

NON-FLOOD ASSET PROTECTION MANAGEMENT AUTHORITY
MINUTES OF THE AIRPORT COMMITTEE MEETING
NOVEMBER 30, 2010 – 9:30 A.M.

The regular monthly meeting of the Airport Committee of the Non-Flood Asset Protection Management Authority was held on Tuesday, November 30, 2010 at 9:30 A.M., in the Lake Vista Community Center, 2nd Floor, 6500 Spanish Fort Blvd., New Orleans, Louisiana after due legal notice of the meeting was sent to each Board member, the news media, and a copy of the call was posted.

Chairman Saizan called the meeting to order at 9:34 a.m. and led in the Pledge of Allegiance.

The roll was called and a quorum was present.

PRESENT:

Chairman Darrel Saizan
Commissioner Romona Theresa Baudy (9:45)
Commissioner William Hoffman
Commissioner Wilma Heaton

FURTHERMORE PRESENT:

Chairman Robert E. Smith Lupo

STAFF:

Louis Capo, Executive Director
Randy Taylor, Airport Director
Rob Aucoin, Non-Flood
Sharon Martiny, Non-Flood
Vincent Caire, Non-Flood
Dawn Wagener, Non-Flood

ALSO PRESENT:

Albert Pappalardo
Steve Nelson
Brayton Matthews
Thomas Flanagan
Charles Curtis
Alton Ochsner Davis
Guy Williams

OPENING COMMENTS

None.

APPROVAL OF AGENDA

Commissioner Hoffman offered a motion to adopt the agenda, seconded by Commissioner Heaton and unanimously adopted.

APPROVAL OF PRIOR MINUTES

Commissioner Hoffman offered a motion to approve the minutes of the November 3, 2010 meeting with minor corrections regarding name changes, seconded by Commissioner Heaton and unanimously adopted.

CHAIRMAN SAIZAN:

Can we get a report on the Current Airport Issues from Mr. Taylor?

MR. TAYLOR:

Yes sir, the first one is extending the air traffic control tower hours. As you know, that is strictly based on number of operations and demand at the Airport. We tracked those, our firefighters actually watch them and note the numbers from 7:00 a.m. to 8:00 when the tower opens and then the tower picks it up. When the tower closes again at 6:00 p.m. the fire station again picks it up and starts counting those numbers. The magic number per day is four. When you get your operations to four a day or close to it you can justify doing a study. Our numbers right now are not at that level but they are increasing. Mr. Capo and I met with the air traffic control tower chief and he is working with Moissant tower control and the FAA. In the spring once our operations start picking up again and we go back on daylight savings time we loose a lot of pilot training. If a guy gets off from work at 5:30 it is dark and if he has not flown in three months he is not going to come out here and get in a plane and go flying by himself. He wants to go in the daytime. So a lot of our air traffic high numbers are generated by people doing a pattern. They might to 15 in one flight, one pilot. The plan is in this frame, April-May, we will petition the FAA through the tower and if they approve it they will send someone out there and for three months they will sit in that tower and they will count with our fireman downstairs. They will compare the two numbers and if they justify it, and we think they are going to, it looks good that we will get to be open until 9:00, possibly 9:30 and in the morning open at 6:30. There are some overtime issues if you go to 6:00 it really bumps it up so it would be 6:30 to 9:00 or 9:30. That is the status of the tower.

CHAIRMAN SAIZAN:

Mr. Taylor, any other issues with you.

MR. TAYLOR:

I just want to present you with that plaque. That was the Excellence in Safety Award. We did two large projects, the bulkhead, which took from November 2006 until December 2007 and it was finished early and about \$200,000 under budget. We phased that with the contractor. We revised their plan drastically at the very start but it worked our perfect. We just finished the MALS rail, the approach lighting system. The reason the awards were there was because it interferes with air traffic and we had no incidents, no accidents and had no significant air traffic losses. We could open and close the runways as needed but keep the people coming in. I had a big poster in Fort Worth, it was a static display. It was right there in front in color but I could not get it out of the car because of the wind.

CHAIRMAN SAIZAN:

This is the poster?

MR. TAYLOR:

That is a picture of the poster, yes sir.

CHAIRMAN SAIZAN:

Congratulations, this was done in November at the FAA Conference. This is another sign that the Airport is moving along. Anything else, Mr. Taylor?

MR. TAYLOR:

No sir.

