

NON-FLOOD PROTECTION ASSET MANAGEMENT AUTHORITY
MINUTES OF THE AIRPORT COMMITTEE MEETING
TUESDAY, JANUARY 8, 2013 – 9:30 A.M.

The regular monthly meeting of the Airport Committee of the Non-Flood Protection Asset Management Authority was held on Tuesday, January 8, 2012 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 9:37 a.m. and led in the Pledge of Allegiance.

The roll called was which constituted a quorum.

PRESENT:

Chairman Darrel Saizan
Commissioner Wilma Heaton
Commissioner William Hoffman
Commissioner Nyka Scott

ABSENT:

Commissioner Pearl Cantrelle
Commissioner Romona Baudy

STAFF:

Louis Capo - Executive Director
Sharon Martiny – Non-Flood
Dawn Wagener – Non-Flood
Fred Pruitt – Airport Manager
Chuck Dixon – Marina Manager

ALSO PRESENT:

Gerard Metzger – Legal Counsel
Albert Pappalardo – Real Estate Consultant
Alton Davis – Richard C. Lambert Consultants
Chris Fenner – Stuart Consulting

APPROVAL OF AGENDA

Commissioner Hoffman offered a motion to adopt the Agenda, seconded by Commissioner Scott and unanimously adopted.

APPROVAL OF PRIOR MINUTES

Commissioner Scott offered a motion to approve the minutes of the November 8, 2012 and December 4, 2012 Airport Committee meetings, seconded by Commissioner Hoffman and unanimously adopted.

REPORT ON CURRENT AIRPORT ISSUES

Fred Pruitt, Director of Aviation, advised of a meeting with Air Boss and the FBOs to finalize plans for the Super Bowl regarding controlling the airfield. A town hall meeting is scheduled in which the FAA, Air Traffic Control and the pilots will attend to be advised of procedures at Lakefront Airport during the Super Bowl. A Concept of Operations Plan has been developed that includes a parking plan showing parking areas to be used. There are approximately 580 aircraft spaces including 114 large and 466 small spaces. There may be ramp space from Wedell and Bastian-Mitchell Hangars producing an additional 16 spots. There will be approximately 650 aircraft parking spaces as projected by a computer diagram. There is a non-movement area controlled by the Air Boss on the north end for the Tower to have a roundabout area for aircraft to avoid potential delays.

A contract will be signed with a crane company to be on stand-by in the event of mechanical problems on the main runway. The crane can pick up and move the aircraft enabling traffic to continue flowing with minimum disruption. The cost of the crane is \$42,000 and will be passed to FBOs by assessing a .25 special event flowage fee that will cover the cost of the Air Boss, the crane and operator and the OLD police who will provide a security presence to the FBOs and flying community. Mr. Capo advised that the projected costs are approximately \$60,000. The Airport will make approximately \$75,000 if 300,000 gallons are sold with the additional .25 fuel charge. Chairman Saizan suggested any money left should be applied to the Rededication of the Lakefront Airport ceremony.

Mr. Pruitt informed that the crane is not normally used at the Airport. It will be used for the Super Bowl weekend in the event an aircraft has nose gear failure or a large corporate jet has double tire failure. The tires or mechanic will not be readily available to repair or remove the aircraft from the runway. If there are multiple runways the aircraft can be switched to another runway. Lakefront Airport will have one runway operating and if there is gear failure or an aircraft runs into a flock of birds there is no way to get the aircraft off of the runway quickly. The FAA FSDO person will be in city for immediate assistance to release the aircraft so it can be moved. Lakefront Airport has more than one runway, but only the long one will be used.

Mr. Pruitt advised that reservation permission will be required for aircraft landing at Lakefront Airport. Aircraft operators are required to make reservations with the FBOs. The FBOs submit the reservations and a list is compiled to ensure there are no duplicate and triplicates as pilots book space with all FBOs to cover all bases. The list will be submitted to the FAA to determine flow control and how many aircraft are arriving each hour. Net Jets will be bringing in approximately 60 aircraft.

The FAA has the airspace divided between Lakefront Airport and Moissant Airport. Traffic out of Lakefront Airport will be going to the northeast and south if necessary while Moissant will go northwest so there is no conflicting airspace.

