

**NON-FLOOD PROTECTION ASSET MANAGEMENT AUTHORITY
MINUTES OF THE AIRPORT COMMITTEE MEETING
THURSDAY AUGUST 5, 2014 – 9:30 A.M.**

The regular meeting of the Airport Committee of the Non-Flood Protection Asset Management Authority was held on Thursday, August 5, 2014 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 Heaton called the meeting to order at 9:56 a.m. and led in the Pledge of Allegiance. The roll was called which constituted a quorum.

PRESENT:

Chairman Wilma Heaton
Commissioner Romona Baudy
Commissioner Pearl Cantrelle
Commissioner Michael Stack

STAFF:

Louis Capo - Executive Director
Sharon Martiny – Non-Flood
Fred Pruitt – Airport Director
Dawn Wagener – Non-Flood

ALSO PRESENT:

Gerard Metzger – Legal Counsel
Al Pappalardo – Real Estate Consultant
Chris Fenner – Stuart Consulting Group
Alton Davis – Richard C. Lambert
Brent Roussell – Hawthorne
Brayton Matthews – Flightline First
Addie Fanguy – Landmark Aviation
Jim Martin – DEI
Walter Baudier – DEI
Richard Speer – URS
Bill Griffen - URS
Leon Dupclay - Clay Construction
Carl David – Carl David Consulting
Steve Watson – WWII Museum
Paul Parrie – WWII Museum

APPROVAL OF AGENDA

Commissioner Baudy offered a motion to adopt the Agenda, seconded by Commissioner Stack and unanimously adopted.

APPROVAL OF PRIOR MINUTES

Commissioner Baudy offered a motion to approve the minutes of the June 3, 2014 Airport Committee meeting, seconded by Commissioner Stack and unanimously adopted.

REPORT ON CURRENT AIRPORT ISSUES

Fred Pruitt, Airport Director, reported that July, 2014 saw an increase in fuel sales of 26,000 gallons over last July. The 36L PAPI has been repaired and is scheduled to be flight checked this week. The 18L REILS are almost complete and the 18R PAPIs are next in line. Both local and Texas staff have been assisting with the PAPI light repair, but there is no time frame for completion. Chairman Heaton recommended the PAPI light item be kept on the Agenda until completion and requested an e-mail to the Committee regarding the status of the lights for communication to the congressional offices who have committed to help keep this issue moving.

Chairman Heaton informed the Committee that the Flood Authority loaned the Non-Flood Authority a maintenance person whose salary will be put on the Non-Flood account. This will give the Authority some breathing room and assist Mr. Pruitt and the tenants with maintenance and day-to-day items at Lakefront Airport. The Authority has needed a maintenance person for a while and this is the legal way to get this accomplished.

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

PRESENTATIONS

Update by Steve Watson of the WWII Museum regarding the changed location and final plans regarding the October Air Show at Lakefront Airport

Mr. Watson advised that there has been much progress with the Air Power Tour and thanked Mr. Capo and Brent Russell of Hawthorne for their assistance. This air show is a partnership between the WWII Museum and the Commemorative Air Force. The goal is to establish an annual air show at Lakefront Airport beginning with a modest event with plans to grow to the scale of Wings Over Houston. The show is from Thursday, October 23 through Sunday, October 26, and starts with a media and sponsor event Thursday evening in the Walnut Room to attract television/radio stations as the show heads into the weekend. There will be World War II veteran aviators that flew the aircraft, which are part of the show. The show times are Friday and Saturday from 9:00 a.m. to 5:00 p.m. and Sunday from 9:00 a.m. to 4:00 p.m.

Friday is the military/student day which is sponsored by former Chairman Lupo and his family. There will be school group and military participation on that day. In addition to the aircraft, the show includes a living history, reenactment, educational activities and the victory bells. Southern Air Heritage will do a T6 formation flight during the weekend. Messina's will provide catering during the weekend along with concessions Friday, Saturday and Sunday.

On Friday night there will be a 400 person event at the Terminal with a 1940's style Big Band. Tickets will be sold that allows physical access to every event during the entire weekend. Tickets will also be sold per event, on-line and via phone seven days per week. It is anticipated that 6,000-10,000 people will attend the event. Title sponsorship has been secured from New Orleans Tourism and Marketing Corporation and the Convention and Visitors Bureau, which has been a boost to planning the first year event. Mr. Pruitt is assisting with a security plan and barricades to ensure a safe and secure environment for visitors, which meets all of Non-Flood Authority requirements. There will be two commissioned police officers and six security officers present during the entire event. The WWII Museum Director of Security will be the point person for coordinating security. Barriers will be placed to ensure guests stay outside of the designated area and Hawthorne has offered hangar space which will be used for a command and control area for communication throughout the weekend. Chairman Heaton suggested Mr. Capo determine if Mr. Garner has reserve officers available if extra security should be needed.

