

**LAKEFRONT MANAGEMENT AUTHORITY
AIRPORT COMMITTEE MEETING
SATURDAY, JUNE 13, 2023, AT 2:30 PM**

**6001 Stars and Stripes Blvd.
New Orleans, LA 70126**

PRESENT: Commissioner Wilma Heaton – Chair
Commissioner Brian Egana
Commissioner Carlos Williams

ABSENT: Jennifer Herbert - Vice-Chair

STAFF: Louis Capo – Executive Director
Vanessa McKee – Assistant to the Executive Director
Bruce Martin – Director of Aviation
Adam Gulino – Director of Operations and Engineering
Cindy Grace - Finance

ALSO

PRESENT: Commissioner Renee Lapeyrolerie
Gerry Metzger – LMA Counsel
Jeff Dye – LMA Counsel
Krystal Hukmani – Owner, Jazz Aviation
Ankur Hukmani – Owner, Jazz Aviation
Darren Persick, Project Manager, Kutchins & Groh, LLC
Brian Lewis – Jazz Aviation Employee
Ben Powell – Jazz Aviation Employee
Ian Pereira – Jazz Aviation Employee
Ariel Schwab – New Orleans Aerial Tours Employee
Kristin Paige- -New Orleans Aerial Tours Employee
Ecraig Moore – C1Aviation, Contractor
Irl R. Silverstein – Attorney
Errol Jitterio – New Orleans Aerial Tours Employee
Dylan Smith – New Orleans Aerial Tours Employee
William Davies – D&S Engineer
Robert Anos – Flightline Manager
Wendy Bell – Flightline Manager

The Airport Committee of the Lakefront Management Authority on Tuesday, June 13, 2023, at 2:30 PM at 6001 Stars and Stripes Blvd., New Orleans, LA 70124.

I. Call to Order

Chair Wilma Heaton called the meeting to order at 2:35 PM

II. Pledge of Allegiance

Commissioner Egana led in the Pledge of Allegiance

III. Roll Call

Mr. Capo called the roll and with (3) members present, a quorum was established.

IV. Opening Comments – No opening Comments

V. Motion to Adopt Agenda

A motion to adopt the agenda was offered by **Commissioner Egana**; seconded by **Commissioner Williams**.

All were in favor. The motion passed.

VI. Approval of Minutes

1. Airport Minutes - May 25, 2023

A motion was offered by **Commissioner Egana**; seconded by **Commissioner Williams**.

There were no questions or comments. All were in favor. The motion passed.

VII. Public Comments - Limited to (2) Minutes - No public comments.

VIII. Airport Director's Report

Bruce Martin, Director of Aviation reported on the following:

- **April 2023 Numbers**
 - o April 2023 Monthly Operations numbers increased by 9% to 7763 in 2023 from 7126 in April 2022
 - o Itinerant Ops numbers have decreased from April 2022 mainly due to the Final Four flight activity.
- **Fuel Sales**
 - o Decreased in 2023 (from 2022) equated to the Final Four Activity in 2023.
 - o At 91% of the fiscal year fuel goal.

- **Grant 41 (Item #3 on the agenda)**
 - o \$500,000 to purchase a fuel pump generator (backup power source)
 - o Having trouble with pump station project and is planning a trip to Texas to meet with the FAA to discuss options on
 - o Gap: \$14 million now down to \$8 million. We need to be closer to \$12 million
 - o Working with ICEE and Cutchens & Growe Consulting on project planning
 - o May be seeking a resolution and letters of support from the board and the appointing authorities.

- **Taxiway Bravo Bid Opening (item #5 on the agenda)**
 - o Bid opening for Taxiway Bravo was earlier today.
 - o Hoping to proceed with selection process for the board meeting.

- **McDermott Hangar Background Information (Item #6 on the agenda)**
 - o Built in 1985
 - o McDermott is currently on a month-to-month lease with Flightline First due to pending litigation between Flightline and LMA
 - o Flightline First is under new ownership. Their main home, the Williams hangar's roof is in disrepair.
 - o We are currently working to resolve litigation with Flightline to bring both hangars under one lease.
 - o Additionally, the Delgado, McDermott, Nation Guard hangars and vacant land are currently going through the appraisal process.