Chairman Saizan noted Commissioner Heaton's arrival constituting a quorum.

OLD BUSINESS

1) Update on Airport Terminal Interior Restoration

Chris Fenner, Stuart Consulting Group, reported that construction has slowed due to the holidays. Construction is primarily on the second and third floors finishing ceilings and walls with plaster. There will be permanent power throughout the building shortly and the contractor is currently completing the main lobby ceiling. The latest schedule gives completion at the end of April and the current contract completion date is January 21, 2013. Liquidated damages will be addressed. The second floor in the east wing looks more finished and the Terminal Building has more finished walls and ceilings. There will be six murals in the building that will be restored after construction and of the dust disturbing activities. Commissioner Heaton noted there were originally eight murals, but one was destroyed and one was donated to the Cabildo and that mural is in bad shape. The ticket counter will be restored along with the phone booths and elevator. Mr. Capo added that all of the old signage in the Terminal Building will also be restored.

Chairman Saizan informed that the President of the WWII Museum is interested in Lakefront Airport as this was the airport for the region during World War II. The Authority may be able to use exhibits from the WWII Museum that would blend in with Lakefront Airport as the Museum's exhibit space is limited.

Mr. Fenner informed that liquidated damages for the Terminal Building are \$1,000 per day and have been discussed throughout the contract with the contractor.

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

Mr. Fenner reported that all of the trusses are in place. The platform for the sprinkler tank has been poured and the contractor is finishing the office space, interior of the hangar and erecting the hangar door. Contract completion date is March 4, 2013, but the superintendent notified that they will push past the contract date by several weeks. The delays are due to the contractor who should be wrapping up by the end of March or early April.

Chairman Saizan advised of discussions regarding the Bastian-Mitchell Hangar and its use in bringing more conventions to the City as opposed to going to an FBO because the potential for that Hangar is maximized. Some WWII Museum pieces could be placed in the Hangar since the Museum is located in New Orleans and is a tie-in for the Authority from a marketing perspective. Mr. Pruitt noted that using the Hangar as a museum is the Federal Grant Assurances as they have to be actual flying aircraft. Chairman Saizan stated that the Bastian-Mitchell Hangar has to be put into commerce, but the main Terminal could be used as a repository for WWII artifacts.

Mr. Fenner reported that the James Wedell Hangar is significantly behind schedule. RCL is working with the contractor to figure out a way to make up the schedule. The projected completion date is August 2013 and the contract is March of this year. The contractor had significant problems with their pre-fabricated steel contractor that put them behind several months. This is the contractor's delay and it is in the contractor's interest to make up that time. The James Wedell Hangar is approximately half the size of the Bastian-Mitchell Hangar.

NEW BUSINESS:

1) Discussion and approval for a Supplemental Amendment to Richard C. Lambert Consultant contract for the Chevron Office Building to update the fee curve to 2007 curve

Mr. Fenner advised that the Chevron Building is being used as an improved project. This supplemental agreement is to correct the old curve currently in the contract. This will be a 20% curve as the scope was slightly different. The Chevron Building and the Delgado Hangar will not be rebuilt, but will be designated as special projects; one improved and one alternate. The money will be put into the Terminal Building and the money the Authority already spent on the Terminal will be used in other ways.

Mr. Pruitt informed that after the Delgado Hangar is demolished it will be used as green space as it is located on low ground. The best use for the area where the Chevron Office Buildings were located would be to pave the area and use it as additional ramp space for the Bastian-Mitchell Hangar. The mechanic school was located at the 12,000 square-foot Delgado Hangar in the mid 1990s. Chairman Saizan stated that \$95 million of FEMA money has been pledged to rebuild the Sidney Collier Vo-Tech School and it may be possible to work a deal with the Vo Tech School for Lakefront Airport to help penetrate the community as the aircraft mechanic area may tie into Lakefront Airport. This would make our legislators happy as this would impact the community. Mr. Pruitt informed that Lakefront Airport has plenty of raw land available that could be used for that type of facility.

Commissioner Hoffman offered a motion to recommend approval of a Supplemental Amendment to RCL's contract (Chevron Office Building) to update the fee curve to 2007 curve, seconded by Commissioner Heaton and unanimously adopted.

