

The North Little Rock Airport Commission Meeting was held at noon on Thursday, February 24, 2022 in NLR City Hall, City Council Chambers.

The roll being called, the following Commissioners attended: Mark Bentley, Brad Hughes, Jake House, Tim Cummins by phone, Will Gruber by phone, Adrienne Smith by phone, Todd Adams by phone.

Also Present: Clay Rogers, Amy Fields- City Attorney's Office, Jordan Culver- Garver

Minutes

Mr. Bentley moves to approve the January minutes, Mr. Gruber seconds, the motion carries unanimously.

Financial Report

Mr. Rogers says there isn't a financial report for the commission this month, which is typical for February.

Old Business

Terminal Expansion- Mr. Rogers gives an update on the expansion project.

Williams Property Lease- Mr. Rogers goes over what Carole Canino of Williams Property is requesting for their hangar development plans that would require a grant to help build the asphalt, and the lease request she is making for the existing hangars. Bill Canino is acting as a consultant for the project. Mr. Canino says for the project to happen, they have to have the airport help build the taxiway, and that they need to lease extension of their existing lease to be approved so that they can finance the new hangars. There is general discussion on the existing lease up for renewal, the total square footage, current lease rate, and what the standard lease options that the airport offers. Mr. Hughes asks Mr. Rogers if the airport has made any changes like what's being proposed for other hangar owners in the past with similar hangars with bays. Mr. Rogers says there hasn't been any changes like this approved in the past. Mr. Adams says he appreciates what the Caninos have done but he's concerned about what problems this would cause in the future with other requests that would come to the commission. Mr. Canino says he feels they are in a different situation because of the size and scope of what they are proposing and that if someone makes a lease change request in the future, the commission could say they'll consider it if it is such a large scale as this proposal is in terms of cost and square footage. Mr. Hughes asks if the grant money needed to build the taxiway would be AIP funds, Mr. Rogers says yes and explains the FAA AIP grant process and what projects the airport has done with AIP funds over the years. Mr. Canino shares his concern that a higher lease rate would mean he'd have to raise prices on his tenants and it would be too expensive to be able to keep renters in the hangars. There is general discussion on the cost of hangar rent, and the Williams property hangars rent. Mr. Hughes asks Jordan Culver if he has any new information on new grant opportunities from the new infrastructure bill that passed congress. Mr. Culver says the Arkansas Department of Aeronautics

has recently raised their cap on grants for new hangar construction that would help, and he goes over what the NLR airport has allocated from the new infrastructure bill, and the airport will be allotted \$295,000 a year for 5 years, but there are still some questions on how it can be used and when. Mr. Hughes says that's important to keep in mind. Mr. Hughes says he's concerned about using AIP funds for a project that would only benefit one entity because we usually use our AIP funds for projects that benefit the airport as a whole for all users. Mr. Hughes says he's also concerned about the loss of revenue for the airport from this lease concession when we are frequently having to go to the city for money, especially considering we haven't made any significant changes in the past. Mr. Hughes says he doesn't think he can support a longer lease extension and a lower rate, knowing the commission made the 15 year lease an option in the beginning but the commission set that 15 year lease at a higher rate. Mr. Rogers says it sounds like there isn't support for what has been proposed, but that the commission has to make a decision because we have to let the FAA know what our grant plans will be. City Attorney Amy Fields speaks on the issue based on proposals that have been mentioned and she says she is concerned on these proposals in that it opens up significant problems in the future for any lease change requests. Ms. Fields says she understands the size of this project is significant, but what is being proposed is so far away from what the standard is that she has significant concerns. Mr. Canino reiterates that because of the size of this project it should be considered differently, but that he would like to still negotiate and find something that works because it would be good for the airport as well. Mr. Hughes asks if any commissioners want to make a motion based on the proposal from Williams Property. No motion is made. Mr. Cummins said he's open to a discussion on a new proposal but he can't support what's been proposed.

2022 Airshow- Mr. Rogers updates the commission on the airshow plans, October 22nd.

New Business

None

Engineer's Report

Mr. Culver says the contractors are working on a schedule for the runway 17/35 rehab project.

Directors Report

Public Comment

Bill Schlatterer is in attendance and discusses a drainage concern stemming from the expansion project.

Mr. Bentley moves to adjourn, Mr. Gruber seconds.

The meeting is adjourned.