

***MINUTES OF AIRPORT COMMISSION REGULAR MEETING  
TUESDAY – JULY 22, 2025  
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 Voris, presiding. Commissioners Barr, Cooper, Hagy, Pendergrass, and Ridgley were present. Also present were co-interim directors Lindsay Conley and Andrew Meyer. Commissioner Kelly was absent.

**ADOPTION OF MINUTES**

On motion by Commissioner Cooper and second by Commissioner Ridgley, the commission approved the minutes of the June 24, 2025 regular meeting. Voting aye: Barr, Cooper, Hagy, Pendergrass, Ridgley and Voris. Voting nay: none. Motion carried.

**TREASURERS' REPORT**

Commission Treasurer Barr presented the financial report for June 2025. With 49.6% of the fiscal year complete, operating revenues reached 48.2% of the annual budget, slightly below projections, while operating expenses totaled 52.5%, exceeding expectations. This resulted in a net operating income of \$92,213 for the month, and a year-to-date net operating loss of \$74,459. The YTD loss was primarily due to the payout of accrued leave following Michael Griffin's resignation. Director Conley reported additional contributing factors included lower-than-expected fuel sales (due to reduced flowage fees and self-service usage), rental car revenue impacts from a two-month fuel pump service issue, and decreased parking revenue, likely tied to a 2% year-over-year decline in enplanements. On the positive side, investment interest earnings exceeded projections due to higher rates. However, AOG gas expenses rose significantly following a rate increase from \$0.50 to \$0.90 per CCF, resulting in an estimated annual increase of \$19,200 based on current usage. Professional services expenses were elevated due to consultant support during the leadership transition and engineering costs related to new leaseholder construction. The airport remains financially stable and well-positioned for continued operations and growth.

**ITEMS OF BUSINESS**

1. Air Force Report/Update – Commissioner Pendergrass reported that the BAK-14 arresting system is scheduled for recertification in the near future, after which the BAK-12 Exped system will be removed. Additionally, an increased number of F-35 aircraft are expected to arrive in October as part of the German training mission.
2. Mistretta Hangar Development Request – Mr. Joseph Mistretta requested to construct a hangar for his personal aircraft at the Charlie South T-Hangar ramp. The airport's minimum standards allow individuals to construct their own hangar after obtaining the Commission's approval and providing construction and architectural plans and specifications. Mr. Mistretta plans to construct a hangar that is 44' (wide) x 40' (deep) hangar with a roll-up door. Staff has received plans and specifications as required by the minimum standards.

A motion was made by Commissioner Barr and seconded by Commissioner Pendergrass to approve Mr. Mistretta's hangar development request and to authorize the co-interim directors to execute a lease upon finalization of construction plans. Voting aye: Barr, Cooper, Hagy,

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Pendergrass, Ridgley and Voris. Voting nay: none. Motion carried. There was no further discussion.

3. Rockets Restaurant Proposal – Joseph Williams presented his final design concept for the proposed Rockets Restaurant, to be located in the terminal café. His vision includes remodeling the space to feature a bar with seating and booth-style seating along the walls, increasing capacity to meet the state requirement of 50 occupants for a liquor permit. The proposed menu would include burrito and taco bowls, black coffee, muffins, and a selection of alcoholic beverages. Mr. Williams expressed that his goals for the restaurant are to enhance the airport's atmosphere, offer live music, and operate a fully functional bar. He is targeting a late August opening. Commissioners raised concerns about the proposal, noting the absence of a detailed business plan, financial projections, and architectural schematics. Commissioner Barr specifically requested a more comprehensive plan with concrete financial figures rather than general concepts.

Chairman Voris tabled the vote and requested that Mr. Williams return to a future commission meeting with detailed plans, including schematics, financial data and projections.

4. Heritage Hotel Group Lease Assignment and Assumption – Dwight Curry, with Heritage Hotel Group, requested Commission approval to proceed with Lease Assignment and Assumption Agreements related to a pending sale of the Homewood Suites and Home2 Suites hotels. The agreements will be drafted and reviewed by the airport's legal counsel. As part of the request, the buyer has asked that the Homewood Suites lease assignment include a provision waiving the requirement for Commission approval for the two optional five-year extensions at the end of the lease term. Mr. Curry's decision to sell is driven by upcoming brand-mandated renovations required by Hilton, including updates to carpeting, wall vinyl, furniture, and other interior elements. He believes the new owner will be better positioned to incorporate these renovation costs into their financing, making the sale a strategic business decision. He also noted that both hotels are currently performing well. The prospective buyer intends to engage Integral Hospitality Solutions, a professional third-party hotel management company with over 20 years of experience managing branded hotels, including several Hilton properties, to manage the properties.

A motion to approve the Lease Assignment and Assumption Agreements, including the waiver of Commission approval for the two five-year lease extensions for Homewood Suites, and to authorize the Co-Interim Directors to execute the agreements on behalf of the Commission was made by Commissioner Pendergrass and seconded by Commissioner Ridgley. Voting aye: Barr, Cooper, Hagy, Pendergrass, Ridgley and Voris. Voting nay: none. Motion carried. There was no further discussion.

