

The North Little Rock Airport Commission Meeting was held at noon on Thursday, January 17, 2013 in the NLR Airport Terminal building.

Chairman Mark Halter called the meeting to order.

The roll being called, the following Commissioners attended; Toby Burkett, Matt Chandler, Jim Julian, Brad Hughes, Don Blakey, Mark Halter. Mr. Chandler moves to excuse the absence of Rick Ashley Mr. Hughes seconds. The motion carries unanimously.

Minutes

Mr. Hughes moves to accept the November minutes as presented. Mr. Julian seconds. The motion carries unanimously. Mr. Julian moves to approve the minutes from the December Special called meeting. Mr. Chandler seconds, the motion carries unanimously.

Financial Report

Mr. Rogers shows the two financial reports, one is how the airport ended the 2012 year, and the other is a budget for the 2013 year. Mr. Rogers says \$63,654 is what the airport wound up being under budget. He says \$10,000 of that is already set aside to pay for the grant match for the state grant funding the electrical vault. Another \$13,000 is what we have to eat due to canceling the contract with Lubin. He says other than those two items, we have the rest of that \$63,000 we can use as we need to. Mr. Rogers walks them through the 2013 budget showing that the city has given us \$60,000 for our budget. He also says we have \$25,000 from city sales tax to be used for capital improvements, which Mr. Rogers thinks we need a new tractor. Mr. Julian sees that we brought in 250K in rent last year, which was more than expected. Mr. Rogers says that's because NLR Electric and Central Arkansas Water paid back rent in January for a couple months from 2011 so that rental income went into the 2012 income. Mr. Halter likes the way the finance department broke down the 2012 budget in Excel and asks if they could be presented like that more frequently. Mr. Rogers says Stephanie in Finance did that, and he will talk to her about giving it to us that way. Mr. Chandler moves to approve the 2012 budget statement, Mr. Hughes seconds. Passes unanimously.

Old Business

DC-3: Mr. Rogers says he talked to Mr. Barrett, and their next step is painting the DC-3 as soon as it warms up and dries up a little. They are hoping they are able to do the annual here, so they don't have to fly it elsewhere. But that takes a hangar big enough to get it inside. They're hoping either the jet center's hangar or the old Osborne hangar would be big enough. Mr. Chandler asks if they have to paint it before they do the annual. Mr. Rogers says he doesn't think so, and Mr. Blakey says it doesn't. Mr. Halter asks if they ferry permit they have expires, Mr. Blakey says it was a one time permit to get its annual. Mr. Halter asks if once it gets its annual if it's ready to go. Mr. Blakey says yes, once it has its annual it can be insured and flown. Mr. Halter says, so what we've been waiting on this whole time is to have it's annual. Mr. Rogers says yes. Mr. Halter

thinks we need to put a time frame on when they get the annual. Mr. Rogers says they have put a significant chunk of money into the plane, and that they don't want it to just sit around. Mr. Halter wonders if we should give them 60 or 90 days. Mr. Julian asks for the end game with the plane. Mr. Rogers says they have it for sale for potential buyers, but that they want to fix it up and fly it to air shows and operate it out of the airport. Mr. Rogers asks if we're allowed to give them a deadline if they are working on it. Mr. Halter thinks we should give them a deadline to keep them working on it. Mr. Blakey says he doesn't think the DC-3 could fit into the Osborne Hangar, and doubts it could fit in the jet center's. Mr. Blakey thinks they want to paint it first to entice potential investors, and he thinks painting it would help. Mr. Hughes asks if 3 months would be sufficient time. Mr. Rogers says if they're waiting for it to warm up, we should give them time. Mr. Chalder suggests June 1 as a deadline to have it's annual. Mr. Hughes moves to make June 1 the deadline under the same terms as the original agreement, Mr. Blakey seconds. The motion carries unanimously. Mr. Rogers says the original agreement is that the plane has to be FAA airworthy. Mr. Hughes suggests that the plane be annualized by then, and that language needs to be in it.

Lighting Project: Blake from Garver was unable to attend, but Mr. Rogers updates that a week from today we will have a preliminary bid meeting at the airport to answer questions from potential bidders. The job is advertised and the bid day is the 31 of January. Mr. Rogers says we could call a special call meeting after the bids come in to award the job, or the commission could give him the authority to approve the lowest responsible bidder himself. Mr. Halter says given the history of the project, we need a special meeting to discuss everything. Mr. Rogers agrees. Mr. Halter says it may need to be a phone conference, but we should meet after the bids are submitted.