Chair Heaton suggested that Mr. Martin circulate the appraisal information to the committee upon receipt.

Commissioner Egana would like to see a spreadsheet listing the vendor or tenant name, service provided, contract terms and amount.

Mr. Capo added that there is a spreadsheet in Commissioner Egana's budget book listing tenants.

IX. New Business

1. **Motion to recommend bid acceptance of the lowest responsive bid and approval of the Airport-Mowing Contract for a term of one year beginning July 1, 2023, and ending on June 30, 2024, with (2) one-year options to renew.**

A motion was offered by Commissioner Egana; seconded by Commissioner Williams.

Commissioner Egana discussed the use of the term "lowest bid" in the motion.

Mr. Metzger replied that the wording happens to be the fact.

Chair Heaton called for a vote. All were in favor. The motion passed.

- 2. Motion to approve a contract with Employment Development Services, Inc. for Debris Removal Services at Lakefront Airport for Fiscal Year 2024.**

A motion was offered by Commissioner Egana; seconded by Commissioner Williams.

Chair Heaton asked how does this come into play with FEMA storm season reimbursement.

Mr. Capo stated that this contract is for routine weekly trash pickup and does not include emergency trash pickup. EDS is a state contract. The rate will remain the same \$1581.46 per month.

Commissioner Egana and staff discussed future contract selection options.

There were no questions or comments. All were in favor. The motion passed.

- 3. Motion to recommend Acceptance of an FAA AIP Grant #03-22-0038-41-2023 in the sum of \$500,000.00 to purchase a generator to support the airport's pump station project.**

A motion was offered by Commissioner Egana; seconded by Commissioner Williams.

There were no questions or comments. All were in favor. The motion passed.

- 4. Motion to recommend acceptance of Tank 101 coating quote from Pro Tech Industrial Services, LLC for the amount of \$52,285.00.**

Adam Gulino, Director of Engineering requested to withdraw this motion at this time and to defer this item to July 2023.

Commissioner Egana offered a motion to defer to the July Committee meeting; seconded by Commissioner Williams.

- 5. Discussion on awarding a contract to the lowest responsive bidder on the Taxiway Bravo project.**

This item was discussed during the Airport Director's report.

6. Discussion and update on Jazz Aviation's request for hangar space availability.

The committee and staff discussed Jazz Aviation's current standing, the options of availability to lease space to them and the McDermott's current availability.

Commissioner Egana asked if we currently have vacancies to lease to entities such as Jazz Aviation and what would be the process to do so.

Mr. Martin discussed options of availability for Jazz Aviation to lease directly from us.

Space Availability:

- National Guard Building would be available on August 1st
- Old Mosquito Control Building is available but isn't near any ramps.
 - o There is a flight school and charter school
 - o They would need a tiedown areas in the overflow area
 - o This could have a negative impact on space availability during Superbowl season.
- McDermott currently on a month-to-month lease with Flightline FBO
 - o Mr. Martin felt that he would like to see Flightline

Mr. Metzger stated the board has plenary authority to lease space upon availability. An RFP was put out back when the (2) new hangars were built.

Chair Heaton added that the board went out for an RFP due to FEMA spent \$14 million to build them.

In effort to develop an idea to help keep Jazz in operation and if they were amenable to the idea, she asked about the size of the office space they leased from Signature and if the Mosquito Control building was larger than their recent space, and how difficult would it be to give them a rent credit if we had to retro fit the space and would this be a workable idea.

Mr. Martin he stated that it would be larger as far as the office space is concerned. He felt that her idea could work but he would have to revisit the FAA because this idea was not in the recently approved Master Plan.

Commissioner Lapeyrolerie expressed concern that the Airport committee had not been informed about these issues going on prior to Jazz Aviation's first appearance at the May Airport committee meeting. She mentioned that she appeared at the April Airport committee chaired by former Commissioner Meadowcroft to ask if there was available property or land to lease on the Airport's grounds and what is the process.