OLD BUSINESS

1) Update by Stuart Consulting Group on Airport projects

Chris Fenner, Stuart Consulting, reported that the three main construction projects are substantially complete. The James Wedell Hangar has minor punch list items which will be invoiced for final retainage. Liquidated damages are being withheld on the James Wedell Hangar in the amount of \$240,000 (240 days at \$1,000 per day) and on the Airport Terminal project in the amount of \$196,000 (196 days at \$1,000 per day). The concrete work was completed at the Bastian-Mitchell Hangar.

Chairman Heaton requested a status on the FEMA worksheets closing out the Walter Wedell Hangar, which is not being rebuilt. Mr. Fenner informed the Committee that the most recent item added to the list of projects is the build-out of Hangar 101. Of the four projects Stuart Consulting is reviewing, the Board could select two. Chairman Heaton noted that the Walter Wedell Hangar will not be rebuilt. There will be money left that could be invested in the Marina. Stuart Consulting advised not to select multiple smaller projects, which could cause budget overruns. One option is moving staff to Building 101, but there is a buildup cost that should be set aside for that project. The projects selected will be a Board decision and a policy decision.

NEW BUSINESS

1) Motion to recommend approval of a lease of Suites 229 and 225A at the Airport Terminal Building to Clay Construction Group, L.L.C.

Mr. Pappalardo advised that this motion is to recommend approval of a lease for Suites 229 and 225A at the Airport Terminal to Clay Construction Group, LLC. These suites are on the second floor atrium. The new language regarding the time frame to sign the lease was incorporated in the Resolution. The offices will hold the management team; no equipment would be kept in the offices.

Commissioner Baudy offered a motion to recommend approval to lease Suites 229 and 225A to Clay Construction, LLC, seconded by Commissioner Cantrelle and unanimously adopted.

2) Motion to recommend approval of a lease of Suites 122 and 125 at the Airport Terminal Building to Messina's Lakefront Airport, LLC

Mr. Pappalardo advised that this motion is to recommend approval of a lease for Suites 125 and 122 in the Terminal Building to Messina's Lakefront Airport, LLC. A motion was previously approved for Messina's to lease a smaller space, which would not serve Messina's needs. Messina's relinquished the smaller space, and requested to lease this space.

Commissioner Baudy offered a motion to recommend approval to lease Suites 122 and 125 to Messina's Lakefront Airport, LLC, seconded by Commissioner Cantrelle and unanimously adopted.

3) Motion to recommend approval of a lease of Suite 243 at the Airport Terminal Building to Carl David Consulting

Mr. Pappalardo advised that this motion is to recommend approval of a lease of Suite 243 on the second floor of the Terminal Building to Carl David Consulting. Mr. David is an Aviation Consultant with offices in New York City. Mr. David is proposing a five year lease with two five year options.

Commissioner Cantrelle offered a motion to recommend approval to lease Suite 243 to Carl David Consulting, seconded by Commissioner Cantrelle and unanimously adopted.

Mr. Pappalardo advised that the Authority will be at 50% of available space on the first and second floors of the Terminal Building with approval of these three leases.

4) Discussion and status regarding approval of a Master Plan for the New Orleans Lakefront Airport

Chairman Heaton advised the Committee that Mr. Bill Griffin and Mr. Rick Speers of URS requested the Agenda be amended to give URS additional time to discuss the Master Plan.

Mr. Griffin stated that the Master Plan was completed in 2012. URS has not included improvements or changes that have been made since the Master Plan was completed. All Master Plans funded by the FAA have the same structure. The basic structure includes an objective (what the Authority is trying to do), an

inventory (covering facilities on the Airport), the surrounding socioeconomic indicators, what the Airport looks like and what the Airport does. An Aviation Demand Forecast is prepared and compared to the Demand Forecast with the facilities accounted for in the Airport inventory. The end result is a summary/recommendation with regard to improvements, which is how the Master Plan will be approached today.

The Master Plan's objective is to provide a roadmap for management to oversee current and future developments on the Airport. This should be done efficiently, cost effectively and in an environmentally sensitive manner. The inventory accounts for what is on the air and land side of the airport and addresses storage, apron and fueling requirements along with runway and taxiway needs. The inventory in this study was conducted during a period of great flux as the Airport was recovering from Katrina. This Master Plan was published in May of 2012 and contained data obtained in 2011. The results of the 2011 Pavement Assessment and Evaluation prepared by URS are included in the Master Plan and the Based Aircraft Forecast was based on numbers from 2011.

