

NON-FLOOD PROTECTION ASSET MANAGEMENT AUTHORITY
MINUTES OF THE AIRPORT COMMITTEE MEETING
MARCH 1, 2011 – 9:30 A.M.

The regular monthly meeting of the Airport Committee of the Non-Flood Protection Asset Management Authority was held on Tuesday, March 1, 2011 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 9:40 a.m. and led in the Pledge of Allegiance.

The roll was called which did not constitute a quorum so the meeting became informational only.

PRESENT:

Chairman Darrel Saizan
Commissioner Wilma Heaton

FURTHERMORE PRESENT:

Commissioner Stanley Brien

ABSENT:

Commissioner Romona Theresa Baudy
Commissioner William Hoffman

STAFF:

Louis Capo, Executive Director
Vincent Caire, Non-Flood
Sharon Martiny, Non-Flood
Nina Marchand, Non-Flood

ALSO PRESENT:

Albert Pappalardo
Alton Ochsner Davis
Guy Williams
Andy Herman
Gerard Metzger
Brayton Matthews

APPROVAL OF AGENDA

Due to lack of a quorum, the Agenda was not adopted as this was an informational meeting only.

APPROVAL OF PRIOR MINUTES

Due to lack of a quorum, the minutes of the February 1, 2011 meeting were not adopted. Minutes of the February 1, 2011 Airport Committee meeting will be presented at the April 5, 2011 meeting for approval.

Mr. Capo advised that Mr. Taylor is out sick this morning and Mr. Pruitt is dealing with issues on the Airport regarding cranes erected to do pile driving. Mr. Pruitt advised of cracking that is starting to appear on one of the ceilings in the Moffett (Odyssey) Hangar. This needs to be brought to the Corps' attention to see if it is associated with the ongoing pile driving. Mr. Capo is working with Bob Turner and Gerry Gillen on this issue and is waiting for an e-mail from Fred Pruitt advising of the situation. Mr. Capo will then forward that e-mail to Mr. Turner and Mr. Gillen and copy Commissioner Heaton.

Mr. Capo advised that Chairman Lupo will not be attending today's meeting.

PRESENTATIONS

2) Report on Airport Terminal Interior – Alton Davis

Mr. Alton Davis with Richard C. Lambert Consultants informed that the Terminal interior project is scheduled to be bid in three weeks. Everything is going according to plan. We obtained the two waivers from the Fire Marshall which were previously discussed. These waivers helped due to the fact that the Terminal Building functions as an administration building, but it is also the Terminal Building, so the code required additional fire protection devices. Given that we were grandfathered we were able to get a waiver on the fire protection devices which cut costs. We submitted additional items to FEMA for additional costs that we think should be captured in the project worksheet prior to it being capped for this improved project. The total was approximately \$600,000 which was submitted to FEMA.

Commissioner Heaton referred to the safety issues and questioned if Mr. Davis is comfortable with where they stand. Mr. Davis advised that the building is going to be fully sprinkled. There is an NFPA flier for 415s with terminals. Prior to Katrina, this was actually an administration building, not a terminal. We have to address the issue that it may be a terminal in the future. There is an issue with future embarkation and disembarkation of passengers because we have a good deal of windows that are hurricane rated, albeit they are not fire glass because they are too big to be fire glass. Normally, if we were over the threshold on some of the code limits we would have had to put fire coatings on the windows or a deluge system across the entire back of the building and limit aircraft to no lower than 100 feet but the Fire Marshall has given us a waiver which allows us to park planes within that 100 feet as long as fueling is restricted in that area. That saved us a good deal of money as the sprinkler system was \$380,000 but could have gone up to \$700,000. It would also have taken away from the back of the building and destroyed the look.

Chairman Saizan inquired as to the best case scenario for completion of the Airport Terminal interior. Mr. Davis informed that when the specs are written a realistic schedule can be requested. Originally, it was on an 8 month schedule but it may go to a 6-7 month schedule because it is feasible and we think it is reasonable. The major work is going to be mechanical because presently there is no mechanical system in the building. The HVAC, the generator and kitchen equipment are items that require major work. Finish work, although labor intensive, is not something that you can drag out. We will put 6 months in the front end of the documents and let the contractors respond to us. We will get RFIs saying that we really have to meet that schedule. We can issue an addendum at that point and give them 7 or 8 months. We will go with the more aggressive schedule. We will bid in March, receive bids in April and it will take a month, assuming the funds are in place. It will take another month to stake up and begin construction. By June we should be in progress with a January, 2012 delivery date. This could slip to March or April depending on the bid process, funding and what the contractors say about that tight schedule. The best case scenario is January; the worst case scenario is March or April.