MR. CAPO:

One thing I want to add is that late yesterday afternoon I received a call from Mr. Sam Geoffry with the Sports Foundation. He wants to come out and look at the Airport. He stated that there are some big events coming up next calendar year. In March the NFL owner's meeting is here and I believe either the women or men's final four is coming. He wants to come out and take a look at the Airport and notably, the terminal. That is what he is interested in; the terminal being up and running. We know we are not going to have the terminal up and running for

this March but I think it is very important that now that Mr. Davis is here to give an update. I'd like to keep that terminal moving forward because that is going to be the real centerpiece for the Airport.

CHAIRMAN SAIZAN:

When he does can you let me know? I would like to go along. I was out there last week and I looked at the exterior of the building. It is beautiful, it really is. It has been restored. That is limestone; right?

MR. TAYLOR:

No sir, it is plaster.

MR. DAVIS:

It is porcelain veneer with a marble aggregate.

CHAIRMAN SAIZAN:

And that is what they used in that period of time?

MR. DAVIS:

Exactly. We were originally were going to go with a different material that was a newer product that we could match the color with but we had so much trouble matching it exactly that we went back to the original color.

CHAIRMAN SAIZAN:

Was the building sealed on the outside? I don't know if I am using the right term, but for weather purposes?

MR. DAVIS:

Yes, the whole building has a sub steel infrastructure but it is basically clay tile. The clay tile has got a membrane because they waterproof the clay tile before they put the stucco on it. I'm sure there are areas where that deteriorates somewhat. It has been there now almost 80 some odd years; it's not going to leak now. We created some weeps and we created some expansion joints, there were none in the building so we are precluding cracking again because you can see where they did several patches on it probably in the first 5-10 years where it started to crack.

CHAIRMAN SAIZAN:

Next we move on to Presentations, no presentations. Executive Session.

MR. CAPO:

Mr. Chairman, can I make one recommendation that we continue on with Old Business, New Business and then go into Executive Session at the very end.

CHAIRMAN SAIZAN:

That's fine with me. Let's move on to Old Business, Mr. Capo.

MR. CAPO:

Mr. Guy Williams with ECM Architects is here to give an update on the National Guard Complex buildings, specifically building 101.

MR. WILLIAMS:

My name is Guy Williams and I am an architect with ECM Consultants and we were hired back in 2007 to do repairs to that complex around the hangar, those seven buildings and it was stopped and started with FEMA's input. As it stands right now today we are having the pre-construction meeting to do the white box of the hangar which will be to repair all of the exterior skin, put in new windows, doors and provide all of the HVAC and electrical systems. Once that is complete, and we had divided in these areas to make sure we had enough FEMA funding because as you know FEMA does not provide you with what actual construction costs are so we had to go around that and do it in these

phase ways. The pre-construction is today, and that is scheduled to be complete by the end of March, that phase of the work. We are on board designing the build-out for the tenant itself with all of the offices and different maintenance areas of the facility and we are scheduled to have that ready to go into construction when they finish at the end of March and that will be completed probably before the end of that year so the hangar itself will be complete by the end of 2011. The only other thing is there is some FEMA money for those remaining buildings that have not been addressed yet.

MR. CAPO:

That money is going to be used if need be for remainder of the build-out of 101.

MR. WILLIAMS:

You still have 103 that was designated just for 103.

CHAIRMAN SAIZAN:

Any questions from anybody?

MR. CAPO:

Building 101 was the subject of the litigation.

CHAIRMAN SAIZAN:

Please note that Ms. Baudy has joined us. (9:45 a.m.) Number 2, a report from Richard Lambert, Mr. Davis.

MR. DAVIS:

Alton Davis, architect with Richard C. Lambert Consultants. Currently, we finished the fire station, the Williams Taylor and the McDermott Hangars. We finished the construction documents on the Bastian-Mitchell. It has been out to bid now and the contractor is still holding that price which is really generous of him, it has been six months. It is my understanding from Susan McClure with FEMA that they have funded the project now for \$10,445,000. The total cost of the project is \$10,995,000. The shortfall is flood and wind insurance. That has been fully funded now; revised funding based on the bid documents. I talked to Paul Manifold of Ellis Construction yesterday. They are still willing to go with that bid after six months so that is something that is in your hands at this point: how do we find the money to complete that and get that project underway. The Wedell Hangars were also completed and sent out to bid. We received the bids, Bill called me about 1 ½ months ago. They have to hold their bid for 90 days. We put it in their specs that they had to hold it for 90 days for fear that FEMA would do the same thing. It would take them a while to refund it. They are currently reversioning that to accommodate \$11.4 million. I think there will be some flood and wind money that will be taken out of that also. Whatever that is, they will reversion that because it is a full replacement. Those two are ready to go to construction. We are just waiting on the appropriate funding. The terminal building exterior, Lathan Company has been issued a punch list and a substantial completion certificate. They are currently working on the punch list. Paul from our office was out there yesterday to see if they had completed it. I have not seen him today, he was out all day today. My understanding is they should be complete with their work by the next 2-3 weeks so the terminal exterior will be complete with the exception of some electronics on the doors that are part of the interior package, card key readers that come in the interior package. The interior drawings are on schedule to be released in the middle of January for bid. Assuming we don't lose too much time around the holidays we should make that schedule.

