

# **SEDONA-OAK CREEK AIRPORT AUTHORITY**

## **BYLAWS**



Adopted \_\_\_\_\_  
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## **PREFACE**

The Sedona-Oak Creek Airport Authority ("SOCCA") is formed under Arizona law, Arizona Revised Statutes, § 28-8411, *et seq*, as a non-profit corporation, subject to the Amended Airport Lease Agreement between Yavapai County and SOCAA dated February 3, 2003, as amended ("Master Lease"), the laws for non-profit corporations, other applicable Arizona laws for the operation of airports, and Federal Aviation Administration regulations and requirements.

Pursuant to A.R.S. § 28-8424 (A)(1)-(6), SOCAA: "[i]s a "validly organized and existing body politic and corporate exercising its powers for the benefit of the people, for the improvement of the people's health and welfare and for the increase of the people's traffic and prosperity;" "[i]s engaged in a public purpose essential to transportation and communication"; "[p]erforms an essential governmental function as an agency or instrumentality of the city, town, or state"; "[s] exempt from property taxation" by the state and any agency of the state; "[p]ossesses and may exercise police powers and other governmental powers on the terms, conditions, limitations, restrictions and agreements provided" in the Master Lease; and "[m]ay issue bonds, incur obligations and pledge its revenues as security for the payment of bonds and obligations for airport and air terminal purposes to the extent provided by the [Master Lease] . . . without regard to any statutory limitation of indebtedness of corporations having authorized capital stock."

In accordance with the Master Lease, at ¶ 26, SOCAA hereby enacts these Bylaws in order to establish procedures for the conduct of its activities.

## **ARTICLE I**

### **GENERAL PROVISIONS**

#### **1.1 Title:**

The name of the Corporation is the Sedona-Oak Creek Airport Authority, Inc. ("SOCAA").

#### **1.2 Corporate Location:**

SOCAA's principal office is at the Sedona-Oak Creek Airport: 235 Air Terminal Drive; Sedona, Arizona 86336. At all times, SOCAA's principal office shall be in Yavapai County, Arizona at the Sedona-Oak Creek Airport. SOCAA may have other offices at such places as the Board of Directors shall designate and as SOCAA's business may require.

#### **1.3 Corporate Seal:**

- A. SOCAA shall have a corporate seal which shall be of such form and device as the Board of Directors may determine. It shall have thereon inscribed "Sedona-Oak Creek Airport Authority, Inc.," the year of SOCAA's creation (1970), and the words "Corporate Seal, Arizona."
- B. The Board of Directors may change the form, device, and inscription of the seal and may, if it deems advisable, provide more than one seal press for making imprints of the corporate seal and make suitable regulations and provisions for the custody and use thereof.

#### **1.4 Fiscal Year:**

SOCAA's fiscal year shall be a calendar year, ending December 31, each year.

#### **1.5 Books & Accounts:**

SOCAA shall keep, at its principal office, records of the meetings of the Board of Directors, a book showing a true and complete list of all members of the Board of Directors and their residences, and a book or books containing a record of SOCAA's affairs.

#### **1.6 Conflicts of Interest:**

Pursuant to the Master Lease, at ¶ 28, SOCAA's Board of Directors, Officers, and employees shall adhere to the provisions of the State of Arizona conflict of interest statutes, set forth in A.R.S. § 38-501, *et seq.*

#### **1.7 Open Meeting Laws:**

Pursuant to the Master Lease, at ¶ 29, SOCAA is considered a public body as defined in A.R.S.

§ 38-431(6). SOCAA's Board of Directors, Officers, and employees shall adhere to the provisions of the State of Arizona's Open Meeting Laws, set forth in A.R.S. 38-431, *et seq.*

**1.8 Public Records:**

Pursuant to the Master Lease, at ¶ 30, SOCAA's records shall be considered public records and are subject to public disclosure as required by law for such records. SOCAA's Board of Directors, Officers, and employees shall adhere to the State of Arizona's Public Records Laws, set forth in A.R.S. § 39-121, *et seq* and § 38-421, *et seq.*

**1.9 Calculation of Time:**

Any time notice is to be provided or action taken under these Bylaws within a specified number of days, calendar days shall be utilized in calculating the applicable deadline, except as otherwise provided by law. If the deadline falls on a weekend or a legal holiday, the deadline shall be extended to the next business day.

