# ***Minutes – Pryor Field Airport Authority (04/9/2024)***

* **Present (Authority, Staff):** Faith Hooper,Nathan Fowler, John Scherff, Larry Hall, Roger Minor (Via Phone), Adam Fox (Airport Director), Tim Westhoven, PE (GMC), Matt Thompson (GMC)
* **Present (Guests):** Judith Burleson, Patrick Bramlett, Kimberly Wilcox, Sam Buchanan
* **Mrs. Faith Hooper, Chairwoman, called the meeting to order at 5:00PM**

**Open Session:**

**Mrs. Hooper presented the minutes from the previous meeting to the board for approval. Mr. Hall mentioned that on the last page of the minutes that there was a typo that needed to corrected. Mr. Hall motioned. Mr. Fowler seconded. The roll call votes were all yes. The motion carried.**

**Discussion Items:**

* Mr. Fox stated that he did not have financials documents to present at this board meeting due to some items that needed to be corrected. He further stated that he received the financials from the accounting firm at 8:30AM that morning and did not have enough time to fully review before the board meeting. Mr. Fox mentioned that he has been trying to set up a meeting since 3/19 to resolve the issues he has with the financial statements. He further explained that he notified the Board Treasurer before the meeting and wanted to bring up making a change as far as accounting. Mr. Fox explained that this was something mentioned sometime last year and that we worked through having financials that were six months behind. Mr. Scherff mentioned that receiving a text regarding the accounting firm a few hours before the board meeting was not adequate. Mr. Minor mentioned that financials work both ways and that the accounting firm is working through tax season. He further explained that the airport would run down to their office to get checks cut and stop them from working on our account as well as that the firm has never been behind on our account. Mr. Scherff explained that only one call was made to him about the accounting firm and that Mr. Fox was telling the board that the firm should be at each meeting and the contract stated otherwise. Mr. Scherff explained that Mr. Fox and the firm might have a personality issue. Mr. Scherff stated that he called the accounting firm the morning of the board of the board meeting and received preliminary numbers for the past month’s financial statements and that Mr. Wynn stated that he needed to still dot the “I” and cross the “t’s”. Mr. Scherff continued by stating that he doesn’t understand why we must do something with the firm at this instance and that Mr. Fox should have contacted him if he was interviewing other firms. Mr. Hall stated that this has been going on for months. Mr. Minor stated that he disagrees and that the last board meeting had up-to-date financials. Mr. Fowler stated that at the last board meeting there were not up-to-date financials and that if someone has up-to-date that he would like to see them. Mr. Minor stated that we should not get rid of the firm just because of one month of issues. Mr. Fowler asked how long have we been accepting the financials. Mr. Fox replied the first was Oct. and Nov. 2023 and that in December that we had to make an amendment. Mr. Minor stated that the firm didn’t have the correct information from the airport. Mr. Fowler mentioned that we were also supposed to have Quickbooks online by October but didn’t have them until January and that they were contractually supposed to provide them. Mrs. Hooper stated that she started serving on the board in October and that when Mr. Fox sends out the board packet, he always has to say that he doesn’t have the financials yet. Mrs. Hooper stated that she understands that it is tax season but that none-the-less we are paying for a service and should receive the same amount of attention during that period. Mr. Hall mentioned that we are still behind on the 2022 audit. Mrs. Hooper asked Mr. Fox if he had researched other firms to take over the financials. Mr. Fox explained that he has among other options. He also stated that the board received this information numerous months back and sent it to the board as well as their rates. He further explained that the issues with this month’s financials as well as the previous months was with the COGS. He explained that the method used to calculate this was an accrual basis by using what comes out of the account for fuel purchases. He explained that this was the old method and that the accounting practices have changed. The Atlas POS system calculates this for the firm and the airport and that the firm has access to this information in real time and could argue that the firm has had more access to financial information since he wasn’t given access to QB online until January 2024. Mr. Fox explained that he has advocated for the firm on numerous occasions. Mr. Fox stated that he is simply asking to bring back up the old conversation about seeing what the best fit for the airport is and to come back at the next meeting to make a decision. Mr. Scherff stated that he has time at the end of and would like to meet with Mr. Wynn and Mr. Fox to see what the disconnect is and if it doesn’t work then he would be the one to make the motion to move firms. Mr. Fox stated again that he is not requesting to make a decision tonight for removing the firm.
