

# ***Minutes – Pryor Field Airport Authority (9/12/2023)***

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- **Present (Authority, Staff):** Nathan Fowler, John Scherff, Larry Hall, Bryan Johnstone, Adam Fox (Airport Manager), Natalie Hobbs, PE (GMC), Joseph Wynn (CPA), Kimberly Wilcox (Insurance Agent), Jimmy Adams (Legal)
- **Present (Guests):** Judith Burleson, Bob Russell, Alfred Wright, Patrick Bramlett, John Colgan, Lee Bradley, Darrel Caldwell, Don Hull, Sam Buchanan
- **Mr. Nathan Fowler, Chairman, called the meeting to order at 5:01PM**

## **Open Session:**

Mr. Fowler mentions that due to time restrictions that item number two would be moved to later in the agenda. Mr. Fowler asked for a motion on the minutes from the August board meeting. Mr. Johnstone motioned, second by Mr. Hall. The motion carried unanimously.

## **Executive Session:**

Mr. Fowler gave Mr. Scherff the floor to speak on behalf of the executive session. Mr. Scherff said that he would like to move into executive session to discuss the Airport Manager's contract renewal as well as the ARCO Hangar contract and an employee workers compensation claim. Motion by Mr. Scherff at 5:05PM. Second by Mr. Johnstone. The roll call votes were all yes. Mr. Fowler motioned to exit executive session at 6:05PM. Second by Mr. Hall. The roll call votes were all yes. (Mr. Johnstone left at 6:05PM).

## **Discussion Items:**

- Mr. Fowler mentions that the By-Law update is informational only as it has to be presented a month before a vote can be made. Mr. Scherff states that he never agreed on there to be a coin toss to break a tie and that a tie cannot happen with an odd number of board members. **Mr. Scherff requested that the item is tabled until the next board meeting.**
- Mr. Fox went line by line over the Proposed FY24 budget and explained each difference from the previous year's budget. Mr. Fox mentioned that this budget has been cleaned up to eliminate the line items that are not clearly used properly and collapsed those that need to be easier to understand. Mr. Fowler mentions that moving the appropriations and FAA Grant would allow a better picture of the true operating income of the airport. Mr. Fox explained that the Oil line item and the concession line item are revolving accounts. Mr. Fox explained that he used last year's fuel numbers for the income side of the budget and used this year's fuel expenses to show the expense side of the budget to show a worst-case scenario. He stated that he hopes to break records this year on fuel, airport fees, and hangar rentals. The budget outlined a net ordinary income of \$177,163.92. Mr. Fox stated that he requested \$250,000 from each entity but has last year's numbers in the budget in case they do not increase. Mr. Fox went over potential capital purchases for the year with a total cost of \$161,500. **Mr. Fowler motioned to accept the budget as written. Second by Mr. Scherff. The motion carried unanimously. Mr. Fowler motioned to make a \$7,000 out of budget purchase for a lav cart. Second by Mr. Scherff. The motion was unanimously carried. Mr. Hall motioned to approve an out of budget purchase for an DC/AC GPU for a not-to-exceed amount of \$45,000. Second by Mr. Scherff. The vote was carried unanimously.** Mr. Fowler and Mr. Scherff asked for the airport manager to find a car and bring it back to the board for approval along with the other potential out-of-budget purchases.