Chairman Saizan commented this makes the numbers Mr. Davis provided important because the resurfacing issue needs to be resolved. Mr. Davis recommended resurfacing. There have been discussions with the architect that did the investigation as a repair and they will know the condition of the actual sculpture. Mr. Capo advised that a Capital Outlay request was submitted on the parking lot paving last October or November which DEI was handling. Chairman Saizan informed that Senator Morrell is pushing for this issue and we need to get the resurfacing done as quickly as possible.

Chairman Saizan questioned if the murals are still in the Airport interior. Mr. Davis informed that 6 of the 8 murals are still there and they are protected. Elise Grenier, Art Conservative and Restoration Professional, came out after Katrina and looked at the murals that were exposed and came back once we opened the walls. She assessed the damage and gave an estimate of less than \$100,000.

Chairman Saizan asked if there were any sculptures. Mr. Davis informed that the only sculpture is the Enrique Alferez copper freize. Mr. Davis went on to state that the public areas of the building will look like they did in 1934.

Chairman Saizan questioned if ADA requirements regarding handicapped restrooms and infant sections were adhered to. Mr. Davis informed that the west wing, the Walnut Room side, are ANSI approved but are not ADA compliant. There are grab-ons but no wheelchair transfers. Two new restrooms being built by the east side will be ADA compliant.

Chairman Saizan questioned if the elevators in the airport will be kept. Mr. Davis stated that we are trying to keep the original 1929 elevator from OTIS that was in the building. The ornate cage will probably be removed but the width and the depth seem to be compliant with ADA. We are in discussion with the Fire Marshall because it can be very hard to put a new elevator in but we may get away with the old one. The controls were updated in the 60s but we will again update the controls and keep the old brass fittings and try to have it look like it did.

Chairman Saizan next questioned the telephone booths. Mr. Davis advised that two of them will be restored and a third is being rebuilt. Two are in existence; one of them disappeared after the storm. Two are in good enough condition to be restored and there is enough built in to rebuild a third so we will have three telephone booths like we did originally.

1. Update on National Guard Complex – Guy Williams

Guy Williams with ECM Architects advised that construction of Phase 2 of the National Guard Complex is moving along and Phase 3 is in the design phase. We are still going to work everything to finish the next phase by the end of this year. There were issues with the sprinkler system which will be shifted into the next phase so not to delay the job and offset the change order. The next phase will be delayed but should be finished by the end of this month at which time we will go to zone planning and they will do the bidding process. The ongoing phase will be finished in mid June. The next phase will start after that and should not be any more than 5 months.

Mr. Capo stated that it is important to stay on track and get these items out to bid construction because this is the Aero Premier space.

2. Master Plan – Andy Herman

Mr. Andy Herman from URS discussed the Master Plan process and advised of the steps and scope that complete the Master Plan for the Lakefront. The first step was an inventory where information was collected regarding facilities on the Airport and their condition. Mr. Capo advised this is an FAA contract. Division of Administration was the management in charge of the Non-Flood Assets at that time. This process began in February of 2009.

Mr. Herman informed that once inventory is complete, the next step is the forecast. The FAA has to approve the forecast and the final Airport Layout Plan. The forecast needs approval because information is taken from every airport master plan and put into their overall system to find out what kind of an impact it is going to have nationally. The FAA reviews locally and there is a policy stating

if a local forecast exceeds FAA terminal area forecast by more than 10% it has to go up the chain of command to get approval because anything above 10% can have an impact nationally.

Mr. Herman stated that Lakefront Airport was a unique situation because of damage sustained with Katrina, the amount of traffic and aircraft that were lost. When we started the forecast there were approximately 95 aircraft on the Airport which rose to 116. Normally, FAA requires anything more than 130 based aircraft over the next 20 years to go to Washington for approval. Because of the effect of Katrina, the loss of aircraft and the damage to the Airport the FAA agreed to our forecast projecting 224 based aircraft over the next 20 years. We take the forecast information and look at the existing facilities to do a Demand Capacity Analysis which are facilities on the Airport, capacity of those facilities, what may be lacking or where you have excess facilities. Due to the effects of Katrina, many facilities were either destroyed, damaged or unusable. They are slowly coming back on line. A Demand Capacity Analysis was completed. Based on the Demand Capacity Analysis, we come up with Facility Requirements which are intended to meet demands at the Airport over the next 20 years. Facility Requirements is then generated for Recommended Alternatives. That information is taken which generates a Noise Analysis. Noise Analysis is projecting noise contours for 5 years and 20 years in the future. Once completed input is obtained from the Airport, the interested parties make any revisions needed for the recommended plan and the final plan is developed. A cost estimate for the proposed facility development is obtained. When all steps are complete, it is submitted to the Airport for approval and to the FAA for the approved Airport Layout Plan. FAA approval is required because anything on the Airport Layout Plan the FAA accepts, unless a disclaimer is put in place, is eligible for federal funding. Once completed, you are eligible for funding on new developments on the Airport.

