

NON-FLOOD PROTECTION ASSET MANAGEMENT AUTHORITY  
MINUTES OF THE AIRPORT COMMITTEE MEETING  
TUESDAY, OCTOBER 2, 2012 – 9:30 A.M.

The regular monthly meeting of the Airport Committee of the Non-Flood Protection Asset Management Authority was held on Tuesday, October 2, 2012 at 9:30 A.M., in the Lake Vista Community Center, 2<sup>nd</sup> 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 9:35 a.m. and led in the Pledge of Allegiance.

The roll was called which did not yet constitute a quorum.

**PRESENT:**

Chairman Darrel Saizan  
Commissioner William Hoffman

**ARRIVED:**

Commissioner Wilma Heaton  
Commissioner Pearl Cantrelle  
Commissioner Romona Baudy

**FURTHERMORE PRESENT:**

Authority Chairman Robert E. Smith Lupo

**STAFF:**

Louis Capo - Executive Director  
Sharon Martiny - Non-Flood  
Chuck Dixon - Marina Manager  
Dave Smith – Airport Operations Manager

**ALSO PRESENT:**

Charles Curtis – Legal Counsel  
Albert Pappalardo – Real Estate Consultant  
Alton Davis – Richard C. Lambert Consultants  
Chris Fenner – Stuart Consulting  
Steve Nelson – Stuart Consulting  
Alvin Meister

**OPENING COMMENTS**

Mr. Capo noted that a quorum was not present. Until a quorum is present, the meeting will be informational only.

**REPORT ON CURRENT AIRPORT ISSUES**

Mr. Dixon advised that fuel sales were down from last month and also from one year ago. Due to the convention traffic next month there will be no increase in fuel sales.

**APPROVAL OF AGENDA**

After a quorum was established, Commissioner Hoffman offered a motion to adopt the Agenda, seconded by Commissioner Baudy and unanimously adopted.

**APPROVAL OF PRIOR MINUTES**

After a quorum was established, Commissioner Cantrelle offered a motion to approve the minutes of the September 6, 2012 Airport Committee meeting, seconded by Commissioner Hoffman and unanimously adopted.

## **OLD BUSINESS**

### **1) Update on Airport Terminal Interior Restoration**

Alton Davis, Richard C. Lambert Consultants, advised that Belou-Magner is obligated to complete the Terminal Building by December 31, 2012 and is balking at making the Super Bowl. Belou-Magner has liquidated damages and is contractually obligated to meet the deadline. It is Mr. Davis' opinion that the schedule can be met. Longer work days or weekends could not be pushed on the contractor although if the contractor does not want to get liquidated damages, two shifts should be utilized to make the scheduled contract completion date. Commissioner Hoffman stated that the Authority does not have recourse other than liquidated damages of \$1,000 per day, which on the contract this size is not much of an incentive. There are no maximum liquidated damages as the contractor bid on \$1,000 per diem.

Mr. Davis noted the only damage the Terminal Building sustained was in the crawl space where work was required with a fresh air duct and piping that needed to be re-worked. There were pre-cast plaster castings that were lost which have to be re-ordered and re-cast. The contractor should not be entitled to more than seven days delay which was the period of the storm. Mr. Nelson added that the contractor is contractually allowed only seven days. It is hard to see the contractor being finished by the Super Bowl.

The Bastian-Mitchell Hangar completion date is December 5, 2012 and the contractor will likely be entitled to a slightly longer delay due to damage from the salt water to the steel and rust issues. The contractor is looking at tenting the entire structure and sandblasting the steel. The Bastian-Mitchell and James Wedell Hangar aprons will be available for aircraft parking for the Super Bowl. The Terminal Building and Bastian-Mitchell Hangar may make the schedule and be completed by the Super Bowl. Mr. Nelson noted that the Bastian-Mitchell apron space would be available, but it could potentially cost funding from the Non-Flood Authority.

