

**MINUTES OF THE
LAKEFRONT MANAGEMENT AUTHORITY
AIRPORT COMMITTEE MEETING
HELD ON TUESDAY MAY 18, 2021**

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

ABSENT: Commissioner David Francis

STAFF: Louis Capo – Executive Director
Daniel Hill – 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
Trey Babin– Legal Counsel to Messina Lakefront Airport, LLC
Harold Buchler– Big Easy Wing
David Capo– Big Easy Wing

The Airport Committee of the Lakefront Management Authority met on Tuesday May 18, 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 2:42 P.M. and led in the pledge of allegiance.

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

Opening Comments: None

Motion to Adopt Agenda:

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

Motion to Approve the Minutes:

A motion was offered by Commissioner Meadowcroft, seconded by Commissioner Fierke, and to approve the minutes of April 13, 2021. Commissioner Fierke abstained. All other Commissioners voted in favor. The minutes were approved.

Public Comment: None

Airport Director's Report:

Bruce Martin, Airport Director, gave a report on items around the Airport:

He advised the Committee that one of their consultants was evaluating the Airport's Fuel Farm for any potential maintenance item issues or repairs that needed to be mitigated. He explained that the consultants are evaluating the condition of the functioning pipelines, status of decommissioned pipelines, cleaning needs, and so on.

Chair Heaton and Commissioner Meadowcroft commended Mr. Martin on proactive efforts to mitigate any issues with the fuel tanks, especially because they could affect the environment they surround. Commissioner Fierke asked about the last time they were inspected. Director Capo advised that the Fuel Farm was inspected before the insurance policy was issued for the site. Mr. Martin added that the U.S. Military regularly inspects the tanks for fuel quality assurance purposes.

Mr. Martin said that Airport staff is working to mitigate roof leaks around the facilities and to maintain the lift stations. He added that the Notice to Proceed for the National Guard Roof Repair was issued and plans for walls and floors had been finalized. He was hopeful for getting tenants back into the hangar as soon as possible.

He advised that the Request for Qualifications (RFQ) was being advertised for Airport master planning services, and proposals would be due June 9, 2021. He clarified that planning services were paid for by the FAA.

He notified the Committee that the annual Runway Safety Advisory Team (RSAT) meeting was scheduled at the Terminal Conference Center on June 15, 2021. He explained that the meeting is hosted annually by the ATC tower staff for the benefit of Airport users.

He said that flight operations were increasing and were comparable to pre-runway closure and pre COVID-19 pandemic numbers.

He commented on the revival of the film industry as COVID-19 restrictions have come down.

Chair Heaton commended staff on their professionalism in coordinating the arrival and stowage of Marine 1 for the President of the United States during his visit to Louisiana.

Old Business:

1)Discussion regarding Messina Lakefront Airport, LLC's lease compliance issues, proposed lease amendments, and proposed leasing of Suite 121 in New Orleans Lakefront Airport Terminal under the standard terms and conditions for leases in the New Orleans Lakefront Airport Terminal.

Director Capo explained that staff had met with Mr. George Messina, of Messina Lakefront Airport, LLC, to discuss global lease issues. He said for example that alcohol sales counting towards the overage payments, according to the Alcohol Control Board, may not be collected as revenues to the LMA because it is a public agency. He said to account for that shortfall, staff has

proposed to raise the rate of the tier structure on the other sales to rectify the situation. He advised the Mr. Trey Babin, Legal Counsel to Messina Lakefront Airport, LLC, would be giving figures to staff so they could understand how restructuring the tiers would affect the overage rent payments.

Gerard Metzger, Legal Counsel to the LMA, advised that the LMA could get the Louisiana Office of the Attorney General to issue a declaratory judgement on the matter. Al Pappalardo, Real Estate Consultant to the LMA, advised that he believed offsetting the loss from the non-collection of alcohol sales would be a viable solution to the issue. Mr. Metzger advised that the lease was already in effect when Mr. Messina applied for a liquor permit to serve alcohol on the premises, and they learned about the prohibition of alcohol sales remittance to public agencies at that time. He advised that restructuring the lease could prove to be beneficial for both parties.

Commissioner Lapeyrolerie asked if this information was in response to the request of staff to verify any and all sales to the leased premises. Staff advised that was the case. Mr. Metzger said it was his understanding that staff, with advisement from the Legal Committee, was seeking to resolve issues through a lease settlement to solve standing issues.

Director Capo advised that staff had reviewed the two catering contracts during COVID-19 that they undertook, and those sales were included in the sales information given to the LMA. Commissioner Lapeyrolerie asked if the approximate \$7,000.00 in overage rent payments was accurate. Director Capo advised that it was.

Director Capo and Mr. Martin discussed the issue of the reduced hours. Mr. Martin explained that they met with the FBOs to see what their needs were to learn about the demand for the restaurant hours. He further explained that Messina's has proposed to run the restaurant from 11:00 AM – 3:00 PM for six months with the beginning date as April 6, 2021. He said Messina's also proposed amending the hours thereafter to 8:00 AM - 3:00 PM subject to adjustment if the Airport obtained a charter service. The Committee expressed concern about the condition since there was not a charter service in operation before the pandemic.

Mr. Martin advised that Mr. Messina was still interested in leasing Suite 121 at market rate with the condition that the lease would be a companion lease to the other leases with the same terms and CPI increases.

Commissioner Fierke confirmed that the space would be used for storage. Mr. Martin confirmed that was the case.

Director Capo informed the Committee that Mr. Messina has offered to pay \$13,000 in back rent which was an increase of \$3,000 from the original offer and was approximately half of the market rate value dating back to December of 2019.

Mr. Metzger said that staff and legal counsel could prepare a memo in advance of June's Board Meeting about the recommendations of the lease settlement.

Commissioner Fierke asked if committee recommendation was needed. Mr. Metzger advised that some issues still needed to be resolved and could be discussed at next month's Committee meetings.

Commissioner Lapeyrolerie thanked staff for their progress on the issue.

New Business

2) Motion to recommend approval of a lease with Infrastructure Consulting & Engineering, PLLC for Suite 243 in the Lakefront Airport Terminal for a primary term of one year with two (2) one-year-options to renew under the standard terms and conditions for leases in the Lakefront Airport Terminal.

Mr. Martin explained that Infrastructure Consulting & Engineering, PLLC expressed interest in having an onsite presence at the Airport, and they will be paying market rate under standard terms and conditions.

A motion was offered by Commissioner Fierke, seconded by Commissioner Meadowcroft, and was unanimously adopted to recommend approval of a lease with Infrastructure Consulting & Engineering, PLLC for Suite 243 in the Lakefront Airport Terminal for a primary term of one year with two (2) one-year-options to renew under the standard terms and conditions for leases in the Lakefront Airport Terminal.

Announcement of next Airport Committee Meeting:

- 1) Tuesday, June 15, 2021– 2:30 PM**

Adjourn:

Commissioner Fierke made a motion to adjourn the meeting. Commissioner Meadowcroft seconded the motion. All were in favor. The meeting adjourned at 3:11 PM.