The North Little Rock Airport Commission Meeting was held at noon on Thursday, January 21, 2016 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, Brad Hughes, Toby Burkett, Don Blakey, Mark Bentley, Adrienne Smith.

Minutes

Mr. Rogers notes an error in the December minutes that Mark Bentley was not in attendance, and it was excused. Mr. Rogers says he will fix the December minutes to reflect that excused absence. Mr. Hughes moves to approve the November minutes, Mr. Blakey seconds. The motion carries unanimously.

Financial Report

Mr. Rogers says the financial statement is as of December 31, 2015. The revenue minus city match money, was $287,456.39. The total expenses were $214,102.68 with a carry over of $73,353.71. That amount will go into the fund balance reserve. There is general discussion on projects that could be done around the airport. Mr. Burkett says it would be good to put that money back into the airport rather than just building up a big fund balance just to have it. Mr. Hughes moves to approve the financials, Mr. Julian seconds. The motion carries unanimously.

Old Business

Rog Rogers Hangar Improvements- Allan Tegethoff is in attendance to talk about the expansion they want to do to their hangar. He estimates the cost of the office space is around 200,000. They are requesting a lease extension to help them recoup that amount. Mr. Rogers says they don't have a reversion clause in their existing lease so whatever they get, they need to have that clause in the extension. The lease is set to end in 2035, and it was originally a 30 year lease. Mr. Rogers had suggested a 10 year extension, and the Rogers Hangar requested 20 years. Mr. Rogers says there is already a 15 year lease extension option with the standard leases. Mr. Rogers suggests pre-approving that 15 year extension with the reversion. Mr. Rogers says he found in the minutes from a 2010 meeting where he requested new terms for his lease, including adding on to his hangar. The commission didn't agree to the terms, but Mr. Homesly's addition would be about 12,000 dollars and he was within a year of the end of his term. Mr. Rogers says the difference here is that the Rogers Hangar is doing a 200,000 dollar expansion, there are still 20 years left in his lease, and they are fine with the reversion clause. Mr. Burkett says he wants to remain consistent and his initial feelings are supporting a 15 year extension that starts at a dollar per square foot since that's what

we have in the standard leases. Mr. Julian proposes a 15 year extension and stair step the rate up until it gets to the dollar per square foot rate. Mr. Julian notes that by the time the existing lease ends it will be at .50 per square foot in 2035, so kick it to .75 per square foot in 2040, and 1.00 in 2045 so that it's at the dollar a foot rate for the last 5 years. Mr. Burkett says we should come up with a threshold for reinvesting in a hangar to get an extension. Mr. Burkett says we should come up with some formula to determine that. Mr. Rogers asks the Garver engineers if they think there is something the state or FAA would frown on here. Blake Roberson says he doesn't think they would have a problem with it. Mr. Hughes makes a motion to give the 15 year extension at the rate increase Mr. Julian proposes. Mr. Burkett would like a standard, but Mr. Halter says it might need to be a case by case basis because this is a pretty large amount of money and unusual circumstance. Mr. Roberson from Garver says the FAA understands you can't make every single situation exactly the same, but as long as it makes sense and you can justify it, they will support it. Mr. Julian says maybe we could say the standard could be that it has to be at least a 6 figure investment. Mr. Rogers says he can bring back a policy guideline for hangar expansions to the next meeting. Mr. Halter says a motion has been made, Mr. Julian seconds it, the motion carries unanimously. Mr. Tegethoff says he'll take that back to Rog Rogers to see if he agrees to the terms, and if he is, they will be ready to sign and get started on the expansion. Mr. Rogers says he'll get with Paula to get it in writing.

UNICOM update- Mr. Rogers says things are moving forward as planned with the change. It will take place on March 31. Mr. Rogers says he's been in touch with the FAA on what to do. Mr. Rogers says there will be a couple safety meetings to discuss it with the airport users.

New Business

Officer Elections- Mr. Julian moves to maintain the current slate of officers, Mr. Hughes seconds. The motion carries unanimously.

Engineer's Report

Mr. Culver says the lighting phase 3 contractor is still procuring materials. It's taken longer than expected, but it shouldn't be a problem. On the Ramp pavement rehab, Redstone has finished most of the work, but they will get a final punch list to them to fix

and address items. Mr. Rogers will be working with Garver to assess liquated damages for the time gone over the contract time. Nick Franke is in attendance and says the contract time should still be counting because there is part of the ramp still blocked off and they haven't completed the work. Mr. Halter asks if Redstone will dispute the liquidated damages. Mr. Roberson says they might dispute some of them. Mr. Halter tells Mr. Rogers to work with the engineers on it.

Security Report
Lt. Honeycutt was not available but Mr. Rogers says there have been no security issues.

Directors Report
Mr. Rogers says has two items. One, they are working on fundraising for the airshow and the goal is 20-30 thousand. He also says he is working on a plan for gate control access on the east side. We want to be more secure when Don Adamson gets his flight school going, and we need a better option that just giving out gate codes. Mr. Rogers says he is getting a proposal from Low Voltage who handles our gates and security.

Public Comment

None

Mr. Hughes moves to adjourn, Mr. Julian seconds.

The meeting is adjourned.