

**MINUTES OF AIRPORT COMMISSION REGULAR MEETING**  
**TUESDAY – OCTOBER 29, 2024**  
**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 Pendergrass, presiding. Commissioners Barr, Cooper, Hawkins, Ridgley and Voris were present. Commissioner Kelly was absent. Also present were Michael Griffin, Airport Director, and Lindsay Conley, Finance & Administration Director.

**ADOPTION OF MINUTES**

On motion by Commissioner Hawkins and second by Commissioner Barr, the commission approved the minutes of the September 24, 2024 regular meeting. Voting aye: Barr, Cooper, Hawkins, Pendergrass, Ridgley and Voris. Voting nay: none. Motion carried.

**TREASURERS' REPORT**

Commission Treasurer Cooper presented the September 2024 financials, reporting the airport had a good month. Operating cash and investments totaled \$8 million. A Bank OZK CD matured and was reinvested in a new Simmons CD. Revenues were on target at 75% of the annual budget; expenses were 63.5% of budget and being kept at a minimum. Flowage fees increased with the completion of the arresting barrier and return of the jets. Self Service Fuel, Badge Fees and Airline Landing Fees also exceeded projections. Operating interest was lower than budget due to airport investments being redeemed earlier this year to pay for project expenses. In expenses, the water bill more than doubled, from \$3,900 to \$8,400. Part of the increase was due to the irrigation system running daily to maintain newly placed sod, and part was due to increased city water rates for commercial irrigation. The final installment fee was paid to ADK Consulting for the Operations Director executive search. Personal Services expense remained low, but should begin picking up with the new Operations Director starting in November.

**ITEMS OF BUSINESS**

1. 2024 Budget Amendment – The proposed 2024 Budget Amendment Resolution and Budget were presented to commission. The proposed amendment included changes to the Operating Fund and the Project Fund.

In the Operating Fund, Revenue had an overall decrease of \$147,950. The most notable decrease was Operating Interest, due to airport investments redeemed to fund the Runway 8/26 extension resulting in reduced interest earned on investments. Operating Expenses had an overall increase of \$6,183,700 due to changes in Miscellaneous Charges and Capital Outlay. Miscellaneous Charges expense was increased to include the \$6,177,500 cost of funding the Runway 8/26 extension. Capital Outlay expense was decreased to remove the replacement of drainage pipes east of the terminal building as well as the berm removal project.

In the Project Fund, receipts decreased \$935,284 and expenses decreased \$1,521,877. Several projects, including Taxiway E South Design, Snow Removal Equipment Building

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Design, Solar Farm to Power Airfield Ops, ARFF Station Expansion and the Part 150 Study will carry over to 2025, which reduced both receipts and expenses. The Solar Farm to Power Terminal Building project was canceled, reducing both receipts and expenses. Unplanned project Runway 2/20 Electrical Recircuiting was completed, increasing receipts and expenses. Lastly, the Runway 8/26 Arresting Barrier Installation project increased both receipts and expenses.

A motion was made by Commissioner Cooper and seconded by Commissioner Ridgley to approve Resolution 2024-1 to amend the 2024 Budget as presented. Voting aye: Barr, Cooper, Hawkins, Pendergrass, Ridgley and Voris. Voting nay: none. Motion carried. There was no further discussion.

2. Driver Motor Vehicle Record Policy - In an effort to reduce vehicle risk and ensure only safe drivers be allowed to operate airport vehicles, staff recommended implementing a Driver Motor Vehicle Record (MVR) Policy. The policy would require that all drivers of airport vehicles must have a valid driver's license, must not drive if their license has been suspended or revoked, and must report all accidents, moving violations and license suspensions to their supervisor immediately. All drivers will be required to complete an accident and moving violation report annually. The airport's vehicle insurance carrier, Travelers, agreed to reduce the premium on the vehicle insurance policy for the upcoming year by \$3,500 upon the implementation of this policy.

A motion was made by Commissioner Voris and seconded by Commissioner Hawkins to approve the Driver Motor Vehicle Record Policy with an effective date of November 1, 2024. Voting aye: Barr, Cooper, Hawkins, Pendergrass, Ridgley and Voris. Voting nay: none. Motion carried. There was no further discussion.

3. Director's Report

- A. Air Force Construction Project Updates – Kelly Johnson, Aviation Management Consultant to the City of Fort Smith, reported that the BAK14 certification was completed, and crews are finishing punch list items. Full project completion is expected mid-November. Construction work on the berms has an expected completion date of December 9, if not sooner.
- B. Director of Operations - Newly hired Director of Operations, Andrew Meyer, will begin work November 4.
- C. ARFF Fire Station Expansion – The undercut has been completed and wasn't as extensive as anticipated, which will result in a cost savings. The sewer line that feeds the station was found to be collapsed earlier this month, but has since been repaired by the City.
- D. 2025 Budget – Staff has put together a solid budget for 2025, and will meet with the Budget Committee in the coming weeks to review. The proposed budget will be submitted to the commission at the November meeting.

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- E. Take Off Air Service Conference – Director Griffin met with American, United and Skywest Airlines to discuss adding routes to FSM. American and United both said they wouldn't consider adding a route at FSM until our load factor increases to 85%, or until there was a cash-in-hand offer presented to the airlines. FSM's load factor is currently at 74%. The Skywest meeting was more promising; they recently acquired several new aircraft and said they might consider adding a route at FSM if there are planes not in use at other airports. Delta declined a meeting, but reports show they are focused on rebuilding main hub business at this time, and currently only offer service at airports with 500,000+ enplanements. The Regional Airlines Association (RAA) hosted a conference session, reporting that 76+ seats are now the norm for airline aircraft, which is a disadvantage for smaller airports because they are competing with larger airports for the same planes. In good news, the equipment and pilot shortage is getting better industry wide. Director Griffin noted that FSM's story is becoming more compelling to the airlines he meets with, given the local air service community group, increased marketing and Foreign Military Sales (FMS) ribbon-cutting on the slide deck presentation.

**NEXT COMMISSION MEETING**

The date of the next regularly scheduled meeting of the Fort Smith Airport Commission will be Tuesday, November 26, 2024, at 5:30 p.m.

**ADJOURNMENT**

On motion by Commissioner Hawkins and second by Commissioner Ridgley, the meeting adjourned at 6:09 p.m. Voting aye: Barr, Cooper, Hawkins, 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