2) Discussion and approval to extend the Construction Observation Contract for the Bastian-Mitchell Hangar with Richard C. Lambert Consultants, LLC through February 28, 2013

Mr. Fenner informed that RCL is currently providing construction observation services, which have been invaluable to the construction effort of the Authority. FEMA has advised these services would be covered through the critical stages of construction which is projected through February.

Commissioner Heaton offered a motion to recommend approval to extend the RCL Construction Observation Contract for the Bastian-Mitchell Hangar through February 28, 2013, seconded by Commissioner Hoffman and unanimously adopted.

3) Discussion and approval for repairs to the Aircraft Rescue and Fire Fighters E One fire truck and lease of loaner truck from Crash Rescue, the lowest bidder, in the amount of \$26,650 plus the cost of parts

Mr. Pruitt informed the Committee that the E One fire truck has developed a transmission fluid leak, a mechanical seal on the water pump is leaking along with leaking wheel seals. These require pulling the transmissions and engines which cannot be done in the station. This request is to make the necessary repairs and obtain a loaner truck that functions, especially during Super Bowl, and so the Airport has one available. The truck is approximately 10 years old and at the end of the FAA cycle. This item is in the AIP plan to purchase a new truck. After the repairs are made to the existing truck and the new truck is purchased, the old truck will be kept so the Airport will have two functioning trucks. The fire truck cost \$500,000 in 2002 and currently these trucks cost approximately \$750,000. The loaner truck is \$5,000 and is included in the price for the length of time it takes to make the necessary repairs to the Airport's fire truck. Requests were sent to companies everywhere in the City that do this type of work, but there is no local shop to make the repairs. Crash Rescue was the lowest shop range and lowest for a rental truck.

Commissioner Scott offered a motion to recommend approval for repairs to the ARFF E One truck and lease of loaner truck from Crash Rescue in the amount of \$26,650 plus the cost of parts, seconded by Commissioner Hoffman and unanimously adopted.

4) Discussion regarding the Rededication of New Orleans Lakefront Airport Terminal Building

Chairman Saizan informed that a budget would be established for the rededication of Lakefront Airport by possibly using funds received from the special event fuel flowage fee. The Authority should do something special to commemorate the rededication of the Lakefront Airport Main Terminal Building and the Bastian-Mitchell Hangar. This is merely a discussion and no action will be taken on this issue. Mr. Capo advised that Mr. Davis is moving forward to obtain a price on the plaque that will be placed in the Terminal Building and there has been discussion regarding a plaque for the Bastian-Mitchell Hangar as well.

Commissioner Scott suggested soliciting donations for the rededication or possibly a corporate sponsor. Chairman Saizan noted that this weight should not be placed on the FBOs. This should be a first class event that will highlight the effort of rebuilding the facility and give proper credit to the FAA, LA-DOTD and legislators that were involved with the project. Commissioner Heaton said there are many people who may have an interest in the rededication of Lakefront Airport; it is just a matter of bringing the right group together. The caliber of this project is opportunity for the Authority to get good media coverage and put the Authority on the map for the region.

Mr. Capo requested an item be added to the Agenda regarding the Lakefront Airport Tower dealing with water intrusion and leaks to the Tower. The Tower was erected by Lathan Construction during the exterior renovation. The Tower is now leaking and Mr. Davis has reached out to Lathan, but there has been a halt in communication by Lathan.

Commissioner Heaton offered a motion to amend the Agenda, seconded by Commissioner Scott and unanimously adopted by a roll call vote.

5) Discussion and approval to contract with Capital Glass & Mirror for repairs to the Tower at Lakefront Airport

Mr. Fenner advised that RCL has been the primary coordinator in issues regarding Jerry Lathan. A certified letter has been sent notifying Lathan of certain warranty items which include roof issues. Mr. Lathan's company addressed the roof issue, but has not responded to concerns regarding leaks in the Tower. Capital Glass performed a water test that showed all sills in the Tower are leaking and are in need of repair. A quote was solicited for an estimate for the repair work. Capital Glass is the contractor that originally did the work under Mr. Lathan's contract. The quote was given to Mr. Capo and a decision has to be made on how to proceed.