The James Wedell Hangar completion date is February 7, 2013 and will have a 7 to 14 day delay due to the storm. It was known that this Hangar was not going to be fully completed by the Super Bowl, but the apron is needed and is in the works.

Chairman Saizan advised if the Terminal Building is not finished by February 3<sup>rd</sup> a plan should be made on how to make the Airport facilities as available as possible for use to the traveling public. Mr. Davis added that the most critical issue is to park aircraft. The apron space around the Bastian-Mitchell, James Wedell and airfield side of the Terminal Building must be available. Bastian-Mitchell took the brunt of the storm with most damage due to being open to the elements, salt water spray in the air and flood water that affected the steel. For liability issues the contractor brought in a metallurgist to determine the best course of action. The structural engineers and contractor cannot run the risk of any failures due to the salt water corrosion. Walton Construction is working diligently to make the schedule for the Bastian-Mitchell Hangar and have committed to the apron space. Walton is making a builder's risk claim due to delays with the saltwater and requested what the Authority's costs would be if the schedule is not met. Walton is willing to entertain on their builder's risk what the Authority would charge for rent on the hangar and additional costs for being on site two additional months beyond the schedule. Walton does not want to injure the Authority as they understand how critical the Super Bowl is.

Chairman Saizan noted for the record that Commissioner Baudy arrived making a quorum.

Chairman Saizan requested that a Plan B for the Airport be prepared and a report given at the November meeting. Most projects will be substantially

complete at Lakefront Airport and the public can be advised that Lakefront Airport is open to the traveling public and the hangars are open, but there are issues with the Terminal Building which has not yet been completed. If Lakefront Airport is operating as a commercial Airport during Super Bowl there should be no problem, but a Plan B is needed for the worst case scenario due to the hurricane and time frame.

## **2) Update on construction of the Bastian-Mitchell Hanger and James Wedell Hangar**

Commissioner Hoffman questioned how exposure to saltwater for less than 24 hours is creating damage with the steel. That issue sounds like a good argument, but some engineering support is needed. Mr. Nelson informed the Board that a metallurgist took samples from the site and a report is due this week. The concern with the Authority is being exposed to financial risk as FEMA cannot pick up the cost. Walton is pursuing Builder's risk for all issues related to this event. Commissioner Hoffman noted that many companies in the City were back to work on Thursday. It may be a fight with Belou Magner as far as getting the Terminal completed. Mr. Davis advised that the course of action is to remind Belou Magner of the contractually obligated completion date with the Terminal Building. The Bastian-Mitchell contractor noticed corrosion on all of the steel so work was stopped and a metallurgist was called as it is their liability also. There is not much visible damage, but the contractor has his liability.

Commissioner Hoffman suggested reviewing the report as far as the amount of damage caused as this must not become an excuse for delay. Mr. Capo advised of an e-mail from the metallurgist stating there would be a 3-4 week delay due to the analysis, assessment and lab tests on the water quality and the metallurgist investigation will provide a full comparable report.

Chairman Saizan noted for the record the arrival of Commissioner Heaton.

Chairman Saizan requested photographs showing what will be available on February 3<sup>rd</sup> which includes the ramp issue. There has to be a game plan in advance with two scenarios; one with the projects completed and one plan with the projects substantially complete. The Authority needs to be prepared to explain why the Terminal Building has taken a bit longer. Mr. Nelson noted that this has been brought up in every progress meeting to make sure the space is available. In the November meeting slides will be provided with Options A and B and a potential Option C. Chairman Saizan suggested a private meeting with the contractors, architects, engineers and Commissioner Hoffman to discuss with the contractors that this project is extremely important. If the Terminal Building is 90% complete by Super Bowl that shows progress.