## **ARTICLE II**

### **MEMBERSHIP**

#### **2.1 Board of Directors:**

- A. The corporation shall be operated by a Board of Directors ("Board of Directors" or "Board"), comprised of not less than five (5) nor more than nine (9) persons.
- B. Upon properly noticed motion by any member of the Board, the Board of Directors can vote to increase or decrease the number of Board members consistent with Paragraph 2.1(A), upon approval of seventy-five percent (75%) of the total number of Board members currently seated (excluding vacant Board seats) and present in person at any public meeting called for that purpose.
- C. The Board may not decrease the number of Board members unless or until there is a vacancy on the Board, created by expiration of a Board member's term, resignation, a member's removal from the Board pursuant to Paragraph 2.6 of these Bylaws, or for any other reason.

#### **2.2 Nominations and Board Vacancies:**

Any Board vacancy, whether by expiration of a Board member's term, removal, resignation, or for any other reason, shall be filled in accordance with SOCAA's "Board Candidate Selection Policy," adopted December 2, 2019, as that Policy may be amended from time to time by the Board of Directors.

#### **2.3 Qualifications:**

Any candidate for the Board of Directors must:

- A. Be a bona fide elector in Yavapai County or Coconino County;
- B. Be an income and/or real estate taxpayer in the State of Arizona;
- C. Reside in or within twenty (20) miles of Sedona, Arizona.

#### **2.4 Election of Board Members:**

- A. Consistent with the Board Candidate Selection Policy, the Board of Directors shall vote on each candidate recommended for Board membership.
- B. The election of new Board members shall be by written ballot of the existing Board members present in person at a Regular or Special Meeting of the Board of Directors, so long as there is a quorum, as that term is defined in Article III, Paragraph 3.8 of these Bylaws. If a Board member attends the meeting electronically pursuant to Paragraph 3.9

of these Bylaws, that Board member may submit a written ballot by electronic means, including email or facsimile, so long as the ballot is transmitted to the Board contemporaneously with the vote to elect new Board members.

- C. A candidate is elected to the Board of Directors when he or she receives at least seventy-five percent (75%) of the vote of the Board members voting at the Board's Regular or Special meeting.

## **2.5 Term:**

- A. Elected Board members serve five (5) year terms, beginning on the date of the first Board meeting following the Yavapai County Board of Supervisor's approval of each candidate's election to the Board of Directors.
- B. Members may be re-elected by approval of at least seventy-five percent (75%) of the vote of the Board members voting at an Annual, Regular, or Special Meeting and approval by the Yavapai County Board of Supervisors.
- C. There shall be no limit to the number of five (5) year terms each Board member is eligible to serve, provided that a one (1) year leave shall be taken after the Board member completes his or her second five (5) year term.

## **2.6 Removal:**

A member of the Board of Directors shall be subject to removal for cause upon the occurrence of any one or more of the following events:

- A. Failure to be a bona fide elector in Yavapai County or Coconino County;
- B. Failure to be an income and/or real estate taxpayer in the State of Arizona;
- C. Material failure to adhere to SOCAA's established rules, directives, or regulations;
- D. Failure to reside in or within twenty (20) miles of Sedona, Arizona;
- E. Failure to fulfill his or her fiduciary duties to SOCAA;
- F. Having been found to have committed an act of moral turpitude reflecting poorly on SOCAA;
- G. Having been convicted of a felony;
- H. Failure to keep information in confidence related to discussions taking place in, or information disseminated during, Executive Session;
- I. Failure to be an active member of the SOCAA Board of Directors, which may include but is not limited to: failure to attend two (2) consecutive Regular Meetings, unless waived in writing by an Officer; failure to serve on at least one committee or task force



if requested, failure to physically attend a majority of Board meetings in a one-year period; failure to prepare for Board meetings; failure to timely communicate regarding Board activities, including responses to emails, meeting and agenda notices, and notices regarding attendance.

- J. Failure to attend more than three (3) Regular Meetings during the year results in the Board member being deemed to have resigned from the Board of Directors.