The FAA prepares a Terminal Area Forecast for every public use airport. The 5010 is the FAA's annual record of the number of based aircraft and how many operations. The 2014 5010 shows 153 fixed wing aircraft plus five rotary wing aircraft. Lakefront Airport numbers exceed the Master Plan forecast and warrant an update of the demands and aircraft to provide better numbers for planning purposes. Projections from 2018 through 2028 are based on socioeconomic growth in the area and national trend. There are several methods for projecting aircraft demand.

Commissioner Baudy questioned if the FBOs provided any input for the Master Plan comprised by URS. Mr. Griffin advised that Airport staff had considerable input. It would be unusual if the FBOs were not contacted. Brayton Matthews (Flightline First) and Addie Fanguy (Landmark Aviation) advised that they were not contacted regarding the Master Plan. Chairman Scott noted that the FAA reviews and comments on the Master Plan and questioned the process. Mr. Griffin advised that the FAA does not approve the Master Plan; the FAA only approves part of the Master Plan, the Airport Layout Plan, which is within the Master Plan. The Master Plan is not a document carved in stone. If conditions have changed the Authority can approach the FAA and request the Master Plan be supplemented. Chairman Scott noted that grant monies from the FAA and DOTD that are not included in this Master Plan.

The summary was prepared using three functional areas: the airfield, the terminal area and the general aviation area. The Declared Distant Standards have been adopted, but are not published. There was a recommendation for a parallel taxiway to 927. High intensity runway lighting was recommended for the primary runway, but that has not been implemented. The big issue for the terminal was the restoration of the Terminal Building which is very impressive at that. Repair and reconstruction of the apron is ongoing. This Authority is pavement poor in that there is more pavement than needed, but the pavement is not in good condition. The General Aviation Area can address the addition of aircraft storage facilities and repair/reconstruction of the aprons in the planning process. Commissioner Stack noted that these items were part of the Master Plan. The Authority did not complete those projects so the Master Plan should be updated. Chairman Heaton advised the Committee that the public has to know that the Terminal was restored and this Authority wants to move forward, but we need congressional help. Money for the Airport comes from the federal government with State help. A copy of the Master Plan will be needed to secure government and state funding for the Airport.

Staff informed that this Board was confected in 2008 through the Division of Administration in partnership with the State and the Advisory Board. A grant was obtained through the Non-Flood Authority for URS through the FAA, the contract was signed in 2008 and work began in 2009. A Master Plan was underway in 2010. An update to the Master Plan was provided by URS in March of 2011, however there is no Resolution indicating the Board adopted the Master Plan. The FAA is looking for a Resolution and URS agreed to make a presentation to advise the Authority of the Master Plan status. Each FBO will receive a copy of the Master Plan to review and provide feedback. There will be a presentation regarding the Master Plan at the August Board meeting and there will be a public hearing. This Authority has to move forward. The Master Plan can be forwarded to the full Board without recommendation. The Authority needs a Master Plan and a Resolution, but feedback is missing from the FBOs and the aviation community. The Master Plan should be updated and forwarded to the FAA. A Resolution must b passed by the Board with a memorandum advising of items that will be reviewed.

Mr. Griffin advised the Committee that several recommendations in the Master Plan have been implemented. Chairman Heaton noted that there was no input from the Board regarding the Master Plan and requested that URS return to the August Board meeting as the community may have input regarding what they envision. Mr. Pruitt informed the Committee that the FAA wants a Board decision regarding the Master Plan. Funding for this grant season will not be jeopardized as this is the beginning of grant season.

Commissioner Stack noted that some of the information in the Master Plan is dated and there may not be time to update. The FBOs advised that they were not consulted which is an important part of the process. Mr. Griffin stated that there are several methods to update the Master Plan. An Updated Demand Forecast can be prepared and submitted to the FAA, which addresses only the demand side of the Master Plan. The FAA also funded the Action Plan at one time, which is a mini Master Plan that deals only with components of the Master Plan that require adjustment. Chairman Scott suggested Mr. Pruitt schedule a conference call with the FAA and advise of the Authority's plans regarding supplemental information to the Master Plan. The FAA can then advise how the Authority should proceed.

