

The North Little Rock Airport Commission Meeting was held at noon on Thursday, May 17, 2012 in the 2nd floor Conference Room of the City Services Building.

Chairman Mark Halter called the meeting to order.

The roll being called, the following Commissioners attended; Jim Julian, Rick Ashley, Don Blakey, Matt Chandler, Mark Halter, and Brad Hughes. Toby Burkett showed up late, but was present (showed up during financial report).

Minutes

Brad Hughes moves to approve the minutes from last month. Matt Chandler seconds. The motion carries unanimously.

Financial Report

Mr. Rogers says he adjusted the accounts based on last month's suggestions, and now each account has the correct bills paid out of each one. Mr. Chandler moves to approve the financial report. Mr. Blakey seconds. The motion carries unanimously.

NLR Electric New Road

NLR Electric department Operations Manager, Ron Osborne, is present. Mr. Osborne explains that with their new operations being at the building on airport property on Maryland Ave, they have the same problem as the water department of trucks getting out of the complex onto Maryland Ave safely. He said they have already put up a flashing sign and lowered the speed limit. He says they have come up with a plan with the city engineer to build a road inside the fence that connects with Aviation Way. Mr. Ashley asks how many trucks will use the gate. Mr. Osborne says about 8 big trucks and 4 half ton trucks. In the morning, lunch, evening. Mr. Ashley suggests putting the road back so that there is stacking room for multiple cars. Mr. Osborne says he's just at the meeting to see if it's all feasible. Mr. Halter worries that we may want to use that land for development at some point, Mr. Ashley agrees. Mr. Halter says we can agree from a conceptual standpoint to put the road about at the 400 foot range, or more. Mr. Ashley says 300 or more. Mr. Halter says we can agree conceptually, pending commission approval, and that they agree to move our fence line and gate, and that they work in that we have the ability to move it if we need to. Mr. Osborne says he'll put something on paper. Mr. Osborne leaves the meeting.

Old Business

Runway 5/23 Update: Blake Roberson talks about our original plan to shorten the time frame and making the precast cans to speed up the process. Mr. Roberson says when they requested the licenses for the electricians doing the work, it turns out the subcontractors aren't licensed in the state of Arkansas. They're licensed in Tennessee, and were in the process of getting licensed here. The subs were doing work in two other airports with Garver, and when they checked the work, it was some of the worst work they had ever seen. Out of code, out of spec, out of FAA tolerances. Garver pulled back and had them stop work. Now, due to their poor work and working without a license in Arkansas, they won't be able to get a license to work here. So Lubin Enterprises is in the process of finding a new subcontractor to do the work. Garver is waiting to hear from Lubin who it is going to be and when they can get started. Mr. Chandler asks if that will affect the amount. Mr. Roberson says no, they're just looking for another sub. Mr. Blakey asks if there's a time frame. Mr. Roberson says it might take a little bit, there are specific requirements for an airfield electrician license. They have to have 3 years of recent airfield work. There's probably only about 10 of those. Earl Mott from Garver says Lubin is in a tough situation and Garver expects Lubin to make it right. Mr. Mott says Garver went to the storage area to make sure everything is accounted for that we have paid for. Mr. Blakey asks if the clock is ticking on this to get this done. Mr. Mott says it is. Mr. Halter asks if it's ticking on our grant. Mr. Roberson says the grant funds are still there, and the FAA won't say much until about the 6 month mark of not making draws. Mr. Roberson says we've been making monthly draws. Mr. Mott says he'll have the work start on a taxi way to make sure whoever does the work knows what they're doing and we work the kinks out before starting on the runway. Mr. Mott says he sent people out to the storage building and cut the locks off to see if anything was missing. They've put a new lock on the building. Mr. Chandler asks what will happen if everything isn't accounted for. Mr. Mott says if it isn't all there, Lubin has to make it right. Mr. Chandler asks what their best time estimate is for getting the project started. Mr. Roberson says a week from Monday at the earliest. Mr. Blakey asks Garver if they are still comfortable with Lubin. Mr. Roberson says Lubin has assured them he will make it right. Mr. Mott says he seems committed to make it right. But he also says there is a chance he will have his license revoked and he won't be able to work in the state of Arkansas. Mr. Chandler asks if we have a plan B. Mr. Mott says we could go to the next lowest bidder. Mr. Blakey says he detects they don't feel real comfortable with Lubin, which makes him not comfortable. Mr. Mott says he's comfortable with the direction we're moving, it's just up to Lubin to provide us with a competent subcontractor. Mr. Burkett asks if we should just side step, and move to plan B, the next lowest bidder. Mr. Mott says plan B will take a lot more than 10 days to get in order. Mr. Ashley asks if we have grounds to cancel the contract. Mr. Roberson says we probably do because light house electric is listed in the contract documents with Lubin. Mr. Blakey says his concern is that he'll start the job and lose his license as soon as the job is started. Mr. Halter asks if we're in that big of a hurry. Mr. Roberson says the good thing is, we haven't started work so there isn't anything that we'll have to go back and redo. Mr. Julian asks who has control of the materials right now, and Mr. Mott says we do. Mr. Mott says Lubin is getting new locks and is to provide Clay Rogers with the keys. Mr. Ashley says we'll listen to Garver on what they recommend. Mr. Julian asks if Lubin would have a claim against us if we were to prematurely terminate the contract? Mr. Mott says if he wanted to bad

enough, he could terminate Lubin's license in the state of Arkansas prior to NLR terminating the contract. That would make the contract null and void. Mr. Roberson says they're keeping a close eye on it, and they won't let someone start work unless Garver knows they are completely reliable. Mr. Halter says we can call a special meeting at any point if we need to. Mr. Julian says there are a number of issues we need to be concerned with: one is that we have a proper contractor who is licensed and can get the job done, and has a subcontractor that Garver is comfortable with. So if it's not someone you're comfortable with, then he isn't comfortable either. Mr. Chandler asks if we have the ability to request a subcontractor Garver would be comfortable with. Mr. Mott says if Lubin chooses from the list of subs that are licensed, then Garver will be comfortable with them.

