

The North Little Rock Airport Commission Meeting was held at noon on Thursday, August 21, 2014 in the NLR City Services Building, Conference room A.

Chairman Mark Halter called the meeting to order.

The roll being called, the following Commissioners attended; Mark Halter, Jim Julian, Don Blakey, Brad Hughes, Toby Burkett. The Commission only has 5 members right now, but the two new commissioners will be confirmed in time to attend the September meeting.

## **Minutes**

Mr. Burkett moves to accept last meeting's minutes as amended, Mr. Blakey seconds. The motion carries unanimously.

## **Financial Report**

Mr. Rogers says bills are being paid, and rent is coming in as expected. Mr. Rogers says we're still running under budget and will have a surplus again this year. Mr. Rogers says he will have the 2015 budget to be approved at the September meeting. Mr. Burkett moves to accept the financial report, Mr. Hughes seconds. The motion carries unanimously.

## **Old Business**

Grants update: Mr. Rogers says CWR construction, who won the bid for the Jet Center repairs, is procuring their materials and will be ready to start in a couple months. Mr. Rogers says the pavement work that was done in front of Don Blakey and Mac Hogan's water was not done well and they'll have to redo it. The pavement wasn't graded right and water is holding, and the crew doing the core samples tore up the freshly paved ramp, and it looks bad and they'll have to redo it. Redstone acknowledges that they need to redo it. Mr. Rogers says we're still waiting to hear from the FAA if our taxiway lighting grant will be approved, and if they will give us some discretionary funds to cover the costs over our entitlement funds. Mr. Rogers says Brad Kutchins suggests we vote to allow Mark Halter to sign the grant when we hear from the FAA because the grant will be due back to the FAA signed before the next commission meeting. Mr. Blakey makes a motion to approve Mark Halter to sign the grant when we receive it, Mr. Hughes seconds. The motion carries unanimously. Mr. Rogers says the shed project is still on hold until the contractor can get out there to build it.

## **New Business**

Land lease issue with Toy Box Inc: Mr. Rogers put together some figures that he thinks will come into play with the land dispute. Mr. Rogers says these figures are proposing anything or making an official offer of anything, just some numbers based on the amount of land used, and the lease and tax amount that Toy Box has been paying. Mr. Halter goes through the numbers. Mr. Halter notes that the newly built taxiway that cuts through Toy Box land is within the Object Free Area of the preexisting taxiway, so it doesn't look like anything could be built there anyway. Mr. Halter believes the airport commission has the right to take that land through inverse condemnation, and it's the airport's responsibility to pay Toy Box the value of that land. That value is what has to be determined. Mr. Rogers says he hasn't gotten an official appraisal yet because the cost of the appraisal may be more than the value of the land itself, so he wants to see what Toy Box thinks of the figures presented before getting an official appraisal. Mr. Rogers says Toy Box's proposal was getting a new 30 year lease at the end of their term at \$.40/sqft rather than the \$1.00/sqft rate. Mr. Burkett says he would not vote for that. He wants to do what's right, but he could not vote for a lease change like that. Mr. Halter says he does not want to do anything that would changing a future lease and lease rate. Toy Box attorney Chester Lauck is in attendance and asks if the 30 year lease extension is off the table. Mr. Halter says he couldn't vote for that, and Mr. Burkett says he couldn't either. Mr. Burkett doesn't think new lease rates should be a bargaining chip since the whole goal of the last 7 years was to get everyone on the same lease with the same rate. Mr. Lauck asks if they commission has a proposal. Mr. Halter says he could vote to cut a check based on the numbers presented here, or work out a reduction in rent on their current lease to equal the amounts presented. We would also take back the land included in the lease so that Toy Box no longer has to pay taxes on that land. Mr. Blakey says he remembers the city coming in and clearing out a lot of that land that is included in the dispute to get rid of snakes, and that's why he didn't realize Toy Box had that land, because the city came in to clear it. Mr. Blakey says he doesn't think we, the city, would have done all of that if we had known it was Toy Box's land. Mr. Halter says to Mr. Lauck that if these numbers are in the ball park of what Toy Box is thinking, we could put together an official proposal, or they could, and we could vote to approve, but if these numbers aren't in the ball park, then he's not sure there's much we can negotiate about right now. Mr. Lauck says he'll talk to Toy Box about their options, but he thinks a lease extension is fair. Mr. Rogers says he'll contact Mr. Lauck to make sure he understands where he got the numbers.

## **Engineer's Report**

Jordan Culver is in attendance and says we got the 2011 grant closed out and hopes we'll get enough funding for the taxiway project to be completed without having to use next year's FAA money. He updates the commission that they are still working on the frequency change.

**Security Report**

Lt. Honeycutt was not able to make it, but Mr. Rogers says there haven't been any security issues this month.

**Directors Report**

Mr. Rogers says Kincade Aviation has acquired their Part 141 flight school certificate. Mr. Rogers still wants to explore getting a state grant to build a hangar for them to operate out of, and will start getting everything together to see if can work.

**Public Comment**

Don Adamson suggests that the airport needs to contact the FCC about the frequency change. Mr. Adamson also asks if any progress has been made on figuring out where an east side fuel farm would be. Mr. Rogers says if we want to assign an area for a fuel farm on the east side, we need to lock down that location. Mr. Adamson says he'd like a 10,000 gallon tank to fill his truck from, but if he has to pay to put in a fuel system, he wants to be able to sell fuel to recoup the costs. Mr. Rogers says he'll get with them to discuss what they're wanting and where.

Mr. Hughes moves to adjourn. Mr. Blakey seconds. The vote carries unanimously.

Meeting adjourned.