

**MINUTES OF THE
LAKEFRONT MANAGEMENT AUTHORITY
AIRPORT COMMITTEE MEETING
HELD ON TUESDAY OCTOBER 19, 2021**

PRESENT: Chair Wilma Heaton
Vice Chair Thomas Fierke
Commissioner Renee Lapeyrolerie

ABSENT: Commissioner David Francis
Commissioner Pat Meadowcroft

STAFF: Louis Capo – Executive Director
David Martin, P.E. – Director of Engineering and Operations
Bruce Martin – Airport Director
Chris Henderson – Airport Manager
Madison Bonaventure – Assistant to the Executive Director/Board Secretary

ALSO

PRESENT: Gerard Metzger – Legal Counsel to the LMA
Al Pappalardo – Real Estate Consultant to the LMA
Addie Fanguy – Signature Flight Support, LLC

The Airport Committee of the Lakefront Management Authority met on Tuesday October 19, 2021 at the New Orleans Lakefront Conference Center located at 6001 Stars and Stripes Blvd., New Orleans, LA 70126 after legal notice to the media was distributed and agenda was posted.

Chair Heaton called the meeting to order at 2:32 P.M. and led in the pledge of allegiance.

Louis Capo, Executive Director, called the roll. A quorum was present.

Opening Comments:

Chair Heaton announced that the LMA was working on a U.S. Economic Development Administration (EDA) grant to collaborate with the University of New Orleans and/or Delgado Community College to build out and support an accredited degree and flight school program. She advised that information was being gathered and expressed excitement for the opportunity.

Motion to Adopt Agenda:

A motion was offered by Commissioner Fierke, seconded by Commissioner Lapeyrolerie, and was unanimously approved to adopt the agenda.

Motion to Approve the Minutes:

A motion was offered by Commissioner Fierke, seconded by Commissioner Lapeyrolerie, and was unanimously adopted to approve the minutes of August 17, 2021.

Airport Director's Report:

Bruce Martin, Airport Director, advised that roof repairs and hangar repairs associated with Hurricane Zeta damages were ongoing around the Airport, and the National Guard Hangar may be completed ahead of schedule.

He explained that the National Guard Hangar's roof was nearing substantial completion as was interior work. Additionally, 13 of 18 areas evaluated for mold tested negative for presence of mold. The other five areas were treated for mold remediation. He expressed the need to rehabilitate the space so Ochsner's Medivac unit could return to its command center as they were crucial as an Airport tenant and as a service provider to the community. Chair Heaton asked when he thought the hangar would be complete. He said the last estimate he had received was about 15 days till completion.

He noted that the DOTD Grant No. H.014434 was on the agenda for recommendation of approval.

He told the Committee that filming for a Disney project was upcoming, and staff was able to lease a lot on Sikorsky Drive for the overflow of delivery vehicles for the holiday season.

He explained that the ARFF truck was 18 years old and was experiencing major maintenance issues. While typical service life is about 10 years old, the LMA has continued to repair the vehicle. He explained that due to the age and specialty of the vehicle the brake calipers which need to be replaced must be fabricated in Ireland. He said that the ARFF department was able to get a loaner fire truck from St. Bernard Parish. He advised that staff had applied for a grant through LADOTD for a new ARFF vehicle due to the exorbitant cost. He advised that staff would acquire a short-term lease for an ARFF vehicle in the meantime.

The Committee asked if the ARFF department could operate with the loaner fire truck in the meantime. He advised they could, but a regular fire truck may not be able to extinguish a large fire on an oversized aircraft such as a C-17.

Mr. Bruce Martin advised that the issues with the brakes may have been caused by water inundation following Hurricane Ida, and the cost to repair the vehicle may be FEMA reimbursable.

Commissioner Lapeyrolerie questioned if the LMA should conserve its finances and should save for a new truck in lieu of a temporary solution, such as costly repairs. Commissioner Lapeyrolerie asked how much a new truck would cost. Bruce Martin explained that a brand new truck would cost over \$1 million, but there was a quick response vehicle for sale in Fort Worth, TX for \$250,000, and it would give the ARFF department satisfactory capabilities until a new ARFF fire truck could be fabricated and funded. He advised that it could take about three years to obtain an ARFF fire truck.

Chair Heaton advised that at one time they had appealed to federal agencies in Washington, D.C., and they advised that they did not fund ARFF vehicles.

Mr. Bruce Martin said it was crucial for the ARFF department to have proper equipment in the interim, and the lack of ARFF support drives business away from the Airport as many pilots do not want to land at an airport without proper emergency response equipment.

Chair Heaton explained that a discussion regarding the proposed Capital Outlay Requests was on the agenda. She reminded the Committee that the State Legislature passes a \$2 billion bill with only \$200 million in bonding capacity. In response to requests made by legislators, the LMA proposed a shorter list of projects than it had in the past.

Chair Heaton requested an update about the FAA funding for the drainage project. He said that additional funding of \$543,000 had been allocated towards the drainage project for the Airport. Chair Heaton said she had received a communication from Congressman Troy Carter regarding confirmation of additional allocation of FAA funds for the drainage project at the Airport.

