

West Calcasieu Airport Managing Board Meeting Minutes

November 7, 2017

I. Call to order

Chairman Dalton Langford called to order the regular meeting of the West Calcasieu Airport Managing Board at approximately 4:35 p.m. on November 7, 2017, in the Conference Room of Southland Field Airport, 7000 Southland Field Road, Sulphur, Louisiana.

II. Invocation

Wilmer Dugas led the invocation.

III. Pledge of Allegiance

Pledge led by R. K. Levens and recited by all board members and guests.

IV. Roll call

The following persons were present:

- ✓ Chairman Dalton Langford
- ✓ Don Chamblee
- ✓ Wilmer Dugas
- ✓ Dana Keel
- ✓ R. K. Levens

Board Member Joe Palermo was absent.

(Others also present at the meeting were: Tim LaFleur, Jackson Schrupf, Darla Perry, Chuck Stutes, Chris Funk, Chad Brossett and Sheila Burton.)

V. Approval of minutes of the October 3, 2017 regular monthly meeting

Chairman Langford entertained a motion to approve the minutes of the October 3, 2017 regular monthly meeting. Wilmer Dugas made a motion to approve the minutes of the October 3, 2017 regular monthly meeting, 2nd by Dana Keel. No opposition. Motion carried.

VI. Additions/Deletions to Agenda

Don Chamblee asked to add to the agenda to discuss rejuvenation/re-stripping of the parking lot and also discuss what needs to be done about the junk left by George (a former tenant). Mr. Schrumpf stated that the former tenant has been making payments. Director Tim Lafleur added that he hasn't made payments since the hurricane, but he had made payments prior to that. Chris Funk told the Board that as far as asset disposal, you don't have to advertise since it is not the Airport's property. There was a brief discussion on how to dispose of the former tenant's assets.

R. K. Levens asked to add to the agenda going into Executive Session for a personnel discussion. Wilmer Dugas made a motion to add to the agenda to discuss rejuvenation/re-stripping of the parking lot; to discuss what needs to be done about the junk left by George (a former tenant); to go into Executive Session for a personnel discussion. The motion was 2nd by Dana Keel. No opposition. Motion carried.

VII. Audit Report from Chris Funk (McMullen and Mancuso)

Chris Funk gave his annual presentation of the Audit Report for fiscal year end June 30, 2017. Chris reported it was a good audit with no findings and no management letter comments. Chris briefly reviewed the audit report with the Board. Wilmer Dugas made a motion to accept the Audit Report as presented by Chris Funk, 2nd by R. K. Levens. No opposition. Motion carried.

VIII. Abandoned (Not flight worthy) aircraft left on airport ramp

Don Chamblee explained that the Committee appointed by the Chairman came up with an amount of \$50 for parking on the ramp. Mr. Chamblee explained that the lowest rental amount presently is \$125 for aircraft in the community hangar. Mr. Chamblee suggested getting something legal in writing to try to prevent people from parking "junk" on the ramp. There was a brief discussion regarding the present policies in place and the guidelines needed to prevent someone from leaving aircraft on the ramp. Attorney Jackson Schrumpf offered putting a policy together to bring to the Board. Darla Perry suggested placing into the policy wording such as "there will be a ramp rental fee for any extended use of the ramp (exceeding 5 days) to anyone that is not a tenant in one of the Airport's hangars." Darla also suggested establishing in the rate structure a ramp rental fee for any aircraft sitting on the apron tie-down area for a period extending 5 days and not currently leasing an airport hangar, and any rentals beyond 3 months will be required to move. There was continued discussion on the wording of the policy. Chairman Langford asked Mr. Schrumpf to draw up a policy for the Airport.