Commissioner Hoffman noted that Capital Glass did the initial work. The sills are leaking and Capital Glass is now giving the Authority a quote to repair what they installed. Mr. Fenner advised that Paul Dimitriou spoke with Capital Glass. The superintendent for Capital Glass informed Jerry Lathan that he did not agree with the way the work was being done, and it should be done differently. Capital Glass was directed by Mr. Lathan to do the work the way it was done. Leaks have come about and Capital Glass does not feel they are responsible as they advised Mr. Lathan that the work was not correct. This issue is covered under Mr. Lathan's original contract.

Mr. Metzger advised that this is a warranty matter and Mr. Lathan is refusing to fix it. The Authority will have to fix the damage, pay for it and sue Mr. Lathan. Commissioner Hoffman noted that another glass company should be called to inspect and validate the water leaks. Mr. Fenner advised that only Capital Glass has tested and inspected the Tower. Other companies can be called to evaluate the leaks, but it is difficult to define what the repairs are. Capital Glass is most familiar with the system and how it was installed and the Authority is in a time crunch with the finishes to the Terminal Building so Capital Glass was brought out as they could do the work quickly.

Commissioners Heaton and Scott advised that a third party validation was needed as the Authority would be in a better position with a third party validation. Mr. Fenner noted that another company could be contacted to go to the Airport and submit a quote by the end of the week. The cost for repairs is approximately \$38,000-\$40,000. The Authority would front the cost of repairs out-of-pocket and sue Lathan for damages. Mr. Metzger informed Mr. Lathan has been dragging his feet by stating he would fulfill the warranty obligations, but does nothing. Commissioner Hoffman advised the Authority should get a quote from a third party along with a report stating the cause of the problem. Mr. Fenner advised that Capital Glass performed a water test and provided a report with the results of the water tests. The initial water test cost was approximately \$2,000.

Mr. Fenner advised that if the repairs are not made in a timely fashion it could impact finishes Belou-Magner is putting in the building. If the Tower leaks it could damage any plaster put in the building. Belou-Magner cannot complete the Tower work until the window is fixed. Commissioner Heaton suggested Stuart Consulting do their due diligence and the Board will have a better idea of what course of action to take. Mr. Metzger noted that Richard C. Lambert has put Lathan on notice regarding the issue which could be brought to the Board without

recommendation as there is not enough information to determine what to recommend.

Mr. Pappalardo informed the Committee that the RFP/RFQ for a restaurant operator for Lakefront Airport is currently in preparation and may be ready by the Board meeting.

Mr. Pappalardo addressed the restaurants and estimated completion dates that are under lease with the Authority along the New Basin Canal. The Blue Crab, formerly Dukes, may not be ready in time for Super Bowl. Entergy has been called to get the electricity hooked up. A lease has been signed with Tides, LLC for the lot (formerly Amberjacks) which will be demolished. For the first time in 40 years all property on the New Basin Canal will be leased. Tides, LLC is in the foundation stages and hopes to open by summer. Schubert's has been given authority to proceed with the restaurant along with an extension until the end of October. Mr. Metzger informed that the lease amendment has been prepared and sent to Schubert's, but to date no response has been received from Schubert's. Mr. Pappalardo advised that Schubert's was held up from moving forward due to the litigation and the cause for their delay may be architectural. The Authority granted Schubert's an extension to move forward with their plans just last month. Commissioner Heaton suggested Mr. Pappalardo work with staff on a press release closer to the opening of the restaurants which would be good press for not only the restaurants, but this Board and the Authority showing that a benchmark is being made. This is also a recovery issue and a real accomplishment and the Authority should promote this while we can.

Mr. Pappalardo noted another fuel dock would be added and a street side gasoline station for residents of the Lakefront. Commissioner Heaton noted that this was also a recovery issue and it would be good news to get out there if you work with staff because this is a real accomplishment and we should promote it while we can.

ADJOURNMENT

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

ANNOUNCEMENT OF NEXT MEETING

The next Airport Committee meeting is scheduled for Tuesday, February 5, 2013 at 9:30 a.m.

The meeting adjourned at 10:41 a.m.