

**MINUTES OF AIRPORT COMMISSION REGULAR MEETING
TUESDAY – NOVEMBER 25, 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, Kelly, Nordin, and Schiffner were present. Commissioner Voris was absent. Also present were John Parker, airport director; Kathey Boze, administration director; Michael Griffin, operations director.

ADOPTION OF MINUTES

On a motion by Commissioner Nordin and second by Commissioner Kelly, the Commission approved the Minutes of the Regular Meeting of October 28, 2014. Voting aye: Archer, Haver, Kelly, McGhee, Nordin, and Schiffner. Voting nay: none.

TREASURERS' REPORT

Staff presented an overview and answered questions regarding the financials for the period ending October 31, 2014.

ITEMS OF BUSINESS

1. **BKD Engagement Letter for FY2014 Audit:** An annual audit of the airport is a FAA requirement. Staff received an engagement letter from BKD, LLP, to perform the airport's FY2014 audit at a cost of \$35,500. Results of the audit will be delivered to the FAA and to the City of Fort Smith.

A motion to accept the BKD letter of engagement and to authorize the airport director to execute the engagement letter with BKD was made by Commissioner Archer and second by Commissioner Nordin. Voting aye: Archer, Haver, Kelly, McGhee, Nordin, and Schiffner. Voting nay: none.

2. **2015 Budget:** Draft Budget which was presented in the October commission meeting and no comments were received from the commissioners. The Proposed Budget is the same as the Draft Budget with the exception of insurance cost. Final insurance cost was received and it decreased the overall expenditures for 2015 by \$3,000.

Mr. Parker, airport director, thanked the commissioners and staff for assisting with the budget preparation.

A motion to approve the 2015 Budget to become effective January 1, 2015, was made by Commissioner Nordin and second by Commissioner Kelly. Voting aye: Archer, Haver, Kelly, McGhee, Nordin, and Schiffner. Voting nay: none.

3. **Wheel Loader Bids:** The current loader is 29 years old and unable to perform the ground work and snow removal operations. The 2015 Budget includes purchase of a new loader with snow blade and will be financed through airport operating funds. A new loader will be purchased in early 2015 in order to be utilized for winter operations.

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Bids were advertised and eight were received with three companies meeting all specifications. The lowest qualifying bid for a 924K was received from Riggs Caterpillar in the amount of \$127,980.10. The bid price includes trade-in of the existing loader.

Mr. Parker, airport director, answered questions from commissioners concerning bid qualifications and specification requirements.

A motion to accept Riggs Caterpillar bid for a 924K wheel loader with forks and snow blade in the amount of \$127,980.10 was made by Commissioner Kelly and second by Commissioner Schiffner. Voting aye: Archer, Haver, Kelly, McGhee, Nordin, and Schiffner. Voting nay: none.

4. Engineering Contract for Electric Vault Improvements: This project will include installation of a new generator outside the electrical vault to replace two older existing generators. The generators are required for the airport's airfield lighting during power outages. Mr. Parker, airport director, answered questions from commissioners concerning placement and qualification of the new generator. The engineer estimates the cost for the entire project to be approximately \$200,000. This project is included within the 2015 budget and will be funded with 80% state aid grant.

The contract submitted by Morrison Shipley Engineers for design, bidding, and construction observation was reviewed by Mark Moll, airport attorney. Through negotiations, the fee was revised to \$19,892 for design and \$7,918 for bidding services and construction observation.

A motion to accept the Morrison Shipley Engineers contract for design, bidding, and construction observation of the electric vault improvement was made by Commissioner Haver and second by Commissioner Schiffner. Voting aye: Archer, Haver, Kelly, McGhee, Nordin, and Schiffner. Voting nay: none.

5. Clear Channel Land Lease for Outdoor Billboard: Clear Channel has submitted a proposal to lease areas along Phoenix Avenue to erect 2 billboards. A digital billboard would be on the south side of Phoenix Avenue near the corporate hangar gate and a static billboard would be on the north side of Phoenix Avenue on the property between Home Depot and the new liquor store. The site near the corporate gate would be a good location; however, the site on the north side of Phoenix Avenue is on property that could be developed in the future. The proposed lease rate is \$9,600 for the digital sign and \$2,400 for the static sign.

Mr. Ryan Zaloudik, Real Estate Manager for Clear Channel Outdoor, gave a presentation of the billboards and the lease terms to the Commission. Mr. Zaloudik answered questions from commissioners concerning the digital and static billboards, property development, required permits, and conditions of terminating the lease.

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Mark Moll, airport attorney, has initially reviewed an agreement proposed by Clear Channel and additional changes must be made before finalizing the agreement.

A motion to accept the proposal for the southern digital billboard and to reject the proposal for the northern static billboard was made by Commissioner Nordin and second by Commissioner Kelly. Voting aye: Archer, Haver, Kelly, McGhee, Nordin, and Schiffner. Voting nay: none.

6. Airport Activities/Projects

- A. Taxiway A West Phase 3: Construction is progressing well.
- B. Fence Project: Work is underway at the north end near Phoenix Avenue.
- C. Air National Guard (ANG) Update: There is continued contact with the Army Corps of Engineers related to an evaluation of leased property values which is the first step in the negotiations of a new lease rate. The National Guard Bureau has not yet responded to the letter sent by staff last month.
- D. Leadership Fort Smith: The airport hosted a Leadership Fort Smith class in November. Mr. Parker provided information about the airport and Mr. Mat Pitsch, Regional Intermodal Transportation Group, provided information about railway, roadway and waterway transportation.
- E. Commission Christmas Party: December 11 at 6:00 p.m. in the airport maintenance complex.


NEXT COMMISSION MEETING

The next regularly scheduled meeting of the Fort Smith Airport Commission will be Tuesday, December 16, 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 Archer, the meeting adjourned at 6:33 p.m.

Respectfully submitted,



John Parker
Airport Director