwoman was as follows: Mr. Minor-no, Mr. Scherff-no, Mr. Hall-yes, Mrs. Hooper-yes, Mr. Fowler-yes. **Mrs. Hooper became the Chairwoman.** Mr. Fowler asked for nominations for Vice Chairman. Mr. Hall nominated Mr. Fowler. Roll call vote was as follows: Mr. Minor-yes, Mr. Hall-yes, Mrs. Hooper-yes, Mr. Scherff-yes. Mr. Fowler-yes. **Mr. Fowler became the Vice Chairman.** Mr. Hall nominated Mr. Scherff for Treasurer. The roll call vote was as follows: Mr. Minor-yes, Mr. Hall-yes, Mrs. Hooper-yes, Mr. Scherff-yes. Mr. Fowler-yes. **Mr. Scherff became the Treasurer.** Mr. Scherff nominated Mr. Hall for Secretary. The roll call vote was as follows: Mr. Minor-yes, Mr. Hall-yes, Mrs. Hooper-yes, Mr. Scherff-yes. Mr. Fowler-yes. **Mr. Hall became the Secretary.**
* Mr. Fox presented the FBO report mentioning that they sold 41,358 gallons of Jet A in the month of September which was significantly more than the month of September of 2022 which was only 20,985. Mr. fox mentioned that the total Jet A sales for the year ending in September was 247,011 gallons. Mr. Fowler mentioned that there is a need for a new Jet A tank in the near future. Mr. Fox explained that they sold 3,860.30 gallons of AVGAS in the month of September for a total of 56,223.02 gallons for the year ending September 2023.
* Mr. Scherff left the board meeting at 6:12PM.
* Mr. Fox explained that he prepared a document that explains the “state of the airport” since his tenure at Pryor Field Regional Airport. They were as follows:
* FY21 vs FY23 Fuel Sales (FY21: 218,124.60 gallons vs FY23: 303,234.02 gallons).
* FY21 vs FY23 FBO Service Fees Collected (FY21: $25,220.07 vs FY22: $51,308.91 vs FY23: $114,530). September 2023 totaled $27k.
* Increased Traffic: Landed B727, B737, DC9, MD83, G650, Global 5000, and military traffic.
* New Ground Leases: AI, Winter, Air Evac (Four more LOIs in hand that will amount to over 85 new jobs at Pryor Field) (Over $125K in ground lease revenue coming annually once construction is complete – per signed leases).
* Established Rental Car Program: McCurry (Collected $1,520 in commission to-date).
* Created Partnerships with hotels to offer discounted rates for pilots/passengers.
* Renewed Corporate leases at market value: Increase of $28,800 annually.
* Reduced Authority spending (cleaning services, grass maintenance, phone, internet) (Over $24,500 in savings annually).
* Created New Services (Freight Services, Trucking Dispatch, Mobile GPU).
* Built Airport Mini Mart (Airport Concessions).
* Selling Airport Swag and Pilot Supplies.
* New EMS Tenant.
* Signed leases with new corporate tenants and general aviation aircraft (GA).
* Signed a lease with a new Flight School.
* Built new Bathrooms on South Ramp for the general aviation community.
* Created new branding for Authority’s Fixed Base Operator (FBO).
* Purchased FBO equipment to better serve customers.
* Increased Airport Insurance to better cover property and liabilities.
* Dedicated Terminal Building to Mr. Luke Pryor.
* Replaced Roof on Terminal.
* Decorated Terminal Building.
* Established a new aircraft tracking system (VirTower).
* Installed new security system cameras.
* Created HR policies (SOP, Handbook, General Practices)
* Hired new staff.
* Established Employee Training (Fueling, Forklift).
* Cleaned up Authority Issues (Tax Exempt, Land Documents, State Corporation Documents).
* Established Community Outreach: Airport Manager sits on 3 local boards, Executive Board Member on the Aviation Council of Alabama, Hosted Community events and workforce initiative programs, hosted first ever Airshow, Built Relationships with community partners.
* Streamlined Accounting Process.
* Created fuel management practices and QC program.
* Successfully received support for Airport Improvements: Taxilane Rehab ($88,256.00), NW Taxiway/Apron Environmental Project ($42,280.28), NW Taxiway/Access Road ($1,388,641.00), SE Sewer ($2,477,000).
* Completed an Airport Master Plan to guide the development of Pryor Field.
* Mr. Fox mentioned that Mr. Minor requested to start including fuel sales number breakdowns to include gross profit margins. Mr. Fox explained that in the month of September 2023 that the total revenue from AVGAS sales was $23,303.30 and that JetA revenue was $229,120.14. He mentioned that the total revenue was $252,423.44 and the total COGS was $166,058.69 which leaves the airport with a total gross profit margin for the month of September of 34.21 percent. Mr. Fox further explained that when he assumed his role at Pryor Field that the liquid cash was around $610,000. He explained that the current position of the airport after all the improvements, purchases, additions, and new staff hires that the airport has $782,425.95 in the bank accounts. He explained that all of this is for the use of new purchases, daily operations, and matching grants for airport improvement projects but that he believed the airport is on the path of success.
* Mr. Fox explained that VirTower captured over 3090 operations at the airport during the last month.
* Mr. Fox explained that he hosted the Women’s 99s Southeast section at the airport terminal where nearly 70 were in attendance. He explained that he was helping the Decatur/Morgan County Chamber with their TRC program. He also explained that he helped navigate the move of the Horton House for Downtown Decatur.
* Mr. Fox mentioned that he was getting prices to replace the flooring in the terminal’s main hallway and conference room and that he was going to paint the hallway as well due to it being in rough conditions. He also updated the board on the new camera system that he was looking at getting to be able to record and host the monthly board meetings live. He explained that Owl Labs has a camera system that would work and that all of this should be supported in the airport maintenance budget.
* Mr. Fox explained that Air Evac (GMR) had recently signed their ground lease agreement and would start construction soon. He mentioned that this was approved several months back for Air Evac to establish living quarters on the south side of the airport.

**Public Comment:**

* N/A

**Adjournment:**

* Next Board meeting will be November 14, 2023, at 5:00PM. **Mr. Fowler asked for a motion for adjournment at 7:00PM. It was motioned by Mr. Hall, second by Mr. Minor. The vote was carried unanimously.**