## **2.7 Removal Procedures:**

- A. Upon the alleged occurrence of any of the events specified in Article II, Paragraph 2.6 ("Removal"), with respect to any member of the Board of Directors, the President, a majority of the Officers, or a majority of the Board of Directors shall call a Special Meeting of the Board of Directors in accordance with the requirements of Article II, Paragraph 3.2 ("Special Meetings"), to expressly consider whether just grounds for removal for cause exist, and to decide whether such Board member should be removed from the SOCAA Board of Directors.
- B. Not later than thirty (30) days prior to the Special Meeting, the Secretary (or, if the Secretary is the subject of the Special Meeting, any Officer) shall give written notice to the member at issue containing the following:
  - 1) The alleged grounds for removal;
  - 2) The date, hour, and place of the Special Meeting;
  - 3) That the member may appear at the Special Meeting to be heard upon the matter involved;
  - 4) That if the member desires to appear and present witnesses or evidence, the Officers must be given written notification of such intentions ten (10) days prior to the date of the Special Meeting.
- C. A seventy-five percent (75%) or greater vote of the members of the Board of Directors present in person at such a Special Meeting, taken by written ballot, shall remove such member from the Board of Directors.

## **ARTICLE III**

### **MEETINGS**

#### **3.1 Regular Meetings:**

- A. The Board of Directors shall hold Regular Meetings at least six times per year (February, April, June, August, October, and December in conjunction with the Annual Meeting at the time and place set forth in Paragraph 3.3). Regular Meetings will be held in the Conference Room of the airport Main Terminal Building, or at another place designated by resolution; at 2:30 p.m., or at another time designated by resolution; on the fourth Monday of the month, with the exception of the December Regular and Annual Meeting which will be held on the first Monday of December at 2:30 p.m. or on another day or time designated by resolution.
- B. If the day and time herein specified in any month should be a legal holiday, or if a quorum is not available for any reason, the Board may waive the Regular Meeting for that month or consent and agree that it be held at some other date and time.
- C. All notices to the public of Regular Meetings shall be given in the manner required by Arizona's Open Meeting Law. Except as otherwise provided in these Bylaws, the Board of Directors shall conduct its business through action ratified by a majority of Board members present in person at the Regular Meeting.

#### **3.2 Special Meetings:**

- A. Special Meetings may be called by the President, by a majority of the Officers, or by a majority of the Board of Directors in writing, delivered to any Officer, stating the purpose for the meeting. Only business as stated in the written notice will be transacted at the meeting.
- B. Special Meetings will be held in the Conference Room of the airport Main Terminal Building, or at another place designated by resolution.
- C. Notice of any Special Meeting of the Board of Directors shall be given to each member of the Board of Directors at least twenty-four (24) hours prior to the meeting date and time by written notice delivered personally, sent by mail, or sent electronically to each Board member at his or her address as shown by SOCAA's records. If mailed, such notice shall be deemed to be delivered three days from when it was deposited in the United States mail in a sealed envelope so addressed, with postage thereon prepaid. Notice to Board members may also be given by facsimile, or electronic mail transmission, which shall be deemed given upon confirmation of transmission or delivery.
- D. All notices to the public of Special Meetings shall be given in the manner required by Arizona's Open Meeting Law. The business to be transacted at, and the purpose of, any

Special Meeting of the Board of Directors must be specified in the notice of such meeting. Except as otherwise provided in these Bylaws, the Board of Directors shall conduct its business through action ratified by a majority of Board members present in person at the Special Meeting.

### **3.3 Annual Meeting:**

A. The Annual Meeting of the Board of Directors shall be held in the Conference Room of the airport Main Terminal Building, or at another place designated by resolution, at 2:30 p.m., the first Monday in December. The following shall be the order of business of all Annual Meetings of the Board of Directors:

- 1) Election of Officers;
- 2) Unfinished Business;
- 3) New Business.

B. The election of Officers shall be performed in the following order:

- 1) President
- 2) Vice President
- 3) Secretary
- 4) Treasurer

### **3.4 Emergency Meetings:**

Nothing herein shall prohibit the Board of Directors from holding an Emergency Meeting on less than twenty-four (24) hours' notice in accordance with Arizona's Open Meeting Law.

### **3.5 Notice of Meetings:**

Public notice and an agenda of all meetings of the Board of Directors shall be posted in compliance with Arizona's Open Meeting Law. A meeting agenda may be amended after posting, so long as the amended agenda is posted at least twenty-four (24) hours prior to the scheduled meeting.

