

The North Little Rock Municipal Airport Commission meeting was called to order at noon on June 17, 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; Rick Ashley, Don Blakey, Toby Burkett, Matt Chandler, Mark Halter, and Brad Hughes.

Jim Julian did not attend the meeting.

Mr. Blakey motioned to excuse Mr. Julian's absence. Mr. Hughes seconded his motion. All members present voted in favor of the motion.

Minutes

After reviewing the previous commission meeting minutes, an error was identified on page 2. With these minutes, the correction on page 2 – King to Keene is recorded. Including this correction, Mr. Chandler motioned to approve the minutes. Mr. Burkett seconded the motion.

The motion passed unanimously.

Financial Report

Skipper Polk reported a revenue increase in May, 2010 opposed to this time last year. The preceding May's revenue report was 42%, while the current revenue is 46.3%. Mr. Polk attributes this increase to aggressive collecting.

At the time of this meeting, expended funds was 15.1%, this should be closer to 42%, however, excess funds from last year contributed to the decrease.

The City of North Little Rock established a \$50,000 Capital Equipment fund for the Airport's use. Presently, a tractor, spray rig and other miscellaneous equipment has been purchased with these funds.

The Commission discussed the budget.

Mr. Hughes motioned to approve the financial report. Mr. Chandler seconded the motion. All Commissioners present voted in favor to the motion.

Old Business

The Commissioners and Mr. Polk discussed the Van Cleve's lease situation. Mr Polk voiced his sentiment to not sign the lease as they did not accept any of the three proposed leases.

Mr. Blakey remarked that he would like the Van Cleve's to accept one of the three proposed leases.

The Commissioners discussed their lease differences, potentially measuring the building and offering less than the advertised square footage.

Mr. Hughes stated that he does not want to negotiate any further with the Van Cleves.

Mr Burkett responded to the Commission that the rate at 15 years would go towards the airport's sustainability, a revenue increase. He asked them to consider the working relationship.

The Commissioners were informed that the Van Cleve's are six months in arrears. At the time of this meeting, the Van Cleves are attempting to pay their balance.

Mr. Ashley suggested tabling the issue until each Commissioner had an opportunity to view the property.

Paula Jones, North Little Rock City Attorney's Office recapped her correspondences with the Van Cleves to the Commissions, with the last letter giving the tenant 14 days to vacate the property.

Mr. Chandler stated that he saw no reason to continue entertaining the Van Cleves because of their lack of response and considered them combative tenants.

Mr. Burkett concurred with Mr. Chandlers sentiments.

Mr. Ashley motioned to table the Van Cleve matter until M. Chandler had the opportunity to review the tenant's history and the Commissioners are able to view the property. Mr. Chandler seconded the motion. With the exception of Mr. Hughes, the attending members voted in favor of the motion.

Barrett Aviation

Jody Keene, Owner, offered to sale the hanger to the Commission for \$50,000.

A subcommittee was formed to discuss the offer.

Mr. Burkett relayed two feasible options:

1. The owner can spend quite a bit of money to bring the facility up to code, or
2. Use grant funds to build a new, better facility.

Mr. Burkett's opinion was to build a new hanger. He recommended not purchasing the Barrett hanger.

The Commissioners and Mr. Keene discussed the recommended improvements.

Mr. Keene informed the Commission that he would consider taking estimates to restore the facility, if a lease reduction can be negotiated.

Mr. Halter offered that other factors could offset the lease rate; however, the rate should not go lower than \$.42sq. ft.

Mr. Polk was instructed to meet with Mr. Keene and formulate a scope of work for his facility's improvements and then revisit the lease issue.

Mr. Chandler prefers the Commission set the rate.

Deborah Schwartz suggested setting a threshold or investment for amortization, a methodical way to set lease rates with a correlation to hanger improvements.

The Commission and the Keenes discussed various issues regarding the Keene's suggested property improvements, their current tenant's business sustainability and Dr. Keene's possible decision to donate the hanger to the North Little Rock Airport.

Consultant/Minimum Standards

Ms. Schwartz and Brad Hutchins discussed their developed minimum standards designed for the North Little Rock Airport. The comprehensive standards are an A-Z guide for tenants and airport users that also provide protection for the users, Commissioners and tenants.

Ms. Schwartz and Mr. Hutchins informed the Commissioners that ground leases are not included in Appendix A. They expressed their interest to reincorporate ground leases with the Commissioner's permission.

The Commissioners and consultants discussed conducting business on airport property.

The minimum standard guide brings current documents up to speed.

After tentative approval, the guide must be released to the tenants for comments before finalizing.

Mr. Hughes motioned to approve publishing the guide after incorporating the Rate Schedule Appendix. Mr. Burkett seconded the motion. The motion passed unanimously.

Mr. Polk requires all comments be submitted in writing.

Security Report

Officer Honeycutt reported no property crimes. The perimeter road is in good shape and he has no reports of wildlife.

Manager's Report

Mr. Polk informed the Commission that Runway 523 was open as of 7:00 a.m. on 6/17/2010.

Blake Taxiway will open on Monday. Charlie Taxiway has significant damage. The east ramp is closed; however, pilots are getting out as needed.

Mr. Burkett motioned to generate a resolution to thank Matt Hogan for his donation of 500 gallons of diesel fuel. Mr. Hughes seconded the motion. The motion passed unanimously.

Mr. Burkett motioned to adjourn. Mr. Hughes seconded the motion. The motion passed unanimously.

Meeting adjourned.