

CHENNAULT



INTERNATIONAL AIRPORT

**MINUTES OF THE
BOARD OF COMMISSIONERS
REGULAR MEETING**

**Wednesday, October 17, 2018
5:00 p.m.**

CIAA Board Room/ 3650 Sen. J. Bennett Johnston Avenue/Lake Charles, LA 70615

ATTENDANCE

Commissioners Present:

Mrs. Denise Rau, Vice President
Mr. Charles K. Dagleish, Commissioner
Mr. James G. Gobert, Commissioner
Mr. Tad Martin, Commissioner

Commissioners Absent:

Mr. Andrew D. Hankins, President
Mr. Rico Guillory, Sr., Secretary/Treasurer
Mr. Bill Hankins, Commissioner

Others Present:

Mr. Kevin Melton, Executive Director
Mr. Robert Kleinschmidt, Legal Counsel
Mr. Gerald Theunissen, Consultant
Ms. Loretta Hanks, Director of Finance
Mr. John McMullen, Director of Maintenance
Ms. Andrea LaFleur, Director of Executive & Airport Affairs
Ms. Haley Maynor, Administrative Clerk
Mr. Mitch O'Neal, Director of Operations
Mr. Chad Abell, Abell Crozier
Mr. Josh Arnold, Centerra Group
Mr. Byron Owens, CI2
Mr. Jonathan Farmer, KSA
Mr. Gary Collett, Cushman/Wakefield
Mr. Jay Lucas, Cushman/Wakefield
Ms. Emily Fontenot, O'Carroll Group
Mr. Brett Downer, O'Carroll Group
Mr. Jay Delafield, Attorney at Law
Mr. Sam Gabb, Attorney at Law CPPJ
Mr. Randy Liprie, Liprie Engineering LLC
Mr. Dane Bolin, CPPJ
Mr. Joe Torres, Million Air Lake Charles

CALL TO ORDER

Vice President Rau called the meeting to order at 5:00 p.m. Following the Pledge of Allegiance, roll was called and a quorum was established as indicated above.

PROPOSED AGENDA

Vice President Rau requested additions, deletions, and amendments to the proposed agenda and Mr. Melton announced that there were none to report.

ANNOUNCEMENTS/REPORTS

Mr. Melton reported that we do have a couple of people from the Parish which is appreciated. Mr. Melton reported that we do have a tree issue (obstruction to flight operations) off the runway and we have been working to try to mitigate that issue and we will

provide a quick update on where we currently stand today. Mr. Melton stated that the bottom line is there are approximately 30 trees that are not in compliance with parish ordinance and also impact our operational capability with an increase in our approach minimums and has decreased safety for Runway 15 Aircraft. Mr. Melton stated that if we enforce, which is what we would like to do, we can (1) remove the current approach/departure restrictions; (2) negative impact to Chennault operational capability is not reduced due to the restriction imposed by the FAA; (3) economic growth remains a priority for the region; (4) allowing trees to infringe upon approach criteria contradicts our effort to build capability and capacity to attract aviation industry to the airport; (5) community support that ensures compliance with land grant assurances and enable Chennault's ability to apply and garner future funding; and (6) enhancement of operational safety for aircraft departures by limiting the obstructions on the south side of the airfield. Mr. Melton has documented several milestone of key events –

- June 29, 2018 had Mr. Reeves in my office to discuss the tree issue;
- August 1, 2018 the FAA imposed the flight restrictions;
- August 2 and 15, 2018 our Director of Operation, Airport Engineer and I had meetings with Michael Hankins to discuss tree/safety issues;
- August 7, 2018 email conversation with Mr. Reeves clarifying the need to cut trees and reiterating that Chennault would pay to cut the trees;
- August 7, 2018 Chennault's Director of Operations and Chennault Legal Counsel met with the Parish;
- September 5, 2018 met with the Parish to discuss options/land buy;
- September 19, 2018 the Board of Commissioners approved to purchase the land;
- September 27, 2018 retained Jay Delafield as Chennault legal counsel for the tree issue;
- September 11 – October 4, 2018 iterations of land buy agreement
 - (1) Sale contingent upon both parcels of land,
 - (2) “however, under no circumstances shall the total sales price be less than Three Hundred Fifty-Five Thousand Dollars (\$355,000.00)”,
 - (3) Existing Chennault runways will not be lengthened in a manner that would place the Southern end of the existing runways any closer to the property owned by Louisiana Multimodal Terminals, LLC (LMT) without the written consent of LMT or its successors or assigns,
 - (4) “Purchaser acknowledges and warrants fully that the development of an Industrial Rail Terminal on the LMT property will not interfere with purchasers’ operations, included but not limited to the following development uses currently planned for the site:
 - (a) Rail Loop Track,
 - (b) Equipment Storage Yards,
 - (c) Industrial and Commercial Structures,
 - (d) Vehicle Parking,
 - (e) Retail Stores with Fuel Sales,
 - (f) Other uses which are in compliance with Calcasieu Parish Zoning regulations.”;
- October 7, 2018 Parish notifies NGR of Chennault intent to request enforcement;
- October 11, 2018 Received NGR letter notifying FAA of issue and request FAA “investigate the matters discussed above and provide it with assurances that CIAA operations are being conducted in a safe manner”;
- October 16, 2018 Chennault receives NGR Petition for Declaratory Relief;
- October 17, 2018 Parish validating Chennault sponsored (Pelican) survey; and
- Current Status awaiting Parish to validate issue and pursue enforcement.