CHAIRMAN SAIZAN:

They are scheduled to be bid?

MR. DAVIS:

Yes, we bid in January. We believe it is about a 7 month project. That does not mean we will get that done by the end of 2001. That is really a function of the funding, how that works and when we can release the contract. Ideally, the two hangar projects are about 11-12 month construction schedules for the two Wedells and the Bastian-Mitchell. The terminal interior is a little shorter so it bids a little later. It should all be wrapped up by the end of 2011 if the funding is in place.

CHAIRMAN SAIZAN:

On the interior, I have a question I have asked before but you want to bring it back to where it was in the 1930's.

MR. DAVIS:

I brought a picture. I went in the archives. I got these personally for myself when we started the project. I went in the archives and found from the PFC the old picture of the interior and that is the restoration that we are working on. Obviously, we can't get the exact light fixtures that would go. Those were art deco fixtures from the 30's but we have a manufacturer that can customize art deco fixtures. There are some things that won't be exact but not to the naked eye.

CHAIRMAN SAIZAN:

What about the murals, Mr. Davis, those are murals; right?

MR. DAVIS:

They are, there are six murals still remaining. We had a specialist, a woman named Elise Grenier, who is actually now in Italy restoring murals in Florence and Venice. She is one of the most renowned mural restorationists in the country. She actually came down and looked at them before we closed them up in air conditioned – right now they are currently in air conditioned boxes that are humidified so they can't be touched until the project is finished. She actually gave us a quote. For our benefit they were actually covered in rice paper before they put them behind the walls. That really saved a lot of damage to them. There are some that have some minimal damage but they are actually in very good shape. I think the total cost, and don't quote me on this – but it was less than \$100,000 to restore all of them.

CHAIRMAN SAIZAN:

Are you going to restore all of them?

MR. DAVIS:

Well, that is not part and parcel of our contract because FEMA does not pay for restoration of art work. We did get a budget price which was sent to Mr. Capo and Mr. Gillen a while back when we started the process. Elise went out there several times and documented, photographed and personally saw them and determined what she thought it would cost to restore them. I actually have that quote in a file. It is on record with the OLD. It was not a substantial amount of money considering it is a \$7 million dollar project or so we think. It is probably \$60,000-\$70,000 I think was the quote to restore the murals.

CHAIRMAN SAIZAN:

The murals are on the second level, are there any on the first level?

MR. DAVIS:

No, there are no murals on the first level. There was a mural we believe based on old photographs, there was at one time a mural in the café area. We have done a lot of looking behind walls and could not find that. I think that was destroyed years ago. There was one behind the band stage. At one point there was one behind the band stage in the walnut room but it was not really a historic mural. I think they took that out when they build the wet bar instead of the band stage so that has been gone for years. There are 6 of the original 8 and there is

a 7th one at the Cabildo that they tried to remove and inadvertently did a lot of damage to it. It is in pretty bad shape. I've seen pictures of it. I have not seen it personally but I have talked to the people at the Cabildo that have it. I think there was some discussion with Lou about bringing that back to the Airport but it is going to take a good deal of work.

CHAIRMAN SAIZAN:

I mentioned to you that Downtown restored the murals in the train terminal and the terminal is fully operational. I was talking to the woman is over the Saenger Theater renovation. They had a lot of murals there. That is part of our history in the City and we don't want to lose them.

MR. DAVIS:

The first thing we did before we started any work on the exterior or interior, and Randy will tell you this, we put money in originally for temporary protection and the first thing we did was to take all of the artifacts out of the interior and put them into a trailer and documented and catalogued all of the old doors, hardware, light sconces, elevator signs. Basically there is a lot of stuff in the elevator that we are going to be put back in the interior that was original. We did not want to lose it through the construction process. To save time, we completely encapsulated the murals, left the rice paper on and completely encapsulated the murals and put a humidification and air conditioning system in there so now you can't even get to them unless you unscrew dry wall and move the studs. They are really being protected, they have been protected throughout the exterior construction and they will remain in place through the interior construction.

