

**MINUTES OF
LAKEFRONT MANAGEMENT AUTHORITY
REGULAR MEETING OF THE AIRPORT COMMITTEE
HELD ON TUESDAY, August 16, 2022, at 2:30 PM**

PRESENT: Chair Renee Lapeyrolerie
Commissioner Brian Egana
Commissioner Carlos Williams

ABSENT: Vice Chair Pat Meadowcroft
Commissioner Laura Veazey

STAFF: Louis Capo – Executive Director
Vanessa McKee - Executive Assistant to the Executive Director/Board Secretary
Adam Gulino– Director of Engineering and Operations
Bruce Martin – Director of Aviation

ALSO

PRESENT: Gerard G. Metzger – Legal Counsel to the LMA
Jeff Dye - Legal Counsel to the LMA
Carlton Dufrecheau – T Hangar F
Winifred Christopher – Airport Manager
Joy Lewis – Airport Staff
Chris Henderson – Fireman Captain
Willard Mason – Fireman
Darryl Merrick – Airport Maintenance Master

The Airport Committee of the Lakefront Management Authority met on Tuesday, August 16, 2022, at the New Orleans Lakefront Airport at 6001 Stars and Stripes Blvd., New Orleans, LA 70126.

I. Chair Lapeyrolerie called the meeting to order at 2:35 P.M. Commissioner Williams led in the pledge of allegiance.

II. Director Capo called the roll, and with three commissioners present, a quorum was established.

III. Opening Comments:

Chair Renee Lapeyrolerie welcomed Commissioner Carlos Williams to the Airport Committee and looks forward to working with him. Char Lapryrolerie called for a motion to adopt the agenda.

IV. Motion to Adopt Agenda

A motion was offered by Commissioner Brian Egana, seconded by Commissioner Carlos Williams, and was unanimously approved to adopt the agenda.

V. Public Comments

Chair Lapeyrolerie called for public comments.

Mr. Carlton Dufrecheau, T-Hangar F, came to the committee meeting to personally thank the Airport staff for their magnificent job and hard work during the recent power outage. They kept a constant open line of communication with us, which was most helpful in informing us when we could get in and out. We really appreciated that.

Chair Lapeyrolerie thanked Mr. Dufrecheau for coming to the Airport Committee meeting to acknowledge the Airport staff for their hard work.

VI. Airport Director's Report

- **Airport Director Bruce Martin** began his report with a PowerPoint presentation, showing the Airport's Organizational Chart. He introduced each staff member who was able to attend the committee meeting and detailed their positions.
 - Ms. Winnie Chrstopher – Airport Manager, new to this position. She replaced Chris Henderson.
 - Mr. Chris Henderson – Fire Captain. There are nine full-time firemen workers and six approved part-time firemen.
 - Mr. Willard Mason – Fireman
 - Ms. Joy Lewis – Administrative Assistant. She keeps the airport in line and on time.
 - Darryl Merrick – Maintenance Master. He does all of the maintenance for this entire airport. He is a phenomenal asset to the airport. There is a vacancy for a Master Repairer 1. We have been trying to fill this position for almost a year, to no avail. However, Darryl continues to press on every day to be sure this place is up and running.
- **Director Capo** pointed out that Ms. Joy Lewis is one of the longest employees at LMA. She has worked at both the Airport and the marinas over her years of employment. He asked to confirm her length of employment with LMA.
- **Ms. Lewis** stated she has been employed with LMA for approximately twenty-six years.

- **Commissioner Egana** expressed his gratitude to the Airport Staff for their hard work on a daily basis. He thought it was very commendable to have outside businesses appear at the committee meeting to thank them for their hard work.
- **Airport Director Bruce Martin** stated he loves his job and his staff and considers himself grateful to work here.

He continued his report with a PowerPoint presentation to give the Committee members a detailed layout of the Airport grounds and operations. This airport is a GAA(General Aviation Airport). We serve as a reliever to MSY, handling their overflow air traffic of charter and private planes. A prime example would be The Final Four. We took a great number of planes from MSY which was full. We filled the entire airport and closed runways to accommodate housing the volume of planes coming in for the event.