### **3.6 Executive Sessions:**

Upon majority vote of the Board of Directors in a public meeting, the Board may adjourn into Executive Session in accordance with Arizona's Open Meeting Law. The posted meeting notice for the public meeting must include notice of the Executive Session and a description of its subject matter.

### **3.7 Presiding Officer:**

The Presiding Officer at all meetings shall be the President, or in his or her absence, the Vice President, Secretary, or Treasurer, in that order.

### **3.8 Quorum:**

- A. At any meeting of the Board of Directors, those present in person, if in excess of fifty (50%) of the total number of Board members currently seated (excluding vacant Board seats), but in no case fewer than four (4) members, shall constitute a quorum for all purposes.
- B. If at any meeting insufficient members are present to constitute a quorum, a majority of members present in person may adjourn the meeting.
- C. When a quorum is present, any business may be transacted.
- D. Except as set forth otherwise in these Bylaws, matters put to a vote are approved upon the majority vote of Board members present in person at any meeting.

### **3.9 Majority:**

- A. Any time these Bylaws require a majority of Board members, that term shall mean a majority of Board members currently seated on the Board (excluding vacant Board seats).
- B. Any time these Bylaws require a majority of Officers, that term shall mean a majority of Officers currently seated (excluding vacant offices).

### **3.10 Electronic Attendance:**

- A. No more than three times per year, Board members may participate in Board or Committee meetings by means of electronic communication in which all Board members participating may simultaneously hear one another during the meeting, which shall include, without limitation, appearing at a meeting telephonically or other approved electronic method.
- B. A Board member participating in a meeting by electronic means is deemed to be present "in person" at the meeting for purposes of a quorum and voting.
- C. If a Board Member confirms that his or her electronic means of attendance will maintain the strict privacy and confidentiality of the Board's Executive Session, electronic attendance may be permitted for the Board's Executive Sessions.

### **3.11 Voting Rights:**

All duly elected and seated Board members, who do not have a conflict of interest, may vote at any meeting when a quorum is present.

### **3.12 Order of Business:**

The following shall be the order of business at all meetings, other than the Annual Meeting:

- A. Approval of the previous meeting minutes;
- B. Reports of Officers:
- C. Reports of Committees;
- D. Agenda
  - 1. Unfinished Business
  - 2. New Business
  - 3. Public Comment (optional)
  - 4. Executive Session
  - 5. Action Resulting from Executive Session

### **3.13 Informalities & Irregularities:**

Informalities and/or irregularities in the manner of voting and method of ascertaining the standing of those present shall be waived if no objection is made at the meeting.

**ARTICLE IV**  
**OFFICERS & COMMITTEES**

**4.1 Officers:**

The Officers of the Board of Directors shall consist of a President, Vice-President, Secretary, and Treasurer, and such subordinate Officers as may from time to time be provided for in these Bylaws. The Board of Directors may approve combining the offices of Secretary and Treasurer.

**4.2 Election:**

Officers shall be elected from the membership of the Board, by majority vote of the Board members present in person at the Board's Annual Meeting.

**4.3 Term:**

Officers shall be elected each year at the Annual Meeting to serve a one (1) year term, beginning January 1.

**4.4 President:**

The President shall preside at and set the agenda for all meetings of the Board of Directors, shall authorize meeting notices to be issued by staff, and shall have general charge of and control over SOCAA's affairs, subject to the Board of Directors. The President shall have such powers, and be subject to such duties, as are provided by the laws of Arizona, by SOCAA's Articles of Incorporation, by these Bylaws, or as may be conferred upon him or her by vote or resolution of the Board of Directors.

**4.5 Vice President:**

The Vice President shall perform such duties as may be assigned by the Board of Directors. In case of the death, disability, or absence of the President, the Vice President shall perform and be vested with all the duties and powers of the President so long as such absence or disability continue.

**4.6 Secretary:**

- A. The Secretary, in cooperation with Airport staff, shall ensure minutes are kept; review, and sign the minutes of meetings of the Board of Directors; shall ensure copies of the meeting minutes are mailed or electronically transmitted to all Board members; shall give notice as required in these Bylaws; and shall perform such other duties as may be required by the Board.
- B. The SOCAA Airport Manager or his or her authorized designee shall have custody of and maintain at SOCAA's principal office all of SOCAA's books, records, and papers,

except such as shall be in charge of the Treasurer or of some other person authorized to have custody and possession thereof by a resolution of the Board of Directors.

