

**LAKEFRONT MANAGEMENT AUTHORITY
AIRPORT COMMITTEE MINUTES
TUESDAY, SEPTEMBER 19, 2023 – 2:30 P.M**

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

PRESENT: Commissioner Wilma Heaton – Chair
Commissioner Jennifer Herbert – Vice Chair
Commissioner Carlos Williams

ABSENT: Commissioner Brian Egana

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 – LMA Finance
Margie Brown – LMA Finance
Gerry Metzger – LMA Counsel

ALSO

PRESENT: Julian Holloway
Darren Persick – Project Mgr. Kutchins & Groh
Krystal Hukmani – Principal – Jazz Aviation
Ankur Hukmani – Principal – Jazz Aviation
Bane Sheperd – Gen. Mgr. – Signature FBO
Phillip Everett – Duty Mgr. – Signature
Carlton Duftecha – T Hangar F
Jenn Mortz

The Airport Committee Minutes of the Lakefront Management Authority on Tuesday, September 19, 2023, at 2:30 PM at 6001 Stars and Stripes Blvd., New Orleans, LA 70126.

- I. **Called to Order at 2:33 PM.**
- II. **Pledge of Allegiance led by Commissioner Williams.**
- III. **Roll Called by Mr. Capo.** (4) members were present for a quorum.

- IV. **Opening Comments – Chair Heaton** thanked all in attendance. She said we had very important business to discuss this evening and asked for a motion to adopt the agenda.

V. **Motion to Adopt Agenda**

A motion was offered by **Commissioner J. Herbert** and seconded by **Commissioner Williams**.

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

VI. **Approval of Minutes**

1. **Airport Minutes – July 18, 2023**

A motion was offered by **Commissioner J. Herbert** and seconded by **Commissioner Williams**.

With no questions or comments, all were in favor. The motion passed.

VII. **Public Comments – LIMITED TO (2) MINUTES - NONE**

VIII. **Airport Director's Reports**

Director Martin reported the following:

- Fuel sales are up to 206,275 gallons moved.
- Maintenance is working on signs and lights
- Paint spraying correction to start out front and Airport
- The ARFF vacancy is filled. New Employee starts October 1, 2023

Mr. Marin explained the difference between an FBO and a SASO (Specialized Aviation Service Operations).

- FBOs provide services such as
 - o overnight hangar storage
 - o Laboratory and/or maintenance services
 - o Fueling
- SASOs provide one or more of the following services
 - o flight schools

- Avionics shop
- Arial tours

Jazz Aviation performs numerous SASO services and they now they meet the FBO Minimum Standards criteria including the build space.

IX. New Business

- 1. Motion to recommend approval to accept the FAA AIP & Supplemental Grants No. 03-22-0038-039-2023, No. 03-22-0038-042-2023, and No. 03-22-0038-043-2023 for the Project identified as Improvements to Airport Drainage and Erosion Control at the New Orleans Lakefront Airport in the sum of \$14,570,845 (FAA 90% - LADOTD 10%).**

A motion was offered by Commissioner J. Herbert and seconded by Commissioner Williams.

Mr. Martin informed the committee that two of the grants are supplemental and the other is discretionary funds for a combined total of \$14,570,845. It is for phase one of the pump station to build out the reservoir. This phase of the project should take one year to complete and should have no effect on the operations of the airfield. The later phases will have some impact on the airfield because we will be laying drainage pipes throughout the airfield to go hand in hand with the flood protection piece.

Commissioner Heaton asked that Mr. Martin provide a one-page white paper to show the phase-one location for the board meeting packets. She felt it would help members who are not familiar with the project.

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

- 2. Recommendation to accept grant H.01570 from LADOTD for the restoration of Taxiway Bravo in the sum of \$1,099,556.00.**

A motion was offered by Commissioner J. Herbert and seconded by Commissioner Williams.

Mr. Martin informed the committee that we accepted the FAA portion of the grant and we also awarded the contract to BOH Bros. who was the lowest responsive bidder. This is for the DOTD portion of the grant for the milling work on taxiway Bravo which is the main taxiway that feeds the main runway.

Commissioner J. Herbert asked when would the work be done.

Mr. Martin said the contract was at BOH Bros. We hope to start this project in mid to late October.

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

- 3. Motion to recommend acceptance of the term sheet with Jazz Aviation to enter into a land lease agreement for the purpose of building a new Hangar and parking apron for a new FBO at the Lakefront Airport pending the ability to procure ample funding for the project.**

A motion was offered by Commissioner J. Herbert and seconded by Commissioner Williams.

Mr. Martin informed the committee that we have learned a great deal through these discussions. The airport has not developed anything since 1999.

Moving forward with the negotiations with Jazz Aviation all have agreed on the following terms:

- 10-year land lease with (2) 10-year options to renew
- They will build a new hangar
- The hangar would revert to LMA at the end of the 30-year term

Chair Heaton asked if the timeframe worked with their financing.

Mr. Martin replied yes, they initially requested 25 years.

The hangar lease rate would be \$0.65 per square foot. However, we thought it would be fair to set the lease rate at \$0.34 per square foot during the construction phase, which is the current ground lease rate on the airport.

The \$0.65 rate will begin once the hangar is built, and occupancy begins which equates to approximately \$7000 per month.

Jazz would be obligated to procure insurance and maintain the hangar throughout the length of the lease.

Mr. Metzger, the committee and Mrs. Hukmani discussed the following items:

- What documentation was needed for Jazz Aviation to close on financing.
- Act of God provisions
- Setting benchmarks

Mrs. Hukmani said that their goal is to be operational by Superbowl 2025

Mr. Metzger asked if Ms. Hukmani had seen the other FBO leases.

Mrs. Hukmani said she has reviewed the current FBO leases. She also said she would continue to provide charter services.

Commissioner J. Herbert suggested the following amendment to the motion:

Motion to recommend approval of a lease in accordance with the term sheet with Jazz Aviation to enter into a land lease agreement for the purpose of building a new Hangar and parking apron for a new FBO at the Lakefront Airport pending the ability to procure ample funding for the project.

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

Chair Heaton called for a vote on the motion as amended: All were in favor. The motion passed.

There was further discussion about the flood elevation plans for the new hangar.

Mrs. Hukmani assured the committee that they had factored in the flood elevation plans.

Chair Heaton announced the next meeting and called for adjournment.

- X. Announcement of the next Airport Committee Meeting
1. Tuesday, October 17, 2023, at 2:30 PM

A motion was offered by Commissioner J. Herbert and seconded by Commissioner Williams.

- XI. Adjourn at 3:05 pm