- There are 132 based airplanes here at the airport
 - The Tower is staffed from 7:00 am – 9:00 pm
 - AARF s staffed and ready to go 24 hours, 7 days a week and 365 days a year. Flights still come in even though the tower closes at 9 pm the firemen are always onsite should the need arise.
 - We have two FBOs (Fixed Based Operators)who act as airlines. They supply services such as fuel, lavatory services, and rentals.
 - Flightline First (locally owned company)
 - Signaturere (Largest FBO in the entire World)
 - We have seven Full Sized Hangars on the property
 - Six T-Hangars
 - One Corporate Hanger (for larger planes)
- **Chair Lapeyrolerie** asked if the T-Hangars were leased. Are they a source of revenue for LMA?
 - **Director Martin** stated that Chair Lapeyrolerie was correct and he would go into greater detail further in the presentation.
 - **Attorney Metzgar** added that the T- Hangars are in fact ground leases.
 - **Chair Lapeyrolerie** states she is painfully aware of ground leases having followed the Shreveport.
 - **Director Martin** continued his PowerPoint by pointing out the Flightline First(blue) and Signature (red) leaseholds hangar locations on the Airport property;
 - Flightline Hangars (lue
 - Williams Hangar (main hub most of the aircraft goes through)we
 - McDermott Hangar (the hangar deck and one office space and the storage cage in the back)
 - Signature Hangars(in red)

- Signature's Main Hangar Headquarters
 - Moffitt Hangar (entirely leased except for an office space for the LMA maintenance team)
 - Bastain Mitchell Hangar (entirely leased; also has an avionics shop there)
 - National Guard Hangar (leased by Signature has the entire first floor and hangar deck; the second floor is LMA property)
 - Widell Hangar (HeliCo Helicopter Operations) also leased in its entirety
- T-Hangars (in yellow) are ground leases to the T Hangar Association. We also have a Corporate Hangar and Air Cover One headed by Mr. Carlton Dufrecheau. There is a waiting list for the T Hangars.
 - **Chair Lapeyrolerie** asked if there is land to build additional hangars. She stated that her office is funding hangars.
 - **Director Martin** replied that we have some land for that and were actively talking to people about potential them up.

Director Martin continued his presentation with the last Hanger which is leased by the City of New Orleans Mosquito Control (in orange).

- There are two flight schools located at the Airport. Within the last year, both are in contract with universities. New Orleans Tours located in the Moffitt Hangar and Travel has a contract with Perdue University and Gulfcoast Aviation has a contract with UNO in their aviation program.
- There are two helicopter tour companies on sight and several mechanics and shops on site as well.
- We have one VIP helicopter transport business located here inside the terminal.
- Lifeline flights operate from here twenty-four hours per day transporting donor organs to and from area hospitals.
- Ochsner Flight Care is headquartered here running 24-hour operations transporting patients. (Located in the National Gard Hangar)
- **Mr. Martin** showed a charted glimpse from the FAA's 2021 database of how busy we are compared to the other area airports. We are second in operations at the airport. We may not have air carrier operations because we're not a 139 airport. However, our numbers are where they are because we have strong local traffic. Only MSY is busier than we are as far as flight operations go. The other airports that were used in this reporting are Baton Rouge, Shreveport Alexandria, and Lake Charles.

- The Airport Layout Master Plan which was completed in 2019-2020 has been submitted to the FAA. He showed that limited usable real estate to work with due to running out into the lake. Creativity will be essential. He showed a grass field and one other area near runway 927 as land to add T Hangars. However, caution must be taken when adding hangars in the path of runway 927 where planes arrive and depart. We are looking at where we could relocate runway 927 if possible to reclaim that bit of real estate. Also, taxiway Charlie needs to be moved over to the east to properly separate from its runway. There is a lot of land to be developed out that way. Mr. Martin showed a picture of the area and explained that the problem in the area is its currently wetlands where the entire corner has been completely overtaken by water. It will be a lot of work to put a floodwall out there.
- The FAA is considering extending an existing runway out into the lake. We showed them the numbers when we took the runway down for three months of maintenance. It was worse than when we were affected by COVID in its peak time. They could see how one operational runway hurt the business and are taking our ask seriously for a design grant in the next four years.
- **Airport Funding;** As part of the assurances when we sign grants with the FAA and the state, all money made at the airport has to stay in the airport and will be invested right back into it. The FAA looks at an airport from the centerline of the runway outward. They invest all of their money in the runways and the main taxiways. Everything else decreases in importance as it gets further from that centerline. The state has been a great partner on help with security measures and fencing. We are currently working with the state on a grant to refurbish taxiway BRAVO.
- **Fuel flowage fees** are another way that we make money at the airport. Our fuel farm maintains our fuel tanks. Our assessment is twenty-five cents per gallon every time fuel goes to the FBOs. FBOs own the fuel. We own the tanks and it's a quarter for every gallon of fuel that is moved on the airport.
- **Hangar leases** are another way we make money for the airport. The FAA prefers long-term leases which are thirty years at a time.

Commissioner Egana commended Mr. Martin for his very inciteful presentation thus far ad asked how can the airport generate more revenue for the airport.