5. PFC Application – The airport's current PFC application has one remaining project—the Security Perimeter Fence, which is scheduled for completion this fall. Staff has initiated coordination with Garver to begin the process of preparing a new PFC application. The perimeter fence project in the current application was originally budgeted at \$350,000, but Halff's updated estimate places the cost at \$545,775. To address this, Garver has proposed amending the existing application to reflect the increased cost and to develop a new PFC application for a fee of \$45,169. The proposed new application will include funding for

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replacement of two passenger boarding bridges, replacement of one ARFF truck, terminal roof repairs, terminal generator replacement, replacement of air handler controllers, and administrative support for the PFC application process.

A motion to approve Garver's PFC Application proposal and to authorize the co-interim directors to execute the agreement was made by Commissioner Cooper and seconded by Commissioner Barr. Voting aye: Barr, Cooper, Hagy, Pendergrass, Ridgley and Voris. Voting nay: none. Motion carried. There was no further discussion.

### **6. Director's Report**

- Clear TSA PreCheck Enrollment Event – Fort Smith Regional Airport successfully hosted a TSA PreCheck® enrollment event on July 9–10, with an impressive 131 enrollments completed. The event saw a strong turnout from the community, reflecting high local interest in expedited screening options. Thanks to the success of this event, CLEAR has agreed to return monthly, offering TSA PreCheck® enrollment at FSM on the first Thursday of each month moving forward.
- Global Entry Enrollment Event – In response to multiple community requests on social media, Fort Smith Regional Airport has reached out to U.S. Customs and Border Protection to coordinate a Global Entry Enrollment event. Planning is currently underway for the event to take place on September 8–9. This will be a great opportunity for travelers to complete their Global Entry interviews locally, without needing to travel to a larger enrollment center.
- Project Updates
  - HTeaO Lease Extension: HTeaO has requested a 90-day extension on their lease permitting contingency. Their plans are currently undergoing a final quality control review at HTeaO headquarters before being submitted to the City of Fort Smith for permitting.
  - Hangar 22: The hangar door replacement was successfully completed on July 3.
  - Security Perimeter Fence: Final design plans are being completed, with bid advertisements and reviews scheduled for August.
  - PV Solar Array Project: Plans are now at 100% completion, and the associated MCCA agreement is under review by the National Guard Bureau. A 3% administrative fee for airport administration of the project has been included, totaling \$121,260.
  - ARFF Station Expansion: The project is approximately 75% complete and remains on track for completion in November.
  - Runway 8 Blast Pad: The project is 85% complete, with a slight delay due to weather-related ground conditions. Completion is now expected by late August.
  - Fuel Pump Replacements: Replacement of the rental car and airfield maintenance fuel pumps was completed on July 18.

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- TSA Annual Comprehensive Inspection - The TSA's annual comprehensive inspection began this week and has been progressing smoothly. As of the time of the meeting, no findings or issues had been reported.
- Digital Engagement Highlights – Staff has significantly increased the frequency and variety of social media content, featuring behind-the-scenes looks, community spotlights, and real-time operational updates. Interactive posts have been introduced to enhance reach and encourage user engagement. Messaging has been strategically focused on showcasing the airport's strengths, emphasizing customer experience and service reliability to positively shape public perception.
- Flight Data – In June, Fort Smith Regional Airport recorded a total of 106 scheduled flights, with an average load factor of 80.3%. Of those flights, 52 departed on time, 54 experienced delays, and 2 were canceled.
- Air Service Development – Mead & Hunt provided the first quarter 2025 performance report for FSM. The annualized load factor was 73.7%, which is below the regional market average of 82.5%. While fares at FSM remained flat year-over-year, they continue to be significantly higher than the national average, with FSM's average domestic one-way fare at \$311 compared to the U.S. average of \$187. FSM offered 0.34 seats per capita, notably lower than the peer airport average of 1.49. Preliminary findings from the leakage study revealed that FSM currently serves 158.1 passengers per day but is losing approximately 463 passengers daily to other airports, capturing only one out of every four passengers in its catchment area. In response to these findings, staff have coordinated with Mead & Hunt to visit the headquarters of a network air carrier in September. This visit may lead to the introduction of a new carrier servicing a Northeast route, potentially utilizing FSM's Small Community Air Service Development (SCASD) grant.
- FAA Grant Update – The FAA grant originally allocated for the Snow Removal Equipment Building at FSM was officially returned on July 7. In its place, a new grant has been programmed to support the design phase of Runway 2/20. This grant is currently under AGI review at FAA Headquarters, and an official announcement is expected soon.
- Airport Director Recruitment – ADK Consulting has received a total of 18 applications for the Airport Director position, with 7 candidates meeting the qualifications. The application window remains open through August 3.

### **7. Chairman's Report**

- AJUA Discussions – Commissioner Pendergrass reported that representatives from the FAA, TSA, the U.S. Air Force, and AJUA consultants recently met to discuss ongoing security concerns raised by the Air Force. While no immediate solutions were reached, the meeting was productive in fostering open dialogue and clarifying

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key issues more effectively than in previous discussions. Written documents are expected in the near future.

**NEXT COMMISSION MEETING**

The next meeting of the Fort Smith Airport Commission will be Tuesday, August 26, 2025, at 5:30 p.m.

**ADJOURNMENT**

On motion by Commissioner Pendergrass and second by Commissioner Ridgley, the meeting adjourned at 6:25 p.m. Voting aye: Barr, Cooper, Hagy, Pendergrass, Ridgley and Voris. Voting Nay: none. Motion Carried.

Respectfully submitted,



Lindsay Conley  
Co-Interim Airport Director