**4.7 Treasurer:**

The Treasurer shall be familiar with SOCAA's financial affairs. The SOCAA Airport Manager or his or her authorized designee shall have custody of and maintain at SOCAA's principal office the financial records.

**4.8 Retiring President:**

A Retiring President of the Board of Directors, as an ex officio member, shall be entitled to attend meetings and to participate in all discussions at such meetings for one (1) year after expiration of the Retiring President's term. He or she shall have no vote on questions coming before the Board of Directors, unless he is a duly elected and seated member of the Board of Directors.

**4.9 Executive Committee:**

SOCAA shall have an Executive Committee made up of the President, Vice President, and Treasurer. The Executive Committee, chaired by the President, may meet from time to time to advise the Airport Manager on the execution of significant airport policies and procedures.

**4.10 Appointment of Committees & Advisory Councils:**

The President and/or the Board of Directors may establish such Committees as the President or the Board may from time to time find necessary, which shall consist of less than a quorum of Board members. The Board may also establish Advisory Councils, which may consist of one or more Directors, the Airport Manager, SOCAA staff, or such other persons as the Board may designate, and which shall act in an advisory capacity to the Board. Any Committee or Advisory Council shall comply with Arizona's Open Meeting Law, as applicable.

## **ARTICLE V**

### **INDEMNIFICATION OF BOARD MEMBERS, OFFICERS, & EMPLOYEES**

SOCAA shall indemnify and agree to hold harmless any Board member, Officer, or Airport Manager, any of whom were or are in the future a party or are threatened to be made a party to any threatened, pending, or completed action, suit, or proceeding, whether civil, criminal, administrative or investigative, by reason of the fact that such person is or was a Board member, Officer, or Airport Manager, or is or was serving at SOCAA's request, from any damages, costs, expenses, attorneys' fees, fines, judgments, claims, and amounts paid in settlement, actually and reasonably incurred. SOCAA may also advance fees and costs associated with any such threatened or pending suit or proceeding, provided that the Board of Directors shall determine in good faith that such person or persons did not act, fail to act, or refuse to act, willfully or with gross negligence or with fraudulent or criminal intent in regard to the matter involved in the action. Such indemnification shall be in addition to any other rights to which those indemnified may be entitled under any law, bylaw, agreement, or otherwise.



## **ARTICLE VI**

### **COMPENSATION OF BOARD MEMBERS & OFFICERS**

- A. Neither Board members nor Officers shall receive any salary or compensation for their services, but by resolution of the Board of Directors, they may be reimbursed for their actual expenses paid or obligated to be paid in connection with services rendered solely for SOCAA's benefit.
- B. Any Board member or Officer, however, may be compensated for services rendered beyond that ordinarily required of a Board Member on SOCAA's behalf, and previously approved by a seventy-five percent (75%) majority vote at a Regular or Special Meeting, so long as the compensation does not create a conflict of interest, violate the Board member's or Officer's fiduciary responsibilities to SOCAA, or violate any State law.
- C. Accordingly, if the Board approves compensation for a Board member or Officer, SOCAA must provide written notice to the Yavapai County Board of Supervisors within ten (10) days of the vote. Said notice shall include the name of the Board member or Officer to be compensated, the amount of compensation approved, and the reason compensation was awarded.

## **ARTICLE VII**

### **AMENDMENTS & REPEAL**

- A. Upon properly noticed motion by any member of the Board, a majority of the total number of Board members currently seated on the Board (excluding vacant Board seats) and present in person at any public meeting called for that purpose, the Board may consider altering, amending, or repealing these Bylaws.
- B. Any proposed alteration, amendment, or repeal shall be read in its entirety at two separate Board meetings, shall be provided to and reviewed by each member of the Board, shall have a comment period of at least thirty (30) days, except in cases of an emergency declared by a majority vote of Board members present at a meeting.
- C. Pursuant to the Master Lease, at ¶ 26, any proposed alteration, amendment, or repeal of these Bylaws shall be submitted to Yavapai County no later than thirty (30) days prior to the date set for approval by the Board.
- D. Assuming Yavapai County does not disapprove of any Bylaws or amendments within forty-five (45) days of their submission, these Bylaws may be altered, amended, or repealed by a majority vote of the Board of Directors present in person at any Regular, Special, or Annual Meeting called for that purpose.