

MINUTES OF AIRPORT COMMISSION REGULAR MEETING
TUESDAY – JUNE 27, 2023
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 Grimes, presiding. Commissioners Hawkins, Kelly, McGhee, Pendergrass, Ridgley and Voris were present. Also present were Michael Griffin, airport director, Lindsay Conley, finance director, Kathey Boze, administration director and Tiffany Farmer, operations director.

ADOPTION OF MINUTES

On motion by Commissioner Kelly and second by Commissioner Hawkins, the Commission approved the minutes of the rescheduled regular meeting of May 30, 2023. Voting aye: Grimes, Hawkins, Kelly, McGhee, Pendergrass, Ridgley and Voris. Voting nay: none. Motion carried.

TREASURERS' REPORT

Commissioner Treasurer Pendergrass reported an airport treasury bill matured June 15; a new CD was purchased from Simmons Bank earning a higher interest rate. He also reported signing large construction checks this month. Director Griffin presented an overview of the May Financial Statements, stating two pieces of equipment, a small tractor and a rotary cutter, were sold generating \$16,889 in other revenue. A large budgeted expense was incurred in Building Maintenance & Repairs from the purchase of Carbon Air Filter replacements totaling \$48,900. Operating Interest earned to date was significantly above budget due to earning higher interest rates than planned on airport investments. Department 700 Receipts was significantly below budget due to planned reimbursable project expenses (Taxiway E South Rehab, Solar Farm, ARFF Station construction) not yet being incurred.

ITEMS OF BUSINESS

1. Taxiway E South Design Grant – At the March meeting, the Commission approved a contract with Halff Associates to design the rehabilitation of Taxiway E South. The airport received an Airport Improvement Program (AIP) grant which funds 90% of the project. As with previous AIP projects, staff will apply to have the remaining 10% funded by the Arkansas Division of Aeronautics. As per the grant offer, the Commission must authorize the Airport Director to execute the grant to accept the offer.

A motion to approve authorizing the Airport Director to execute and accept the AIP grant was made by Commissioner Pendergrass and seconded by Commissioner Kelly. There was no further discussion. Voting aye: Grimes, Hawkins, Kelly, McGhee, Pendergrass, Ridgley and Voris. Voting nay: none. Motion carried.

2. 188th Lease Amendment –At the May 30 commission meeting, the Commission approved allowing the city to lease three parcels of airport property near the intersection of Phoenix Avenue and Airport Blvd. The purpose of this request was to provide additional space to accommodate the Foreign Military Sales (FMS) mission to be located at the 188th. After the approval and discussion with the city, there was concern about calling it a “lease with

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the city,” since the intention was to allow the land to be used for FMS purposes as part of the 188th lease. The city recognized the airport’s need to receive value for these parcels of property. Carl Geffken provided a letter outlining the city’s approximate \$6.9 million investment in public infrastructure value in exchange for the two parcels of land totaling 10.6 acres. This infrastructure includes \$5 million paid for the runway extension, a new entrance to the corporate and general aviation area, a new road on airport property behind hotel developments, and a \$100,000 match to the existing DOT grant to obtain expanded commercial air service in Fort Smith. Commissioner Kelly questioned whether the city has considered that the Air National Guard would require security on the parcel of land on the north side of Phoenix Avenue, and how that would affect traffic flow. Director Griffin stated that a lease is not yet in place. If the Air National Guard determines it is unable to use the parcel of land on the north side of Phoenix for the Foreign Mission Sales program, the airport commission can exclude that parcel of land from the lease. The airport’s legal team will review the proposed lease before it is submitted to ensure the airport is protected.

A motion to approve adding the two parcels of land totaling 10.6 acres to the existing 188th Air National Guard lease for the purpose of Foreign Mission Sales program was made by Commissioner McGhee and seconded by Commissioner Ridgley. There was no further discussion. Voting aye: Grimes, Hawkins, Kelly, McGhee, Pendergrass, Ridgley and Voris. Voting nay: none. Motion carried.

3. Election of Officers – Rules and Regulations of the Airport Commission provide for the election of a chairman, vice-chairman, and commission treasurer in June of each year. Officers serve until their term expires or their successors are elected. Currently, Gary Grimes serves as chairman; Robert Hawkins serves as vice-chairman; and Eric Pendergrass serves as commission treasurer. The airport director serves as the Commission’s secretary and operations treasurer. Gary Grimes nominated Robert Hawkins to serve as President, Eric Pendergrass to serve as Vice President, and Kevin Ridgley to serve as Treasurer.

A motion to accept the slate of officers was made by Commissioner McGhee and seconded by Commissioner Voris. There was no further discussion. Voting aye: Grimes, Hawkins, Kelly, McGhee, Ridgley and Voris. Voting nay: none. Motion carried.

4. Director’s Report

- A. A flight check has been completed on Runway 8 and the instrument landing system and GPS approach are back in service. There have been issues with grass not growing in runway areas, but construction crews are completing the final touches and the full length of the runway should be open soon.
- B. Director Griffin met with Paris Marketing to discuss the airport’s local marketing plan, including an update to the airport’s website and social media marketing.

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- C. The Airport Joint Use Agreement documents with the Air National Guard have been submitted. Once in place, the airport is able to recover some costs incurred from the Air National Guard's use of the airfield.
- D. A request for qualifications for construction manager of the ARFF Fire Station Project has been advertised. A construction manager is charged with assisting in design and controlling costs of projects. Commissioners Kelly & Pendergrass volunteered to score the submissions received.
- E. The planned Hilton Hotel project may require an updated lease to be signed by the commission in the near future; the changes will be updating the name of the individual or LLC on the lease.
- F. Appreciation was conveyed to Commissioner Mac McGhee for his faithful 12-year service to the Airport Commission. Commissioner McGhee expressed his wish for the airport commission to remain autonomous, self-sufficient, and to continue to be good stewards of airport funds.

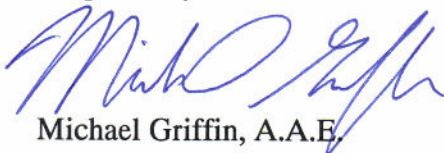
NEXT COMMISSION MEETING

The date of the next regularly scheduled meeting of the Fort Smith Airport Commission will be Tuesday, July 25, 2023, at 5:30 p.m.

ADJOURNMENT

On motion by Commissioner McGhee and second by Commissioner Voris, the meeting adjourned at 6:02 p.m. Voting aye: Grimes, Hawkins, Kelly, McGhee, Pendergrass, Ridgley and Voris. Voting Nay: None. Motion Carried.

Respectfully submitted,



Michael Griffin, A.A.E.
Airport Director