Commissioner Stack questioned who received the Master Plan from URS after completion. Mr. Capo advised that Angelle Davis, Division of Administration, signed off on the Master Plan. Mr. Griffin informed the Committee that the FAA does not approve the Master Plan. The FAA approves the Airport Layout Plan, which is part of the Master Plan. It is a separate set of documents. The FAA also approves the Demand Forecast. Commissioner Stack noted that he has been very aggressive seeking funding for projects and this practice should be continued. The Master Plan was prepared for Orleans Levee District and is addressed to Orleans Levee District. It was prepared in cooperation with US-DOTD, FAA, Federal Highway Administration and DOTD, however, it is unknown if they received a copy. Mr. Capo advised the Committee that all funds granted to the Authority by the FAA for the Master Plan were disbursed.

5) Discussion regarding relocating staff into Building 101 at Lakefront Airport

Mr. Capo noted that Building 101 was leased to Hawthorne who had the right to vacate the second floor, which is approximately 10,000 square feet. Staff currently utilizes 3,700 square feet in the Lake Vista Community Center. Additional space is needed for storage along with the staff offices. The Authority could receive \$15.00 per square foot for office space in the Lake Vista Community Center. Moving staff to Building 101 could make available three office spaces for the Authority to lease.

Approximately 4,000 square feet would be built-out at Building 101. Cubicles could be used in lieu of an expensive built out office. Mr. Capo advised that the elevator will be costly. Building 101 will be a public building that requires an ADA compliant elevator, which is a big ticket cost. The second floor was never built out. Building 101 is a multi-tenant building and there are logistic issues with fencing and access to the building. Chairman Heaton noted that Building 101 is presently vacant and cannot be marketed. The space could give staff more space, keep the Authority's costs down on the build-out and the Authority would receive rent from the three offices at Lake Vista Community Center. This would locate staff in a closer proximity to the Airport. Staff is performing due diligence to keep costs down. The issue would then be a full Board decision.

Chairman Heaton advised that there is approximately 2,000 square feet directly above the Walnut Room. Preliminary discussions are underway with Homeland Security regarding an incident command center/conference center using that space, which could also be utilized for Board meetings. The tenants would then have access to a free conference area and other corporate entities could rent the space for corporate meetings. The Orleans Levee District Flood Authority also has a space for Board meetings at the Franklin Avenue facility while the space is being built-out. There may be enough space to have a conference room in Building 101. Commissioner Stack suggested a cost be developed for both the office space needed along with the conference center. It may be cost efficient to build-out the entire second floor.

6) Discussion regarding leasing the McDermott Hangar at Lakefront Airport

Chairman Heaton informed the Committee that Brent Russell of Hawthorne has given the required one month notice that Hawthorne is vacating the McDermott Hangar. The Authority can go through a full RFP process, but the notice should be expedited to determine what is out there and to see what comes in. If the RFQ does not attract what is needed, a more formal process will be utilized. Aviation Broadcast was used for the previous RFQs to spread the word nationwide and to the aviation community. Mr. Metzger advised that Hawthorne's lease expired one year ago. Hawthorne was on a month-to-month lease with a 30-day notification period. The Board has the authority to lease the McDermott Hangar without public advertisement.

PUBLIC COMMENTS

Addie Fanguy, Landmark Aviation, noted for the record that he has never seen a copy of the Master Plan. It is evident there is deficient information in the report. The Master Plan is critical for the Airport to move forward. I am amazed this process has taken this long. The Authority seems to be putting together a Master Plan at the last minute. I am concerned it will not satisfy the Airport's needs. Chairman Heaton advised that the Authority will not approve anything until feedback is received from the FBOs.

Commissioner Baudy addressed the plumbing issue at the Terminal Building and requested a status. Mr. Pruitt advised that the new maintenance person investigated the underside of the building and discovered two leaking pipes. The leaks were reported to Guthans and Belou-Magner for repair. The odor is never in the same place, and has been investigated many times by both Guthans and the plumbing company as well as the architects. A pipe found inside the building was uncovered and later capped, but that did not solve the problem.

Commissioner Cantrelle advised the Committee that there was a strong odor in the building. Tenants have reported how terrible the odor is in the Terminal Building. The odor has been there for months. Commissioner Stack advised staff if the maintenance man could not fix the pipe, a plumber should be hired immediately to fix the problem. Chairman Heaton noted that the tenants have been assured this problem will be handled. Mr. Capo informed the Committee that the odor was in various locations which presented a problem for staff

locating the source of the odor. The professionals who installed the pipes should have isolated the odor because they deal with these issues all of the time.

ADJOURNMENT

Commissioner Baudy offered a motion to Adjourn, seconded by Commissioner Stack and unanimously adopted.

ANNOUNCEMENT OF NEXT MEETING

The next Airport Committee meeting is scheduled for Tuesday, September 4, 2014 at 9:30 a.m.

The meeting adjourned at 10:56 a.m.