New Business

Harry Barrett's Hangar: Mr. Rogers talks about the ceiling falling down in Barrett's back storage room of his hangar. The ceiling was caving in, and held up by two-by-fours, and not an area covered by the remodeling. Mr. Rogers thought it was a safety concern, so through the city, he got a crew to come in and do the work. Mr. Rogers did not tell Mr. Barrett to do it himself, he just had the work done because it was a safety issue. In the lease, it says Barrett is responsible for maintenance of the building. Mr. Rogers told Mr. Barrett he's responsible for the \$2600 it cost to repair the ceiling. Mr. Rogers says he paid it because he didn't want this to drag out and effect the guys that did the work, but told Mr. Barrett he would have to pay us back. He said Mr. Barrett disagrees, and Barrett said the ceiling was like that when he signed the lease last year, so it's not maintenance because it was already like that. Mr. Rogers said he talked to Skipper Polk, and Skipper had no recollection of any damage to the ceiling during the signing of the lease. Mr. Blakey asks if we can tell what caused it. Mr. Rogers said it was just really old, and started sagging more and more. Mr. Rogers says there was just a box, with a two-by-four, and a plank of wood holding it up. Someone would get hurt. Mr. Halter asks if Barrett's objection is because he thought the damage was already there. Mr. Rogers says that was his contention during that conversation. Mr. Julian says that is Mr. Barrett's responsibility to bring that up before he signs the lease when the lease is clear that he is responsible for maintaining the building. Mr. Rogers says the first conversation he had with Mr. Barrett, Mr. Barrett said since it was structural, it was our responsibility so he didn't have to pay it. But after looking at the lease again, it specifically says Mr. Barrett is responsible for all maintenance, even structural. Mr. Julian reads the lease paragraph that says Mr. Barrett is to maintain all elements including foundation, roof, walls, etc... That's what that is. Mr. Rogers says Mr. Barrett is responsible to pay us back for that, but that Mr. Barrett says he's talking to his lawyer. Mr. Ashley says it's within our right to come in and fix the damages and charge him for it, but it should be communicated with the tenant. Mr. Rogers says he should have told him, but he went through with fixing it because it was a safety issue and he didn't want it to drag out to decide who was going to pay for it. Mr. Ashley recommends giving him that in writing beforehand next time. Mr. Ashley says in an emergency situation, the landlord has the right to fix the issue immediately. Mr. Ashley suggests trying to split the price of it. The only other option is to bill him, and sue him if he won't pay it. Mr. Blakey suggests offering to pay half with him just this once. Mr. Rogers worries about the precedent that will set.

Mr. Halter says to make sure he knows it's just this time. Next time there's a maintenance issue, to take a picture and send Mr. Barrett in writing that he is responsible to have it repaired, and if not, we'll fix it and bill him. Mr. Blakey says Mr. Barrett probably thinks he could have repaired it for cheaper, but he wouldn't be able to do it for cheaper than half of the cost, \$1300. He certainly couldn't do it cheaper than that. Mr. Blakey tells Mr. Rogers to make him that offer, and if he says no, come back to the commission to discuss. But ultimately, Mr. Barrett is responsible for the upkeep of his hangar.

Lease Renewal: Mr. Rogers says that Dennis Thomas's hangar is up for renewal at the end of this year. Mr. Rogers said he met with Mr. Thomas and Mr. Thomas explained that Skipper told him if he did work to the floor and roof his lease could be renewed, but he was then told it would not be renewed because some on the commission wanted the hangar gone. Mr. Blakey recounted the original conversation and said Mr. Ashley told Mr. Thomas there was a strong possibility his hangar would not be renewed. Mr. Ashley remembered telling him that his lease would probably not get renewed. Mr. Ashley says we can discuss it next meeting, but personally, he doesn't think we need it there. Mr. Ashley recommends we look at the hangar next month.

Osborne Hangar: His jet and hangar are being auctioned at the Pulaski Co. courthouse. Mr. Julian asks what the lease says about assignment. Mr. Halter isn't sure they can sign it without our consent. Mr. Julian says surely our lease says we require approval. Mr. Halter says our new leases do, not our old leases. Mr. Julian says to get the lease to Paula and see what it says about our rights as it pertains to an assignee and whether we have ability to approve.

Van Cleve update: They filed another extension for their appellate brief.

Search for Contract for ground maintenance: Mr. Rogers says he's looking for estimates on how much it would cost to have a company contracted to help with the large scale mowing. Mr. Rogers thinks it's too much for one person to do 30 hours a week. Mr. Blakey said we used to have someone do it, but we paid a lot for it and the commission decided it would be cheaper to just buy our own equipment so that's why we have the tractors. Mr. Rogers says he'll do some research.

The Commission goes into executive session to discuss a personnel issue.

Mr. Halter says they discussed during executive session that they had interviewed for a more permanent director, but after discussions have decided not to. Mr. Ashley moves to keep Mr. Rogers as the interim director as well as give him a \$2000 per year raise. Mr. Chandler seconds. Mr. Julian abstains from the vote. The vote carries unanimously.

Meeting Adjourned.