

**MINUTES OF AIRPORT COMMISSION REGULAR MEETING
TUESDAY – OCTOBER 28, 2014
FORT SMITH REGIONAL AIRPORT CONFERENCE ROOM**

The regular meeting of the Fort Smith Airport Commission was called to order at 5:30 p.m. by Chairman McGhee, presiding. Commissioners Archer, Haver, Nordin, Schiffner and Voris were present. Commissioner Kelly was absent. Also present were John Parker, airport director and Kathey Boze, administration director.

ADOPTION OF MINUTES

On a motion by Commissioner Schiffner and second by Commissioner Nordin, the Commission approved the Minutes of the Regular Meeting of September 23, 2014. Voting aye: Archer, Haver, McGhee, Nordin, Schiffner and Voris. Voting nay: none.

TREASURERS' REPORT

In absence of Commissioner Treasurer Kelly, Mr. Parker stated Commissioner Kelly telephoned him and stated all transactions and invoices had been reviewed and no issues. Staff presented an overview and answered questions regarding the financials for the period ending September 30, 2014.

ITEMS OF BUSINESS

1. Airport Restaurant Lease Amendment: The lease with WEY, Inc. dba Art's Barbeque for the airport café expires on December 31, 2014. Mr. Wade York, the principal business owner, has requested to continue the lease for another year with the same terms and conditions.

A motion to approve the amendment to extend the lease for one year with WEY, Inc., was made by Commissioner Nordin and second by Commissioner Archer. Voting aye: Archer, Haver, McGhee, Nordin, Schiffner and Voris. Voting nay: none.

2. Deicing Material Bids: The product the airport previously used can no longer be utilized for deicing per changes in the EPA requirements. The new product, sodium formate granules, will have to be purchased in advance and stored onsite until used.

Bids were advertised both locally and nationally for the deicing material. Three companies submitted bids with LNT Solutions, Inc., being the lowest bid in the amount of \$1,698 per ton including delivery charge. LNT Solutions requires a minimum of 20 tons for delivery so a load would cost would be \$34,000. Mr. Parker answered commissioners' questions pertaining to the new product, usage, and availability.

A motion to accept the bid from LNT Solutions for the deicing material for an optional 2 years was made by Commissioner Nordin and second by Commissioner Archer. Voting aye: Archer, Haver, McGhee, Nordin, Schiffner and Voris. Voting nay: none.

3. 2015 Budget: Mr. Parker presented the Draft 2014 Budget and reviewed details of the revenues and expenses for the operating and capital project accounts. The draft budget reflects a deficit of \$450,000. This deficit was driven primarily by the Air National

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Guard (ANG) mission changes. Mr. Parker stated the revenues from the AJUA payment and any value associated with the ARFF services provided by the Air National Guard were reduced. Expenses were increased for costs associated with providing ARFF services.

Mr. Parker reviewed three letters between the FAA, National Guard Bureau (NGB), and airport staff. The first letter dated August 28, 2014, was from Benito De Leon, FAA Deputy Associate Administrator for Airports, to Colonel Peter A. Sartori, NGB. The second letter dated September 5, 2014, was from Glenn Boles, FAA Manager Arkansas/Oklahoma Airports, to John Parker, Airport Director. These letters stated the FAA's position that the ANG's mission change resulted in the loss of their aviation mission and, as such, the nominal rate exception no longer applies; therefore, the land lease must be renegotiated within 18 to 24 months. The airport has been placed in 'conditional compliance' status and must take corrective action to complete the lease negotiation and establish a new lease rated by October 1, 2016.

The third letter dated October 9, 2014, was from Fort Smith Regional Airport to the National Guard Bureau. The letter requests the NGB take steps immediately to begin the process required to establish a value of the United States Air Force 142 acre leasehold and the resolution to lease negotiations will be effective on October 1, 2014.

Mr. Parker reported, Mr. Ronald Bridges, Review Appraiser - Real Estate Division of the Army Corps of Engineers, visited Fort Smith Regional Airport last week to start the valuation process of the Air National Guard lease.

The schedule for the budget process is to receive commissioner comments on the draft budget before November 12. Staff will submit the Proposed 2015 Budget for Commission approval at the November 25 Commission meeting. Mr. Parker thanked Vice-Chairman Schiffner and Commission Treasurer Kelly and airport staff for their time and input into the Draft 2015 Budget.

4. Airport Activities/Projects

A. ARFF Services: On October 1, the Airport Commission began providing ARFF services. Manpower is provided under contract with Pro-Tec Fire Services with ARFF trucks transferred to the Commission through the Arkansas Forestry Commission. These trucks were previously used by the local ANG. The agreement to utilize the ANG fire station has been completed.

Mr. Parker acknowledged appreciation to Senator Pryor, Senator Boozman, and Congressman Womack for their diligent work in helping the airport to obtain the two T-1500 fire trucks from the Air National Guard.

B. TAC Air: Very busy in the month of October with military aircraft.

C. Taxiway A West Phase 3: Good progress and will be completed in 2015.

- D. Fence Project: Work is underway on the west end.
 - E. Wildlife Management Training: Completed on October 30, 2014.
 - F. Commission/Employee Christmas Party: Thursday, December 11 at 6:00 p.m. in the airport maintenance building.
5. Executive Session – Airport Director Evaluation: At 6:30 p.m. on a motion by Commissioner Nordin and second by Commissioner Haver, the Commission adjourned into Executive Session for performance evaluation of the airport director. Voting aye: Archer, Haver, McGhee, Nordin, Schiffner, and Voris. Voting nay: none.
- The Commission reconvened into the regular meeting at 6:53 p.m. on a motion by Commissioner Nordin and second by Commissioner Archer. Voting aye: Archer, Haver, McGhee, Nordin, Schiffner and Voris. Voting nay: none.
- Chairman McGhee reported that during the executive session, the Commission reviewed the airport director’s performance and unanimously agreed it was exemplary. Chairman McGhee stated the Commission appreciated Mr. Parker and Mr. Parker expressed his appreciation for the opportunity to work for the Commission.

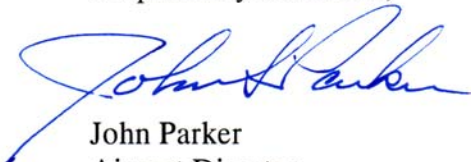
NEXT COMMISSION MEETING

The next regularly scheduled meeting of the Fort Smith Airport Commission will be Tuesday, November 25, 2014 at 5:30 p.m. in the Fort Smith Regional Airport Conference Room.

ADJOURNMENT

On a motion by Commissioner Nordin and second by Commissioner Schiffner, the meeting adjourned at 6:55 p.m.

Respectfully submitted,



John Parker
Airport Director