There is also new aerial photography of the Airport. Currently, the FAA has gone to Electronic Airport Layout Plans. In the future there will be a paper ALP but all data will be in a Jet F format stored on servers which will generate a paper ALP. With Electronic Airport Layout Plans there is a time delay because imagery is incredibly detailed. Each step has to be submitted and approved for the National Geographic survey which takes approximately 6 months from the start until you have workable layout information drawings. The FAA states that by 2018 every airport in the country will have Electronic Airport Layout Plans. This is a significant expense for general aviation airports, approximately \$200,000.

There is new aerial photography which is the basis for the Airport Layout Plan. The next phase is to get information on the base aircrafts. We looked at historical based aircraft and socioeconomic data. We have also contacted University of New Orleans to obtain more relevant local data. We come up with a forecast based on the socioeconomic data collected and we identified 224 based aircraft at Lakefront Airport by 2028. It will be more than pre Katrina. Country wide airports have experienced a significant decline in the number of based aircrafts as the aircraft fleet is old and there are accidents or people lose interest because of the cost of fuel, so you don't see people pleasure flying. Over the last 5-7 years corporate business traffic has increased. The cost of new single engine airplane is approximately \$150,000. In 1975 you could buy a Piper Cherokee for \$16,000.

Chairman Saizan questioned the cost of a small aircraft. Mr. Herman informed of a new aircraft called very light jets (VLJ). This was an airplane that small businesses could afford to purchase but the market is strained. There was also the issue of environmental consideration. The intent was you could fly into any airport that had a 5,000 foot runway. This was more convenient for businesses but moving into smaller communities there is local concern and a lot of uproar because of traffic in the local community.

The forecast, which is a 75-100 page document, was submitted to Andy Velayos. Mr. Velayos accepted the forecast for the Lakefront Airport. Mr. Herman advised that this is in writing and a copy will be forwarded to Mr. Capo.

Chairman Saizan stated that the Board needs to understand the Master Plan before it is brought to the community because we are now in charge of the Airport and it needs to be represented in the correct way. It works in favor of Lakefront Airport because people in New Orleans East and Gentilly are looking for activity to generate jobs. We need to show the public that the Airport and the Walnut Room are coming back which are assets to them along with our great FBOs at the Airport.

Mr. Herman referred to the operations, which is taking information on the number and types of operations anticipated 20 years out. This is done in 5 year increments. The FAA has a short frame - 0-5 years; intermediate frame - 10 years; and long frame - 10-20 years regarding the Master Plan. Anything beyond 5 years is a scientific guess. The intent is to be focused on the short range. A Master Plan Update is utilized because as circumstances change, things that might have been appropriate 10 years ago may not be appropriate 5 years from now. The Master Plan is rearranged or adjusted to accommodate the current situation.

Next is the breakdown of the general aviation operations. Itinerant operation is an airplane that is either going from Lakefront to another airport typically around 30 miles or farther away or another airplane that is coming in from say Albuquerque flying in to the Lakefront. Local operations are considered practice or training operations that are typically 15-30 miles from the Airport.

Mr. Capo reported that in the 80s and early 90s there were over 100,000 operations. Currently there are approximately 60,000 operations per year. Mr. Herman advised that by 2028, 90,000 operations are projected.

Mr. Herman advised that the Airport has plenty of capacity, even if you went up to 200,000 operations. The actual annual service line, which FAA classifies the capacity here, is probably around 250,000. FAA guidelines state that when you are at 60% of capacity you are planning for a new facility. When you hit 80% you should have planning in place to construct a new facility so it can come on line to accommodate the demand. Currently, Lakefront Airport is at 40% capacity.