IX. LAMA (Louisiana Airport Managers Association) asking for \$1000 to assist with 47th Annual Conference being held in Lake Charles (2018)

Director Tim Lafleur explained to the Board that LAMA is asking all of the airports to assist in a donation for the conference to be held at one of the local casinos. Tim said he

thinks that everyone associated with the airport is invited to the conference. There was a brief discussion on what takes place at the conference and how much the Airport wanted to donate to LAMA. Wilmer Dugas made a motion to donate \$1000 to assist with 47th Annual LAMA Conference being held in Lake Charles (2018), 2nd by Dana Keel. No opposition. Motion carried.

X. Engineer's Report

Chuck Stutes stated that the only active engineering project that is in design right now is the fuel farm. Chuck reported the mechanical and electrical engineers should be done shortly with their part. Chuck said they bid on the 2nd phase of the rejuvenation of the apron project in mid-September. All of the documentation has been sent to the FAA, and they have not yet responded. Chuck said Tim spoke with Danielle with the State, and she advised him that the Airport can go ahead and award the bid since they have an executed grant. Chuck stated they will go ahead and prepare all of the documents and get them to Tim for signatures. Darla asked if John Dawson has responded on the other projects that they are waiting to submit payment to close out the projects. Chuck answered that he has not responded on anything that he is aware of. Wilmer Dugas made a motion to accept the Engineer's Report as presented, 2nd by Don Chamblee. No opposition. Motion carried.

XI. Discuss ground lease amendment with First Flight Holdings

Chairman Langford told the Board there was a meeting with Chad and Bobby of First Flight, and they are proposing giving the Airport some assets ahead of time to benefit their tax situation. Jackson Schrupf explained that First Flight's attorney is going to prepare a donation in anticipation of assets that would be turned over to the Airport when the lease ends. Mr. Schrupf said they are basically doing it ahead of time to get a tax benefit before December 31st of this year. Mr. Schrupf explained he does not have a proposal in his hands for the Board to vote on, but First Flight would like to have some kind of agreement from the Board that they are ok with the process.

Mr. Schrupf stated that board member Dana Keel had an issue about the DEQ permits with the sewer plant. Mr. Schrupf said he just received a copy today of their permit, and he asked DEQ whether the Airport would have to apply for a new permit and whether the Airport could require First Flight to still be responsible for all of the maintenance. Mr. Schrupf said he feels like they can since it is already on the Airport's property and First Flight is already maintaining it, that it's just a continuation of the lease; but he hasn't heard back from DEQ on it yet. Darla explained the assets would be the road, sewer lines, water lines, all electrical and any of the infrastructure. Chairman Langford also added that First Flight would be in charge of maintenance and repairs, insurance and lawn maintenance. Mr. Schrupf told the Board that they need to make sure all of that is written in the agreement that ownership is passing to the Airport but that First Flight will still be leasing and maintaining it.

Mr. Schrupf asked Chad if he was clear that First Flight wants to extend payments on the lease for the first part of next year to spread them out. Chad answered yes. Chad explained what they are trying to do is create a longer runway to get from the tail end of

this project to get to the next project down the street. Chad explained to the board the cost of maintaining everything and cost of insurance along with having a staff on site is very expensive with no revenue coming in. Mr. Schrumpf announced that First Flight has gotten notice from CB&I that their contract will terminate in April. Mr. Schrumpf explained they want to take their payments for December 2017 through April 2018 and spread them out over 12 months to decrease their monthly rent. Chad explained that it will actually be about the same amount per month when you add on the additional head count rent and divide it by 12. There was further discussion about the monthly payments for First Flight. Don Chamblee asked what the next project is they are looking at. Chad answered Driftwood. Tim Lafleur explained that First Flight will have a dormant period where there is no residency whatsoever from April to possibly December or January. So there would be no income coming in for the residency, but they would keep a skeletal crew here at the Airport to maintain everything.