CHAIRMAN SAIZAN:

One last question, the mural that was in the old meeting room; wasn't that mural behind the –

MR. DAVIS:

That is one of the original 6. There were only two or three that were exposed when OLD offices were opening there and the board room was there. They had covered three of them behind walls. The three that were exposed are encapsulated now also.

CHAIRMAN SAIZAN:

What happened to the portraits of the governors and former Levee Board presidents?

MR. DAVIS:

Those were taken down and those are in storage at the Franklin facility, the old ex Board presidents and the governors.

COMMISSIONER HEATON:

I think the framing was damaged on some of them, but I think the portraits are intact.

MR. DAVIS:

This is the picture of the building in 1934. If you have seen it today it actually looks pretty much like that. I think we did a good job of getting it with the exception of the porticos on the back of the building which were much more ornamental originally. It would have cost a lot of money to recreate that. Obviously, FEMA has capped this project. We were told by the historic people and preservation people of the state that if you were going to try to rebuild those porticos, don't try to rebuild them exactly. They would prefer you to keep the flavor but don't rebuild them exactly.

CHAIRMAN SAIZAN:

One suggestion, it might be good for us to have a brochure developed which talks about the murals and what was behind creating those particular murals. We did one downtown for marketing purposes.

MR. DAVIS:

I have a file that is full of historic information on the building and a lot of that is relative to the murals and Rickey Alvarez.

CHAIRMAN SAIZAN:

He did the work at the train terminals.

MR. DAVIS:

Javier Gonzales did the murals and Rickey Alvarez did the reliefs on the plaster, we are not sure of that, but we know he did the fountain. There is a beautiful motif that goes around the central area and he did all of that plaster work so we know he did some of the work. We know he did the fountain but we don't know if he did the stuff on the exterior. It is not documented but we think he did. We have great history on that. Also there is a recommendation that Lou and I have talked about. The interior has a great deal of lease space, not substantial because it is not that big a building but there is a good deal of lease space. We would recommend that as soon as we go out to bid we put together some marketing plans to see if we can get tenants interested while we are under construction because it would be ideal to build out tenant spaces at the same time. Doing drawings for tenant space is just interior drawings, it is not as complicated. We already have the infrastructure in place so we thought we would help put some marketing plans together as a service to OLD and hopefully get some tenants on board while we are under construction.

CHAIRMAN SAIZAN:

That is a great idea. Any questions Ms. Heaton?

COMMISSIONER HEATON:

I won't beleaguer the point but I think it is fantastic that we are having this dialogue and discussion about the history and preserving. I wanted to say that when this Airport reopens I think it is going to be very symbolic of the rebirth after Katrina and I don't want to lose that message. What I would like to see happen if the Chair and the Board agrees is maybe you could have an ad-hoc committee that could come back with a white paper on some ideas and some brainstorming. My question to you is: you gave a guesstimate on restoration of the murals for about \$100,000, what would be a guesstimate on the time frame to do that?

MR. DAVIS:

I don't think is a lengthy process to be honest. I can get more information from Elise. We are in contact and I send her pictures and tell her how we are doing. She can give me a schedule, she is very knowledgeable. I didn't seem to me that there was a whole lot of damage. If you are restoring 1934 murals and it is only \$60,000 to restore six of them I can believe there is a lot of work involved.

COMMISSIONER HEATON:

The reason for that question is two fold but specifically I envision when the airport opens and the interior is finished that is a great story to tell and a great marketing tool that we are back. I think it would help the Airport and maybe there is a way to coordinate that to where it could be done in phases. I just think you have so much history about it that you have done and we appreciate it.

MR. DAVIS:

Maybe if we could form an informal committee to look at this and report back to the Airport and your committee can report back to the board. I think we would need to start now if we are going to get any kind of underwriters or reach out to the community.

CHAIRMAN SAIZAN:

I think you are right and I think that is an excellent idea to work on that.

