

The North Little Rock Airport Commission Special Meeting was held at 10:00 a.m. on Thursday, December 13th, 2012 in the NLR City Services Building Conference room A, with three commissioners calling in on phone conference.

Chairman Mark Halter called the meeting to order.

The roll being called, the following Commissioners attended; Toby Burkett, Matt Chandler, Jim Julian (previous three on phone conference); Brad Hughes, Don Blakey, Mark Halter. Mr. Hughes moves to excuse the absence of Rick Ashley Mr. Blakey seconds. The motion carries unanimously.

Also in attendance are Paula Jones, and Blake Roberson from Garver.

Mr. Rogers says this special called meeting is to discuss a lease for Donnie Barnhart, who has recently cleared a lot to build a hangar. Mr. Rogers says he approved Mr. Barnhart clearing the land for the hangar on the mutual understanding that his lease is not guaranteed, and still depends on approval from the commission as well as airspace approval from the FAA. Mr. Julian says by looking at the map of the lot, there will be a taxi way branching off of an existing taxi way. Mr. Rogers says that's correct. Mr. Julian says based on the discussion from last month about private ramp areas being the airport's responsibility after it's built, he wants Blake Roberson to make sure that taxi way is built up to our requirements. Mr. Chandler agrees. Mr. Rogers says he'll make sure that happens. Mr. Halter asks if it will be the standard 40 year lease with reversion clause, and Mr. Rogers says yes. Mr. Blakey moves to approve the lease, Mr. Hughes seconds.

Before the vote, Mr. Barnhart wants to talk a little about the lease arrangement. Mr. Barnhart wants to propose something to recoup some costs. Mr. Barnhart explains the work he's done clearing trees and clearing the land to make it developable. Mr. Barnhart describes the work he's done to the land, and explains how it benefits the airport's future development of that area. He says he spent \$15,280, and will end up spending between 18,000 and 22,000 on excavating and developing. He asks if he could have a lower lease rate to recoup some of those costs that benefit the airport. Mr. Halter asks if the money he's spending includes any land areas that he will not be using for his hangar. Mr. Halter says right now he's going to have to spend money to develop the land for his hangar regardless. Mr. Barnhart says he used dirt from the hill to use as foundation which leveled out the land, and he cleared out trees and heavy brush which will make the land able to be mowed and bush hogged which will look a lot nicer. Mr. Halter says Mr. Barnhart is having to spend a certain amount of money anyway to do the site work for his specific plot. Mr. Halter wants to know of that 18-22 thousand dollars, how much of that was more than what he would have had to do anyway. Mr. Halter wants to know what that additional amount spent was. Mr. Halter doesn't want to start a precedent that someone can come in and build a hangar, and we pay for all the site work. Mr. Blakey says he agrees with Mark, he wants to know what is the additional amount spent other than what he would have spent anyway. Mr. Blakey says he agrees that Mr. Barnhart has cleared an area that no one else probably would have wanted. Mr. Blakey says the commission has made concessions before, like with Presley

Melton, who developed an area they didn't think anyone would want. Mr. Hughes wonders if any future hangars are built in that area, if they could pay him a fee for using his taxiway to recoup some money. Mr. Chandler asks if the area he's building the taxi way is his property in the lease, or airport property. Mr. Rogers says its airport property. Mr. Chandler doesn't think that's a good idea, and that we would need to remain in control of any usage fees. Mr. Julian agrees that's a slippery slope. Mr. Julian says he's not opposed to making concessions based on expenses that is for the common good for the airport, if those expenses can be shown. Mr. Burkett says he's okay with that too, as long as it's an amount OVER what would have been spent anyway. Mr. Burkett says it's tricky to do the work first and then ask for concessions, and asks if any work has already been done. Mr. Rogers says yes, the land has been cleared. Mr. Burkett wants to be careful with what we do, and wishes we would have discussed this before work was done. Mr. Burkett wants to know what the amount spent that is beyond what Mr. Barnhart would have been spending anyway. Mr. Halter asks Mr. Barnhart if his yearly rental at .40 cents per square foot is \$3200. Mr. Barnhart says yes. Mr. Halter asks what Mr. Barnhart is requesting. Mr. Barnhart suggests .20 cents a square foot, with the usual 5% increase every 5 years. Mr. Barnhart says that will amortize it over the lease term, with him spending 15,040. Mr. Burkett says that number sounds like he's including all the costs of the excavating work as benefiting the airport, and that number needs to be revised. Mr. Barnhart says the reason he's asking is that he has developed an area that wasn't being developed and making new lots that can now be built on. Mr. Burkett says he doesn't disagree with that, but the cost of the entire excavation should not be the airport's responsibility. Mr. Barnhart says he's not asking for the entire amount, just trying to explain the work he's done. He's just discussing with the commission to see if there is anything they can do to help. Mr. Halter asks if he's planning on paying for the taxi way, and Mr. Barnhart said he would, but he was interested in seeing if we could get a grant for it. Mr. Rogers says he told Mr. Barnhart that a taxi way that benefits future development is something that a grant COULD cover, but would be completely dependent on what the airport is doing with their grants. Mr. Burkett asks if that would take any money away from CIP projects that we have to have. Mr. Rogers says no, this would be a state grant. The CIP money is through the FAA, so it wouldn't take it away. Mr. Burkett says he doesn't want to make a decision today because we don't have all of the information. Mr. Chandler agrees that he's willing to consider, but he isn't ready to vote. Mr. Julian agrees that we should wait to vote on concessions. Mr. Julian says we could vote today to approve the 40 year lease and construction of the hangar, subject to the next meeting, Mr. Barnhart brings the total amount of what improvements he's made that would be deemed to be the common good of the airport that we could take into consideration for potential concessions. Mr. Julian would like to talk more about this in January. Mr. Barnhart says that's okay with him. He was going to build the hangar anyway, he just wants to discuss with the commission any possible concessions. Mr. Barnhart appreciates the commissions consideration. The original motion by Mr. Blakey, and second by Mr. Hughes stands to approve the standard 40 year lease, under the stipulation that we will talk more about it at the January meeting. After calling a roll call vote for those on the phone, the motion carries unanimously.

The January meeting will be at the airport.

Mr. Chandler moves to adjourn. Mr. Hughes seconds. The vote carries unanimously.

Meeting adjourned.