There was a brief discussion on what the actual payments would be and how this would work. Mr. Schrumpf said the Board does not have to agree to it today, only in principle. Darla Perry stated that they would like to convey to Chad that the Airport would like to work with them. There was continued discussion about the payments. Mr. Schrumpf told Chad that he would need clarification on how long they will be paying rent on a monthly basis and what part will be spread out over 12 months. Chad offered to put together a schedule of real numbers and email it out to everyone. Wilmer Dugas explained that they want to make sure they do what's right for everyone. Wilmer suggested having Mr. Schrumpf, Darla Perry and representatives of First Flight get together and come up with a plan to bring to the Board for them to review and make a decision that would benefit everyone. There was a brief discussion on what will be brought to the Board for their review. Chairman Langford thanked Chad for attending the meeting.

Wilmer Dugas asked for a recess. Chairman Langford granted the request for a recess. The Board was in recess at approximately 5:25 p.m. The Board resumed the meeting at approximately 5:30 p.m.

XII. Finance Report

Darla Perry explained that the finance report was the audit report, and it has already been approved. Darla told the Board they have a copy of the monthly finance report, and if anyone has any questions they can address that with her.

Mr. Schrumpf asked the Board if they wanted to discuss the treatment on the parking lot. Chairman Langford stated that Tim is going to get a price on it. Tim told Mr. Schrumpf that when they have their pre-construction meeting, he will pull the guy off to the side to speak to him about getting a price on the parking lot.

R. K. Levens asked about former tenant George's junk that has been left at the airport. Tim said he will address it with George.

XIII. Executive Session

R. K. Levens made a motion to go into Executive Session, 2nd by Wilmer Dugas. No opposition. Motion carried. The Board went into Executive Session at approximately 5:32 p.m.

R. K. Levens made a motion to come out of Executive Session, 2nd by Don Chamblee. No opposition. Motion carried.

R. K. Levens made a motion to give Airport Manager Tim Lafleur a 5% raise effective next pay period, 2nd by Wilmer Dugas. No opposition. Motion carried. Chairman Langford explained that it was discussed during Executive Session how the only reason Mr. Lafleur is able to get a raise is due to First Flight being at the airport. Chairman Langford said if First Flight wasn't at the airport, the Board would not be able to offer the Airport Manager a raise. Chairman Langford commended Mr. Lafleur on a job well done.

XIV. Old Business

There was no old business addressed at this time.

XV. New Business

Don Chamblee announced to the Board that he received a call regarding money owed to Kaough & Jones Electric that they are unable to collect. Darla Perry said they are owed approximately \$51,000 on the lighting project. Darla explained that the two engineers signed off on the project about 3 months ago, and then Meyer & Associates submitted change orders and the additional cost to FAA. Darla told the Board that John Dawson at FAA has still not approved the change orders even though both engineers have signed off on them. Darla said the Airport has the funds to pay Kaough & Jones what is owed to them even though the payment is supposed to come from the FAA funds. Don Chamblee asked what the reason is why FAA is not paying the grant that they approved. Director Tim Lafleur stated that they cannot get the FAA to respond back to them to give them a reason. Tim said he has sent a punch list of 4 items from Kris Kelly to John Dawson twice in the last month, and he still has not responded. Darla complained that they have not heard from Mr. Dawson in over 3 months. There was a brief discussion on the FAA not communicating with the Airport and how to get Kaough & Jones paid the money they are owed. Darla said she will check with Danielle Gaylor with the State to see if the Airport could pay Kaough & Jones without jeopardizing any future funding by the FAA.

Dana Keel made a motion to contact Danielle Gaylor to see if the Airport can pay the contractor what is owed to them without jeopardizing any FAA money, 2nd by R. K. Levens. No opposition. Motion carried.

XVI. Public Comments

There were no public comments at this time.


XVII. Chairman's Update

There was no update given at this time.

XVIII. Adjourn

Chairman Langford entertained a motion to adjourn. Wilmer Dugas made a motion to adjourn the meeting, 2nd by Dana Keel. No opposition. Motion carried. Meeting adjourned at approximately 5:45 p.m.


Chairman


Acting Secretary