

The North Little Rock Municipal Airport Commission meeting was called to order at noon on July 22, 2010 in Conference Room A of the City Services Building, 120 Main Street in North Little Rock.

The roll being called, the following Commissioners were present; Don Blakey, Mark Halter, Brad Hughes, and Jim Julian.

Mr. Julian motioned to excuse the absences of Commissioners Rick Ashley, Toby Burkett, and Matt Chandler. Mr. Blake seconded the motion. All members present voted in favor of this motion.

Minutes

Mr. Julian motioned to approve the minutes from the previous commission meeting. Mr. Blakey seconded the motion. The motion passed unanimously.

Financial Report

Skipper Polk, Airport Director, reported the airport's financial status as in good standing. He explained that the funds suffered a \$20,000 hit for the reason that, the FEMA approved work will not be reimbursed by FEMA. FEMA requested that the FAA recompense the airport for the completed assignment(s). Mr. Polk is currently appealing this decision.

The airport's income has increased by \$26,000, versus this same time last year due to aggressively collecting lease payments.

Mr. Polk stated that fuels sales are up and he is preparing the airport's 2011 budget request.

Mr. Blakey motioned to approve the financial report. Mr. Hughes seconded the motion. All members present voted in favor of the motion.

Old Business

Mr. Polk provided a lease information status report. The airport owns 4 lease/buildings after negotiations.

Keene Family

Mr. Polk left messages for Jody Keene. Earlier, he met with Jody to discuss the upgrades to his property. The matter was tabled until the next meeting.

Van Cleve

Attorney Matt Henry attended the meeting representing the Van Cleve's behalf. Mr. Henry stated that he has reviewed the events and his clients' position was, their lease expired in 2006 and they were not presented an offer, therefore continued to annually

renew. He believes there was a communication error and stated that the Van Cleves wanted to sign a new lease. His clients understood that some tenants renewed leases without a reversion clause and would like that same offer extended to them. The Commissioner and Mr. Henry discussed the reversion clause.

During discussion, Mr. Henry remarked that the Van Cleves would like to be presented with any offer offered to tenants since their expired lease in 2006.

Mr. Polk recounted his discussions with the Van Cleves regarding lease negotiations. He stated that he presented the tenant with their options after giving them a 1 year lease to be renegotiated at the lease end. The Van Cleves did not want to pay .40 sq. ft.

The attendees discussed the back and forth correspondences.

In October 2009, the Van Cleves submitted a lease proposal to the Commissioners at rate of .30 sq. ft. for 25 years. The Commission declined the lease.

Mr. Henry asked if the Commission would entertain a 15 year lease and authorize it today.

The Commissioners discussed the Van Cleve hanger location and the potential of prime future development in that location.

Mr. Blakey suggested a short term lease with immediate reversion.

Mr. Halter inquired about the Van Cleve's option to reject the given lease(s) and the costs and procedures associated with the eviction process.

Mr. Julian discussed the issue of proposed leases on property suitable for prime future development.

Mr. Blakey recommended tabling the issue until all the Commissioners were present.

Mr. Henry stated that the Van Cleves want a lease with normal formalities.

Mr. Julian requested to review the options and to compare the Van Cleve's lease with the 4 donated properties.

Mr. Hughes informed the Commission that he would vote to deny the lease proposed by the Van Cleves.

Mr. Henry advised the Commissioners that the Van Cleves are not being completely aloof, they had a family emergency last month and could not attend the commission meeting.

Minimum Standards

Mr. Polk reported that the document(s) have been available for review for the required 30 days. He has not received any comments and/or questions. The deadline to submit comments and/or questions is August 15. The public hearing will convene during the August commission meeting.

Construction Update

The construction is approximately 85% complete. There were some unexpected issues. By the end of the following week, the construction should be complete.

The east ramp rehabilitation project will begin next. Mr. Polk explained the anticipated repairs.

State Aeronautics

In April a \$500,000 grant was offered and received. June 1, 2010, all necessary paperwork and the bidding procedure were completed. The funds must be exhausted by June 30, after this date they will be inaccessible.

The Commission discussed potential projects.

Mr. Polk affirmed that someone is interested in coming to the airport and wants to bring their fuel. He refused the request and informed the person that they could have a fuel tank or fill up at a FBO.

Comment [M1]: If they bought fuel on the field

The Commission and Mr. Polk discussed fueling permits, fuel flowage, auto gas and existing permits grandfathered in.

FAA Meeting

The new airport's project manager attended. The manager is on board and pleased with the airport's direction. Mr. Polk will meet with Mr. Agnew in the fall.

Mr. John Holton requested an exception to his lease. At his current lease's 2017 expiration, the property will revert to the airport. He proposed to extend his lease beyond this date by 15 years. If the terms are not accepted, the bank will not renew his loan (currently renewed in 3 year increments).

Mr. Polk related that Mr. Holton started this process in 2009.

Following discussions, the topic was tabled in order for Mr. Holton and Mr. Polk to go over the issue(s).

Security Report

No report.

Manager's Report

Sparrow Air is prepared to come to the airport.

Mr. Polk is preparing the Hold Harmless Agreement.

Mr. Polk is working on an Emergency Plan

The EAA will have a fly-in.

The Weather Bureau would like to move. The north end of the airport is a potential site. If plausible, a private developer will construct the building with a ground lease rate at \$1.

Mr. Jerry Homsley constructed a 15x30 addition to his hanger, specifically office area. A new lease must be proposed to reflect the new footprint. Mr. Homsley would like to pay .40 sq. ft. on the existing building. Mr. Polk asked him to prepare a proposal for the Commission.

Comment [M2]: Would like to construct

Mr. Blakey motioned to approve Skipper Polk as the permanent Airport Director. Mr. Hughes seconded the motion. The motion unanimously passed.

Tree Clearing Lawsuit

Assistant City Attorney Paula Jones feels confident about the City's position. Her strongest argument against the company is the licensing issue between joint ventures.

Enterprise Rental Car Service

Mr. Polk informed the Commissioners regarding the interest from Enterprise to provide rental services to the airport.

They discussed possible on-line car rental, city benefits and courtesy vehicles with a usage time restraint of 1½ hours.

Public Comment

Mr. Robert Fureigh requested to review the FAA layout inspection and to obtain the approved minutes from the previous commission meeting. He asked the Commission to entertain his requests to record the commission meetings and to hold the meetings at 6pm.

Mr. Larry Grace complained that the airport manager lacked planning skills, is rude and arrogant. He views the provided leases as erroneous and wants general aviation to flourish.

Mr. Polk stated that when he is tasked with a job, he will do it.

Mr. Blakey motioned to adjourn the meeting. Mr. Hughes seconded the motion
Meeting adjourned.