MR. DAVIS:

It should be noted that the Foundation for Historical Louisiana, Carolyn Bennett, is a very active in trying to save this building. They have been down here with a tour. We actually took about 100 or so people through on a tour of this building when we first started the process. At that time, you could not see a lot of the interior because the demolition had not been done yet although a lot of this was visible, some of it was behind walls including the murals at that point. They are very interested and the PRC has contacted me three times about trying to have fund raisers here. Obviously, it is not the time or place right now but there is a wealth of people. I have talked to Dottie Shushan who is Abe Shushan's daughter and all of the players are still interested.

CHAIRMAN SAIZAN:

Why don't we try to convene the players, I would like to be involved with that too. The rebirth of the Airport and the Marinas which we will talk about next meeting is significant not only for the Non-Flood Assets District but for the city and New Orleans East in particular. I think that there is a lot of use from the upper part of New Orleans East of the Marina. I know of three or four guys that had boats there. There was a lot of use of the Walnut Room. There were a lot of people coming when we had Bally's from New Orleans East and from Gentilly so from that perspective I am thinking beyond the Non-Flood Asset District it is great to bring it back but to help that part of the City would be very important.

MR. DAVIS:

It really is a gateway to the City and with corporate travel a lot of them I have been told and Randy probably knows more about this than me but a lot of the corporate people that deal with New Orleans International Airport would prefer to be here but we don't have the hangar space because it is harder to get in and out of that one than it is here.

CHAIRMAN SAIZAN:

And the commute from the Airport to Downtown, I have worked with them over the past and it is dicey a lot of times. With the improvements on Downman Road it is an easier commute to downtown.

COMMISSIONER HOFFMAN:

I will get your contact information and we will coordinate that. We could do this through e-mail to put something together.

MR. DAVIS:

I probably have everything you need it is just a matter of getting it to you.

COMMISSIONER HEATON:

It would be an informal setting but I would like to brainstorm with you and then put something together and we could have a meeting.

MR. DAVIS:

Sounds wonderful.

MR. CAPO:

One thing Mr. Davis mentioned it went out to bid in mid-January and we need to start looking at a funding source to fund these betterments. FEMA is only going to pick up the repair costs. The additional cost of removing that center portion where the old Board room was formerly located, those are all betterments. The lighting, that is all betterments. We need to come up with a funding source.

CHAIRMAN SAIZAN:

I have an idea about that and I will tell you about not in the meeting.

MR. DAVIS:

As I said before, I am still working with FEMA putting together a package that is going to increase the funding substantially more. They are going to give us more money, they have already agreed to this verbally. It is not written but there are some things that they did not have in the final version that are now going to be included, including the sprinkler systems which are expensive. That package will go out probably this week or next to FEMA which will increase the funding somewhat. Second to that, the tenant spaces upstairs which are part of the repair costs which are going to be capped; once they cap it there is no reason to build those tenant spaces out except as vanilla space until we have a tenant on board because it would be pointless to build walls or anything and them coming in and rip it back out. Obviously, we can't rebuild it the way it was because there were no windows in the building at the time. A lot of the walls were directly where the windows are now. That will save us some money in the construction costs of not having to build those out until we have tenants on board. I would think having been involved with corporate interiors in New York for years; you can advertise the build out costs through the tenant's lease so that it becomes a different cost subsequent to the repair so you can save some money on that.

CHAIRMAN SAIZAN:

One last question and I have asked this before and I don't remember the answer; the phone booth that was downstairs –

MR. DAVIS:

All three, there is two of them still there and one of them got destroyed. We think someone actually took it apart and took it out because they didn't destroy the other two so we think someone has it in their house now. In any case, we are going to restore two and rebuild the third one to match.

CHAIRMAN SAIZAN:

Next, under New Business --

COMMISSIONER HOFFMAN:

One issue of Old Business; at the last meeting we authorized a survey for the runway to determine the actual length of the runway. Can we get an update on that? Has that been done and what is the actual length?

MR. TAYLOR:

In talking to our program manager, Andy Velayos, they want to do a survey of the entire Airport so to spend \$4,500 now on one runway does not make any sense. The main reason is the time delay to get that contract on board and to get that survey done. We have got almost everything else for the master plan ready to go and we are just going to continue on until we have a full blown newer survey. We won't use that \$4,500.

COMMISSIONER HOFFMAN:

Do we know when we are going to have the full blown survey; is that something that has been scheduled?

MR. TAYLOR:

No sir, it would probably in the coming year. We had three prospects that have tentatively been funded and it looks like they are out to bid. That is to seal the runway, put the rejuvenate and then paint it and crack fill. We have a study for our bird control and a couple of small projects. They are doing a GPS and they want to put everything so that they can lock it on a GPS and print that airport out exactly where it is.