Mr. Delafield provided a legal update for the obstruction to the flight operations.

Mr. Melton reported that the future impact to FAA approach/departure clearance requirements and Parish Ordinance must be mitigated because the issue will re-occur due to tree growth which pines grow 1-2 feet per year. Annual surveys and future cuts must be conducted to mitigate impact and if left unchecked, a displaced threshold (reduces runway length) may be required as well as potential loss of FAA and state grants.

Mr. Melton reported that the Desktop Due Diligence seeks to identify any environmental or engineering related conditions that may delay, hinder, or preclude site development on Sites

4, 6, and 8. Mr. Melton reported that they did find that there is need for water and sewer requirements. Mr. Melton reported that we are also working the conceptual transportation layout. Mr. Melton reported that KSA is working an Environmental Assessment for Mallard Cove. Mr. Melton reported that the new golf course is schedule for opening in late fall 2019. Mr. Melton reported the November 21, 2018 Regular Board meeting is changed to November 14, 2018 due to the Thanksgiving Holiday. Mr. Gobert requested that the Regular Board meeting day be changed from Wednesday. After discussion, beginning December the day for Regular Board meetings will be at 5:00 p.m. on the third Thursday of the month. Mr. Melton referenced the Bylaws in regards to the Committee Meetings – will have Committee Meeting, but we will have them when they are required for complex or contentious issues (vice housekeeping). Mrs. Rau stated let's try only having Committee Meetings, when it is only items that need more discussion. Mr. Melton reported that he met with the Louisiana National Guard adjutant general to solicit operational requirements in which Chennault can be utilized.

Mr. Downer gave a brief summary as to the media coverage that has been updated on Facebook and LinkedIn.

Mr. Davidson gave a brief summary pertaining to his meeting with CSRS, O'Carroll Group, KSA, and Chennault Tenants. Mr. Davidson reported that he is excited about the tremendous collaboration he has with all of his meetings.

Mr. Lucas reported that the timeline is moving forward with the branding of Chennault Park.

MINUTE APPROVAL

VICE PRESIDENT RAU ASKED IF THERE WAS ANY INPUT FROM THE PUBLIC. LET THE RECORD SHOW THERE IS NO INPUT FROM THE PUBLIC. MOTION WAS MADE BY MR. DALGLEISH, SECONDED BY MR. GOBERT, AND CARRIED UNANIMOUSLY TO APPROVE THE MINUTES OF THE SEPTEMBER 19, 2018 REGULAR MEETING.

FACILITY BACKFLOW PREVENTERS

Mr. Melton stated that bids will be received on Friday, October 19, 2018 at 2:00 p.m. would like to award the contract to the low responsible bidder as long as the bid is within budget. Mr. Melton stated that the purpose of this project is a regulatory requirement from the City of Lake Charles. **PRESIDENT HANKINS ASKED IF THERE WAS ANY INPUT FROM THE PUBLIC. LET THE RECORD SHOW THERE IS NO INPUT FROM THE PUBLIC. MOTION WAS MADE BY MR. GOBERT, SECONDED BY MR. DALGLEISH, AND CARRIED UNANIMOUSLY TO AUTHORIZE THE EXECUTIVE DIRECTOR TO AWARD A CONTRACT TO THE RESPONSIBLE LOW BIDDER FOR FACILITY BACKFLOW PREVENTERS.**

SELF-SERVE AVGAS TANK

Mr. Melton stated that the Self-Serve AVGAS Tank will have an approximate 2,000 gallon capacity. Mr. Melton stated that the tank will become the property of the Authority at the expiration of this sublease, including any option period exercised by Million Air Lake Charles (FBO). Mr. Melton also stated that the FBO will be responsible for operating, maintaining, repairing, and insuring the fuel tank during the term of this sublease, including any option period exercised by the FBO. **VICE PRESIDENT RAU ASKED IF THERE WAS ANY INPUT FROM THE PUBLIC. LET THE RECORD SHOW THERE IS NO INPUT FROM THE PUBLIC. MOTION WAS MADE BY MR. DALGLEISH, SECONDED BY MR. MARTIN, AND CARRIED UNANIMOUSLY TO AUTHORIZE THE EXECUTIVE DIRECTOR TO ALLOW MILLION AIR LAKE CHARLES TO RETAIN ALL FUEL FLOWAGE FEES TO RECOVER THE COST TO PURCHASE AND INSTALL A SELF-SERVE AVGAS TANK NOT TO EXCEED \$95,000.00.**

ADJOURNMENT

VICE PRESIDENT RAU ASKED IF THERE WAS ANY INPUT FROM THE PUBLIC. LET THE RECORD SHOW THERE IS NO INPUT FROM THE PUBLIC. MOTION WAS MADE BY MR. DALGLEISH, SECONDED BY MR. MARTIN, AND CARRIED UNANIMOUSLY TO ADJOURN THE MEETING. With no further business to come before the Commissioners, President A. Hankins declared the meeting adjourned at 5:57 p.m.

MR. ANDREW D. HANKINS, PRESIDENT

MR. RICO GUILLORY, SECRETARY