Commissioner Scott questioned if damages could be sought for reimbursement of overtime or around-the-clock wages to get projects finished under the builder's risk policy. Mr. Davis informed that contractors make a claim against the insurance company and provide a number including factors such as delays and loss of income. The contractor can inform the builder's risk insurance company that triple shifts will make the schedule and eliminate a lawsuit which will cost less than a builder's risk claim. That is an option the contractor can explore after the full claim figured is out. Mr. Nelson informed that Walton's builder's risk insurance is not a standard builder's risk policy. The standard builder's risk often does not include flood. Walton is required to carry all risk builder's risk which is a much heavier umbrella.

Mr. Nelson informed there may be an opportunity at this point for a flood wall or barrier to stop water from coming onto the Airport property. A letter was sent requesting funding to cover costs on a temporary basis for a wall along the end of the Airport constructed of rock filled gabions and HESCO baskets. This is not a permanent solution but would work well on Lake Pontchartrain. The cost is approximately \$2½ million and will include gate valves on all drains that will be

closed to avoid backflow. The pumping station for marine water would essentially create a bowl and will require input from members of the Board. Chairman Saizan noted that the Authority should be ready to make Lakefront Airport part of the package including St. Tammany and St. John the Baptist Parishes getting resources to remediate the situation. The Authority should be part of that discussion for either the temporary or permanent fix. A point by point case documenting the events over the last 15-20 years should be presented regarding the Airport's federal investments and why the Airport should be protected from any type of surge.

Chairman Saizan noted for the record Commissioner Cantrelle's arrival.

Mr. Smith briefed the Board on a security conference last week at the Airport that included the FBI, New Orleans Police Department, Jefferson Parish Police Department, TSA, Levee Board Police and fire rescue. There was a consensus regarding all issues with everyone focusing on security. Two officers will be located at Stars & Stripes and Downman Road controlling access to Stars & Stripes and the Airport and there will be a block where the flyover comes off of Haynes on the east end. Airport, Marina and tower traffic will be allowed access, no other vehicles will be allowed on the Airport. DOTD will provide flashing signage placed in the area several days in advance to advise the public when the flyover will be closed. Limos and busses will be staged in the Bally's employee parking lot for the Super Bowl beginning the Saturday morning before the Super Bowl and ending Monday evening. When passengers are ready to go from or to the Airplane they will proceed to a fixed base operator. No vehicles will be permitted access to the Airport. Access to the Airport will be controlled and Stars & Stripes will be blocked to thru traffic. The Coast Guard will station a helicopter on the Airport and a boat will be requested for the east and west side of the Airport to control the water as the FBI's concern are people pulling up on a boat and walking onto the Airport. The boats would also serve as water rescue for any potential incidents that may occur. Medivac provisions will also be addressed and the fire rescue people are trained to immediately call an ambulance or helicopter.

Commissioner Saizan noted that Enterprise operates 15-20 vehicles out of the Airfield and may increase their presence due to anticipated demand for cars during the Super Bowl. Mr. Smith advised the cars are parked in the Enterprise parking area and no vehicles will be permitted on the airport operations area except fire rescue vehicles or Airport vehicles. The FBOs have overflow parking and any additional cars will be sent to the staging area until needed. Commissioner Heaton requested Enterprise be advised of the parking situation or they will be affected so there has to be parallel planning. Mr. Smith assured that Enterprise will be notified.

Mr. Capo advised that the overlay in the parking lot is being addressed with Commissioner Stack and Belou-Magner. Belou-Magner will be advised when DOTD's contractor will begin work. The FAA will meet on October 9<sup>th</sup> to update pilots and FBOs on new markings on the hot spots on the Airport.

### **NEW BUSINESS**

#### **1) Motion for recommendation of approval of the 1<sup>st</sup> amendment to the lease with Hawthorne New Orleans, LLC regarding the description of the leased premises**

Charles Curtis, legal counsel for the Authority and Mr. Meister representing Hawthorne will be addressing this issue. Mr. Curtis advised that this was a proposed first amendment with Hawthorne that reflected a change to the property description for the McDermott facility so that it properly describes the leased premises. It is also a correction to the property description of the National Guard Hangar as requested by the surveyor. Mr. Meister and I have spoken and we are in agreement conceptually as to the amendment to the lease.