CHAIRMAN SAIZAN:

Can we move on to New Business, that status and update on policies and procedures using DBE vendors; we talked about that in the last meeting.

MR. CAPO:

At the last meeting we were asked what policies we had in place for DBE participation and Ms. Marchand was not able to be here today, her husband is not well. What I have found was the 1993 Resolution dealing with DBE participation. Since then it has changed and we took out the Board of Commissioners and Orleans Levee District and inserted the Non-Flood Protection of this Authority. This is what they used back then. I have added additional language or strengthening or modification to the former Board Resolution.

CHAIRMAN SAIZAN:

Can we take a look at it at the next meeting?

MR. CAPO:

Absolutely.

COMMISSIONER HOFFMAN:

Just a couple of comments; between now and the next meeting I think it would be beneficial if we had some idea of what has been the actual percentage over contracts that we have let in the past year. Also, how does this percentage compare to what other public entities are doing. In other words, I'm, not sure where this 16% comes from so we need to come up with a recommendation based on something. Should it be 10% or should it be 30% or something higher?

CHAIRMAN SAIZAN:

I can tell you Armstrong is 35% and it is protected by the FAA. I think that if we have a strong policy on local and DBE participate it is going to strengthen our hand with FAA on asking for special consideration for things for this Airport. We are going to need that to move forward to do things that we are not going to get FEMA funding to do because of the fact that the building and the Airport itself is almost 100 years old and the history of it being a very significant facility when it began operation in 1933, because it was.

COMMISSIONER HOFFMAN:

The other comment I would look into is the way the Resolution is drafted now the Authority would maintain a list of DBE certified firms and it seems like with all of the resources in the city that there are other entities that are maintaining those lists and can't we utilize those lists so we don't have to allocate our limited resources to maintain that list. If we could look into that, whether it is the city's or somewhere else.

CHAIRMAN SAIZAN:

We could look into the cities.

MR. DAVIS:

We look at these all of the time and they say go according to the list from the Sewerage and Water Board or the International Airport.

CHAIRMAN SAIZAN:

And we can also use LADOTD's list.

MR. CAPO:

In our agency, Ms. Marchand is the one that maintains that list. She does also certifying potential DBEs.

CHAIRMAN SAIZAN:
Any more comments?

COMMISSIONER BAUDY:
In her job description, since I am the one that asked for it and what I am reading so far I like. I do want to look at it a little bit more especially since you made that comment. If it has been in there it seems – I listened to her the first time I asked about it and she had some questions so is she having some problem in managing it, in managing her job?

MR. CAPO:
Not that I am aware of. I think there may be a communication issue she was referring to. For example, we go out for goods and services. It may not always be communicated to Ms. Marchand so she can inform the DBE's. I think it is more of a communication issue than it is in her performing her job.

COMMISSIONER BAUDY:
Because as you stated you use 30%.

MR. DAVIS:
Yes, all of our mechanical engineers and our plumbers are DBE's where they get, it varies from 27%-35%, somewhere in that range but they get 30% of the fees. The mandatory is 16% but we are used to doing that with the City. We do some of the Airport jobs in northern Louisiana and there are no DBE requirements. Louis Armstrong has a much substantial higher number. Nina has been in our office and we have talked about it.

CHAIRMAN SAIZAN:
We are at the point now where we are going to have Public Comments or do you want to go into Executive Session?

MR. CAPO:
Mr. Brayton Matthews of Flightline wants to speak on the Bastian-Mitchell Hangars.

MR. MATTHEWS:
Good morning, Mr. Brayton Matthews of Flightline. First, Jimmy Robinson sends his regrets, he can't make it today. On the Bastain-Mitchell Hangars the current location that they are slated to be built will put Flightline out of business because we don't have any ramp space with those hangars built there. If that hangar were to be positioned to the east of our ramp, over where the grassy area is it would make a whole lot more sense for us to be there. Mr. Robinson has stated and pretty well committed that he does not care to lease that hangar with that degree of office space with it build where it is located at. It would make it very difficult for another FBO to come in and use it because we own the ramp space in front of it. I certainly would ask that everyone, and I know how he feels about it, we are friends, if we could think this thing out to where that hangar is going to be located so that it will best compliment the existing historic hangar that we are in and not derogate any of the current ramp space that is in that area. I just again ask the Board to give it some thought and consideration to that down the line.

