

LITTLE ROCK NATIONAL AIRPORT COMMISSION
MEETING MINUTES
November 17, 2009

The Little Rock Airport Commission met in regular session in the Commission Conference Room on the second level of the terminal building, Little Rock National Airport, Little Rock, Arkansas at 8:30 a.m. on the 17th day of November, 2009. The following members of the Commission were present:

Mme. Kay Kelley Arnold and Messrs. Virgil Miller, Jim Dailey, Jimmy Moses, Dr. Carl Johnson and Tom Schueck.

Also attending were Mmes. Carol Snay, T.J. Williams, and Carolyn Witherspoon and Messrs. Ron Mathieu, Allen Williams, Bryan Malinowski, Randy Ellison, Charles Jones, Tom Clarke and others as registered.

The meeting was recorded and the tape is on file in the office of the Executive Director, where it may be examined by any qualified person.

Official actions of the Commission were as follows: Chairman Schueck called the meeting to order at 8:30 a.m.

APPROVAL OF MINUTES

Chairman Schueck requested approval of the October Commission meeting minutes.

On motion by Commissioner Arnold, seconded by Commissioner Moses, the October minutes were unanimously approved.

CONSENT AGENDA

The next item on the agenda was a brief discussion of the October 2009 Financials. Ms. Snay reported the total income for the month was approximately \$2,100,000 which was over budget about \$255,000. Compared to last year, total income for October was up approximately \$27,000. Total expenses for the month before depreciation were approximately \$1,384,000 which is under budget by approximately \$197,000. Compared to last year, total expenses for October were down about \$239,000. Net income for the month before depreciation was approximately \$803,000 which is better than budget and \$266,000 better than October 2008. Total income before depreciation for the first ten months of this year was approximately \$20,444,000 which is \$197,000 over budget but a little over \$1,000,000 less than last year at this time. Total expenses year-to-date were approximately \$14,228,000 which is about \$1,600,000 under budget and approximately \$1,444,000 less than 2008. Net income year-to-date before depreciation was \$6,200,000, which is \$389,000 better than last year and \$2,500,000 better than budget.

On motion by Commissioner Dailey, seconded by Commissioner Arnold, the consent agenda was unanimously approved.

Executive Director's Report – Mr. Mathieu gave a grant update. The airport received a 50/50 grant from the Department of Aeronautics in November in the amount of \$281,040.50. These funds will be used to assist in funding a mandatory project for additional security fencing around Dassault Falcon Jet and Hawker Beechcraft. The funding consists of a combination of funds from the Department of Aeronautics, the State and the City and will make up approximately 75% of the cost of the project. Dassault Falcon Jet and Hawker Beechcraft will fund the remaining project cost.

Mr. Mathieu mentioned that staff conducted an airline meeting on October 21st. Mr. Mathieu reported that the meeting went very well and progress was made towards developing a more balanced agreement with the airlines. Mr. Mathieu noted that staff had a meeting with the TSA regarding the in-line baggage system on the 29th of October. This was a funding meeting. Staff is hopeful that they will get some information regarding funding amounts before the end of the year. Mr. Mathieu gave an update on the off-airport parking ordinance. Following last month's Commission meeting, Mr. Mathieu and counsel forwarded a package to Mr. Bruce Moore, City Manager. Mr. Moore and the City Attorney are currently processing the package and staff anticipates that the request for the ordinance change will be placed on the City Board's agenda for consideration soon.

Mr. Mathieu mentioned PFC Application #7. The airport has received the airlines' concurrence and expects to receive a formal approval letter from the FAA in the next few weeks. Last month, staff started a curbside assistance program at the airport's expense. During the period of November 9th through the 16th, over 500 passengers have been assisted through this program. This service will continue to be provided by the airport until the end of the year. Commission action will be needed to continue this service next year. Because this service would be over \$25,000, the services would have to be advertised in accordance with state law.

Mr. Mathieu reminded the Commission that the engineering services interviews are currently scheduled for December 8, 2009. Commissioner Dailey invited all Commissioners to attend the Lease Committee meeting and participate in the selection of the engineers. Lastly, Mr. Mathieu formally introduced Mr. Randy Ellison as the new Director – Facilities.