Commissioner Heaton offered a motion to recommend approval of the first amendment to Hawthorne's lease, seconded by Commissioner Hoffman and unanimously adopted.

**2) Motion for recommendation to amend Richard C. Lambert Consultants, LLC's contract in the amount of \$3,996.04 for additional testing and monitoring for hazardous materials**

Alton Davis, Richard C. Lambert Consultants, advised that when a monitor was needed to monitor the removal of the hazardous materials there was a tight time frame. RCL contracted directly to handle that monitoring that is why it is an amendment to the RCL contract. Normally, the Authority would have contracted independently directly with the Authority's own monitor, but we did it to expedite time. Also, in order to pay them quickly a direct contract was signed. This is a reimbursable expense.

Chris Fenner, Stuart Consulting, stated that from the FEMA end this is a capped project so it is reimbursable, but it is not going to increase the amount of money that FEMA has committed to the project so the Authority can get reimbursed for it from the same pot of money that we are dealing with for the whole project. Commissioner Heaton noted that no one wants to pay more money. This amount shows that the Authority is moving forward and doing things in the most expeditious way.

Commissioner Heaton offered a motion to recommend approval to amend Richard C. Lambert's contract in the amount of \$3,996.04 for monitoring hazardous materials, seconded by Commissioner Hoffman and unanimously adopted.

**3) Motion for recommendation to amend the agreement with Richard C. Lambert Consultants, LLC for New Orleans Lakefront Airport and Lakeshore Drive signage**

Mr. Capo advised that the Authority previously contracted with RCL to develop a standardized sign plan for all signs on the Airport which has been expanded to include signage along Lakeshore Drive as requested by Chairman Lupo. Mr. Davis is requesting a \$10,000 increase for the Lakeshore Drive signage and a \$3,300 increase for the structural and electrical engineers which brings the original contract price of \$25,000 to \$38,300. Chairman Lupo requested that all signage be uniform on Lakeshore Drive and at Lakefront Airport.

Mr. Davis informed that sign drawings were prepared for Lakeshore Drive and Lakefront Airport and pricing is expected in the next two weeks. The signs for Lakeshore Drive include a logo and will be located at certain intersections on Lakeshore Drive. The master signage plan for the Airport includes several lighted monument signs located at the entrance to the Airport and a two sided sign near the main entrance to the Terminal Building listing all facilities on the airfield along with several smaller signs for the hangars, fire station and other facilities on the Airport. There are two packages out for pricing to four contractors and it was requested that the packages be separated, but to quote one price as this will be awarded as one contract. The two pre-cast monument signs required a heavy foundation so a structural engineer was needed along with an electrical engineer for the lighting at a cost of \$3,300. The \$10,000 gives room to oversee the construction and have construction administration.

Commissioner Cantrelle noted for the record a concern with change orders as certain things should be anticipated in a contract such as signage in more than one place. There is concern for change orders unless an emergency comes up for an unforeseen issue. Mr. Davis advised that the original contract was based on signage for Lakefront Airport only; signage for Lakeshore Drive was not requested at that time. The Lakeshore Drive signs will include 10 signs along Lakeshore Drive and Robert E. Lee Blvd. to the National Guard Complex. Chairman Saizan requested a copy of the signage master plans along with Plans

A and B for the Airport Terminal Building be presented at the next Airport Committee and full Board meeting.

Commissioner Hoffman offered a motion to recommend approval of the signage, seconded by Commissioner Heaton and unanimously adopted.

**ADJOURNMENT**

Commissioner Hoffman offered a motion to adjourn, seconded by Commissioner Heaton and unanimously adopted.

**ANNOUNCEMENT OF NEXT MEETING**

The next Airport Committee is scheduled for Thursday, November 8, 2012 at 9:30 a.m.

The meeting adjourned at 10:35 a.m.