- **Mr. Fowler motioned to table the Airport Manager's contract until next month. Second by Mr. Scherff. The motion was carried unanimously.**
- Mr. Fox requested the board to adopt the bank bond resolution as it is written. He explained that within this document that they would also be approving the airport manager to establish a construction loan bank account with the Treasurer, Bryan Johnstone and the Airport Manager, Adam Fox on the account. He explained our legal council has reviewed and approved of the resolution. **Mr. Fowler motioned to accept the resolution as written. Second by Mr. Hall. The vote carried unanimously.** Mr. Fowler explained that the board will take a quick break to allow them to sign the documents with the bank's lawyer.
- Mr. Fox requested to amend the FBO Fee Schedule to include a price per square foot for hangar rental of \$0.45 and a lav cart fee of \$75 per occurrence. Mr. Fox further explained that we need to establish a price per square foot for hangar rental for future businesses wanting to work on aircraft in one of our hangars or potentially a school wanting to lease the space to teach aviation/aerospace classes. **Motion by Mr. Scherff. Second by Mr. Hall. The vote carried unanimously.**
- Mr. Fox presented two insurance policies for renewal. The workers' compensation policy and liability policy. Mr. Fox read an email from the insurance agent dated September 5<sup>th</sup> that explained that the workers' compensation policy went from \$6825 to \$7914 due to the large increase in salaries from the previous year to this year. Mr. Fox explained that more expensive aircraft are coming to Pryor Field in October that has triggered an increase in hangar keepers' insurance coverage from \$3M to \$10M. The premium went from \$28,010 to \$36,010. Mr. Fowler asked the insurance agent when the policy would level out and not continuously increase. It was explained that a lot of increases and changes have occurred over the last two years. **Mr. Scherff motioned to accept the workers comp policy. Second by Mr. Hall. The vote was carried unanimously. Mr. Hall motioned to accept the liability insurance policy with the \$10M in hangar keepers' coverage. Second by Mr. Scherff. The motion was carried unanimously.**
- Mrs. Hobbs updated the board on all of the projects to include the Northwest taxiway/Access Road, Sewer, and the Southeast taxiway. She mentioned that we are scheduled to hold a pre con meeting on September 14<sup>th</sup> and possible construction starting on September 18<sup>th</sup> for the northwest project. She explained that the sewer project to support the southeast is almost ready to take to bid.
- Mr. Fox presented the board with the new ACIP and the State's resolution giving the Chairman the ability to sign all pre-application and grant paperwork for Authority. Mr. Fox mentions that the ACIP is exactly the same as the one presented at last month's meeting with the exception of adding the southeast taxiway. **Mr. Scherff motioned to accept the ACIP as written. Second by Mr. Hall. The vote was carried unanimously. Mr. Hall motioned to accept the resolution as written. Second by Mr. Scherff. The vote was carried unanimously.**
- Mr. Fox requested to take over the utilities for the ARCO hangar in preparation for the existing company to vacate the building by the end of the year. Mr. Fox further explained that they have been out of lease since 1997 and that the lease on file requires them to pay for their own utilities. He said the Authority taking over this is a good faith gesture for the upcoming transition. Mr. Scherff explained that he has concerns about them turning on the heaters and the Authority being stuck with a high bill. He said that he would like us to put a limit on what we would cover. Mr. Fowler explained that in the event they run the bill up we could issue a 30-day written notice and make them vacate the building. Mr. Hall said he wants to put

this to bed once and for all but be fair about it. **Mr. Hall motioned for the Authority to put the utilities in the Authority's name. Second by Mr. Scherff. The vote was carried unanimously.**

- Mr. Fox explained that the Winter hangar has been shifted around to accommodate drainage and a small parking lot on the backside of their facility. He explained that this would be a common use parking lot and that the apron built by the tenant would be used by the Authority. He explained with that understanding the square footage stayed the same. Mr. Fox also explained that the tenant would be creating a detention pond to slow the flow of water as well. Mr. Scherff explained that this layout is better for the airport as it gives more room for aircraft parking. **Mr. Fox requested to approve the developer to proceed with the hangar project pending additional information to be provided to airport's engineers for review. Mr. Scherff Motioned. Second by Mr. Hall. The vote was carried unanimously.**
- Mr. Fowler circled back to line item number two to discuss the board officer appointments. Mr. Fowler asked legal counsel if proxy votes could be accepted. Mr. Scherff mentioned that in his experience that if there is a motion then they could accept the proxy vote and that he has two proxy votes for Mr. Minor. Mr. Adams explained that nothing in the open meeting law says yes or no towards the proxy vote. Mr. Fowler asked Mr. Adams if this is something the ethics commission could shed light on. Mr. Adams said that he would call to get clarification. **Mr. Scherff motioned to table until next board meeting. Second by Mr. Hall. The vote was carried unanimously.**
- Mr. Fox explained that JetA sales were 17,236 ending the YTD with 6,634 over the previous year. Avgas sales were 4,796.30 with a total YTD of 52,362.72 gallons. Mr. Fox explained that he attended the Decatur bridge study that showed several options impacting the airport in some capacity but that he provided them with the airport's future ALP for their planning purposes. He said that he requested to work with them as they move forward with plans/studies. He ended his report by explaining that we hosted the 99s chapter at the terminal for a Girls in Aviation Day. He explained that 45 young girls came out that day to learn about the aviation industry.

**Public Comment:**

- N/A

**Adjournment:**

- Next Board meeting will be October 10, 2023. **Mr. Fowler asked for a motion for adjournment at 7:50PM. It was motioned by Mr. Scherff, second by Mr. Hall. The vote was carried unanimously.**