* Mr. Fox presented two insurance policies to the board for approval. The first was the Auto insurance policy with a total financial impact of $5855 which would equate to a $34 dollar decrease. Mr. Scherff thanked Mrs. Wilcox with Shoreline Insurance for coming to the meeting to answer any questions if they were to come up. He also stated that the previous insurance provider never attended the meetings. Mr. Fowler disagreed and stated that wasn’t true. **Mr. Scherff made a motion to approve the auto insurance policy. Second by Mr. Hall. The roll call votes were all yes.** **The vote carried.** Mr. Fox presented the second policy for airport property coverage. He explained that the total value of the assets has increased to over $17M which equates to a 4% increase. He explained that the premium increased 5% to $56,603. **Mr. Hall motioned, Mr. Scherff seconded. The roll call votes were all yes.** Mr. Minor mentioned that he would have to get off the call.
* Mr. Fox gave the board an update on the potential leases starting with NW Development area. He explained that he has three Letters of Intent to build facilities at DCU in this area with the largest being 30k square feet. Mr. Scherff asked where AI is with their facility. Mr. Fox explained that the contractor stated that they are having calls to wrap up the design but that there have been some medical issues with the CEO. He explained that he has requested a ground-breaking date but has not received one at this time. He explained that he has notified the company that the rent starts April 2025 regardless of the building being built. Mr. Fox explains that the Corporate Aircraft Association (CAA) submitted the contract to continue the preferred FBO with this association. **Mr. Scherff motioned. Mr. Hall Seconded. The vote carried unanimously.** Mr. Fox presented a five-year lease with Calhoun Community College for an A&P school. Mr. Fox explained the rate, hangar dimensions and place on the airport layout plan. Mr. Scherff made a motion to accept the lease. Mr. Fowler requested for clarification on how the lease is not associated with the Calhoun property that the board tried to purchase a few years back. Mr. Fowler explained that the original intent was that the college would trade the property for the hangar. Mr. Fox explained that this is a situation that needed to be handled differently than what was presented by board members last year. He stated that the original proposition violates grant assurances and that the plan in place is what is best for DCU. He explained that the land is not off the table but is being treated as two separate transactions. Mr. Fox stated that this partnership will help the airport become more successful as we have a strong workforce pipeline for future entities. Mr. Fox said that they will quickly grow out of our facility they will lease and this will allow us to work out a deal to build CCC a new facility on the current Calhoun property as a trade off for the land. Mr. Fox explained that he told the two-year college system that we need the land as soon as possible to go through the state and FAA process to bring the property in to qualify for grant funds. **Mr. Scherff motioned. Mr. Hall seconded.** Mr. Fowler requested to know who stated that the land would be swapped for a future facility. Mr. Fox stated that the conversation was with Dr. Jimmy Hodges and that he asked to have that conversation in detail in the Spring of 2025. **Mr. Fowler opposed. The vote carried.** Mrs. Hooper askedfor an update on the construction side of the new Calhoun hangar. Mr. Fox explained that the project is going really well. He stated that the heater has been replaced, new interior panels, new sky lights, new LED lights and a few minor upgrades to the steel.
* Mr. Fox went over the airport projects, starting with the NW Taxiway. He explained that the seeding and sodding is scheduled. He explained that the grading is completed. He explained that the private hangar next to the terminal is coming along well. He explained that the steel had arrived and that the first concrete pouring had occurred. Mr. Fox explained that the southeast sewer project is being worked through collaborations with Calhoun and Limestone County Water and Sewer Authority. Mr. Fox stated that the Taxiway on the southeast is being worked out with the State and FAA on justifying the design and the plan for bidding and execution. Mr. Fox explained that the taxiway has gone from a local project to a federal project and that he is working with GMC to check boxes with the stakeholders to ensure the project can carry forward. Mr. Fox gave an update on the LD projects and that he is waiting for comment from the State and FAA. Mr. Fox mentioned that Air Evac ha started to move into their new facility on the south side of airport.
