

***MINUTES OF AIRPORT COMMISSION REGULAR MEETING***  
***FRIDAY JANUARY 27, 2023***  
***FORT SMITH REGIONAL AIRPORT CONFERENCE ROOM***

The regular meeting of the Fort Smith Airport Commission was called to order at 12:00 p.m. by Chairman Grimes, presiding. Commissioners Kelly, McGhee, Ridgley, Pendergrass, and Voris were present. Commissioner Hawkins was absent. Also present were Michael Griffin, airport director, Lindsay Conley, finance director, and Tiffaney Farmer, operations director.

**ADOPTION OF MINUTES**

On motion by Commissioner McGhee and second by Commissioner Voris, the Commission approved the Minutes of the Regular Meeting of December 13, 2022. Voting aye: Grimes, Kelly, McGhee, Ridgley, Pendergrass, and Voris. Voting nay: none. Motion carried.

**TREASURERS' REPORT**

Commissioner Treasurer Pendergrass gave a brief overview of finances, stating things were going fine. He expressed admiration for staff diligence, and their ability to provide answers and explanations to all questions asked of them. Director Griffin also gave an overview of finances. The airport investments have grown throughout the year, due to reimbursements from the CARES Act. Staff did an excellent job controlling expenditures, ending the year expending 92.9% of budgeted expectations. Revenues are also up for the year in the rental cars, parking lot concession fees, and landing fees. The only expenses significantly over budget were utilities expenses: electric, gas and water. Overall, the year finished on a highly positive note.

**ITEMS OF BUSINESS**

1. FAA NAVAID Project Change Order – At the December 2022 meeting, a contingency plan was discussed in the event that an agreement could not be reached regarding the cost of the NAVAID portion of the runway extension project with the airport's general contractor Emery Sapp and Sons (ESS). Since this discussion, an agreement with ESS has been reached. The price submitted for this portion of the project is \$3,789,962.90. The engineers' original estimate for this phase was \$2,900,000, however they find the price submitted acceptable considering time passed since the original estimate and inflation. Staff suggested approving ESS proposal for the NAVAID installation, in order for work to begin immediately.

A motion to accept the Emery Sapp and Sons NAVAID pricing in the amount of \$3,789,962.90 was made by commissioner Pendergrass and seconded by commissioner Kelly. Voting Aye: Grimes, Kelly, McGhee, Pendergrass, Ridgley, and Voris. Voting Nay: none. There was no further discussion and motion carried.

2. Marketing Firm Selection – Staff advertised a Request for Qualifications (RFQ) for marketing/advertising firms to represent the airport in local marketing efforts, such as social media and local prints. Seven firms responded to the RFQ, three of which were Fort Smith firms. After the Marketing Firm Selection committee reviewed each firm independently, there was a unanimous recommendation for Paris Marketing and Public Relations, LLC to represent the airport in marketing efforts. The majority of the marketing services provided will be on call. If approved, work will begin with the firm to develop a scope of work and negotiate pricing.

## ***Minutes of F.S.A.C. Regular Meeting***

*January 27, 2023*

*Page 2*

A motion to approve Paris Marketing and Public Relations LLC to represent the airport in marketing efforts was made by commissioner Ridgley and seconded by commissioner Voris. Voting Aye: Grimes, Kelly, McGhee, Pendergrass, Ridgley, and Voris. Voting Nay: none. There was no further discussion and motion carried.

3. Cell Tower Lease – Staff has been working with a firm representing Verizon Wireless regarding ground leasing airport property to install a cell tower. The property is located east of Home Depot between the I-540 off-ramp and Leigh Avenue. Due to the size of the lot and roadway easements, the parcel of land is better suited for this type of development instead of a structure or building. The cell tower will not affect the airspace, however the tenant will have to obtain an FAA airspace review prior to construction. Staff has worked with airport attorney Mark Moll regarding the lease, which is for five years in the amount of \$15,600 per year. The lease will automatically extend for 4 additional five-year terms with the annual lease payment increasing by 10% at the beginning of each additional term. Staff recommends commission approving and executing a ground lease with Cellco Partnership d/b/a Verizon Wireless.

A motion to approve and execute a ground lease with Cellco Partnership d/b/a Verizon Wireless was made by commissioner McGhee and seconded by commissioner Pendergrass. Voting Aye: Grimes, Kelly, McGhee, Pendergrass, Ridgley, and Voris. Voting Nay: none. There was no further discussion and motion carried.

4. Hangar Discussion – There is a need for General Aviation hangar space at the airport, as well as throughout Arkansas. The greatest need is for individual hangars, such as T-hangars. The problem with building new T-hangars is the price of construction. The state of Arkansas is now offering grants up to \$400,000 to build one hangar per airport per year. The estimated cost for a T-hangar building is \$45 per square foot; this price does not include construction costs, only materials. At \$45 per square foot, a 12-bay T-hangar would cost roughly \$746,460.00. There is an option is to have private developers build the hangars and sublease them out to others. At this point, staff plans to reach out to other airports to obtain engineer estimates for current hangar projects in the state, and the subject will be discussed in more detail in the future.

### 5. Director's Report

- A. 2022 Passenger numbers ended at 61,719. Staff feels American Airlines service is doing well. The economy continues to have a major impact on all airlines. In May, our American flights will drop to three per day. Staff has scheduled meetings with additional airlines at an upcoming conference, to discuss additional airlines coming to the airport. Our air service consultant will present to the Fort Smith Chamber First Friday breakfast in April to let local businesses know the state of the airline industry, and to give them an update on our airport.
- B. Staff had their second design meeting with MAHG Architecture and the 188<sup>th</sup> staff for the new ARFF Station development. The project is moving along well, and funding has been set up.
- C. The Air National Guard would like to work with us to install guard funded ANG Barriers.
- D. Director Griffin requested the commission meeting for February be moved up one week. The FAA Southwest Region Conference conflicts with the regularly scheduled meeting.

*Minutes of F.S.A.C. Regular Meeting*  
*January 27, 2023*  
*Page 3*

NEXT COMMISSION MEETING

The date of the next regularly scheduled meeting of the Fort Smith Airport Commission will be Tuesday, February 21, 2023, at 5:30 p.m.

ADJOURNMENT

On motion by Commissioner McGhee and second by Commissioner Voris the meeting adjourned 1:00 p.m. Voting aye: Grimes, Kelly, McGhee, Pendergrass, Ridgley, and Voris. Voting Nay: None. Motion Carried.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read "Michael Griffin".

Michael Griffin, A.A.E.  
Airport Director