MR. DAVIS:
First of all, I am not quite sure of why it would affect your ramp space. Actually, the way it is configured now it is actually being rotated 90 degrees so the doors are in the front of the facility now and not on the side facing your hangar. In fact, I think it gives you more ramp space. In any case, the way we positioned the hangar now it actually accommodates more ramp space for the Airport because it faces the taxiway now. It used to be a perpendicular taxiway and had entrances on two sides. Now that we have rotated it we have actually allowed more of that ramp space in front of the hangar and I believe actually more ramp space for the

Williams-Taylor or at least the same. It is part of the requirements by FEMA for us to be able to combine the hangars and to rotate them was that a substantial percentage of it remain on the existing footprint. They would not have allowed it had we not done that. I would say over 70% of it is on the existing footprint.

CHAIRMAN SAIZAN:

Have you talked to this gentleman before about this?

MR. DAVIS:

We have. Jimmy has seen my plans.

CHAIRMAN SAIZAN:

In the spirit of compromise, can you all see if you can work together between now and the next meeting?

MR. DAVIS:

I will say this; there is an issue about the office space which FEMA has – we went through 2½ years on this thing trying to get the money where it needed to be to really replace what was there before. Their office space was there before. If we don't build it again then FEMA caps it as an improved project and we lose money so we are really doing what is in the best interest of the Airport.

MR. MATTHEWS:

We will do a diagram of how we feel that the current plan will impact us and how we feel it ought to be put and we will let wiser and smarter people decide.

CHAIRMAN SAIZAN:

I would like you all to sit down and see if you could work this out seriously.

MR. MATTHEWS:

Both of us feel very passionately about this and it is very important for the people of Flightline and the Airport.

CHAIRMAN SAIZAN:

If you can do it in such a way Mr. Davis, that is going to actually help them that would be great; even if it is a new design, something that might work for you.

MR. DAVIS:

I don't know how we would redesign it at this point because we did it. We have been compensated on our design services twice now because once we designed it differently because the veson was not an issue when we first started the process. They came back and made us redesign it again so they have actually paid us twice to design it. I doubt that FEMA is going to pay us again to redesign it. The question is if we could come to something like that we are still going to have to figure out some kind of route to pay for this thing.

COMMISSIONER HOFFMAN:

It would be beneficial and maybe we already have this information; just seeing the total footprint with the plane paths so we can see the traffic pattern so we can understand better. That would be helpful if we have that information available and if you can get it to Mr. Capo.

CHAIRMAN SAIZAN:

I was going to ask if you all had a recommendation, Mr. Taylor, Mr. Capo?

MR. TAYLOR:

This was extensively studied with all of us. It is not like we just started this today just so you are not surprised. This is an ongoing event. Mr. Robinson does not want any office space. That is the bottom line. He talks about building two steel boxes, this is a single hangar that will accommodate up to 3 to 5 aircrafts. It currently cannot accommodate anything bigger than a Challenger and they need

the space. It is a big office space. It is like 11,000 feet. I think Billion Air had like 25,000 in one building.

MR. MATTHEWS:

And it is totally empty, Randy.

MR. TAYLOR:

No, it wasn't. It was completely full.

MR. DAVIS:

One of the things that we did when we took these projects on was to try and create a campus setting. Understand that the Bastian and Mitchell hangars were beautiful old – not deco but what appeared to be a glazed tile and they had gorgeous woodwork much like the National Guard Hangar although that was a little later. The Wedell Hangar is the same way. We obviously didn't go back to build brick hangars. It was kind of disconnect with the hangars because they were all beautiful, they were not designed at the same time. What we did in our designs now you will see they all related back to the terminal. They are all the same material with the exception of the pre-cast as opposed to applied, but they are all the same materials, same aluminum where there is aluminum awning. It is a campus setting. If you see it as it develops with the exception of the new hangar that was built without OLD's control privately, the Odyssey, all of the other hangars will all tie back to the terminal building creating a real campus setting, a real beautiful master Airport. That was our goal all along. I think we have been wrongly accused of creating a Taj Mahal but understand we worked our rear off to get FEMA to fund it this way, to make it an attractive hangar not a metal box as has been proposed by Flightline. He said he would build a metal box. If the Airport wants a metal box, anybody can build a metal box but that is not what we were told to do. I think we have done what is in the best interest of the Airport.

CHAIRMAN SAIZAN:

Any comments from anybody else?