Chairman Saizan questioned if there were any other terminals like Lakefront Airport that exist in the country because it is unique. That is why we are bringing it back with great care to preserve its unique characteristics. Mr. Davis advised that there is Hobby and LaGuardia. Mr. Caire added there are actually five that have been restored and are in the process of being restored. Back in the 30s they built close to 300 of these buildings and they were all demolished in the 50s with the initial jet runway expansions.

Mr. Herman next addressed the summary of the facility requirements. At Lakefront Airport the facilities that were damaged or destroyed during Katrina are being reconstructed or rebuilt which is an ongoing process. There is not a tremendous amount of new construction proposed. There is ample parking for the existing demand and for what is foreseen in the forecast. The Airport Layout Plan's proposed primary facility is a new parallel taxiway for the runway and upgrades to the other facilities on the Airport. Much of the pavement at the Airport is in very poor shape and that will take a lot of work over the next 10 years to repair. There were two Wedell hangars that were going to be replaced but that was cut back to one.

Mr. Herman informed that the proposed facility was adjusted to identify the one that is going to be pulled and we left space for the new one. The new facility is identified on the apron where the concrete area is behind the Wedell Hangars and is approximately 8 feet higher than where the Wedell hangars are. This will have less of an impact if another event such as Katrina occurs. Mr. Herman next referred to the proposed Airport layout drawing which show the comparison with the previous map and the different time frame. There has been a tremendous amount of growth around the country in aviation. Previously, they were forecasting 345 based aircraft at the airport in 2015. We are at 224 now and there is no reason why it can't go above that. After Katrina, aircrafts moved to other airports because the facilities were not available at Lakefront Airport. Now you have to fight to get them back while those airports are fighting to keep them. Those airports are fighting to get your traffic or to get other aircraft from Lakefront Airport to move over there. There is an advantage because Lakefront Airport has a different planning system. There are facilities that other airports don't have so Lakefront is more competitive. If somebody is coming in to New Orleans to attend a convention it is more convenient for them to fly into Lakefront because Lakefront has all of the facilities that they need, particularly the runway length.

Chairman Saizan commented that there is a competitive advantage as many people use this facility because it is so close to downtown. Downman Road is being rebuilt and they are talking about upgrading the High Rise because there is too much traffic the way it is designed. Also, there is a study in progress with the Real Estate Counselors regarding the Marina which may be helpful to the Airport.

We are factoring that in because there are places that have small airports next to a marina around the country.

Mr. Herman referred to the comparison between the previous Master Plan and what the updated Master Plan is projecting. The previous Master Plan shows an extension to the runway of 18 right, 36 left. We are not showing extensions to the runway. The previous Master Plan had a unique terminal building that was going to be constructed for charter operations but we are not proposing a new terminal building. We are basically using your existing facility. The current Master Plan is taking what is there, maintaining, updating and approving it to accommodate the future. The next step is an open house to provide information to the local community regarding what is proposed at the Airport and what is projected at the airport as far as the number of based aircrafts and operations.

Chairman Saizan questioned the time frame for the open house. Mr. Herman informed that it is based on the process of developing the Master Plan. When the inventory and forecast is sent, Mr. Herman will send an analysis and the facility requirements so a determination can be made. Mr. Herman stated that the FAA is anxious to get the project completed.

Mr. Herman has provided examples of the exhibits to Mr. Capo for reference.

Mr. Capo questioned the finalized cost estimates provided by Mr. Herman. Mr. Herman advised that these are cost estimates for facility development of the parallel taxiways, improvements to the maintenance, upgrading the lighting and the high intensity runway lighting. This is a fairly detailed cost estimate.

PUBLIC COMMENTS

BRAYTON MATTHEWS - Flightline First

Mr. Matthews referred to discussions of cleaning up past issues and bills with Flightline First. Mr. Matthews requested a full accounting of all items due and stated the he was waiting on the insurance verification. As soon as the certificates of insurance are received and we are paying the proper amount for it then we are good to go. Mr. Robinson stated he was waiting on the declaration page, the actual policy and the cost.

Mr. Capo stated that a spreadsheet was provided to Mr. Matthews on each one of the properties broken down by Carol Kiefer in the Risk Department along with the factor that is applied to each one of those buildings.

Chairman Sazian requested Mr. Capo meet with the Finance Chair and discuss these issues.

ANNOUNCEMENT OF NEXT MEETING

The next Airport Committee meeting is scheduled for Tuesday, April 5, 2011 at 9:30 a.m.

The meeting adjourned at 10:37 a.m.