Van Cleve Update: Mr. Rogers says Ms. Jones will be able to update that. Ms. Jones says the court ruled in our favor again, but then they filed a review claim. Mr. Rogers says the Van Cleves contend they didn't get a chance to argue the facts that the judge ruled on. Ms. Jones says that doesn't matter, the court can rule whatever they want based on the facts they have. Ms. Jones doesn't think they will be successful. Mr. Chandler asks how long that will take, and Ms. Jones says it will probably take 2-3 weeks. Mr. Halter asks what we'll do once the decision is made, and what the terms of the lease says. He asks if they have to restore the grounds or if it is an option. Mr. Julian says we should have something ready to go when the ruling happens so that there isn't another gap of time. Ms. Jones says we should give them 30 days.

New Business

Donnie Barnhart's Lease: Mr. Rogers introduces Donnie Barnhart, who cleared land to build his hangar at the end of 2012. Mr. Barnhart hands out a breakdown of his finances from clearing the land to build his hangar. Mr. Barnhart explains to the commission the work that he did, and what the land was like before he cleared it. He shows them on the map. He also explains there was a large ditch there and that was unable to be bush-hogged, and now that is completely cleaned up to where a bush-hog can mow it. Mr. Chandler asks if hangars can be built in the area he

cleared. Mr. Rogers says he and Blake are working on finding out if hangars there would pass air space approval. He says they aren't sure yet. Mr. Julian asks if there is concern that the FAA won't pass air space because of it being at the end of a runway, Mr. Rogers says there is an impact there, but he isn't sure the specifics. Mr. Hughes says he would only be willing to discuss giving concessions if it was definite that the land can be developed for hangar use. Mr. Halter asks how we can find that out. Mr. Rogers says we can, and he will work with Blake to find out. Mr. Blakey adds that there was a snake problem in that area, and that snakes have been seen coming out of that ditch. Mr. Blakey also says Mr. Barnhart developed an area that no one would have thought could be developed, and the way it was developed leaves room for other hangars. Mr. Barnhart talks about the work he did moving the ditch. Mr. Chandler asks how much more did he spend to develop the land than he would have had to anyway, and why did he pick that spot. Mr. Barnhart says he likes the guys up on the hill where he wants to build. As far as the difference in what he spent, was \$30,900. Mr. Chandler wants to clarify, that amount is MORE than you would have spent? Mr. Barnhart says yes, that is the amount more I would have spent if I would have built right by Nick Franke. Mr. Halter asks, but given where you decided to build, how much more did you spend than what you would have spent on just your spot. Mr. Barnhart says the amount he spent over where his foundation would be, was \$12,714. Mr. Halter asks that's the amount you spent extra? Mr. Barnhart says that's what he spent on the taxi way. Mr. Halter says, but you would have had to put the taxi way there anyway. Mr. Barnhart says if I was gonna put a hangar up there, yes I would. Mr. Chandler says, so if you take that number out, you're at roughly 15 thousand more that you would have had to spend, because you were going to have to build a taxi way no matter what. Mr. Chandler says yes, it would have been cheaper down by Franke, but you chose to build up there. Mr. Barnhart says yes. Mr. Chandler says, so that's closer to 15 thousand. Mr. Chandler clarifies, so you've got 32 thousand and we're taking off the 1400, let's just say 30,000 to use round numbers, and then you've got another 12,000 on the cost of your taxi way. You had to build that taxi way because you were there. Because you chose that spot. So, what extra cost you had was really clearing it and providing the place to put something. The extra cost was not the taxi way, you were going to have to build that no matter what. Mr. Barnhart says yes. Mr. Chandler says, so roughly 15,000 dollars. Mr. Chandler asks the commission if they are following, and says, that area was nothing. So he went up there to do something, and he had to clear the land. Mr. Chandler says, in my opinion we shouldn't have to pay anything for the taxi way because he chose that area, and that's just the cost to get it there. That's part of it. Now, where a concession could come in, is if he cleared that land and now we have some use for it. That's where a concession would come from. That's how I came up with the 15 or 16 thousand dollars, for the excavation. Mr. Julian agrees. Mr. Chandler says and that's only if we are able to build more hangars up there. Mr. Chandler says he's not opposed to giving concessions as long as we know the taxi way is for the benefit of all. Mr. Julian says and we need to make sure it's constructed to the standards that Garver wants it. Mr. Chandler says he also wants to make sure it doesn't set us up in a position where somebody else is going to build and start asking for concessions. Mr. Burkett says he knows Mr. Rogers agreed to letting Mr. Barnhart move forward, but it's a bad idea to start spending money with no decision made, and he doesn't want to see that done often. And if it turns out we aren't able to build more there, than the benefit for us goes away. Mr. Halter asks what the lease rate is for construction hangars, and Mr. Rogers says 40 cents. Mr. Halter asks how many square feet will his hangar be,