Mr. Martin outlined several ways to generate additional funds for the airport

- Increasing Inside Terminal Lease fees
- Build more T Hangars. The issue is we are limited in space and the agency is financially strained on funds to add more hangars.

Commissioner Egana asked in regards to tenant occupancy, are we at full capacity?

Mr. Martin stated we are at full capacity outside as far as Hangars go. We will have two small office spaces left if this proposed lease gets approved. My vision for the old mosquito control building is a car rental hub which would be most useful. We have had conversations with the car rental companies. Hertz is interested, however, they are currently locked in to lease out on Read Road. 80% of their business comes from this airport. They would rather be located here so they are working on their end to get out of their current contract to come here.

Commissioner Egana discussed different ideas focused on attracting more foot traffic to the airport by inviting the NOE area schools to tour our facility tasked if we access fees for receptions and other events held at the airport. What other exposure do we have to attract revenue to our airport? Also, whom should an interested person contact to rent space?

Chair Lapeyrolerie asked if the Atrium was included as an available rental space to book through us.

Mr. Martin stated that as part of Masina's lease agreement, we collect 8% from every event booked and catered by Messina's. However, we rent this conference center out to the public every month. We do make it known that we're limited in the services we can provide.

He further stated that he would rather interested persons contact us first. The Atrium is an available event rental space. However, we do not have the staffing needed for a high school event or prom. We would typically refer those events over to Messina's. We do book the Atrium for all movie sets.

Commissioner Egana asked where would we do a movie. A great thing to do would be to partner with our governmental agencies to continue to attract people here. He would like for us to reach out to them. Increased exposure to our facility from one event may lead to an individual's idea to host their future events.

Mr. Martin informed the board that he has met with STEM NOLA is going after some grants and would be interested in partnering with us to hold activities here.

Filming agreements have also become a great revenue stream. We do what we can to get them where they need to be and Hollywood pays well.

Mr. Martin outlined some of the other obstacles that the airport faces from having no protection when storms come:

- The flood walls close and we're outside of the levee system
- The city shuts the drainage valves outside of the re just out here to become a swimming pool for rising waters
- Lake water rises too high for any gravity drainage to work

He showed some impressive pictures from Hurricane Ida's flood event at the airport. He also explained that they have recently airport acquired some grant funding from the FAA and the state to begin to address the massive flooding issues. Groundbreaking for one of three new

pump stations and new drainage infrastructure is set to begin in 2023. These steps should help us to become more self-sufficient and less reliant on the City.

- We just completed the replacement of a huge run of the wiring to the aged electrical system that caused the outage on the east side as well.
- The City's water pressure is not up to the level needed to feed to the north side of the airport near the tower and fire station. There is always maintenance work going on along Dowman Rd and adjacent streets which disrupts the water pressure levels on the airport grounds.
- Limited real estate development is another issue. There is some greenspace to develop, but creativity will be the key here. Also discussed in the Master Plan, we may have an opportunity to put a small boutique hotel on the grounds.

Mr. Martin showed photos of substantial roof damage left by Hurricane Zeta at the National Guard and McDermott Hangars. He and several other staff endured two days of adventure cleaning the entire damaged airport grounds by removing debris and wildlife. The object was to get the airport cleaned and up and running as quickly and safely as possible. The board has since approved equipment in-house to assist with cleanup efforts of this nature in the future.

Chair Lapeyrolerie asked for clarification on when he mentioned the city shutting the valves and the Flood Authority closing the floodgates.

Mr. Martin explained that it is the Flood Authority that determines if and when to close the gates. Flood has an agreement with the City for shutting off the valve. The valve, however, has a different effect than the flood walls. The floodwalls make it inconvenient to get around. He showed pictures of how the floodwall and the valve affect the airport.

He went on to say that he and some of the firemen began to take helicopters over the ballpark on the north side of the park to get essential supplies that same day after the storm passed. We are here and ready to mobilize as an airport when the need arises.

Commissioner Egana asked from an emergency preparedness standpoint, federal rules shall be followed and the mayor has to shut the city down, how is the airport affected. Are we in coordination with the city?

The airport stays with minimal staffing. He stays and the firemen stay. And explained that planes still try to come in and he actively gives real-time reports on the breaking conditions and how much water is sitting on the runway. If it gets too dangerous we can hunker down at Flood Authority.

Mr. Martin ended his presentation by reporting that the airport was not in the loop with the city emergency preparedness team for Ida. However, for this storm season, he has been in meetings with the city and sewerage and water board about the airport and how ready the airport is in the event of an emergency.

Commissioner Egana thanked Director Martin for a very captivating and thorough presentation.