Vice Chair Fierke asked if the drainage design would be compatible with the potential airport floodwall design. Mr. Bruce Martin confirmed that the design would be compatible with the floodwall study.

Director Capo said that new leases have been signed and back payments had been remitted by Messina's.

Chair Heaton said staff had another item they may add to the agenda regarding Stummgirls, LLC's lease.

Mr. Bruce Martin explained that Stummgirls, LLC's lease would expire in 2029, and staff had been conferring with them for some months in hopes of obtaining an extension. The lease terms called for the tenant's improvements to revert to the Authority at the end of the lease. The tenant was seeking 30-year extension, and CPI adjustments would be in place for the land lease. He advised that they sought out Mr. Win Perkins of Airport and Aviation Appraisals, Inc., who they have used to assess other Airport properties in the past due to his special expertise, to learn the value of the improvements and lease value.

A motion was offered by Vice Chair Fierke and was seconded by Commissioner Lapeyrolerie, to add a motion to recommend a lease amendment with Stummgirls, LLC. A call for public comment was made. No one approached the Committee to make a comment. All were in favor. The motion was added to the agenda. A motion was offered by Vice Chair Fierke and was seconded by Commissioner Lapeyrolerie to discuss.

Mr. Pappalardo said that he had been in all the meetings related to the item and found the lease amendment was favorable. He summarized the issue: In 1999, Mr. Stumm approached the Orleans Levee Board to lease land to build t-hangars on Airport property and was authorized to enter into a lease to build t-hangars. His lease will expire in 2029. Before the pandemic, he approached consultants and staff to extend their lease. After further discussions after the pandemic lockdown, Director Capo ordered an appraisal from Airport and Aviation Appraisals, Inc of Austin, TX. The appraisal was forwarded to the tenant and negotiations began. They met about a week before with the Stummgirls, LLC team and broke down various lease options in which staff and consultants believed was appropriate given the appraisal by Airport and Aviation Appraisals, Inc. One requirement of the lease would compel Mr. Stumm to make a lump sum payment \$128,267.00 for reversionary value of the improvements. This lump sum payment would be made at the time of the lease execution, and rent payments would be made regularly and would increase with CPI adjustments.

Commissioner Lapeyrolerie asked about the definition of concluded value. Mr. Pappalardo said it meant the value to be paid at the conclusion of the appraisal/at lease signing. Chair Heaton asked if it was the same meaning as reversionary value. He agreed that it was.

Commissioner Lapeyrolerie asked about how much they paid monthly. Mr. Bruce Martin answered that they paid around \$450 monthly for use of the plot of land. Commissioner Lapeyrolerie asked if that was typical. Mr. Metzger and Mr. Pappalardo said that was the case. Mr. Bruce Martin clarified that if the Board were to move forward with the lease amendment, then the land rental rate would also increase.

Vice Chair Lapeyrolerie thought they needed for information regarding future monthly payments. Chair Heaton offered that she was comfortable with moving the issue to the full Board with additional information for consideration.

Mr. Pappalardo reminded the Committee that there are various CPI adjustments built into the present lease and the potential lease amendment.

Director Capo reminded the Committee that when they initially signed the lease in 1999 the market rate for the ground rent was 27 cents per square foot. They are currently paying 47 cents per square foot pursuant to the CPI adjustments.

Vice Chair Lapeyrolerie concurred with Chair Heaton to move the issue to the full Board without recommendation since more information would become available for consideration. Vice Chair Fierke disagreed with them and was comfortable with voting to recommend the item. He said that consultants and staff need to clearly and concisely present the issue to the Board to efficiently communicate it.

Chair Heaton said that the item was not fully ready which is why it did not make the agenda, but she felt that it could be discussed at the Committee level.

Public Comment: None

Old Business

1)Update regarding water pressure issues and Sewerage and Water Board of New Orleans' investigative efforts.

David Martin, Director of Engineering and Operations, explained that they were contacted by the New Orleans Sewerage and Water Board's network division. He advised that they would be turning off a meter associated with the Airport's network after 6:00 PM to determine if issues are occurring with SWBNO equipment or the Airport's equipment. They would be providing a report to inform of any findings. He advised that if it was determined that the issues were occurring on the Airport's side, staff had already solicited quotations for booster kits to address the water pressure problem. He explained that the kits were under Director Capo's spending authority, so staff could execute an agreement more readily.

Chair Heaton asked that staff coordinate with OLDPD for any public safety traffic measures that may need to be implemented.

Commissioner Lapeyrolerie felt that the investigation would be informative and would provide insight on the issue for final resolution.

New Business

1) Motion to recommend approval of the Capital Improvement Plan for the New Orleans Lakefront Airport for 2022-2027.

A motion was offered by Commissioner Fierke, was seconded by Commissioner Lapeyrolerie, and was unanimously adopted to recommend approval of the Capital Improvement Plan for the New Orleans Lakefront Airport for 2022-2027.

