

**RESOLUTION NO. \_\_\_\_\_**

**A RESOLUTION EXPRESSING AN INTENT TO ISSUE REVENUE BONDS FOR THE PURPOSE OF FINANCING IMPROVEMENTS TO THE NORTH LITTLE ROCK AIRPORT; AUTHORIZING THE MAYOR TO EXECUTE ENGAGEMENT LETTERS WITH BOND COUNSEL AND UNDERWRITERS; AND FOR OTHER PURPOSES.**

WHEREAS, the North Little Rock City Council (“City Council”) has determined that it is in the best interest of the City of North Little Rock (“City”) and its citizens to construct certain improvements to the North Little Rock Airport; and

WHEREAS, the City Council has determined that it is in the best interest of the City to issue revenue bonds in an amount not to exceed \$4,000,000.00, secured by and payable from franchise fee revenues, for the purpose of financing the construction of improvements to the North Little Rock Airport.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF NORTH LITTLE ROCK, ARKANSAS:

SECTION 1: That the City hereby expresses its intent to make improvements to the North Little Rock Airport with anticipated project costs of \$4,000,000,000.00, as set forth in the North Little Rock Airport Finance Plan for New Construction Projects attached hereto as Exhibit A.

SECTION 2: That the City hereby expresses its intent to issue revenue bonds in an amount not to exceed \$4,000,000.00, secured by and payable from franchise fee revenues, for the purpose of financing capital expenditures for construction of improvements to the North Little Rock Airport.

SECTION 3: That the City has previously appointed Friday, Eldridge and Clark, LLP, as Bond Counsel, and Stephens Inc. as Underwriter with respect to issuing bonds for the City. The Mayor is hereby authorized to execute engagement letters with bond counsel and underwriters in order to proceed with potential future borrowing for this project.

SECTION 4: That this Resolution shall be in full force and effect from and after its passage and approval.

PASSED:

APPROVED:

\_\_\_\_\_

\_\_\_\_\_

Mayor Joe A. Smith

SPONSOR:

Joe A. Smith  
Mayor Joe A. Smith *by AT*

ATTEST:

\_\_\_\_\_  
Diane Whitbey, City Clerk

APPROVED AS TO FORM:

Amy Beckman Fields  
Amy Beckman Fields, City Attorney

PREPARED BY THE OFFICE OF THE CITY ATTORNEY/ABF

|  |                  |      |       |      |
|--|------------------|------|-------|------|
| FILED  | <u>10:30</u>     | A.M. | _____ | P.M. |
| By   | <u>A. Fields</u> |      |       |      |
| DATE   | <u>1-8-19</u>    |      |       |      |
| <b>Diane Whitbey, City Clerk and Collector<br/>North Little Rock, Arkansas</b> |                  |      |       |      |
| RECEIVED BY  | <u>S. Ussery</u> |      |       |      |

**NLR Airport Finance Plan for New Construction Projects**

|                             |                |
|-----------------------------|----------------|
| <b>FBO/Corporate Hangar</b> | Estimated Cost |
| Large Corporate Hangar      | \$1.2 M        |
| FBO Office Building         | \$1.3 M        |

Subtotal  
Plus 10% Contingent \$2.5 M

**Estimated Total \$2.8 M**

|                                     |                |
|-------------------------------------|----------------|
| <b>T-Hangar Removal and Replace</b> | Estimated Cost |
| 5 Bay Hangar                        | \$315,000      |
| 7 Bay Hangar                        | \$400,000      |
| Infrastructure Work                 | \$100,000      |

Small Private Hangar  
Total \$815,000

Subtotal Plus 10% Contingent \$1.06 M

**Estimated Total \$1.2 M**

**Anticipated Revenue Per Year**

|                        |                        |               |
|------------------------|------------------------|---------------|
| Large Corporate Hangar | 10,000 sqft x \$1/sqft | \$10,000/Year |
| FBO Office Building    | 2106 sqft x \$6/sqft   | \$12,636/Year |

|                       |                 |                      |
|-----------------------|-----------------|----------------------|
| 5 Bay Hangar          | \$350/bay/month | \$21,000/Year        |
| 7 Bay Hangar          | \$350/bay/month | \$29,400/Year        |
| <b>T Hangar Total</b> |                 | <b>\$50,400/Year</b> |

Small Private Hangar \$1,200/month \$14,400/Year

**Estimated Total \$22,636/Year**

**Grand total 64,800/Year**

Total Project Cost \$4M  
Avg Airport Contribution \$40,000/Year

Total Anticipated Revenue \$87,436/Year

Avg Airport Contribution \$40,000/Year

Anticipated Fuel Sale Revenue \$15,000/Year

Money already dedicated \$270,000