VII. New Business

- 1. Motion to recommend the approval of a contract for the Airfield Pavement Hot Spot Removal Project with Cycle Construction Company, LLC for a price and sum not to exceed the total of grant 3-22-0038-037-2022 being issued by the FAA/DOTD to complete this project.**

A motion was made by Commissioner Egana and second by Commissioner Williams.

Chair Lapeyrolerie called for discussion.

Bruce Martin stated that we only received one bid on this project which came in higher than budgeted. We spoke to the FAA who gave us clearance to talk with the bidder to successfully negotiate the price down \$200 thousand. ICE is here to answer any questions regarding

Chair Lapeyrolerie asked Mr. Martin to describe ICE's role in this project.

Mr. Martin explained that the airport goes out on a series of services contracts during the middle of the year. ICE was chosen to work on this project which was originally the relocation of runway 927 and Hot Spot study and design. They are the consultant, engineer of record, and project manager for this project.

Chair Lapeyrolerie asked for clarification on the motion states to approve the contract but in your description, you mentioned negotiating a different price.

Mr. Martin the negotiation is complete and we have reached an agreement on the price between Cycle Construction, this agency, and the FAA. The current agreed-upon price was not cited in the motion on the agenda because it was confirmed at 10:00 am today.

Chair Lapeyrolerie called for any other questions; hearing none called for a final vote.

All were in favor and the motion passed unanimously.

- 2. Motion to recommend the approval of a lease with City Jets, Inc of Suite 113 in the Terminal at the New Orleans Lakefront Airport, for a primary term of one year, commencing on September 1, 2022, with two (2) one-year options to renew, for an annual rent during the primary term of the lease of \$29,326.00, plus a pro-rata pass-through charge for utilities and insurance, with the annual rent subject to a Consumer Price Index (CPI) adjustment during each option term of the lease.**

A motion was made by Commissioner Egana and second by Commissioner Williams.

Bruce Martin reported that this is for City Jets INC. who would like to lease suite 113. They are a part 135 charter service. They would like to run operations at our airport but didn't want to utilize Flightline or Signature.

Chair Lapeyrolerie asked for additional clarification. These are for charter flights that will have passengers at the terminal. When we were introduced to this some time ago, we asked for updates and background information but to date had not received anything. When was an agreement reached with CityJets?

Mr. Martin reported that this is a suite lease only. We are not a part 139 airport capable of providing the services they need. Flightline and Signature both have said they cannot support their operations. They have been told that they will have to hire their own staff. He invited Mr. Ron Mayes to come to tour the airport for a clear picture of what we're offering.

Chair Lapeyrolerie stated she understands the suit lease but is not clear on the operations part and asked for public comment.

Braden Matthews, former General Manager of Flightline questioned the following concerns

- Will they purchase fuel from the FBOs on site which will generate income for this airport
- Will they be charged for parking the plane on our ramp
- What type of liability insurance will be required

Mr. Martin stated that they will be required to have the same level of liability coverage that is carried by the FBOs. They will have to select and purchase fuel from one of our two onsite FBOs. They will also be required to pay the same rate for using our terminal ramp.

Chair Lapeyrolerie stated that after hearing today's discussion, without having any backup documentation, she is still unclear about City Jets' lease terms. With the understanding that the Airport committee's task is to recommend this lease to be vetted at the full board meeting, she requested that staff have backup documentation and a draft of the lease at the full board meeting. She also asked for clarity, if the lease is approved at the full board meeting, would they be able to start bringing planes in?

Bruce Martin stated they only have one plane and would be able to bring that one plane in.

Gerry Metzger stated that the purpose of this lease is to operate an office space at this terminal. It's the standard terms and conditions of every other lease in this building. Once they start landing planes at this airport they will be required to provide Bruce Martin with the required insurance.

Chair Lapeyrolerie asked if we would be required to enter into another agreement with City Jets when they are ready to start their aviation operations.

Bruce Martin stated not until we become a part 139 airport which we are currently looking into.

Commissioner Egana concurred with his chairperson's earlier request for staff, in the future, to provide all additional background information available to the committee for clarity's sake on action items requiring a vote. He further added that he is fine passing this item onto the full board with the intent that the lease will be available for review before the board meeting.

Chair Lapeyrolerie called for a vote on the item on the floor. All were in favor and the motion passed unanimously.

Chair Lapeyrolerie announced the next committee meeting and called for the adjournment of the meeting.

IX. Announcement of next Airport Committee Meeting:

1) **Tuesday, September 13, 2022– 2:30 P.M.**

X. Adjourn:

A motion was offered by Commissioner Egana, seconded by Commissioner Williams, and unanimously adopted, to adjourn. The meeting was adjourned at 3:27 PM.