Chairman's Report – Chairman Schueck gave an update on the Ninth Street Expansion project. Construction bids were open for the demolition, construction of the new road and traffic signals at Bond and Ninth Streets. Ruffin Construction Company won the construction contract with a bid of \$1.57 million. Chairman Schueck noted that there are still several parcels to be acquired before construction can begin on this project.

STAFF REPORTS

Properties, Planning and Development Report – Mr. Clarke reported that despite having 16 weather days, Runway 4L/22R will open on schedule. Runway 18-36 will remain closed due to work on Taxiway Delta. A notice to proceed for Phase 2b of the Runway 18-36 project, which includes the paving of the two parallel taxiways on the north end and runway markings, is anticipated during the first week of December. At the request of Chairman Schueck, Mr. Clarke stated that the Runway 18-36 project should be completed June 1, 2010.

Mr. Clarke noted that Parsons is currently preparing their recommendations and report on alternatives regarding the design of the in-line baggage system. These recommendations must be submitted to the TSA with cost estimates. Mr. Clarke mentioned that Architectural Alliance was in town for the Terminal Task Force meeting scheduled following the Commission meeting today. They are going to present the alternatives that they have been looking at for terminal expansions and renovations and discuss the overall theme of the airport going forward.

Mr. Clarke mentioned that the Land Reuse plan regarding the Part 150 property acquisitions was submitted to the FAA on October 30th. At the request of Chairman Schueck, Mr. Clarke reported that the Taxiway Delta project is scheduled to be complete at the end of December 2009. Mr. Clarke and Mr. Malinowski answered some questions from Chairman Schueck regarding O.R. Colan's activity report. Chairman Schueck requested an update on the demolition of acquired property. Mr. Malinowski reported that there are approximately ten structures that require environmental remediation before they can be demolished.

Human Resources – Mr. Williams reported that the airport started the month of October with 157 employees. There were five new hires, three voluntary separations and two involuntary separations. We ended the month with 157 employees and year-to-date turnover rate of 13.6%. Mr. Williams announced that Mr. John Bradford, who had been with the airport for 35 years, retired in October. Mr. Williams mentioned the Language line report. For the month of October, there were no language line calls.

Facilities – Mr. Ellison gave an update on the work the Electronics department is doing in the parking lots. They have spent several months repairing and replacing detector loops. Water resistant throats were replaced on the ticket dispensers to reduce the amount of water that gets in. All of the gate arms have been repaired as well. Work will continue on the exterior finishes of the gate arms and ticket dispensers to restore them back to the factory finishes. The Fleet and Airfield Maintenance departments have inspected all of the snow and ice removal equipment. Arrangements have been made to get the de-icing materials on site and available prior to any weather events. Lastly, the Airfield Maintenance department continues to work on the Westside in preparation for the reopening.

Operations – Mr. Jones provided the Commissioners with a report for the cancelled and diverted flights for the month. Mr. Jones noted that there were several 727s diverted to the airport. They were cargo flights going from Mexico to Canada and Laredo to Michigan hauling car parts. Medical responses were down for the month.

Attorney's Report – Ms. Witherspoon gave an update on the condemnations actions. A couple of new condemnations were filed in October, one condemnation was closed and eight others are waiting to be closed out. Only one of the condemnations filed in October has a dispute in value. Ms. Witherspoon reported that they worked with staff on RFQs this month. Ms. Witherspoon worked with the City Manager and the City Attorney regarding the off-airport parking ordinance. Ms. Witherspoon has also been in discussions with Mr. Baker's attorney regarding this issue.

Chairman Schueck appointed Commissioner Johnson to chair the nominations committee. Commissioner Johnson will nominate members to serve as the chairman, vice-chairman / treasurer and secretary for next year.

Marketing and Public Affairs – Ms. Williams reported that the passenger numbers were up 1.24% for the month of October and down 7.21% for the year. Ms. Williams also included the profit and loss statements for the airlines that service Little Rock in the Commission packet. Jet Blue and Air Tran, who currently do not service Little Rock, showed profits for the third quarter. Lastly, Ms. Williams presented the new website to the Commission for review. Mr. Mathieu noted that the website would be available to the public on December 1st. The official launch of the website would be sometime early next year.

ADJOURNMENT

The meeting was adjourned at 9:31 a.m. by Chairman Schueck.

Thomas B. Schueck, Chairman

Virgil L. Miller, Jr., Secretary