and he says 8,000, so \$3,200 a year. Mr. Halter says we've already approved the lease, the question remains if we can put any more hangars up there, so we should wait until the next meeting to decide until we have all of the information we need. Mr. Burkett asks what the concession would even look like, a pro rate on square footage? Mr. Halter says he's inclined to just give a couple years of \$1 rent until it's recouped. That way we're not changing leases. Mr. Blakey agrees we should wait until we have more information. They decide to wait until the next month's meeting. Mr. Blakey shows on a map that Presley Melton's hangar is even with a runway end. Mr. Melton, who is in attendance, says he remembers with his hangar that there is a flare in the FAA air spacing that changes at the end of the runway, but doesn't recall the exact formula. Mr. Blakey asks Presley Melton if the commission gave him any concessions when he built his hangar. Mr. Melton says no. Mr. Melton says he asked for it, and he asked for a state grant to pay for the taxi way, and that he would even pay the match, but that Mr. Blakey was the one that called him and told him it wasn't going to happen. Mr. Blakey says, we didn't give you anything in the lease? Mr. Melton says no. Mr. Chandler asks if his taxi way is for his private use only. Mr. Melton says every taxi way is for the use of only that private hangar it goes to. None of them would have been built if there wasn't a private hangar there, except the big main ramps. Mr. Chandler than asks, do you have an exclusive use of that taxi way going to your hangar? Mr. Melton says he'll talk about it when it's his turn.

Small Ramp Maintenance: Mr. Rogers updates the commission that this item came about because of significant cracking to the ramp area of Mac Hogan and Don Blakey's hangar. Mr. Rogers says he and Blake came up with a maintenance schedule for the next 10 years.

Presley Melton speaks about his ramp maintenance. Mr. Melton says he wants to correct his earlier statement, and that there was a small concession given. Mr. Melton says he built his hangar to be commercial grade in case he wanted to sell it to an aviation company, and he didn't want anyone to build a hangar on the land directly in front of him. So the commission gave him an easement on everything in front of his building. Not ownership of the land, but just an easement that is in his lease. Because if someone built right in front of him, he would not be able to market the hangar to a company. It wasn't a monetary concession, but just an easement. Mr. Melton switches gears to talk about his ramp maintenance. He doesn't understand why his ramp would be any different. He says the last guy at the end of a taxi way is the only person that uses that last bit of the taxi way. That's the same as him having his own ramp. Each person's part of the ramp only serves that person. So he built it to specs, and thinks his ramp should be eligible to be seal coated as well. Mr. Melton just asks that his ramp be added to the maintenance list. Mr. Blakey says Mr. Melton has a good point. He says when Barry Hyde built his T hangars, and the ramps he built had problems, the commission agreed to get state money to rebuild it. Mr. Burkett agrees that it's our responsibility. Mr. Melton says it would be good for anyone building for the commission to make sure everything is built to spec. Mr. Hughes agrees that we should make sure our engineers approve any ramp built. Mr. Halter wants Mr. Rogers to come up with a policy statement that covers this issue to adopt.

Engineer's Report

None

Security Report

Sgt. Honeycutt isn't available.

Directors Report

Mr. Rogers says he wants to start holding monthly meetings with the airport users to give them an opportunity to bring up issues they have. He's working on what time of day would work best for maximum involvement. Mr. Rogers also says he wants to hire the maintenance worker that is through the temp agency, and bring him on to the staff. Mr. Julian says that's the director's decision, but he appreciates being kept in the loop.

Public Comment

None.

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

Meeting adjourned.