* Mr. Fox explained that he would like to table item number five until further investigation occurs. He stated that all the deeds at the airport read different. He stated that the FAA has called and requested to clean up some old items that need to be rectified in order to clean up records and help smooth grant processes.
* Mr. Fox mentioned that hangar rent has not increased since 2019. He explained that there are several projects needed at the airport and that the airport is undervalued. He also explained that each box hangar lease stated that there would be a consumer price index adjustment annually. He also explained that this is not just a topic he is wanting to accomplish but that this has been presented to him in conversation by board members since he got to the airport in 2022. Mr. Fox stated that the board approved a price per square foot of $0.45 and that each individual box hangar is over 1300 sq ft. and that the rate based on that would increase the rent from $250 to over $620 monthly. He further explained that the price of a local storage unit is $0.72 per sq ft. which would bring the hangar rate to over $900. He stated that the hangars at Hartselle, Huntsville and Auburn are all more than DCU. Mr. Fox suggested that we discuss and bring this topic back for approval but recommends increasing each lease 28%. Mr. Fox said we need pilots flying. He stated that adopting this on October 1st would be a good date to change the rent and that he would start offering full-service fuel at self-service price to not punish those that are flying.
* Mr. Fox reported on last month’s operations and fuel sales. He explained that the JetA sales were 25,514 gallons with the avgas sales being 4,117.85 gallons. Mr. Fox explained that the gross profit margin for the month on fuel sales was around 35% but that this does not fully tell the success of the month. Mr. Fox stated that the YTD total was 133k and that the previous year was only 122k. Mr. Fox stated that the FBO/Airport Service fees were around $15k for this month.
* Mr. Fox explained that throughout the last month that he spoke at Athens Middle School about careers in aviation. He mentioned that he is in Montgomery often with ACA. He explained that he joined numerous other at the MSL airport on their ribbon cutting of a new 25k sq ft hangar. He mentioned that he is serving on numerous other boards throughout the community. He explained that Athens State has reached out wanting to sign a partnership with the Authority to further their programs and offer incentives to all of our partners. They are hoping to sign the partnership on May 24th. Mr. Fox mentioned that the Authority has been selected to partner with Decatur PS Foundation to welcome a summer intern. Mr. Fox stated that as soon as he has dates for the event he will reach out. Mr. Fox explained that numerous people in the North Alabama area are asking when the next airshow will be and that they hope we will continue this event.
* **Public Comment:**
* Mr. Patrick Bramlett stated that he would like to make a comment on the hangar rent increase. He explained that there have been numerous comments about how corporate aviation was going to pave the way for DCU. He explained that he has personally had to make improvements to his hangar a few years back since it was leaking and that the Bi-Fold door had to be repaired by him as well without asking for reimbursement. Mr. Bramlett explained that none of the improvements are for the GA community minus the bathrooms. He requested to have more amenities and fix issues with hangars. He explained that he is grateful for the board and for Mr. Fox.
* Mrs. Hooper stated that she would like to make a comment as a tenant. She said that she has voiced this to Mr. Fox but that the ceiling in the community hangars need some attention as items have dropped onto aircraft. She stated that numerous tenants have sent pictures of aircraft to her and that items do need to be addressed.
* Mr. Scherff mentioned that he believes the community hangar needs fans installed as they have a humidity issue. He stated that eventually it will cause water to get into the tanks of the GA airplanes that don’t fly. He mentioned that there are a lot of money in business aviation but that the airport is for everyone.
* Mr. Fox stated that he agrees with everyone. He stated that he is looking at it from a business standpoint. He stated that he is fixing issues as he knows about them. He said that what plagues the airport is 45 years of poor management and that there are a ton of items that need to be addressed but most of them take a lot of money to correct. He urged for everyone to know that he has pushed the board to do as much maintenance as possible and that the funds need to be invested back in the airport. He explained that DCU is the fastest-growing airport in the state and that they have the most based aircraft of any GA airport in the state.

**Adjournment:**

* Next Board meeting will be May 14, 2024, at 5:00PM. **Mrs. Hooper motioned for adjournment at 6:30PM. It was seconded by Mr. Hall. The vote was carried unanimously.**