Mr. Bruce Martin explained that in the plan there were indications for certain or potential funding sources for each proposed project. He cited the floodwall as example of a project that would not be funded through FAA funds or LMA funds but rather could be funded through other federal dollars and the Southeast Louisiana Flood Protection Authority-East.

He advised that the Airport's drainage was top priority, and the FAA has expressed interest in funding a pump station for the Airport.

He said that as the 9-27 Runway project has evolved, the project was broken up into a two-year study. The FAA will be studying how the crosswind runway could be relocated instead of outright decommissioned. They are concerned with eliminating hotspots as well.

He described other projects which included upgrades to lighting and navigational aids.

He said that the Fuel System Rehabilitation Project was ongoing with consultants and was included in the plan. The intention was to identify issues and fund a fuel system that would be sustainable for the future.

Chair Heaton asked Mr. Bruce Martin if he was comfortable with the Capital Improvement Plan (CIP) in consideration with leveraging other funding sources. He said he was, especially because the drainage project was compatible with the construction of the floodwall.

He said that they have discussed expanding ramp space with the FAA, especially since New Orleans would be hosting the Superbowl in 2025. That matter was also included in the plan.

Commissioner Lapeyrolerie reminded the Committee and the public that the passage of the CIP was a requirement for the receipt of federal and state funding.

Vice Chair Fierke asked if the projects were prioritized in any way in the plan. Mr. Bruce Martin responded that the projects were prioritized in descending order as listed.

2) Motion to recommend approval of an amendment to the Professional Services Contract with Infrastructure Consulting & Engineering, PLLC for the Hot Spot and Decommission Study of Runway 9/27 at the New Orleans Lakefront Airport conditioned on FAA Grant Funding.

A motion was offered by Vice Chair Fierke, seconded by Commissioner Lapeyrolerie, and was unanimously adopted to recommend approval of an amendment to the Professional Services Contract with Infrastructure Consulting & Engineering, PLLC for the Hot Spot and Decommission Study of Runway 9/27 at the New Orleans Lakefront Airport conditioned on FAA Grant Funding.

Mr. Bruce Martin reminded the Committee that the Board had approved a contract with Infrastructure Consulting & Engineering, PLLC (ICE) for the project, but as the project began and evolved the contract needed to be amended to be compliant with what the FAA would be funding.

The FAA would be funding further study by the firm for the relocation of the crosswind runway and elimination of hotspots. Previously, the FAA had proposed decommissioning the runway.

Commissioner Lapeyrolerie asked about the original contract amount. Mr. Bruce Martin said the FAA was funding \$153,000. She understood that a couple of tasks had been added therefore increasing the contract amount. She asked why the amendment was dated in September. Mr. Bruce Martin said that ICE supplied the agreement in late September when the FAA grant changed to reflect further study of the issue. The agreement was then given to the LMA's legal counsel for review, and after it was found to be acceptable by the LMA's legal counsel it was put on the agenda for the Committee's consideration.

3) Motion to recommend acceptance of LADOTD Grant for State Project No. H.014434 for Rehabilitation of Taxiway B – Phase I (Design).

A motion was offered by Vice Chair Fierke, seconded by Commissioner Lapeyrolerie, and was unanimously adopted to recommend acceptance of LADOTD Grant for State Project No. H.014434 for Rehabilitation of Taxiway B – Phase I (Design).

Mr. Bruce Martin said that LADOTD had awarded the Airport with a grant to rehabilitate Taxiway B. He advised that the project would include some overlay work to increase the height of the runway in hopes of alleviating some issues with runway flooding in the short term.

Chair Heaton asked about the amount of the grant. He the grant was about \$240,000 for the design of the Rehabilitation of Taxiway B – Phase I.

4) Discussion regarding Capital Outlay Requests for 2022-2023.

Chair Heaton said the proposed resolution had been supplied to the Committee. She said with the close deadline, she wanted feedback from the Commissioners so staff could file the applications on time. Staff could not file projects in the ECORTS system and could not file without certain letters of support which required the support of the passed resolution.

She appealed to the Committee to study the resolution and provide any feedback. She was not requesting action at the Committee level.

Director Capo reminded the Committee that the projects for the Seabrook Boat Launch Rehabilitation and the construction of benches and pavilions on the lakefront were in Priorities 2 and 5. Chair Heaton thanked Senators Harris and Bouie for their support.

Commissioner Lapeyrolerie felt it was important to impart to the public that priorities have rolled over to the following year.

The Committee discussed the process for the Board passage of the resolution.

Commissioner Fierke asked about efficiency enhancements for the lighting system along Stars and Stripes Boulevard, a project included in the list. Mr. David Martin explained that it would entail installing high pressure sodium fixtures which would enhance energy efficiency.

Announcement of next Airport Committee Meeting:

- 1) Tuesday, November 9, 2021– 2:30 PM

Adjourn: Commissioner Fierke made a motion to adjourn the meeting. Commissioner Lapeyrolerie seconded the motion. All were in favor. The meeting adjourned at 3:27 PM.