MR. MATTHEWS:

Whatever you guys build, it has to be cost effective. Nobody wants to pay a lot of money to put their airplane in a hangar. We believe that what is being built in Airports around the country that we are looking at today if we were to call them metal boxes as opposed to a Taj Mahal type hangars that airplanes can go into. I will provide some drawings and some thoughts. We will arm wrestle in private.

COMMISSIONER HEATON:

There is a reality, based on a reality called FEMA, and I'm not clear and we don't have time today because I know there is a meeting right after this but I am not clear as to what you are doing that FEMA is requiring versus what they are wanting and I think I get most of it but if that could be clarified for us that would help.

MR. DAVIS:

In a nutshell, when we went to FEMA for a full replacement, originally they only were funding about \$200,000 on that hangar, it is now \$11 million. It might have been \$500,000. Anyway, it was not a full replacement. We got them to agree that the structure was wrecked and therefore we were going to replace the whole building. Then we had to go individually go and reproduce drawings which we didn't have of the existing hangar so we had square footage calculations so we could match square footage to square footage, office to office, shop to shop, wing to wing. That is how it works. FEMA says okay, you are designing something that in fact matches what you had before with the exception of ADA upgrades and certain requirements because they had exterior stairs. There are certain things that they allow you additional square footage for up to 10%. We did all that work and the design we came up with the agreed to. They said this is

apples to apples. If you go back and design something less than that, FEMA then caps the project and gives you only 75% of that project.

COMMISSIONER HEATON:
That is a financial reality.

CHAIRMAN SAIZAN:
You need to do it that way. Anything else?

MR. CAPO:
I have one more public comment. Mr. Thomas Flanagan, he is with Flanagan Partners and he wants to speak on AeroPremier Jets.

MR. FLANAGAN:
Mr. Chairman and Commissioners my name is Thomas Flanagan and I am an attorney for AeroPremier Jet Center which is a post Katrina FBO at Lakefront Airport. I find myself in an awkward position arriving to defend a settlement agreement that until the last minute with mediation I didn't think my clients were accepting. AeroPremier sued the OLD for breach of contract regarding the repair of the National Guard Hangar. Our chief investor, Advantage Capital, filed a separate claim and actually intervened in our case and sued for \$1.5 million. The litigation was very contentious and, for those of you who are lawyers, involved a full pathway of discovery devices, document request, written discovery, depositions and we both had expert witnesses. The OLD had Harvey Sharp, CPA and respected accountant. We had Harold Asher, CPA and forensic accountant. They disagree substantially. One says the right to damages is between \$0-\$200,000, the other one says it is about \$2 ½ million dollars. Ultimately, the law was not disputing because we went to the court and we got a partial summary judgment declaring the OLD liable for breach of contract. At that point, it was just a matter of numbers. And the numbers would be whatever the judge decided. It would be a judge trial with Piper Griffen. We had incurred well over six figures of expenses. It was all rent credits and the rent credits could only be doled out year by year over a period of five years of course with the OLD getting the time value of money. It was a hard fought case with Mr. Metzger and Mr. Curtis fighting us every step of the way. No one did us any favors and we were recovered less than 50% of what our CPA said that our damages were. I know this body and the larger body of which this is a subset has heard different stories about the litigation. This comes from competitors and competitors typically like to increase the costs of their other competitors, that is the history of free enterprise. No one did us any favors, it was a hard fought case and an arms length settlement. If there are any questions, I will be happy to answer them.

MR. CAPO:
Mr. Chairman, the next item on the Agenda is Executive Session and I need a motion, a second and a roll call vote to go into Executive Session.

COMMISSIONER HOFFMAN:
So moved.

CHAIRMAN SAIZAN:
Second.

MR. CAPO:
Let's take a roll call, Chairman Saizan.

CHAIRMAN SAIZAN:
Yes.

COMMISSIONER HEATON:
Yes.

COMMISSIONER BAUDY:

Yes.

COMMISSIONER HOFFMAN:

Yes.

MR. CAPO:

We can now proceed into Executive Session.

CHAIRMAN SAIZAN:

We are out of Executive Session, just discussion no votes were taken. Can I have a motion to adjourn.

COMMISSIONER HOFFMAN:

I so move.

COMMISSIONER BAUDY:

Second.

CHAIRMAN SAIZAN:

That is it, the committee is adjourned for the day and thank you for coming. The next committee meeting is on January 11, 2011 at 9:30 a.m., in deference to the first week of the year being a tough one for a lot of the people getting back from the holidays. The meeting adjourned at 10:48 a.m.