She detailed her accounting of numerous change orders and task orders related to the McDermott hangar's roof repairs and asked why the McDermott and Williams' roofs had not yet completed repairs. She had additional questions about the hangar's litigation and FEMA's involvement in the repairs.

She also discussed the State of LA DOTD Airport Construction and Priority Program's criteria to apply for grant funds and that job creation is included in that criteria. The State law also says it would invest in infrastructure of ports and airports if it helps benefit cost ratio, jobs retained and jobs gained.

She concluded that as a member of the board she would not like to see businesses leave and is a proponent of trying to accommodate and grow business for the Airport.

Chair Heaton addressed Commissioner Lapeyrolerie's concerns stating that she had recently been appointed as chair of the Airport Committee in May. There was no preclude of information before Jazz Aviation did their presentation during public comments at the May committee meeting. She understood the complications of the many moving parts and felt it would be better to discuss the full details off line to avoid jeopardizing liability for the agency. She said facts are important and was willing to share her information on the subject.

Mr. Martin and Mr. Gulino addressed Commissioner Lapeyrolerie's comments on McDermott's completed roof repairs and change orders in detail.

McDermott's hangar roof is repaired. A separate issue with the flat roof was addressed with spray tarp. There was an inspection by FEMA who agreed that the flat roof needs complete preplacement which we are working on a separate PW to repair the flat portion of roof.

He detailed the evolvment of his discussions with Jazz Aviation exploring various options to lease space at the airport over the past few months. Now that there is growing interest in leasing availability at the Airport, he discussed his passion and continued efforts to assert best business practices, through the fair fairest process to turn the Airport to a cash positive business. Though he has no favorites and cannot choose in this process he felt that it would be best to stay the course with Flightline to finish their roof.

Commissioner Egana appreciated Mr. Martin's passion and wants to continue to help increase the Airport's revenue. He expressed the importance of board members supporting staff through consistency in developing the proper resources to make better business decisions.

Krystal and Ankur Hukmani, owners of NOAT and Jazz Aviation, spoke about their process leading up to the presentation and the urgency to find both a new office and hangar space to lease that would accommodate her company's needs.

Chair Heaton asked if the Mosquito Control building could be a viable option for your company.

Mrs. Hukmani responded that the Mosquito building has great visibility in front of the airport. and office space however, it is not connected to the airport. We need hangar space. We fly planes and provide plane maintenance as well. She believed that her business aligned with the LMA's mission. She said that 100% of the LMA's Airport property was leased to FBO s. She felt that her business's proposal could help provide a more competitive enterprise for the LMA.

Mr. Hukmani explained his recent hardship where their FBO ran out of fuel. He asked the other FBO for fuel and they refused. They had to fly their planes to Slidell to fuel to be able to service their clients. He asked LMA to consider adding self-service fuel tanks at the airport. He also asked for serious consideration to allow other competitive entities to develop more services.

The Hukmani's continued to discuss their continued struggles since 2012 with Signature only wanting to renew their lease for (1) year at a time in spite of their repeated requests for a long term lease.

Commissioner Egana stated for clarity, that the LMA's limitation of oversight on who FBO's chose to do business with.

Mr. Silverstein, appeared as the attorney for the Hukmani's and spoke on the issues they've had negotiating their lease renewal with Signature. He has filed an injunction and are awaiting the court appearance. He also felt that time was of the essence due to the best scenario would be that his clients business would remain in their current location until the lease's expiration on April 1, 2024. They would have nowhere to go from there.

Commissioner Heaton stated that this is a complicated situation with numerous moving parts to be considered. This committee will have to review all information to make the best decision for recommendation to the board..

The Hukmani's and Mr. Silverstein continued to discuss the struggles with their recent lease negotiations and the urgency to find a permanent home for their business. They felt that their proposal to lease direct with LMA would be the better fit to provide a more diverse business platform for the Airpor and the future of the McDermott hangar.

Chair Heaton announced the next meeting and called for a motion to adjourn

Announcement of the next Airport Committee Meeting

1) Tuesday, July 18, 2023, at 2:30 PM

X. **Adjourn**

A motion was offered by **Commissioner Egana**; seconded by **Commissioner Williams**. The meeting adjourned at 3:49 PM